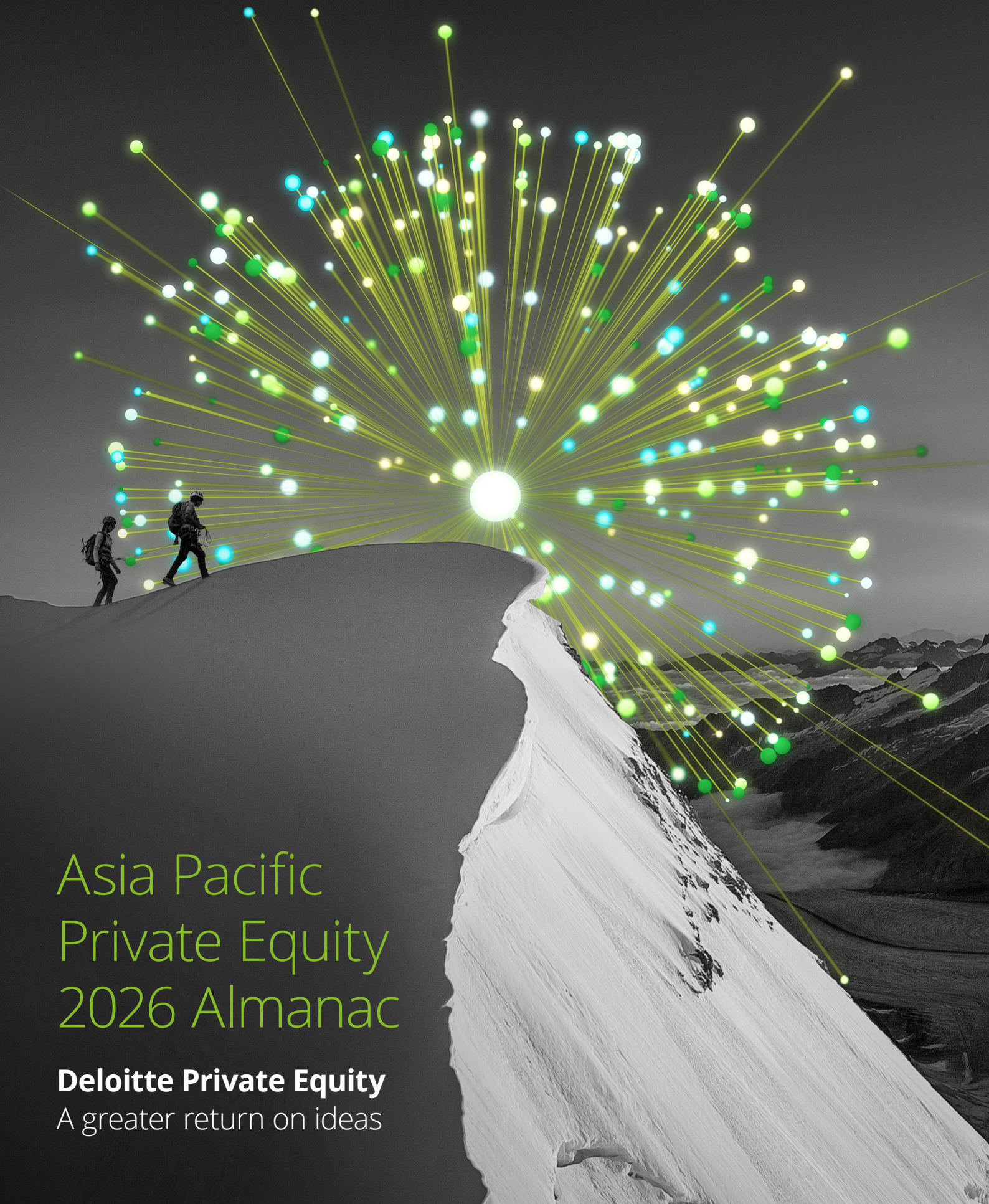


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Asia Pacific
Private Equity
2026 Almanac

Deloitte Private Equity
A greater return on ideas

Contents

Foreword	03
Executive summary	04
Market insights	
Certain about uncertainty	06
Changing plays for a changing world	11
New partner relationships: PEs swipe right	13
AI is everything, everywhere, all at once?	16
Choose your own adventure: divergent paths	18
Shifting LP dynamics	21
Looking forward to 2026	23
Market statistics	
Buyout investments	24
Buyout exits	29
Dry powder and fundraising	32
Deloitte Asia Pacific Private Equity team	36
Appendix	
Top deals by geography	38
Glossary	44
Our approach	46
Endnotes	47

Foreword

Welcome to the third Deloitte Asia Pacific Private Equity Almanac. We're delighted with the response to our previous editions, both from industry insiders and observers. This year we have gone even further into the emerging trends in our region and the themes that dominated activity in what was by any standards an unusual year for private equity and the financial markets as a whole here in Asia Pacific and globally.

There is no avoiding the defining and disruptive impact of the tariff battles early in 2025. What had seemed to be a promising year for private equity was thrown dramatically off course with PE firms (PEs) around the world racing to recalibrate their existing investments before embarking on any new ones. Not surprisingly, some countries within our region responded better and faster than others, to the extent that, for Japan at least, 2025 was a landmark year. However, the threat and reality of tariffs was not the only macro force shaping the weather and behind the bluster and excitement of the first half of the year, the private equity markets of the region continued to evolve, though not necessarily in the same direction. As the tides of investment ebb and flow, and new players, from sovereign wealth funds (SWFs) to retail investors, throw their hats into the ring, the distinct offerings from domestic and regional funds are also an increasingly important factor, and homegrown General Partners (GPs) are growing in both size and ambition.

Amid it all, technological innovation through the application of large-language models and agentic AI is on the cusp of changing many industries. This brings both opportunities and threats for PE firms as they navigate the changes in portfolio companies, as well as in their own operations.

Making sense of this fast-changing picture and being able to intuit where the next developments will manifest themselves depends on local expertise and cross-border collaboration. Our analysis is led by the Asia Pacific Deloitte Private Equity Origination team, who have set out to provide the kinds of nuanced and contextualised insights that are only achievable by having connections to every part of the market and, critically, local presence and knowledge. We are excited to work with all the major players in private equity across the region – both in continuing to invest and recycle capital in Asia Pacific and in supporting operational transformation to create additional value in their thousands of portfolio companies.

We hope you find this Almanac informative and thought-provoking. We encourage you to reach out to us to discuss our thoughts and findings, or for a deeper dive into the topics and themes that most concern your business.



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Making sense of this fast-changing picture and being able to intuit where the next developments will manifest themselves depends on local expertise and cross-border collaboration.

Executive summary

2025: A new playbook for uncertain times

There can be no denying that 2025 didn't turn out quite as initially expected. As 2024 drew to a close, we observed that the conditions seemed ripe for a bumper year for private equity in Asia Pacific. It looked for all the world as if a good year would be followed by a great year, with record reserves of dry powder and a very real sense of optimism and momentum building.

Reality had other plans. The emergence of tariffs and counter-tariffs, even though the implementation didn't match the rhetoric, threw the whole world and particularly the private equity markets in Asia Pacific into uncertainty. As markets and investors turned inwards to regroup and reexamine their existing investments, dealmaking came to a halt. Only later in the year did we begin to see investment committees regain their appetite for new deals. But 2025 wasn't solely about tariffs, far from it, and while the world bounced from one headline to the next, investors moved forward and the year began to take on the sort of profile that many had hoped for.

Uncertainty in 2025 wasn't solely about tariffs. As the world bounced from one headline to the next, PEs adapted their playbooks in the second half of the year to navigate this more volatile environment.

Uncertainty dominates H1

The greatest effect of the tariffs announced on so-called "Liberation Day" was to create uncertainty. Even though few tariffs ever materialised in the form they were announced, the uncertainty they engendered led to confusion and chaos. The impact, however, was not evenly distributed: corporate M&A activity – particularly large-cap deals – driven by longer investment horizons, was fuelled by the disruption as strategic opportunities emerged. It was not the same for private equity. Shorter investment horizons that are more impacted by near-term volatility and the redirection of resources to recalibrate existing investments put a squeeze on private equity dealmaking in the first half of the year. In Asia Pacific, that effect was compounded by the disruption brought by outright conflicts and simmering tensions. We also saw governments become much more active as market players and, perhaps inevitably, this brought governments – and at times, the competition between them – into the deal making process.

PEs are quickly adapting to this volatile environment, and in the long-term, the impact of these tariff storms may actually be to drive a rebalancing of the global economy as Asia Pacific countries develop stronger intra-Asia ties and seek to make themselves a little less vulnerable to the mood swings of the super-powers.

Adapting to change

Perhaps inevitably, given the reserves of dry powder, as the world got used to the normality of uncertainty, dealmaking resumed in the second half of the year. However, the nature and size of the deals changed. Gone were the megadeals of 2024 as PEs instead opted for bolt-ons and deals that would be less likely to attract the attention of regulators. We also saw a shift to defensive plays, with PEs prioritising

sectors that are either resilient to market shocks, such as healthcare and transport, or that provide the infrastructure for the anticipated AI boom without the unpredictability of straight-up AI investments.

Alongside these new plays, we also saw an increased focus on creating value not through growth but through operational efficiency and the introduction of external, professional talent to drive this.

As the game changed, so did the players

Overall exits were down in 2025, but with Limited Partners (LPs) still demanding returns, PEs found different ways to provide liquidity including single and multi-asset continuation vehicles, fund-to-fund trades and partial exits either to other GPs or to the increasingly engaged SWF community. We also saw numerous instances of funds selling businesses back to their founders or previous owners, capitalising on their conviction to achieve liquidity and free up portfolio management resources, albeit sometimes at a significant discount.

The role of private equity in corporate deals has increased over recent years as well, and 2025 was no exception. PEs buying from corporate sellers or public companies accounted for nearly three quarters of the largest deals in Asia. Not only are PEs buying from corporates more often, but corporates are the most common path for PE exits, now accounting for 55% of all private equity portfolio company sales. In fact, as Asia Pacific has matured, private equity has shaken off many of the doubts and suspicions it once attracted and is now seen by many business owners as a mainstream option for delivering scale and driving innovation.

The gathering AI storm

Private equity, like every other sector, is braced for the impact of an AI revolution. So far it is the talk about AI, and the apprehension it fosters, that seems to be dominating the sector rather than any specific, tangible impact. AI looks set to revolutionise deal sourcing and to shake up PE teams, particularly at the junior level, and there is a lot of noise about its potential to create value further into the investment lifecycle. But right now, the overriding sense is that PEs are looking around to see where and how others, including other PEs, are leveraging its power, while simultaneously exploring accelerating their routes to exit to pre-empt any disruption to exiting portfolio companies that AI may bring.

Heading in different directions

The year yielded strongly contrasting experiences, depending on the country you look at. If Asia Pacific private equity in 2025 was a competition, Japan was undoubtedly the winner – and perhaps second place too. Already the bookmakers' favourite, along with India, Japan surpassed its 2024 H1 numbers in March and was the least troubled by the turmoil around tariffs, negotiating quickly to get back on track and deliver over 26% of Asia Pacific's private equity investment value. India, while more modest, also enjoyed a good year though it felt the strain of balancing its political and trade alignments, resulting in a weak currency and less clarity about the status of its tariff and trade future. There is, however, a clear growth story for private equity in India – one with a strong homegrown flavour as domestic PEs closed record-breaking multi-billion-dollar funds. China, meanwhile, got on with being China, responding to the reduction of some western investment with a renewed focus on domestic and regional funds, including Chinese funds buying up the China operations of global companies as well as pursuing opportunities further afield.

Retail arrives

Among a number of developing themes within PE funds themselves, the arrival of retail investment looks set to be the most significant, both in terms of the flow of funds and in the way the sector will have to adapt to accommodate a new cadre of 'lay' investors. PEs are pursuing partnerships, undertaking M&A, and exploring new fund structures in anticipation of the rise of retail investors.

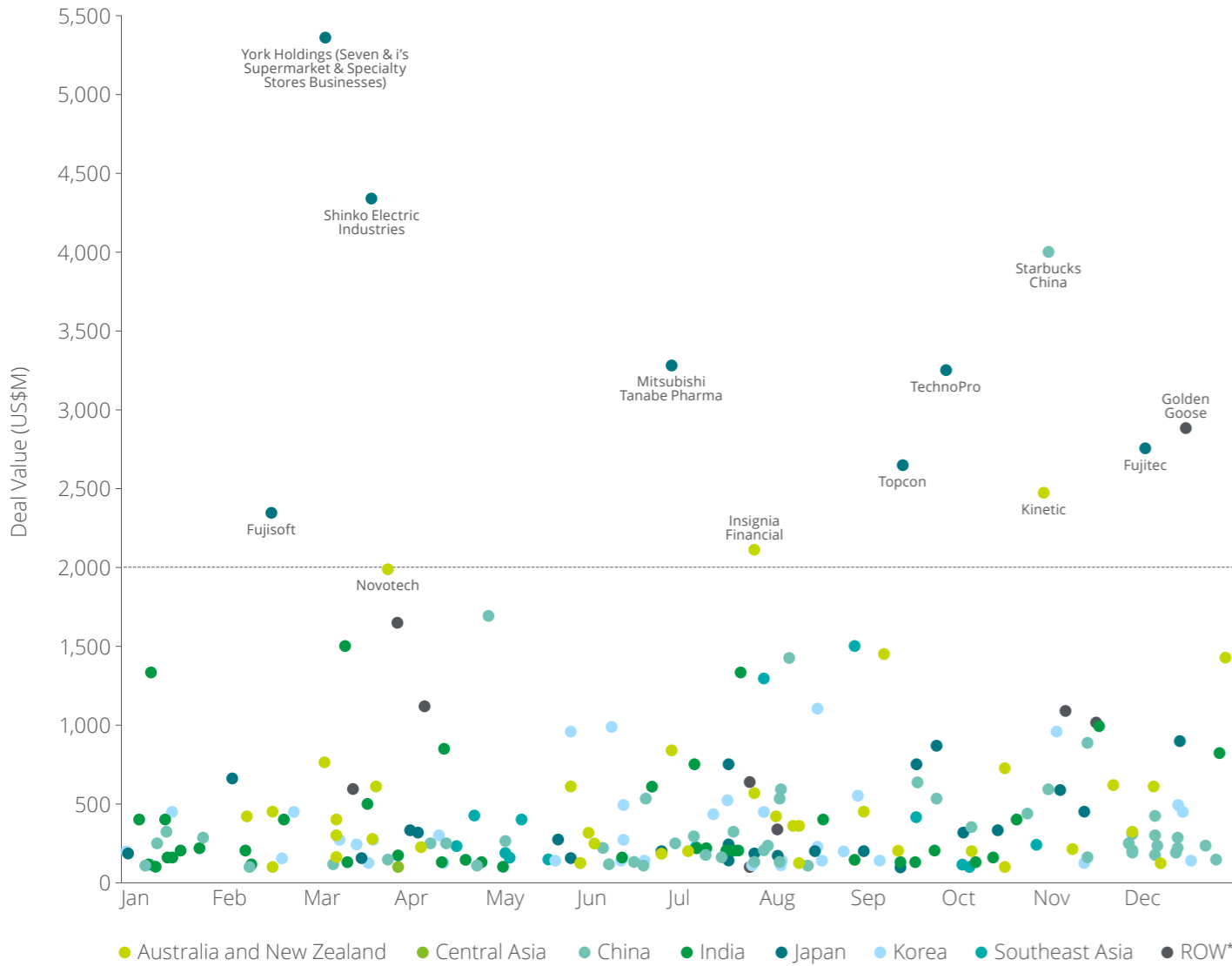
Ready for a big year ahead... again

The markets remain primed for a strong year in 2026. Dry powder is high, there remains a backlog of exits, and despite on-going geo-political tussles early in the year, PEs are remaining active.

Market insights

Certain about uncertainty

2025 Asia Pacific Private Equity buyout deal distribution (deal value US\$100M+)



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Asia Pacific 2025 buyouts \geq US\$100M skewed towards mid market, smaller size deals. Outside of Japan, only four deals exceeded US\$2B in 2025, down from eight a year earlier. Indeed, Japan alone contributed seven of the top 10 private equity deals in Asia Pacific in 2025, all of which were transactions exceeding US\$2B.

Source: Deloitte analysis

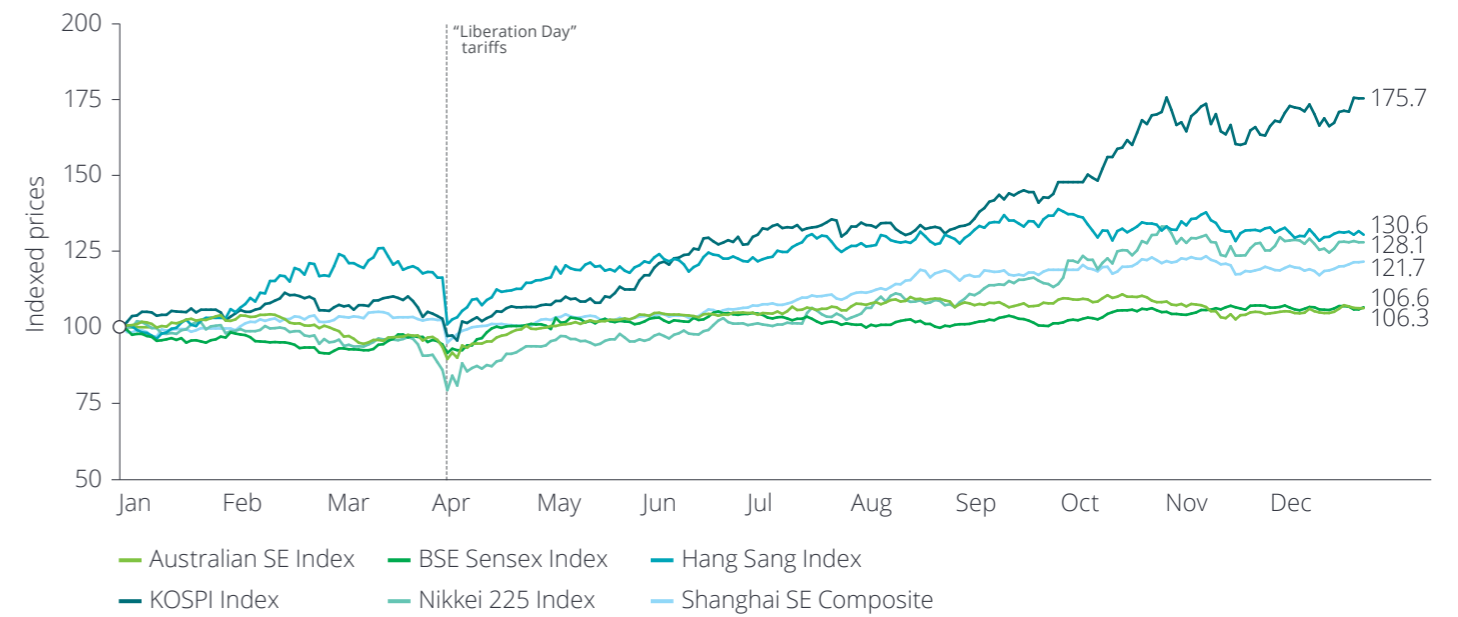
*Note: Rest of world (ROW) represents non-Asia Pacific investments made by Asia Pacific PE funds

Ready, set... wait, what?

As 2025 began, there was a strong sense of optimism for M&A activity globally, including potential deal activity for private equity in Asia Pacific. Post-COVID-19 inflation concerns had been allayed, policy interest rates had seemingly peaked and, after years of delays, market participants seemed ready to transact. Moreover, the previous year had seen more than 70 government elections across the globe, including those in influential and populous countries such as the US, India and Indonesia. With new or continued leadership confirmed, political certainty and the prospect of a lighter regulatory touch in some markets were expected to further fuel M&A activity. As stated in last year's Asia Pacific Private Equity Almanac, "2025 looks set to be a year of growth, albeit one that may have to contend with shocks and volatility originating outside the region." By the end of just the first quarter, those external shocks and volatility had already taken their toll, and the hoped-for supportive macro backdrop had morphed into the certainty of uncertainty, at least in the short term.

The so-called "Liberation Day" tariffs, announced by the US on 2 April 2025 brought an abrupt halt to most deal making. The potential imposition of high tariffs, and the corresponding wave of retaliatory announcements, made deal valuation difficult if not impossible. Even those companies with little cross-border exposure found it difficult to assess the impact tariffs might have on consumer confidence and their domestic growth. Deal teams at private equity firms refocused their energies on existing portfolios, revisiting financial models and projections to create "what if" scenarios in case the proposed tariffs – or some version of them – came into effect. The new refrain among investment committees was "don't bring us new deals." Understanding the impact of changing trade deals on companies already owned and understood by a fund was hard enough; how could investment committees be expected to get their heads around the potential impacts on a new acquisition? As a result, new deal activity slowed substantially with Asia Pacific private equity deal value plunging in Q2 2025, down 37% on Q1.

2025 Asia Pacific major stock index performance



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Public market indices show that despite the tariff shock in late March/April, markets have recovered – and in many cases gained substantially from where they started the year.

Source: LSEG

It's not the tariffs, it's the not knowing

Throughout the year, and not surprisingly, tariffs emerged as the stalking bogeyman of deal making. Normally, outside of valuation, the imposition of tariffs would be relatively inconsequential to M&A activity, and even valuations can be recalculated relatively easily: a new tariff's impact on revenue and costs can be run through a model, resulting in a new enterprise value – simple maths. But these were not 'normal' tariffs where a level is fixed and the markets adapt, and it was the lack of certainty and permanence that made tariffs a much more significant problem in 2025. Very few of the announced tariffs ever came into effect as they were initially proposed. Various iterations of proposals, revisions, deadlines, extensions, and exemptions emerged throughout the year, creating confusion and chaos for ongoing transactions. A financial valuation model revised on Friday would be irrelevant when news of changed tariffs arrived on Monday. At times, proposed changes came via late-night tweet or press release leaving government officials scrambling to substantiate them. Uncertainty and change were the real culprits behind slowing activity, not the tariffs themselves.

Unfortunately, it wasn't just tariffs that created uncertainty. The list of ongoing conflicts around the globe, some approaching four years, gained a number of Asian additions in 2025. There was a brief but intense conflict between India and Pakistan, outright war between Thailand and Cambodia, and increased tensions between China and Japan. As ever, the outbreak of hostilities and the exchange of ordnance across borders only amplifies the uncertainties impacting dealmaking in the region as markets, populations and supply chains are disrupted.

The gamesmanship of tariff threats and suggestion of trade wars are both a symptom and a cause of a wider phenomenon that is shaping many aspects of government around the world: the normalisation and acceptance of much higher levels of interventionism. While the activities of large corporates from some countries have long been viewed as the manifestation of state policy objectives, government strategy is now visible in ostensibly commercial concerns around the world. From the White House taking bids for TikTok and

opining on the future of Warner Bros. to the Indonesian government leveraging a sales ban on the iPhone 16 to secure a US\$160M investment commitment from Apple, governments increasingly feel empowered to be market players rather than spectators. Unsurprisingly, that brings them into competition with each other, as in the case of the US arranging the sale of the Panama Canal and ports and China's insistence that COSCO be part of any deal. It also adds to the complexity of any potential deals, including those of PE funds.

Ironically, tariffs that started in the US and were intended to breathe new life into American production could actually lead towards a global economy that is less dependent on American leadership. Deloitte global M&A statistics show a decrease in cross-border M&A involving the US and Asia Pacific over the past year, with US M&A into the region down by ~37% in H1 2025 YoY and Asia Pacific M&A into the US declining 12%. European M&A into the US saw similar H1 declines, down 22%. However, by year-end, European-US M&A had more than recovered, but Asia Pacific M&A into the US remained 21% below the prior year. Clearly, the rhetoric and ongoing trade disputes have disrupted the flow of investment.

As Singapore's Prime Minister Lawrence Wong noted in September, this may be part of a broader transition from a US-led unipolar world to a multipolar global economy:

*"We are clearly moving into a direction where the world would be more multipolar, more contested, less coordinated. What shape this new global order will take, no one can tell. But it is not likely to be the product of a grand design by just one or two superpowers anymore, not even the product of a harmonious accord of a few major powers, like what happened after the Second World War."*¹

But these were not 'normal' tariffs where a level is fixed and the markets adapt, and it was the lack of certainty and permanence that made tariffs a much more significant problem in 2025.

Putting it in context: Global M&A vs. Asia Pacific Private Equity

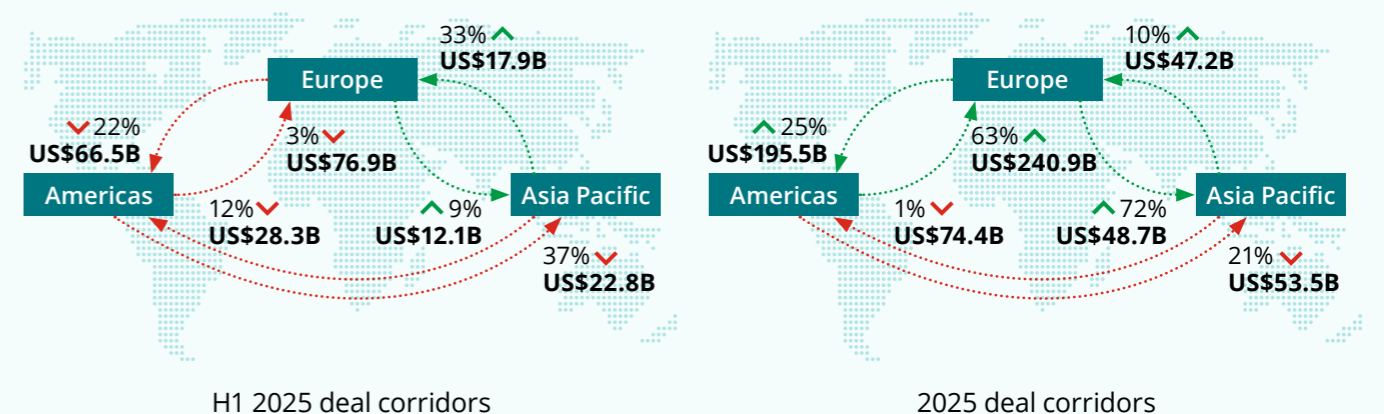
The impact of that uncertainty was not felt evenly across all forms of dealmaking: 2025 was actually something of a bumper year for corporate M&A globally while Asia Pacific private equity activity was significantly affected. Why? A large part of the answer is in the shorter investment horizons of PEs and how that can magnify near-term risks. Volatile policy and tumultuous markets can be more unsettling for a PE fund than for corporates that have no defined need to exit over a set period. For a large corporate, strategic dealmaking can have a multi-decade impact, and turmoil can even be seen as a driver of opportunity to make big strategic moves rather than a hindrance. This was noted in Deloitte's recent white paper on Transformational M&A: "Companies that make M&A a perpetual journey, ingrained in their strategic DNA, have been shown to outperform – over a decade of Deloitte analysis, "growth transformers" achieved shareholder returns more than twice the S&P 1200 average by responding quickly and boldly to change."²

And that's exactly how it played out in 2025: globally, large corporates with strong balance sheets took advantage of the uncertain market to make big moves. In fact, it was a blockbuster year for blockbuster deals – globally, transactions over US\$10B hit an all-time high.³

Global corporate leaders such as Paramount and Netflix (media), Union Pacific (railroads), and Kimberly Clark (personal care/consumer health) pursued multi-billion dollar deals to expand their businesses. Meanwhile, billion-dollar deals for the Panama Canal and ports, and the acquisition of Electronic Arts by a consortium led by Saudi Arabia's PIF all underlined the role policy agenda had in overall M&A activity. All of this led to a year of contradictory accounts. Global M&A count was down but value was up.

Within Asia Pacific, Mergermarket recorded a 43% increase in M&A transaction value to US\$1.2T, with 14 deals over US\$10B accounting for US\$279B of deal value. Of these megadeals, however, none were private equity-related. Similar to the global trend, while value increased significantly, Asia Pacific M&A deal count only increased by 2%, indicating a skew towards large, transformative acquisitions, perhaps welcoming the strong role governments played in dealmaking as an opportunity to make big moves. At the same time Asia Pacific private equity count remained high but value declined. Aside from select deals – particularly in Japan and Australia – Asia Pacific PE funds shied away from large deals that might invite government scrutiny or exposure to changing trade policy implications and, instead, have been working on new investment plays to suit this environment.

Global M&A deal corridors



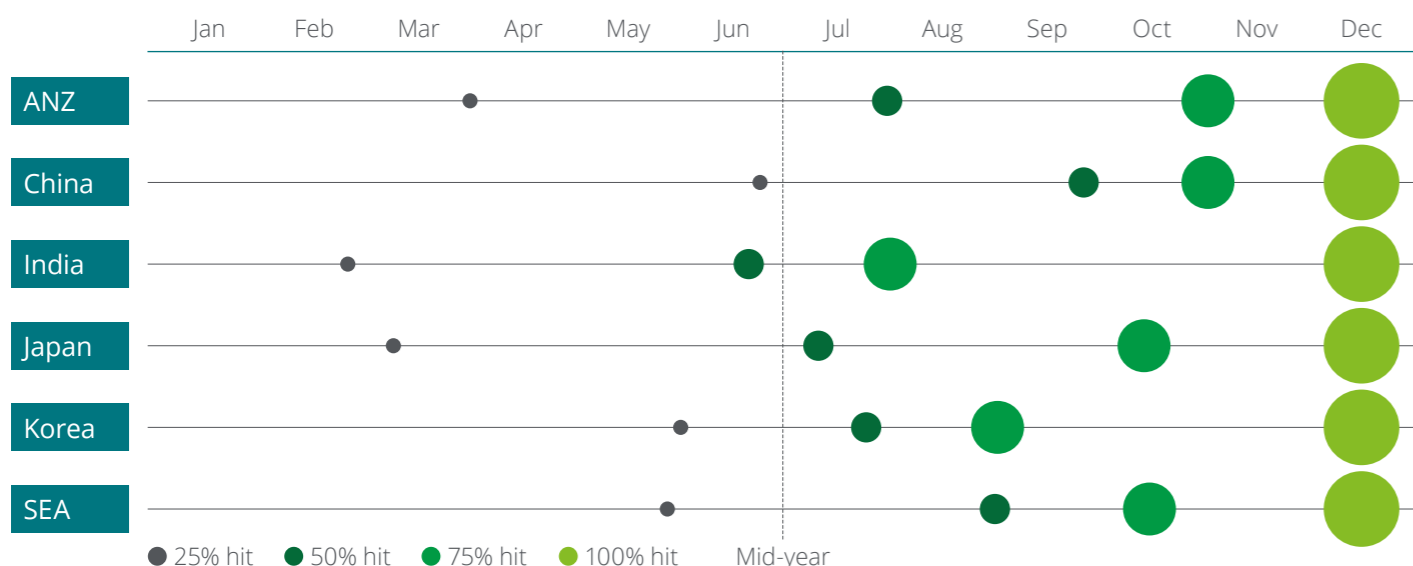
Source: Deloitte analysis, LSEG

Second half pick-up

Having recovered from or acclimatised to the initial shock of the Liberation Day tariffs and with on-going noise of revised tariffs fading, PE deal teams returned to work after the northern hemisphere summer break with renewed vigour to make deals happen. While the uncertain market backdrop had made forecasting difficult, it was equally difficult for all market participants and the pressure to deploy funds was undiminished. The same investment committees that had asked deal teams to stop screening new deals in April were now asking why no new deals are coming to committee.

In 2025, deal activity across Asia Pacific was meaningfully back weighted, with approximately 61% of deal value concentrated in the second half of the year. On average, it took countries nearly 114 days to reach the first 25% of their year's total deal value and an additional 99 days to hit 50%. By contrast, going from 50%-75% of deal value took an average of just 60 days. India was the only market to reach 50% of total deal value by mid-year, with Japan following in early July. However, despite other markets experiencing a much slower start, deployment increased in the second half.

Cumulative investment deal value by market in 2025



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The chart visualises the cumulative progression of 2025 PE buyout deal value across Asia Pacific. Markers denote the date when cumulative deal value, based on publicly disclosed transaction announcement dates, reached 25%, 50%, 75% and 100% of 2025 totals. Where the final transaction with disclosed deal value occurred before 31 December 2025, we have proportionately allocated additional days across the year so that year-end totals align.

From Q3 onward, momentum accelerated across the region, with several markets compressing a substantial share of annual deployment into relatively short timeframes. China exemplified this pattern, advancing from 50% to 75% of annual deal value in just 41 days despite only reaching the halfway point in late September. Korea and Southeast Asia also experienced a clear pickup in pace through Q3, while Australia and New Zealand maintained steadier execution into year end.

Not only did deployment increase into year-end, creating a back-weighted year, but exits showed signs of improvement into year-end as well. Following a weak first half, exit markets recovered in the second half of 2025, with Q3 and Q4 together accounting for approximately 65% of total 2025 exit value. As execution conditions improved and valuation expectations realigned, long-held assets that had been brought to market in the past were transacting, facilitating long-awaited liquidity events for sponsors and investors. Seeing portfolio assets trade hands where they had previously seen processes pulled before completion has provided additional confidence that a rebound in activity may be underway.

Changing plays for a changing world

It's no big deals

Despite a surge in Asia Pacific M&A megadeals, 2025 saw Asia Pacific PE appetite for large scale transactions weaken. Perhaps this shouldn't be surprising: it can be hard to place big bets when uncertainty is high and, as we have already seen, uncertainty was the defining influence for private equity investment in the first half of 2025. Reflecting this, the share of total deal value coming from US\$1B+ deals fell from 59% in 2024 to 46% in 2025. But even that figure doesn't tell the whole story; excluding Japan, where deal activity reached an all-time high, the dearth of large deals becomes even more striking. Outside of Japan, only four deals exceeded US\$2B in 2025, down from eight a year earlier. Indeed, Japan alone contributed seven of top 10 private equity deals in Asia Pacific in 2025, all of which were transactions exceeding US\$2B.

Many factors could be driving the shift away from large deals. Having fewer full-blown PE-backed sell-side processes has limited the availability of larger deals. In the current market, the prospect of becoming a target for a regulator or of greater deal scrutiny is elevated and this may be contributing to GP cautiousness about making large, headline-attracting deals. There may also be an element of wanting to limit exposure to regulatory and tariff shifts. Smaller companies are more likely to have a smaller footprint and a stronger domestic business focus, making them appear less exposed to global trade volatility. Finally, smaller bolt-on transactions, supporting existing portfolio companies are often viewed as less risky. They involve a lower equity check, are in an industry the GP has already assessed and invested in, and they support the existing investment, either as a defensive move to shore up supply chains or a growth strategy to tap into new markets or products.

Against this backdrop, some large GPs are leveraging multiple funds – including small/mid-cap funds – to access capital that can be deployed to do deals of any size. One global GP example is EQT's BPEA EQT Mid-Market Growth Fund (US\$1.6B launched in 2024) and KKR Asia Next Generation Technology Growth Fund (launched in 2022 with a target size of US\$1.5B).

Defensive positioning: buying into resilience and digital building blocks

In addition to a shifting preference on size, private equity investors are also increasingly prioritising defensive sectors that offer resilient demand, stable cash flows, and downside protection. The broader healthcare industry continues to stand out, with Asia Pacific healthcare deal count rising 21% YoY to 133 deals in 2025. Deal value also increased to US\$19.6B, underscoring sustained conviction despite a more selective investment climate. Within the sector, deal activity continued to rotate towards services-oriented segments, with healthcare service providers accounting for 62 transactions (47% of all healthcare deals), up from 44 deals in 2024, reflecting investor preference for utilisation-driven, non-discretionary business models.

A similar defensive lens is evident in transport and logistics, where deal count rose to 42 in 2025, a 14% increase on 2024 and broadly in line with long-term averages, while total deal value expanded to US\$7.8B. This growth has been supported by ongoing supply-chain localisation and demand for mission-critical distribution infrastructure.

Even within secular growth themes such as AI, PE capital has gravitated towards the enabling "pickaxes and shovels" – including data centres and related infrastructure. Overall, these trends highlight a clear shift towards defensive, asset-backed, and cash-generative investments as PE firms navigate heightened macro uncertainty.

Operation ‘operator’

In a maturing market with growth rates slowing and investors becoming increasingly selective, Asia Pacific PEs have been forced to look at ways of creating value that do not rely on market growth or multiple expansion. In response they are increasingly seeking to generate returns by improving the operations of target companies, outmanoeuvring geopolitical risks with “+1” footprints and redundancy plans, and leveraging emerging technologies. To put it another way, they are increasingly seeking to create value by running their portfolio companies like long-term businesses rather than investments. This is a paradigm shift from many early PE investments in Asia Pacific, not only because of the high growth rates and rapid pace of development previously allowed for growth-oriented returns, but also because many Asia Pacific investments were founder-led businesses. With a strong founder still running the company, it is harder for the private equity owners to shake up management or gain alignment on necessary changes to the business. As the Asia Pacific market matures, more founders are “aging out” of their businesses, opening up the opportunity for PE owners to install professional management teams and enact meaningful changes.

However, many historically growth-oriented PE funds lack the operational expertise needed to design and execute comprehensive, cross-functional value-creation plans, especially local and regional players without the scale and support of their global peers. PE firms have started to place more importance on buyout and operating experience in their hiring, and this focus seems likely to continue. Alongside practical experience, the emerging success factor in business transformation is, of course, AI, which will be addressed later in this report.

PE firms have started to place more importance on buyout and operating experience in their hiring, and this focus seems likely to continue.

New partner relationships: PEs swipe right

Different routes to liquidity

Overall exits were low in 2025, with just US\$80.6B in sales, or about 63% of the year’s total investment deal value. Asia Pacific private equity realisations fell YoY both in terms of deal count and deal value, a drop of ~18% and ~28%, respectively. Our Deloitte private equity buyout portfolio database shows that average portfolio age increased very slightly, from 4.3 years in December 2024 to 4.4 years in December 2025, and remains relatively high compared to a typical five- to seven-year fund life.

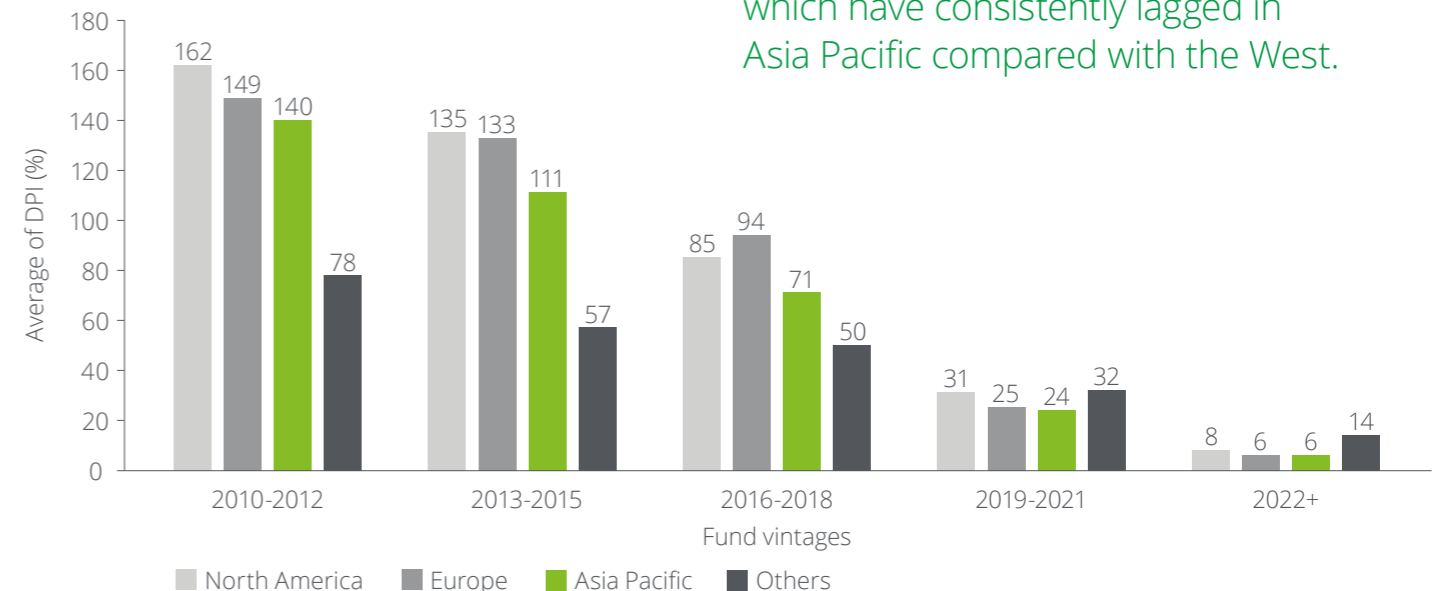
This lack of exits puts a drag on distributions to paid-in capital (DPI), which have consistently lagged in Asia Pacific compared with the West. Average DPI has been lower than that of North American and European funds across multiple vintage cohorts, despite the higher growth rates in Asia. This has, in turn, increased pressure on funds to produce liquidity while simultaneously making LPs more selective in new fundraises.

Continuation funds: multi-asset or fund-to-fund

With LPs’ demand for returns and distributions undiminished, PE funds are increasingly turning to continuation vehicles and fund-to-fund trades for liquidity, allowing them to extend ownership of their best performing portfolios while satisfying LPs with capital returns. In fact, according to Sinha Haldea, global head of Private Capital Advisory at Raymond James, nearly a “fifth of all PE sales this year involved groups raising money from new investors to acquire businesses from their older funds, up from 12-13 per cent the previous year.”⁴⁴ With more continuation vehicles, there is also a shift from predominately single-asset funds to those housing multiple assets, or even tranches of a fund’s full investment portfolio. Notable Asia Pacific examples of these trends include: Blackstone transferring its US\$1.4B investment in Aadhar Housing Finance from BCP VIII and BCP Asia to BCP IX and BCP Asia II; L Catterton’s US\$360M continuation fund for minority stake investments in Asia Fund III; IDG’s US\$500M multi-asset continuation vehicle; and Multiples’ US\$430M continuation fund for three portfolio companies from Multiples Fund II.

This lack of exits puts a drag on distributions to paid-in capital (DPI), which have consistently lagged in Asia Pacific compared with the West.

Regional DPI by fund cohorts



Source: Deloitte analysis, Preqin, a part of BlackRock

Sell a stake

Another prominent strategy for generating liquidity in 2025 was minority stake sales – often to SWFs, but at times to other GPs. Monetising a minority share may be an easier course of action, allowing GPs to retain overall control of the asset and continued upside while bringing in new capital for investment or shareholder liquidity. In July 2025, Mubadala, the Abu Dhabi-based SWF, acquired a 30% stake in Loscam, the regional pallet-pooling business, leaving the previous shareholders Trustar Capital, FountainVest, and Sinotrans (China Merchants Group) with 30%, 20%, and 20% respectively. In beverages, CVC entered into Australian Venue Co, a majority-owned PAG portfolio company, by buying a 45% stake. And, a sizeable minority sale – in addition to being a fund-to-fund extension of ownership – was EQT's March 2025 sale and re-acquisition of Nord Anglia, a K-12 school asset it has owned since 2008. As a result of the transaction, which valued the business at US\$14.5B, EQT, together with consortium partner CPPIB, transferred its ownership from EQT's older Fund VI into the newer Fund VIII, while also bringing on board new investors including Neuberger Berman, CF Alba and Dubai Holding.

Return to sender

Selling assets back to the founder or previous owner also appeared more common in 2025. As buyers, they typically have deep institutional knowledge of the asset, not to mention an emotional connection, making them ideal candidates to be high-conviction investors during volatile times. In simple terms, they already believe in the business and may be best placed to know its inner workings. This can often be the case for well-performing assets, where the outperformance and its underpinnings are best understood by an insider. For example, Partners Group sold its stake in Apex Logistics to the majority shareholder and partner, Kuehne+Nagel. But in 2025, the “vendor put” was also an approach for non-performing assets facing a difficult sale or declining financial results. In such cases, some PE funds turned to the previous owner or founders to exit investments, selling at a significant discount, but reducing the burden of portfolio management and sparing deal teams from becoming distracted by potential bankruptcy or restructuring proceedings.

Barbarians in the deal – the growing corporate-PE playbook

Fifteen of the 20 biggest Asia Pacific buyout deals in 2025 involved corporate sellers, including seven public-to-private deals, four corporate carve-outs, and four corporate-led sales. Buyout funds have always liked buying from corporate sellers rather than other funds, but to source sufficient deals they have historically turned to peer portfolios to fill their opportunity pipelines. High-performing businesses can make money for multiple sponsor owners over many years, and often, the new investor brings something new to the table: growing from a small- or mid-cap investment into a larger organisation might require a bigger private equity owner, while moving from a one-country or regional business to a global one requires different owner expertise. But with the low level of PE-backed exits, sourcing from other PE funds has declined, making corporate deals a stronger source of opportunities for buyout funds. Overall, corporate carve-outs and P2P accounted for 16% and 22% of Asia Pacific private equity buyout deal value in 2025 respectively, remaining near the decade-high levels seen in 2024.

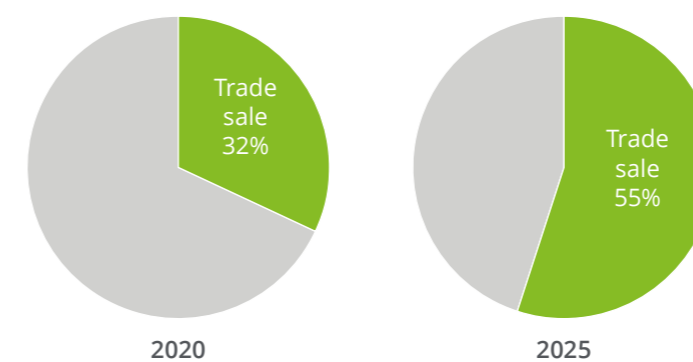
In the early days of private equity, PEs were characterised as “barbarians at the gate”, buying businesses, loading debt, and stripping costs. Attitudes to today's private equity acquisitions are often far more nuanced. Private equity buyers have shed this negative characterisation and are increasingly accepted as just another tool in the corporate strategy playbook – buyers for non-core carve-outs, partners for local spin-offs, or even short-term operators to build a business before returning it to the corporate parent. As highlighted in Deloitte's Transformational M&A playbook, successful companies pursue a continual series of interconnected deals – including acquisitions, divestments, partnerships, and collaborations – to drive fundamental change and strategic repositioning. Corporate leaders are increasingly turning to private equity funds to help accelerate and guide the transformation of business units.⁵

Apart from providing much-needed funding, private equity can enable corporates to innovate, revitalise, or pivot towards new market trends by providing expert guidance, operational improvements, and strategic insights, especially during periods of market disruption or digital transformation. Private equity-backed companies build the agility needed for breakthrough innovation, from re-energising legacy businesses to transforming into diversified private conglomerates. Recent examples include Starbucks China, selling 60% of its China business to Chinese PE firm Boyu Capital while retaining a substantial stake; Restaurant Brands International (RBI), a serial corporate partner with PE firms and itself a portfolio of Roark Capital, which has successfully leveraged partnerships with a number of PE funds around Asia Pacific to manage its portfolio of QSR brands; and, SK Group, a Korean family-owned conglomerate or ‘chaebol’, which did no fewer than four transactions with PE partners over the last two years as it continued to restructure, even turning to the same PE firm for more than one of them.

Not only are PEs buying from corporates more often, but corporate buyers now account for 55% of all private equity portfolio company exits. This compares to just 32% of exits in 2020. With sale processes taking longer, corporate buyers have more time to conduct their, often longer, diligence processes. Moreover, long-term strategic planning and imperatives can make corporate buyers more likely to follow-through with deals in a less stable market. This higher so-called “deal certainty” makes them attractive compared with financial buyers who may be more price sensitive to any market volatility. As a result, strategic bidders have an edge in today's deal environment that favours certainty over speed.

Private equity-backed companies build the agility needed for breakthrough innovation, from re-energising legacy businesses to transforming into diversified private conglomerates.

Trade sale % to total PE exits by deal count (2020 vs. 2025)



Source: Deloitte analysis

AI is everything, everywhere, all at once?

This wouldn't be a 2025 report without a section on AI. In fact, AI has become so prevalent, entering almost every aspect of the alternative investment landscape and every conversation, that it could be a part of all of the themes we have covered so far in this Almanac. In order to avoid repetition and the emerging condition 'AI report fatigue', we have concentrated all AI commentary into a single section.

The fact is that AI has become a strategic imperative for PE firms, impacting, or threatening to impact, every aspect of the investment lifecycle, from deal sourcing to value creation and exit. While 86% of corporate and private equity leaders surveyed by Deloitte have adopted generative AI, PE firms are leading the charge on capital allocation: 88% of PE firms report investments exceeding US\$1M, compared to 77% of their corporate counterparts.⁶

And though there is agreement on the potential impact of AI, the question remains as to how and when its adoption will drive major changes within PEs and their portfolio companies.

GPs are well aware of AI's potential to create value, both at the fund and portfolio company level. They are also mindful of the risk of being left behind when it comes to AI implementation. Yet despite the febrile atmosphere, the actual use of AI varies widely between PEs both globally and in Asia Pacific. Not surprisingly with an emergent technology, PEs and others are also somewhat reluctant to disclose how far along their AI journey they are, or exactly how they are using AI. So, it can be hard to assess the level of impact AI is having in practical terms, or the extent to which big statements about AI are more about style than substance. According to technology provider Allvue's 2025 General Partner Outlook Survey 82% of surveyed firms have adopted AI, but 58% report only minimal use.⁷

It seems that in many cases investors, including PEs, are trying to avoid AI in the hands of someone else becoming a threat every bit as much as they are seeing it as a genuine opportunity for their own success. The potential for AI to disrupt an industry is increasingly one of the top considerations when PEs are sourcing a deal, and it is even impacting exit timing decisions.

Some PEs report plans to expedite exits to sell before the anticipated AI disruption hits them. One sector that may be particularly affected is technology and software, where AI has emerged as a genuine threat to recurring-revenue models like SaaS. Asia Pacific PEs may be less exposed to this disruption than their Western peers owing to the relative absence both of regionally based software companies and regional technology-focused funds, but there is regional exposure to technology-adjacent sectors such as business service outsourcing – call centres and offshoring – where AI seems set to land heavily. Ironically, so far it seems that the perceived threat of disruption has been more disruptive than any actual instances of disruption.

It is still relatively early days, but PEs are already finding that there are challenges in implementing and working with AI, not least the resources and time required to review and verify its output, which at least for now, may erode any gains it delivers. Moreover, as investment firms roll out multiple pilots, the challenges of cybersecurity, data protection, and AI governance are all becoming more pressing. The impact on hiring

is equally challenging. AI seems certain to transform some aspects of PEs themselves, just as it is transforming other sectors such as law, accountancy and consulting. Like private equity, these sectors have traditionally relied on a steady supply of bright, highly educated, ambitious young talent to come in and do the very detailed volume work that AI is so good at. Vista Equity Partners is just one of a number of PEs that actively use agentic AI in restructuring operations to drive value creation and cost optimisation, suggesting this may reduce hiring going forward.⁸ What might be the implications for future middle and senior leadership of smaller cohorts of deal professionals learning the ropes early in their career?

Irrespective of the pace of adoption, AI will have an impact on all investments going forward because AI due diligence will become a standard practice for PE funds, alongside financial, tax, or IT due diligence. This diligence will assess companies across the spectrum from AI threats to AI opportunities, including a company's resilience to potential disruption, readiness to adopt, and opportunities for AI to unlock new value.

Indicative AI applications across the private equity investment lifecycle



Deal sourcing

- **Industry research:** consolidation of public information with proprietary data
- **Target identification and screening**
 - Scan non-traditional data to flag "off-radar" private companies
 - Early red-flag and risk screening
- **Opportunity scoring** based on past investment characteristics



Deal execution

- **Due diligence assistance:** initial data room scans, peer comparison, red flag identification
- **Scenario modelling and valuation analytics**
- **Legal and compliance screening**
- **AI "advisor" or "guru" voice** to emulate investor (value, growth, thematic) or investment committee profiles



Operations & value creation

- **Commercial and operational optimisation** at portfolio companies
- **Portfolio monitoring and early warning** on financials and KPIs
- **Workflow enhancements and automation**
- **Risk management:** regulatory, operations, cybersecurity, and ESG monitoring



Exit preparation

- **Portfolio-level exit management**
 - Automated market condition monitoring
 - Ongoing exit scoring and assessment for assets
 - Tracking to inform optimal holding periods for fund management (irrespective of best timing for individual investments)
- **Buyer targeting** and outside-in synergy assessments
- **Threat/opportunity assessment and positioning**

Choose your own adventure: divergent paths

Any exploration of the dynamics of Asia Pacific has to acknowledge that Asia Pacific as a bloc is an artificial construct – a convenient label. Asia Pacific's disparate economies and governments, while located near each other, are at different stages of development and respond to global and local stimuli differently. That has always been true but in 2025 was perhaps truer than usual and looks set to stay that way. The major economies in Asia Pacific, already on their own subtly different journeys, responded to the headwinds and uncertainty of early 2025 quite differently and are on markedly divergent pathways.

Back to the future – private equity in Japan is having its 1980s moment

Over the past several years, and for a variety of reasons, the dominance of China as a private equity investment destination for US dollar funds has slowly waned, and attention has turned to Japan and India. While both were in the spotlight going into 2025, their years turned out quite differently, and it is Japan that has marched on – and which shows no signs of slowing. In fact, Japan contributed over 26% of Asia Pacific private equity investment value in 2025 (versus 20% for China and 13% for India), including seven of the top 10 deals. Japan's total US dollar deal value in 2025 rose by 81% from 2024, or 91% in local currency.

Its strong performance is attributable to a number of factors and their confluence in 2025, and all indications are that it will remain an attractive investment destination for some time to come.

Japan has a large number of public companies that are trading below book value: 39.3% of TOPIX 500 companies were trading below book value as at the end of December 2025 compared with just 3.8% of S&P 500 companies. Recognising this, Japanese regulators are becoming more accommodative to shareholder activism and M&A. In March 2023, the Tokyo Stock Exchange (TSE) implemented reforms including new listing rules that encourage companies to raise their Price-to-Book ratio above 1x. Meanwhile, the Ministry of Economy, Trade, and Industry (METI) has put out guidelines such as the "Fair M&A Guidelines" and "Guidelines for Corporate Takeovers" that encourage a more dynamic and active market for M&A.

Cheap and readily available bank financing remained a structural tailwind for Japan's private equity market in 2025, even as the Bank of Japan (BOJ) continues to revert to more conventional monetary policy. The BOJ raised its policy rate to ~0.75% in December 2025, it's highest since 1995, yet Japan retains one of the lowest base-rates among developed markets. Japan leveraged buyouts continue to be financed predominantly with senior bank debt at low all-in borrowing costs and moderate leverage levels (typically ~50–60% of enterprise value), with higher leverage achievable for high-quality, cash-generative assets. This low cost of debt has enhanced equity returns and underpinned Japan's outsized share of Asia Pacific private equity in 2025, despite lower underlying market growth in Japan.

After nearly 30 years of stagnancy characterised by deflation and negligible interest rates, Japan's economy is returning to growth. The BOJ ended its Negative Interest Rate Policy (NIRP) and Yield Curve Control (YCC), encouraging investors to seek higher-yielding opportunities over the course of 2025. A weaker yen and rising inflation are also pushing households and corporations to invest rather than save.

The country has also seen a cultural shift in the way private equity ownership is perceived that has helped accelerate activity in Japan. Once deemed an unsavoury counterparty in acquisitions, private equity is increasingly recognised as a respectable new owner for portfolio companies. With many private companies facing succession planning issues associated with Japan's aging population, or orphaned assets finally being divested by conglomerates, there are growing number of companies seeking new ownership and investment. PE's new-found respectability has arrived at the perfect time and there is the prospect of a very robust deal pipeline.

In such a fertile environment, it is no surprise that both global and local GPs are increasingly active in Japan. Deal teams continue to expand with hiring and several firms, including Advent International, Warburg Pincus, and HSG, have recently opened new offices in Tokyo.

India caught in the middle

With strong underlying growth and active IPO markets, India's private equity landscape in 2025 was characterised by a cautious but optimistic rebound. We did not, however, see the surge in buyout activity that many had expected. India was perhaps hit hardest of all by the tariff-related disruption in April and, while Japan got to the negotiating table quickly, India's need for Russian oil and the punitive tariffs levied on purchasers of these hydrocarbons, arguably put it at the back of the queue to reset trade relations with the West. With the Indian rupee at a long-term low and capital markets remaining subdued until the back end of the year, not to mention the outright hostilities with neighbouring Pakistan, India's growth could have been much more suppressed than the 7-8% it ultimately delivered. But, as it turned out, a more mixed story, particularly for private equity, has left India positively positioned for 2026.

Total deal value edged up to US\$16B, though deal count declined by 8% (from 137 to 126 transactions). The exit environment followed a similar trend of high value but low count. While 2021, 2023, and 2024 each had close to 100 exits annually to reach US\$17-19B in total exit value, 2025 achieved US\$14.8B of value with just 46 exits – largely skewed by the US\$6.4B Schneider Electric India deal but still indicating a significant increase in the average exit size.

By Bloomberg's count, at least seven large-cap global buyout funds have their Asia heads based in India, a clear indication of the focus put onto this market as an Asian leader for future investment and growth.⁹ And, as reported in last year's Almanac, many statements have been made about the potential for India for driving growth within the region – the Economist Intelligence Unit had forecast India to be the fastest-growing economy in Asia Pacific and Reuters had predicted significant and sustained investment from Blackstone.

While India may not have taken off in quite the way expected, it has seen several of the positive themes outlined in previous sections playing out. PEs in India are increasingly backing platform plays, acquiring strong core companies and building around them through strategic add-ons to increase market share, capabilities and reach. They are also increasingly focusing on operational gains, bringing in dedicated operating teams made up of industry veterans to drive efficiencies and build momentum.

As India's private equity markets have matured, more funds are reaching the end of their typical cycles, prompting early investors and funds to seek exits. Late-stage funding has become harder to find, and many companies are now prioritising profitability over growth, delaying expected exit timelines and increasing the pressure for alternative exits that provide liquidity quickly.

At the same time, we are also seeing more multi-billion-dollar funds closing in India, including the largest home-grown fund ever, ChrysCapital Fund X at US\$2.2B, signalling growing confidence in the country's economic fundamentals and a willingness among local fund managers to compete on the world stage. With regulatory reforms and a maturing capital market, domestic LPs – banks, insurance companies and particularly family offices, of which there are now 300+ operating in India including many with relatively young, dynamic and nationally ambitious founders – are increasingly happy to invest on a larger scale and GPs are taking note.¹⁰

One particularly bright spot is carve-outs – local arms of global companies spinning out for independent management. This has been a tried-and-true investment thesis in China for years, where the benefits of a more-local management focus, localisation of offerings and marketing, and greater independence have enabled such investments to flourish under private equity ownership. India is following suit, with more local spin-outs coming to market.

China – both local and global?

China posted relatively strong buyout investment activity in 2025, though much of this – and broader private capital investment – was driven by state-backed or affiliated funds. Activity in China, previously reduced due to North American LPs' desire to limit their exposure, experienced a rebound with growing interest from regional and local funds, buoyed in part by confidence in China's capacity to ride out this withdrawal of western investment. Strong local success stories in the global market, such as DeepSeek's credible counter to US tech hegemony and BYD's strong electric vehicle sales globally, especially in Europe, have given funds in the region greater confidence that China can 'do it alone' despite the potential decoupling from the US.

Top buyout deals skew towards investment from Chinese and regional funds, perhaps suggesting a renewed focus on domestic dealmaking, or a hesitancy from global GPs to pay market clearing prices. In 2025, six of the top 10 investments were made by local firms, while only four involved global sponsors (Dayao/KKR, Acclime/Warburg Pincus, Hangzhou Kangji/TPG and QIA, and Loscam/Mubadala). Where global sponsors did participate, they often co-invested or took non-control positions; and notably, Middle Eastern sovereign wealth funds continue to play a role in many of the largest China deals.

Strikingly, a number of global companies initiated sales of their China operations last year. This may be, in part, an attempt to replicate the successful carve-out and operations of McDonald's China under Carlyle (now exited back to McDonald's) and Trustar Capital. While most of these processes have yet to result in new ownership, of those that did come to fruition the new owners are often Chinese funds, such as Starbucks China by Boyu and Burger King China by CPE. This ownership may provide more local expertise in navigating the Chinese competitive market, regulatory landscape and unique consumer preferences.

But Chinese funds are not just active at home: many Chinese funds continue to pursue opportunities outside Asia Pacific. These are often investments in companies that benefit from supply chain or end-market exposure in China such as Golden Goose (HSG), Marshall Group (HSG), and EuroGroup Laminations (FountainVest). It seems that US dollar funds in China are straddling two worlds as they try to balance their homecourt advantage with the realities of having funding from offshore LPs.

Other Asia Pacific geographies

Among other geographies in Asia Pacific, Australia posted a very strong year for private equity investment in 2025, with deal value reaching US\$21.9B, albeit down from US\$31.7B the year before, and activity weighted toward the second half of the year, when 65% of total deal value was deployed. Similarly, Korea also saw activity accelerate in the second half, following the country's presidential election in June, with deal value rising from US\$6.7B in the first half to US\$14.3B for the full year, though still below the US\$18.7B of 2024. Notably, concerns over the bankruptcy of Homeplus, a PE portfolio company, have put private equity in the spotlight in Korea, dampening market sentiment. Elsewhere, overall Southeast Asia deal activity remained subdued, with buyout investment dropping to under US\$6B, a figure representing only 65% of last year's total.

In China, expertise in local competition, navigating regulations, and understanding unique consumer demands is giving Chinese funds an edge in deal making.

Shifting LP dynamics

Not so limited partners: retail money arrives

One of the biggest changes coming to the PE industry, is the loosening of regulation around retail investments into private funds. Historically, investment funds have been limited to raising commitments from qualified, institutional investors. This meant a restricted, or limited, list of LPs and a correspondingly limited pool of capital flowing into the asset class, but recent announcements from regulators around the world show a more positive attitude towards retail investment into private funds:

Singapore

The Monetary Authority of Singapore (MAS) advanced its Long-term Investment Fund (LIF) framework with a consultation paper released on 27 March 2025, proposing two fund structures for retail investors to invest in private market investment funds such as private equity, credit, real estate, and infrastructure.¹¹

Hong Kong

The Securities and Futures Commission (SFC) released a circular in February 2025 enabling SFC authorisation and Hong Kong Stock Exchange listing of closed-end alternative asset funds investing in illiquid private assets.¹²

United States

An executive order was signed on 7 August 2025, directing the Department of Labor to facilitate 401(k) retirement fund access to private markets.¹³

Europe

In October 2024, the European Long-Term Investment Fund Regulation ("ELTIF 2.0") regulatory technical standards entered into force, enabling ELTIF-approved European Alternative Investment Funds to raise capital from retail investors.¹⁴

Having access to the retail channel for funding is an exciting development for GPs, especially as fundraising has declined since 2021. The resulting influx of capital could be significant: State Street's Private Market Survey revealed that institutional investors expect retail to drive 50%+ of private market flows by 2027.¹⁵ Adding retail investors to funds has wide-ranging implications for GPs across everything from investor relations and reporting to deal competition and fund liquidity provisions. It will be quite an adjustment. Moving from institutional investor relationships to retail channels, such as banks and brokerage or wealth management platforms, requires a significant shift in distribution methods. As highlighted in our recent Deloitte publication on this transition, most GPs currently lack in-house capabilities to reach this new investor segment.¹⁶ To fill the gap, GPs are actively seeking partnerships with organisations that can provide distribution capabilities. Examples include Korea Investment & Securities' May partnership with Goldman Sachs to expand fund access in Korea and Blackstone's April agreement with Vanguard and Wellington to offer portfolios with public and private assets. Once they secure distribution and raise a fund, GPs are likely to find that the management of investor relations and capital calls for a larger roster of investors will be more cumbersome and require a larger investor relations team with a subtly different retail skillset. Other aspects of fund management – compliance, reporting, tax withholdings, LP onboarding, and communications – may require similar adjustments to better suit a 'lay' investor base.

Accommodating retail investors may also demand more options for interim liquidity. Globally, we are seeing more instances of semi-liquid fund provisions, and these are becoming necessary given the increase in evergreen funds. Opening the door to more retail investors will only amplify their importance.¹⁷ For instance, KKR maintains a portfolio of the evergreen strategy (K-PRIME) portfolio in liquid assets to meet redemption requests. This trend is gaining traction across Asia Pacific as well. Hamilton Lane recently launched the Asia Private Assets Fund, a semi-liquid vehicle specifically designed to offer Asian private wealth investors monthly access to the region's private markets.

Concentrating institutional influence

There is also a lurking undercurrent of concern among some institutional LPs that the expected inflow of retail investment will negatively impact their relationships with GPs. The fear is that having a greater number of investors will diminish the importance of any individual LP, and that side letters with preferential terms or commitments to receive co-investments might be harder to secure. Moreover, the difference between side letter offers to institutional LPs and the standard investment terms given to retail investors could raise new questions about equity across the LP group.

In the Asia Pacific PE landscape, this has led many LPs to concentrate capital toward a smaller group of elite "blue-chip" GPs. This trend is driven by a difficult fundraising environment where liquidity remains scarce and exits are sluggish. In some cases, it is also an attempt to drive fewer, stronger relationships with their GPs. LPs have also shifted from broad-based geographic bets across many funds to select placements with established pan-regional or country-specific managers (like those in Japan and India) that have proven ROI and DPI records. The largest funds continue to capture the lion's share of available capital, often raising "mega-funds" that dominate the regional aggregate.

First in, first out?

It's true that one data point does not make a trend, but Yale University endowment's announcement of its first-ever sale of its private equity investment portfolio certainly turned heads in June 2025. Yale was an early backer of private equity. With a pivot into private equity and venture capital in 1985, the endowment grew from US\$1.3B to over US\$40B in 36 years, with an annualised gain of 13.7% – outperforming the average endowment by 3.4%. The sale comes on the back of other notable LPs seeking liquidity, such as Harvard University exploring divestment of around US\$1B in private equity investments to Franklin Templeton, or – closer to home in Asia Pacific – GIC and National University of Singapore (NUS) both selling private equity holdings in 2025. For some, this is an effort to extract liquidity after a period of reduced capital returns. After consecutive years of strong public equity performance, allocation to public equities and hedge funds might look increasingly attractive, offering solid returns and more redemption opportunities.

In response to the shifting LP landscape – be it retail investors' need for liquidity or institutions reducing their holdings – the demand for secondary funds to buy LP stakes has increased. Globally, more GPs are adding secondary funds to their offerings, such as Goldman Sachs' acquisition of Industry Ventures in October 2025.

After consecutive years of strong public equity performance, allocation to public equities and hedge funds might look increasingly attractive.

Looking forward to 2026



Japan – just getting started

Interest and activity in Japan will continue at pace. The ample supply of deals from a range of sources will continue to feed activity: an aging population and the need for succession planning; the growing presence of activist investors; corporate strategic planning driving carve-outs; nearly 40% of publicly traded companies still trading below book value and thus being affected by the previously mentioned TSE listing rules; affordable leverage; and increasingly accommodating regulators. In terms of public-to-private transactions, acquisitions without consent, even by Japanese companies, will emerge as a new trend in Japan and this will increase the chance of private equity in Japan acting as a white knight or a facilitator for exits for activists. While global and regional geopolitics will continue to shape deal flow, the need to deploy capital in Asia Pacific, and Japan's status as a stable, mature market for investment will continue to support strong, market-leading activity.



Shared portfolio operations

The focus on operations at portfolio companies will expand to include more portfolio-wide initiatives. This is a natural expansion for local and regional funds as they mature – many global GPs have been utilising centralised procurement bidding and recruiting for years – but it is also a way to utilise operating professionals more efficiently. Importantly, as GPs look to leverage AI, standardisation will be a key component of preparation for AI rollouts. The development of more portfolio shared-service centres supporting a wider range of operational functions will enable cost out at smaller portfolio companies that couldn't support such an investment on their own. It will also lead to greater savings as AI implementation can generate greater efficiencies at these business support centres.



More mid-market

With no end in sight to geopolitical and trade uncertainties, GPs will continue to focus on mid-market opportunities that attract less attention and can fly "under the radar". While larger funds still need to find big deals, expect to see more mid-market fundraises – and mid-market funds increasing fund size – more terms allowing funds to invest smaller and a continued focus on bolt-on opportunities.



LP churn

Shifts will reverberate through the LP base as new funds are raised. In Asia Pacific, sovereign wealth funds will take share as LPs and co-investors, while the North American pensions and endowments continue to retreat. However, the retreat will not be total. Instead, institutional investors across the board will opt for more concentrated positions to secure relationships with their preferred partners as they brace for the influx of retail money. In the absence of returns from GPs, ownership of assets will continue to shift into secondary funds, as LPs seek their own means for liquidity. In the medium term, when significantly more retail money is backing funds, there may arise more potential for conflict and disputes around valuation and a perceived need to "protect" retail money from more sophisticated institutional counterparts.



Alternative fund structures and mechanics

To support this new ecosystem of LPs, semi-liquid or periodic redemption funds will become more commonplace, as well as evergreen funds with frequent opportunity for LP movements. Fee structures may be reconsidered, initially as increases to cover the higher administrative burden of more LPs. Eventually, however, competition to attract retail investment will likely drive down fees in the long-term.

Market statistics

Buyout investments

PE investments - overall trends

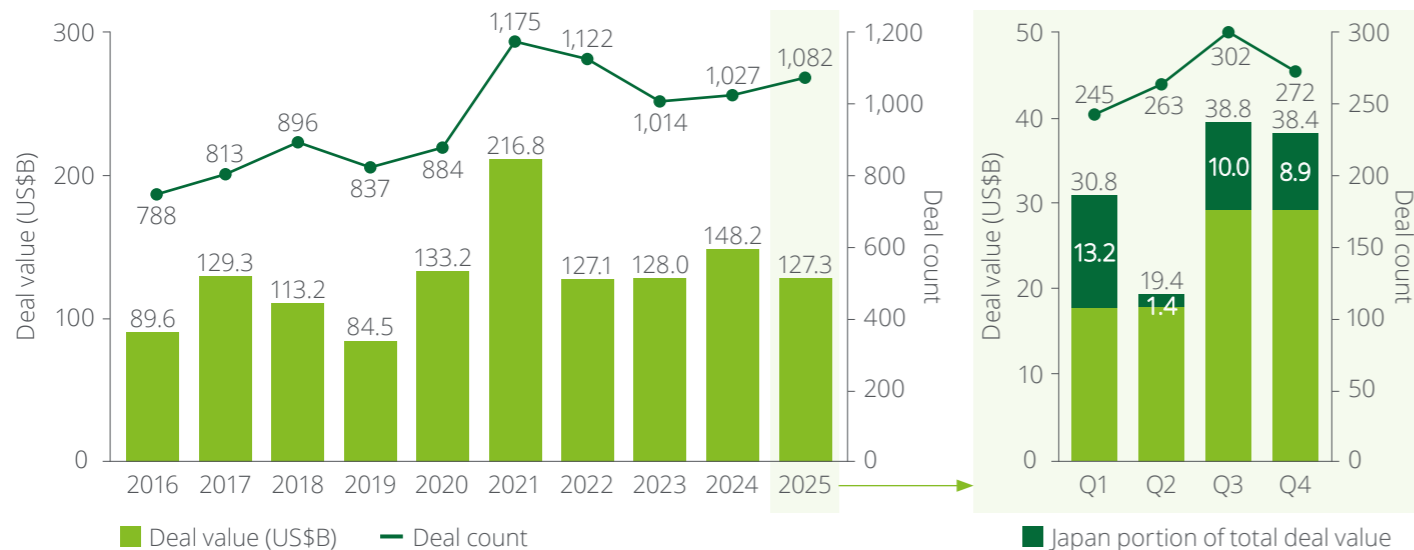
Buyout investments

Asia Pacific private equity investment activity in 2025 reflected a more disciplined but resilient market, marked by steady deal value and moderation in deal sizes. Total deal count rose to 1,082 transactions, up 5.4% YoY and above the pre-pandemic average, indicating sustained sponsor engagement despite ongoing macro uncertainty. In contrast, total deal value declined to US\$127.3B, back to the 2022 level and down 14% from 2024, highlighting continued pressure on valuations and a reduced incidence of megadeals. Japan was a key driver of regional investment value in 2025, contributing US\$33.4B, or approximately 26% of total Asia Pacific deal value – more than doubling its share from 2024 – driven by a concentration of larger transactions.

Quarterly trends indicate a temporary softening in the second quarter of 2025, followed by a rebound in activity during the second half of the year. In fact, excluding Japan, the rest of Asia had low deal activity across the entire first half of the year. Asia Pacific deal value declined to US\$19.2B in 2Q 2025, marking the weakest quarter since 2020, before recovering in 3Q to US\$39.6B and remaining resilient in 4Q at US\$38.4B. Deal count followed a similar pattern, recovering meaningfully in the second half.

Japan was a key driver of regional investment value in 2025, contributing US\$33.4B, or approximately 26% of total Asia Pacific deal value.

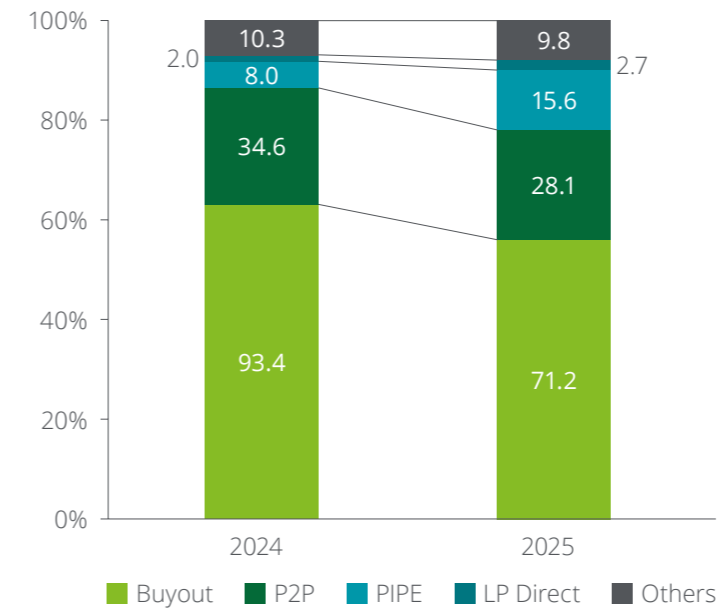
Buyout investments (2016-2025)



Source: Deloitte analysis

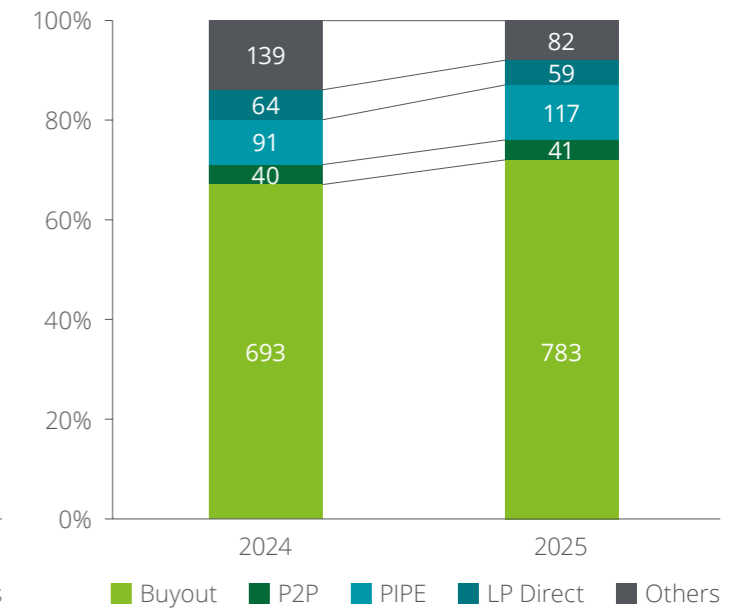
Note: Includes Asia Pacific investments and non-Asia Pacific investments by Asia Pacific PE funds; excludes private debt, real estate and infrastructure deals

Buyout investments deal value by type (US\$B)



Source: Deloitte analysis

Buyout investments deal count by type



Source: Deloitte analysis

PE investments - deal types

In terms of buyout deal types, traditional M&A buyouts remained the dominant transaction structure in 2025, accounting for 56% of total buyout deal value and 72% of deal count. The decline in value share relative to 2024 primarily reflects the absence of large, one-off megadeals which had skewed the prior year mix rather than a reduction in buyout activity. Notably, carve-out transactions featured prominently among larger deals, accounting for three of the top 10 Asia Pacific PE buyout investments in 2025, including Bain Capital's acquisitions of Seven & i Holdings' supermarket operations (York Holdings) and Mitsubishi Tanabe Pharma, as well as Boyu Capital's buyout of Starbucks China.

PIPE transactions increased in prominence, with their share of total deal value rising to 12% from 5.4% in 2024, alongside an increase in deal count. This trend points to greater use of public-market entry structures as PE investors sought valuation dislocation and downside protection, with activity particularly concentrated in China and Japan.

P2P transactions maintained a stable contribution to overall activity (~22% by deal value) and accounted for five of top 10 Asia Pacific PE buyout investments in 2025, underscoring continued sponsor appetite for large-cap listed assets. Meanwhile, deal count for "others" (primarily minority growth, pre-IPO, and JV investments) declined, indicating a pullback from more complex or non-core investment formats.

PE investments – geography trends

Japan emerged as the largest market by deal value in 2025, with total buyout value reaching US\$33.4B, nearly doubling from US\$18.4B in 2024 and moving the country to the top ranking by value. Japan accounted for seven of the top 10 Asia Pacific buyout investments in 2025, underscoring the concentration of larger-scale transactions following a subdued 2024. While value rebounded sharply, deal count remained broadly stable at 281 deals, slightly below the 291 deals recorded in 2024.

China ranked second by deal value at US\$25.8B in 2025, down from 2024’s US\$33.2B, despite a sharp increase in deal activity. Deal count rose to 293 transactions, making China the most active market by deal count in 2025. The divergence between rising deal count and lower aggregate value points to a greater prevalence of smaller-sized and follow-on transactions relative to the prior year.

Australia and New Zealand ranked third by deal value, with total investment of US\$21.9B in 2025, down from 2024’s US\$31.7B, reflecting the absence of megadeals such as AirTrunk, which had significantly inflated the previous year’s total. Deal count increased modestly to 197 transactions, highlighting continued underlying activity despite lower headline value.

India’s buyout market strengthened in 2025, with deal value rising to US\$16B from US\$13.3B in 2024, while deal count declined modestly to 126 deals. This shift suggests a move toward larger average deal sizes.

Korea recorded US\$14.3B in deal value in 2025, down from US\$18.7B in 2024, alongside a decline in deal count to 98 transactions. While activity moderated, Korea remained a core market within the region, ranking fifth by both value and count.

Southeast Asia saw continued softening, with deal value declining to US\$6.1B and deal count falling to 55 transactions, reflecting a cautious investment environment and fewer large transactions compared with 2024. Investments in other markets, including Central Asia and the rest of the world, also decreased YoY, contributing US\$9.9B in deal value in 2025.

Top buyout geography by deal count

	2025 (rank)	2024 (rank)
China	293 (#1 ▲)	169 (#3)
Japan	281 (#2 ▼)	291 (#1)
Australia and New Zealand	197 (#3 ▼)	190 (#2)
India	126 (#4 ▬)	137 (#4)
Korea	98 (#5 ▬)	113 (#5)
Southeast Asia	55 (#6 ▬)	74 (#6)
Others (Central Asia, ROW*)	32	53

Source: Deloitte analysis
*Note: ROW represents non-AP investments made by AP PE funds

Top buyout geography by deal value (US\$B)

	2025 (rank)	2024 (rank)
Japan	33.4 (#1 ▲)	18.4 (#4)
China	25.8 (#2 ▼)	33.2 (#1)
Australia and New Zealand	21.9 (#3 ▼)	31.7 (#2)
India	16.0 (#4 ▲)	13.3 (#5)
Korea	14.3 (#5 ▼)	18.7 (#3)
Southeast Asia	6.1 (#6 ▬)	9.4 (#6)
Others (Central Asia, ROW*)	9.9	23.6

Source: Deloitte analysis
*Note: ROW represents non-AP investments made by AP PE funds

PE investments – sector trends

Technology, media and telecommunications (TMT), consumer, and industrials remained the most active sectors in 2025, collectively accounting for over half of total deal count across Asia Pacific.

TMT ranked first by deal count with 268 deals, up 25% YoY and well above its five-year average, driven primarily by increased activity in China, Australia and New Zealand, and Japan. Software led activity with 141 deals, reflecting continued sponsor focus on scalable, asset-light business models, while hardware deal count also rose meaningfully to 88 deals, supported by investments in specialised components and technology-enabled manufacturing. Despite higher deal count, TMT deal value declined sharply to US\$17.4B from US\$43B in 2024, reflecting fewer mega-scale data centre transactions that had inflated the prior-year total.

Consumer activity moderated in 2025, with deal count declining 8% YoY to 198 transactions, while deal value increased to US\$30.8B, exceeding both 2024 levels and the five-year average. Japan remained the largest contributor by deal count, accounting for nearly 40% of consumer deals, reinforcing its role as the region’s most active consumer buyout market. The divergence between deal count and value points to a higher concentration of larger transactions in 2025.

Industrials maintained steady activity, with 162 deals completed in 2025, broadly in line with both 2024 levels and the five-year average. Deal value rose to US\$23.4B, materially above 2024 and exceeding the five-year average, supported by larger transactions in China and Japan following a subdued prior year.

Healthcare emerged as one of the fastest-growing sectors, with deal count increasing 21% YoY to 133 deals and deal value rising to US\$19.6B, above both 2024 and the five-year average. Growth was broad-based across China, India, and Japan, reflecting continued investor interest in defensive and demographically driven sectors.

Business services activity remained stable, with deal count broadly flat at 103 transactions and deal value of US\$11B, in line with historical norms. In contrast, Energy, Utilities, Infrastructure and Real Estate saw a rebound in deal count, rising 17% YoY to 102 deals, although deal value declined to US\$8.4B, indicating a shift toward smaller, project-based investments. However, many investments into these sectors are done by dedicated infrastructure or real estate funds, which are out of scope of this report, which only tracks buyout fund investments.

Financial services and transport and logistics were comparatively subdued, with deal counts falling below five-year averages despite modest increases in deal value relative to 2024 in transport and logistics.

Buyout sector heatmap by deal count (2025)

	Japan	China	Australia and New Zealand	India	Korea	Southeast Asia	Others (Central Asia, ROW*)	Total deal count	Total deal value (US\$B)
TMT	55	80	75	22	14	16	6	268	17.4
Consumer	77	30	27	22	25	9	8	198	30.8
Industrials	49	69	12	10	14	5	3	162	23.4
Healthcare	18	40	18	26	15	11	5	133	19.6
Business Services	26	24	22	7	15	6	3	103	11.0
Energy, Utilities, Infra. & Real Estate	35	32	12	8	8	3	4	102	8.4
Financial Services	6	11	25	23	2	5	2	74	8.8
Transport & Logistics	15	7	6	8	5	0	1	42	7.8
Total deal count	281	293	197	126	98	55	32	1,082	-
Total deal value (US\$B)	33.4	25.8	21.9	16.0	14.3	6.1	9.9	-	127.3

Cold Hot

Source: Deloitte analysis
*Note: ROW represents non-Asia Pacific investment made by Asia Pacific PE funds

Top 10 PE buyout investments in 2025

#	Target company	Location	Deal date	Deal type	Investors	Sellers	Industry	Deal size (US\$B)
1	York Holdings (Seven & i's Supermarket & Specialty Stores Businesses)	Japan	Mar 2025	Buyout	Bain Capital (~60%)	Seven & i Holdings	Retail / Wholesale	\$5.3
2	Shinko Electric Industries	Japan	Mar 2025	P2P	JIC Capital, Mitsui Chemicals, Dai Nippon Printing	Fujitsu (50%)	Chemicals, Plastics & Rubber	\$4.4
3	Starbucks China	China	Nov 2025	Buyout	Boyu Capital (~60%)	Starbucks Corporation	Hospitality & Leisure	\$4.0
4	Mitsubishi Tanabe Pharma Corporation	Japan	Jul 2025	Buyout	Bain Capital	Mitsubishi Chemical Group	Pharma	\$3.3
5	TechnoPro Holdings	Japan	Oct 2025	P2P	Blackstone	-	Business Services	\$3.2
6	Golden Goose	Italy	Dec 2025	Buyout	HSG (majority), Temasek and True Light Capital (minority)	Permira	Consumer Products	\$2.9
7	Fujitec	Japan	Dec 2025	P2P	EQT	-	Capital Goods	\$2.7
8	Topcon Corporation	Japan	Sep 2025	P2P	KKR	Oasis Management, ValueAct Capital	Capital Goods	\$2.7
9	Kinetic Group Services	Australia	Nov 2025	Buyout	TPG (70%)	Foresight Group, OPSEU Pension Trust	Transport & Logistics	\$2.5
10	Fujisoft	Japan	Feb 2025	P2P	KKR (66%)	-	Software	\$2.4*

Source: Deloitte analysis

*Note: Refers to the second tender offer within KKR's two-stage acquisition process. The total deal value for the complete transaction is ~JPY560B.

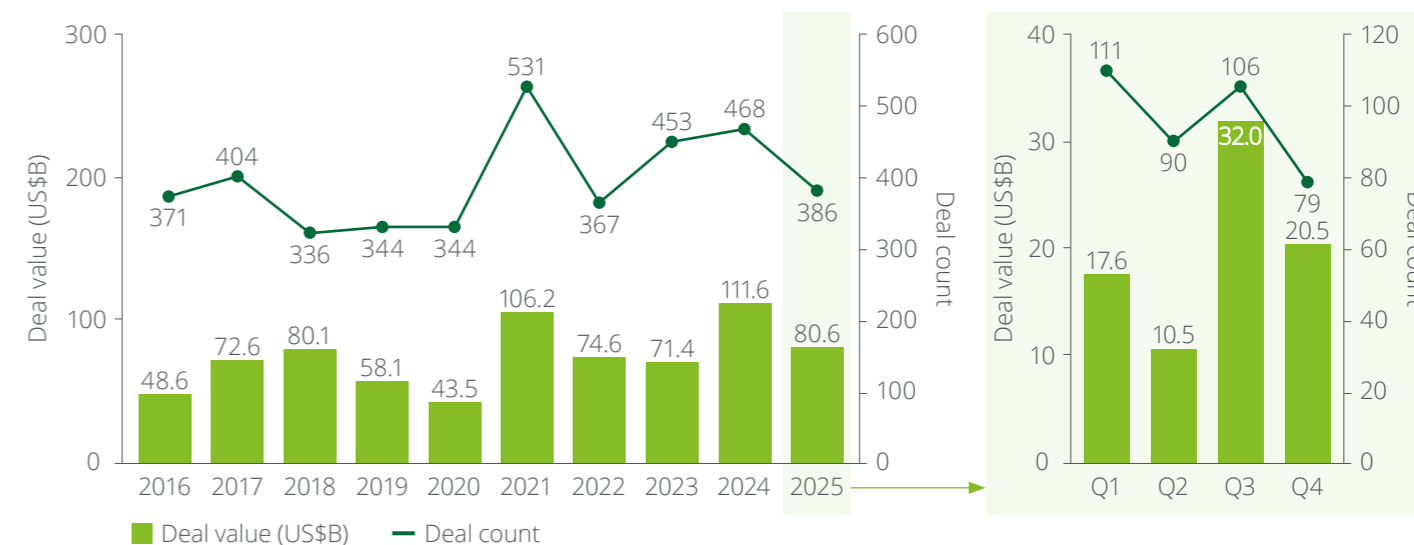
Buyout exits

In 2025, the Asia Pacific PE market recorded 386 exits with an aggregate disclosed value of US\$80.6B, representing a moderation from the elevated levels seen in 2024. While both deal count (-18% YoY) and exit value (-28% YoY) declined, overall exit activity remained comfortably above pre-pandemic norms, indicating continued – albeit more selective – sponsor monetisation. The decline in aggregate value was driven primarily by the absence of multiple megadeals that characterised 2024, rather than a broad-based deterioration in exit conditions.

Exit activity was unevenly distributed throughout the year. Deal value was heavily weighted toward the second half, with 3Q 2025 accounting for US\$32B, supported by a small number of larger transactions, while deal count peaked in 1Q at 111 exits before moderating through the remainder of the year. Despite a more cautious macro and financing backdrop, average exit deal sizes remained elevated relative to long-term averages.

While both deal count (-18% YoY) and exit value (-28% YoY) declined, overall exit activity remained comfortably above pre-pandemic norms.

Buyout exits (2016-2025)



Source: Deloitte analysis

Note: Includes Asia Pacific investments and non-Asia Pacific investments by Asia Pacific PE funds; excludes private debt, real estate and infrastructure deals

Exit routes

The position of trade sales as the dominant exit channel was further strengthened in 2025. Trade sales accounted for 213 transactions, representing 55% of total exit count, up from 49% in 2024. By value, trade sales generated US\$43.8B, or 54% of total exit value, more than doubling their share from 24% in 2024 (US\$27.2B). Notably, eight of the top 10 exits in Asia Pacific were trade sales, reflecting sustained appetite from corporate buyers for assets offering strategic fit, operational scale, or regional expansion opportunities. Trade sale penetration increased across all major markets, particularly in Japan, China, India, and Korea, where corporate buyers accounted for more than half of total exit value. In fact, in Japan and China, strategic buyers accounted for over 60% of exit value.

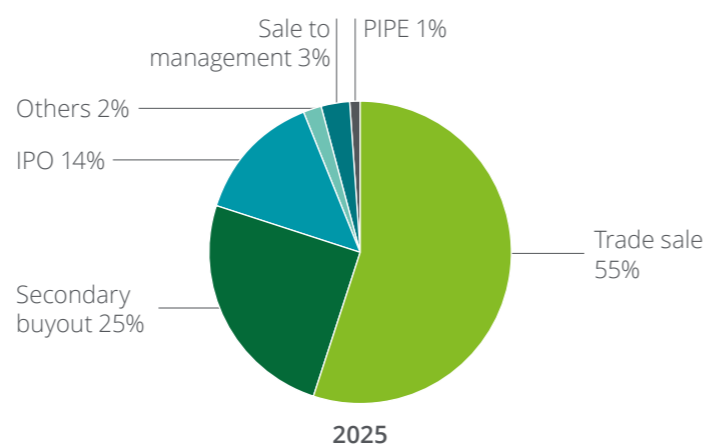
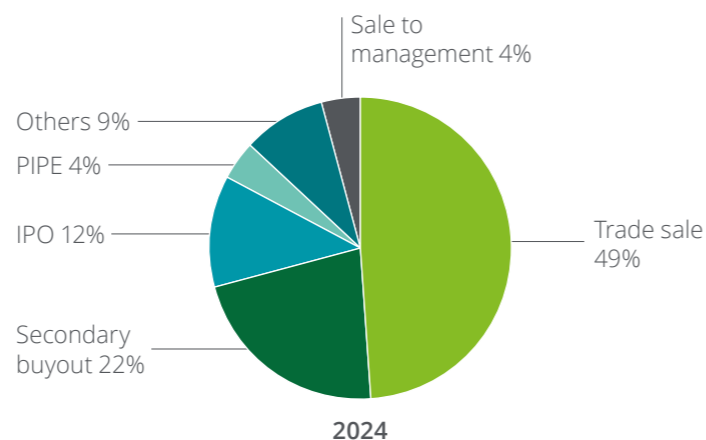
Secondary buyouts remained an important but less dominant exit route, contributing 97 exits (25% of deal count) and US\$22.3B (28% of deal value). Activity declined from 2024 levels, reflecting a more cautious sponsor-to-sponsor trade.

IPO exits continued to lag private exit routes in 2025, with activity highly dependent on individual market conditions. In 2025, IPOs accounted for 54 exits, or 14% of total deal count, generating US\$12.3B, equivalent to 15% of total exit value. IPO activity remained concentrated in China, India, and Japan, with limited reopening of public markets elsewhere in the region.

Geographic trends

From a geographic perspective, China ranked first by exit value in 2025 at US\$17.4B, followed by India (US\$14.8B) and Korea (US\$14.7B). Japan remained the most active market by deal count, recording 98 exits, closely followed by China with 92 exits, reflecting a high volume of mid-sized transactions. Australia and New Zealand experienced a notable decline in both exit count and value compared with 2024.

PE exit deal count by type



Source: Deloitte analysis

Top 10 PE buyout exits in 2025

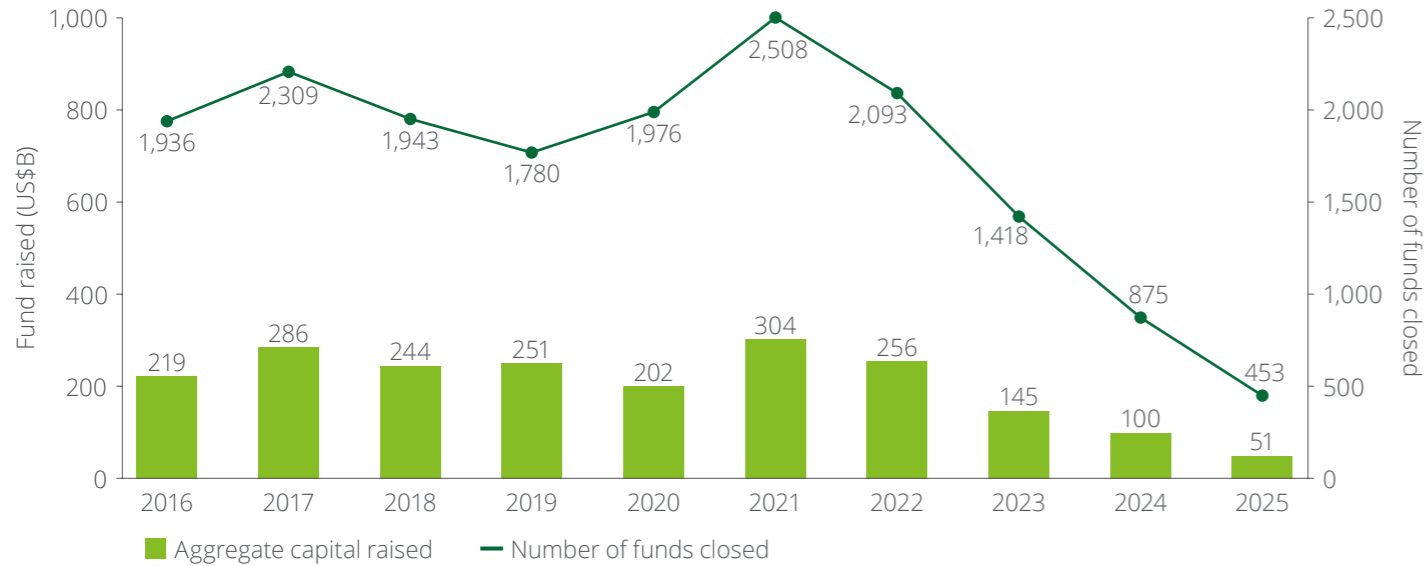
#	Target company	Location	Deal date	Deal type	Sellers	Investors	Industry	Deal size (US\$B)
1	Schneider Electric India	India	Jul 2025	Trade Sale	Temasek (35%)	Schneider Electric (35%)	Capital Goods	\$6.4
2	WinTriX's China Operations (Chindata)	China	Sep 2025	Trade Sale	Bain Capital	Shenzhen Dongyangguang Industry-led consortium	Telecoms & Media	\$4.0
3	DIG Airgas	Korea	Aug 2025	Trade Sale	Alberta IM, Macquarie	Air Liquide	Chemicals, Plastics & Rubber	\$3.1
4	Hyundai LNG Shipping Co.	Korea	Nov 2025	Trade Sale	IMM	Frontier Resources	Energy & Utilities	\$2.7
5	Seiyu Co.	Japan	Jul 2025	Trade Sale	Walmart, KKR	TRIAL Holdings	Retail / Wholesale	\$2.5
6	Tanabe Pharma's ALS Treatment Drug Business	Japan	Dec 2025	Trade Sale	Tanabe Pharma Corporation (backed by Bain Capital)	Shionogi & Co.	Biotech	\$2.5
7	Kinetic Group Services	Australia	Nov 2025	Secondary Buyout	Foresight Group, OPSEU Pension Trust	TPG (70%)	Transport & Logistics	\$2.5
8	Shenzhen China Star Optoelectronics Semiconductor Display Technology Co.	China	Mar 2025	Trade Sale	Kunpeng Capital	TCL Corporation, TCL China Star Optoelectronics Technology (subsidiary of TCL Technology)	Hardware	\$2.4*
9	Novotech	Australia	Mar 2025	Secondary Buyout	TPG	GIC, Temasek, TPG	Biotech	\$2.0
10	Enfusion	US	Jan 2025	Trade Sale	Hillhouse, FTV Capital, ICONIQ Capital	Clearwater Analytics	Financial Services	\$1.5

Source: Deloitte analysis

*Note: Represents the aggregate of two 2025 transactions by TCL entities to acquire a 32.3% stake from Kunpeng Capital, totalling CNY17.6B (~US\$2.4B)

Dry powder and fundraising

Asia Pacific PE Funds Raised (2016-2025)

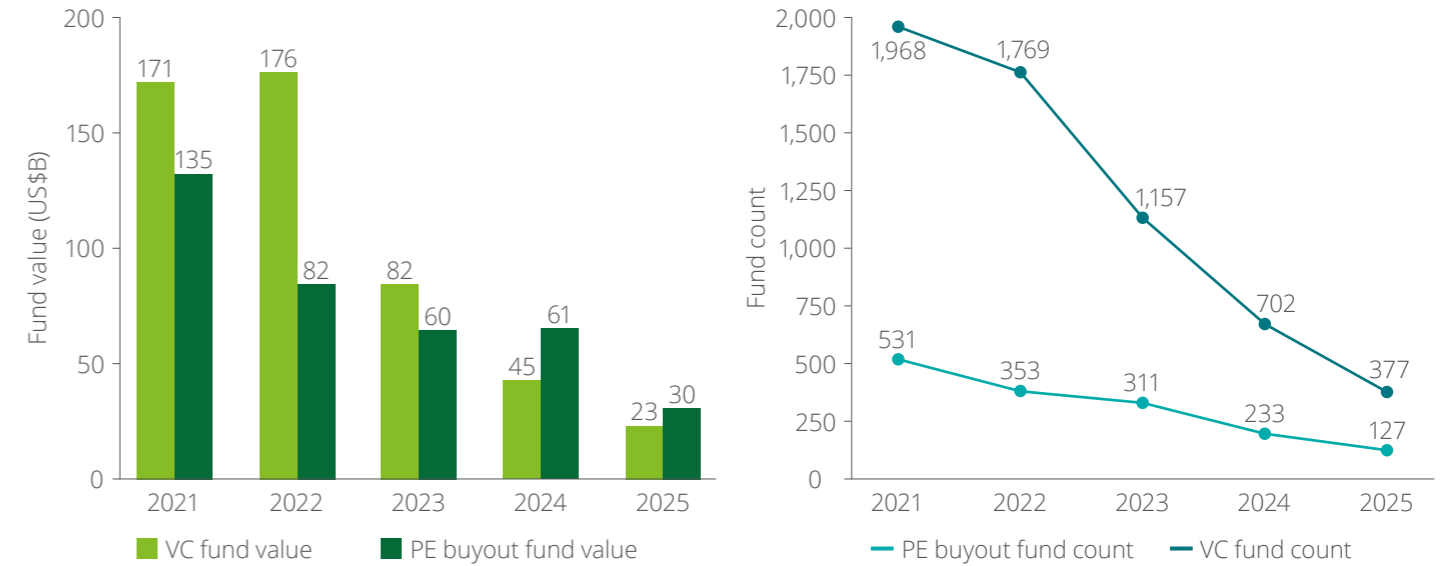


Source: Deloitte analysis, Preqin, a part of BlackRock

Note: Includes venture capital, buyout, PIPE, special situations, and other PE strategies. To avoid double counting, fund of funds and secondaries are excluded.

Asia Pacific private equity fundraising remained subdued in 2025, with US\$51B raised across 453 fund closes, marking a further decline from already depressed 2024 levels. Both aggregate capital raised and fund count reached new cycle lows, extending the multi-year contraction that began after the 2021 peak. Compared with the five-year period from 2016 to 2020, total capital raised in 2025 was less than one quarter of the historical average, underscoring the prolonged nature of the fundraising slowdown.

Asia Pacific PE buyout and VC funds closed

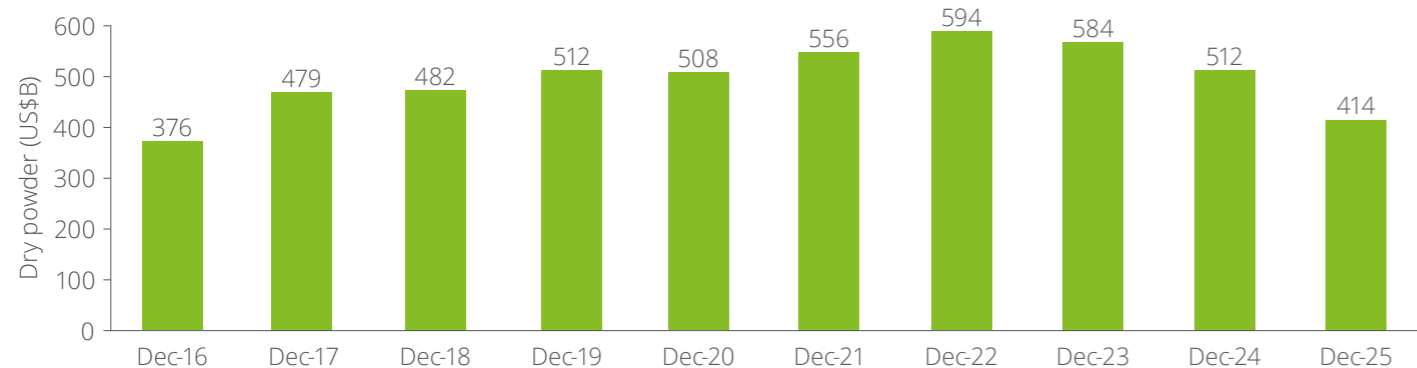


Source: Deloitte analysis, Preqin, a part of BlackRock

Note: Includes Asia Pacific PE funds with buyout, growth, and balanced strategies

Buyout fundraising weakened materially in 2025, with Asia Pacific buyout funds raising US\$30B across 127 fund closes, down from US\$61B across 233 funds in 2024, reflecting ongoing LP selectivity, slower distributions resulting in less capital for LPs to allocate, and a continued preference for re-ups with established managers. Venture capital fundraising has experienced a deeper and more prolonged correction, declining to US\$23B across 377 fund closes.

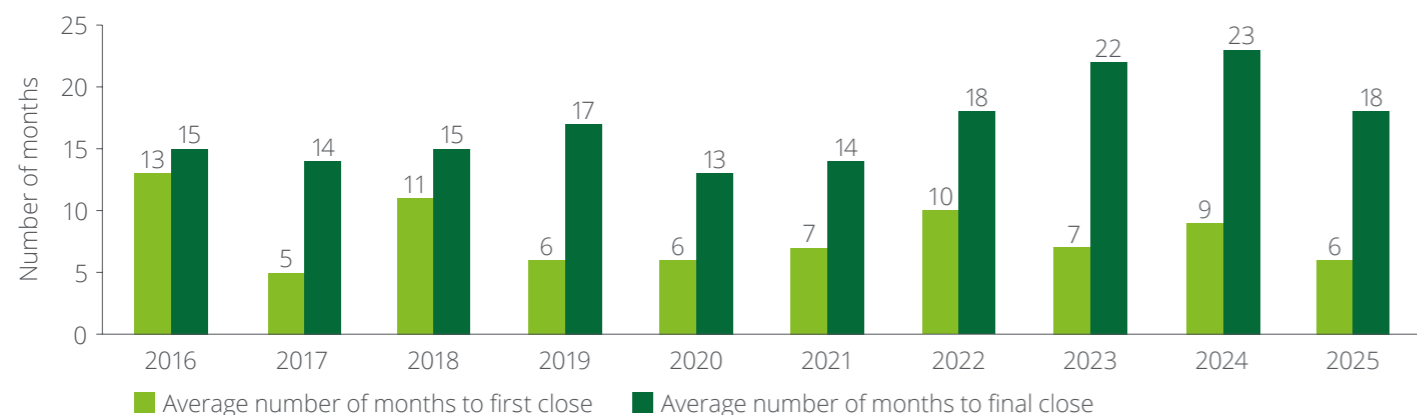
Asia Pacific PE dry powder (2016-2025)



Source: Deloitte analysis, Preqin, a part of BlackRock

Despite weaker fundraising, Asia Pacific PE dry powder remained sizable, standing at approximately US\$414B as of December 2025. This represents roughly seven years of deal-making capacity at current levels of deployment, assuming 50% leverage and excluding additional co-investment capital that would further increase capacity. However, this is a substantial decline from US\$512B at the end of 2024 and well below the US\$594B peak reached in 2022.

Asia Pacific PE buyout fundraising time spend (number of months)



Source: Deloitte analysis, Preqin, a part of BlackRock

Fundraising timeframes have become both concentrated and elongated. While the average time to first close shortened to six months in 2025, the average time to final close stayed at 18 months, reflecting cautious LP pacing and extended capital formation periods – particularly for smaller and first-time funds. This dynamic has continued to favour scaled managers with strong track records and entrenched LP relationships.

Within buyouts, capital formation in 2025 was highly skewed toward a small number of large, established managers. The top five funds raised US\$15B, representing 49% of total buyout capital, while the top 10 funds accounted for US\$19.4B, or 64% of the total. Only nine funds closed above US\$1B (including interim closings), led by global platforms such as EQT and Blackstone, which together captured a disproportionate share of regional buyout capital despite overall fundraising falling to cycle lows. Even among established managers, fund sizes were frequently capped or closed below target. At the same time, select Asia-focused specialist managers continued to raise capital by demonstrating clear local advantages and differentiated strategies, particularly in markets such as Japan, India, Australia, and Korea. In India, ChrysCapital X (US\$2.2B) closed successfully above its initial target of US\$2B, while JIC PE Fund II (US\$3.9B) in Japan and Pacific Equity Partners Fund VII (US\$2.1B) in Australia also secured significant commitments.

Even among established managers, fund sizes were frequently capped or closed below target.

Asia Pacific PE buyout funds closed in 2025 over US\$1B (final and interim closes)*

#	Fund	Vintage	Status	Fund size (US\$M)	Target size (US\$M)	Fund currency
1	Baring Asia Private Equity Fund IX	2025	Second Close	\$12,500	\$12,500	USD
2	Blackstone Capital Partners Asia III	2025	Second Close	\$10,000	\$10,000	USD
3	MBK Partners Fund VI	2025	Final Close	\$5,500	\$7,000	USD
4	JIC PE Fund II	2024	Final Close	\$3,898	-	JPY
5	ChrysCapital X	2024	Final Close	\$2,200	\$2,000	USD
6	Pacific Equity Partners Fund VII	2025	Final Close	\$2,065	\$2,002	AUD
7	Trustar Capital Partners V	2023	Final Close	\$1,300	\$3,500	USD
8	Glenwood Korea Private Equity Fund III	2024	Final Close	\$1,100	-	USD
9	Quadria Capital Fund III	2025	Final Close	\$1,068	\$800	USD

■ Second closed funds

Source: Deloitte analysis, Preqin

*Note: Includes AP PE funds with buyout, growth, or balanced strategy

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Appendix

Top deals by geography

Australia and New Zealand top 10 PE investments and exits in 2025

#	Target company	Deal date	Deal type	Investors	Sellers	Industry	Deal size
1	Kinetic Group Services	Nov 2025	Secondary Buyout	+ TPG (70%) -	Foresight Group, OPSEU Pension Trust	Transport & Logistics	AU\$4.0B (US\$2.5B)
2	Insignia Financial	Jul 2025	P2P	+ CC Capital, One IM	-	Financial Services	AU\$3.3B (US\$2.2B)
3	Novotech	Mar 2025	Secondary Buyout	+ GIC, Temasek, TPG	TPG	Biotech	AU\$3.0B (US\$2.0B)
4	Commonwealth Steel (Molycop)	Sep 2025	Secondary Buyout	+ Tega Industries (77%), Apollo (23%)	American Industrial Partners	Capital Goods	US\$1.5B
5	Aspen Asia Pacific (excluding China)	Dec 2025	Buyout	+ BGH Capital	Aspen Pharmcare Holdings	Pharma	AU\$2.4B (US\$1.5B)
6	ProTen Holdings	Jul 2025	Secondary Buyout	+ KKR	Aware Super	Food & Beverage	AU\$1.3B (US\$808M)
7	Micromine	Feb 2025	Trade Sale	- The Weir Group	Potentia Capital, L Capital	Software	GBP624M (US\$795M)
8	GreenSquareDC	Mar 2025	Buyout	+ Partners Group	-	Telecoms & Media	AU\$1.2B (US\$765M)
9	Johns Lyng Group	Oct 2025	P2P	+ Pacific Equity Partners	-	Infrastructure & Real Estate	US\$721M
10	CyberCX	Aug 2025	Trade Sale	- Accenture	BGH Capital	Software	AU\$1.0B (US\$646M)

+ Investment - Exit

Source: Deloitte analysis

China top 10 PE investments and exits in 2025

#	Target company	Deal date	Deal type	Investors	Sellers	Industry	Deal size
1	Starbucks China	Nov 2025	Buyout	+ Boyu Capital (~60%)	Starbucks Corporation	Hospitality & Leisure	US\$4.0B
2	WinTriX's China Operations (Chindata)	Sep 2025	Trade Sale	- Shenzhen Dongyangguang Industry-led consortium	Bain Capital	Telecoms & Media	US\$4.0B
3	Shenzhen China Star Optoelectronics Semiconductor Display Technology Co.	Mar 2025	Trade Sale	- TCL Corporation, TCL China Star Optoelectronics Technology (subsidiary of TCL Technology)	Kunpeng Capital	Hardware	CNY17.6B (US\$2.4B)*
4	SKP Beijing	May 2025	Buyout	+ Boyu Capital (42%-45%)	-	Retail / Wholesale	US\$1.7B
5	Hangzhou Kangji Medical Instruments	Aug 2025	P2P	+ TPG, QIA	BlackRock, Cormorant AM, Fidelity, GL Ventures, Lake Bleu, Oaktree, OrbiMed	Medical Devices	US\$1.4B
6	LaNova Medicines	Jul 2025	Trade Sale	- Sino Biopharmaceutical	Pudong Venture, Qiming, Summer Capital, Taikun Fund, Shangrun Inv., LC Ventures, TF Capital, Tigermed, YF Capital, Yingke PE, Shanghai Healthcare Capital	Biotech	US\$951M
7	Zhongtai Securities	Nov 2025	PIPE	+ Huatai, Hubei Railway Development Fund, Caitong FM, Shandong Lucion Inv., Juneng Capital, E Fund Overseas Inv., Lord Abbett China AM, Shandong Jiaxin PE	-	Financial Services	CNY6.0B (US\$832M)
8	Chuangxin Industries Holdings	Nov 2025	IPO	-	Greenwoods AM, Investcorp, Hillhouse, China Hongqiao, ORIX Asia Capital, Jane Street Asia, CPIC IM, GF FM, Brilliance Capital, CDH, Polymer, Glencore, Taikang Life, Xiamen ITG, Fullgoal AM	Chemicals, Plastics & Rubber	HK\$5.5B (US\$705M)
<i>Other notable deals with undisclosed deal values</i>							
-	Dayao	Sep 2025	Buyout	+ KKR	-	Food & Beverage	Undisclosed
-	Acclime	Dec 2025	Others	+ Warburg Pincus	-	Business Services	Undisclosed

+ Investment - Exit

Source: Deloitte analysis

*Note: Represents the aggregate of two 2025 transactions by TCL entities to acquire a 32.3% stake from Kunpeng Capital, totalling CNY17.6B (~US\$2.4B)

Japan top 10 PE investments and exits in 2025

#	Target company	Deal date	Deal type	Investors	Sellers	Industry	Deal size
1	York Holdings (Seven & i's Supermarket & Specialty Stores Businesses)	Mar 2025	Buyout	+ Bain Capital (~60%)	Seven & i Holdings	Retail / Wholesale	JPY815B (US\$5.3B)
2	Shinko Electric Industries	Mar 2025	P2P	+ JIC Capital, Mitsui Chemicals, Dai Nippon Printing	Fujitsu (50%)	Chemicals, Plastics & Rubber	JPY685B (US\$4.4B)
3	Mitsubishi Tanabe Pharma Corporation	Jul 2025	Buyout	+ Bain Capital	Mitsubishi Chemical Group	Pharma	JPY510B (US\$3.3B)
4	TechnoPro Holdings	Oct 2025	P2P	+ Blackstone	-	Business Services	JPY507B (US\$3.3B)
5	Fujitec	Dec 2025	P2P	+ EQT	-	Capital Goods	JPY408B (US\$2.7B)
6	Topcon Corporation	Sep 2025	P2P	+ KKR	Oasis Management, ValueAct Capital	Capital Goods	JPY417B (US\$2.7B)
7	Seiyu Co.	Jul 2025	Trade Sale	- TRIAL Holdings	Walmart, KKR	Retail / Wholesale	JPY380B (US\$2.5B)
8	Tanabe Pharma's ALS Treatment Drug Business	Dec 2025	Trade Sale	- Shionogi & Co.	Tanabe Pharma Corporation (backed by Bain Capital)	Biotech	US\$2.5B
9	Fujisoft	Feb 2025	P2P	+ KKR (66%)	-	Software	JPY370B (US\$2.4B)*
10	Pioneer Corporation	Jun 2025	Trade Sale	- CarUX Technology	EQT	Software	JPY164B (US\$1.1B)

+ Investment - Exit

Source: Deloitte analysis

*Note: Refers to the second tender offer within KKR's two-stage acquisition process. The total deal value for the complete transaction is ~JPY560B.

Korea top 10 PE investments and exits in 2025

#	Target company	Deal date	Deal type	Investors	Sellers	Industry	Deal size
1	DIG Airgas	Aug 2025	Trade Sale	- Air Liquide	Alberta IM, Macquarie	Chemicals, Plastics & Rubber	KRW4.6T (US\$3.1B)
2	Hyundai LNG Shipping Co.	Nov 2025	Trade Sale	- Frontier Resources	IMM	Energy & Utilities	KRW3.8T (US\$2.7B)
3	Renewus and Renewone	Aug 2025	Buyout	+ KKR	SK ecoplant	Business Services	KRW1.7T (US\$1.2B)
4	LG Chem's Water Solutions Division	Jun 2025	Buyout	+ Glenwood PE	LG Chem	Business Services	KRW1.4T (US\$991M)
5	Douzone Bizon	Nov 2025	PIPE	+ EQT (37.6%)	Chairman Young-woo Kim, Shinhan Financial Group	Software	KRW1.3T (US\$930M)
6	SK Airplus' Industrial Gas & Carbon Dioxide Business	May 2025	Buyout	+ Brookfield	SK Airplus (a subsidiary of SK ecoplant)	Energy & Utilities	KRW1.3T (US\$920M)
7	LG CNS	Feb 2025	IPO	-	Macquarie	Hardware	KRW1.2T (US\$872M)
8	Preed Life Co.	Feb 2025	Trade Sale	- Woongjin Co.	VIG Partners	Consumer Services	KRW888B (US\$643M)
9	SK Enmove	Jun 2025	Trade Sale	- SK Innovation	IMM (30%)	Chemicals, Plastics & Rubber	US\$627M
10	Juno Hair	Sep 2025	Buyout	+ Blackstone	-	Consumer Services	US\$590M

+ Investment - Exit

Source: Deloitte analysis

India top 10 PE investments and exits in 2025

#	Target company	Deal date	Deal type	Investors	Sellers	Industry	Deal size
1	Schneider Electric India	Jul 2025	Trade Sale	— Schneider Electric (35%)	Temasek (35%)	Capital Goods	EUR5.5B (US\$6.4B)
2	Haldiram Snacks Food	Mar 2025	Others	+ Temasek, Alpha Wave Global	—	Food & Beverage	US\$1.5B
3	Access Healthcare Services*	Jan 2025	Buyout	+ New Mountain Capital	—	Healthcare Providers	US\$1.4B
4	Aadhar Housing Finance	Jul 2025	Others	+ Blackstone	Blackstone	Financial Services	INR119.9B (US\$1.4B)
5	LG Electronics India	Oct 2025	IPO	—	ADIA, BlackRock, Fidelity, Government Pension Fund, HDFC, ICICI Prudential, Kotak Mahindra AM, LG Electronics, LIC Mutual, Motilal Oswal Mutual, SBI, Singapore Government, Tata AM, Goldman Sachs	Consumer Products	US\$1.3B
6	Tata Consultancy Services	Nov 2025	PIPE	+ TPG	—	Business Services	US\$1.0B
7	Hexaware Technologies	Feb 2025	IPO	—	Carlyle	Software	US\$1.0B
8	IDFC First Bank	Apr 2025	PIPE	+ ADIA, Warburg Pincus	—	Financial Services	US\$873M
9	Haier India	Dec 2025	Buyout	+ Bharti Enterprises, Warburg Pincus	—	Consumer Products	US\$819M
10	Sahyadri Hospitals	Jul 2025	Buyout	+ Manipal Health Enterprises (backed by Novo Holdings, CalPERS, Mubadala Investment Company, and Temasek)	OTPP	Healthcare Providers	INR64B (US\$752M)

+ Investment — Exit

Source: Deloitte analysis

*Note: US-based company with significant operations in India

Southeast Asia top 10 PE investments and exits in 2025

#	Target company	Country	Deal date	Deal type	Investors	Sellers	Industry	Deal size
1	GLP	Singapore	Sep 2025	LP Direct	+ ADIA	—	Infrastructure & Real Estate	US\$1.5B
1	Goodpack	Singapore	Nov 2025	Trade Sale	— Lam Family	KKR	Transport & Logistics	US\$1.5B
3	Princeton Digital Group	Singapore	Aug 2025	Others	+ Stonepeak	—	Telecoms & Media	US\$1.3B
4	Apex Logistics	Singapore	Oct 2025	Trade Sale	— Kuehne+Nagel	Partners Group	Transport & Logistics	US\$996M
5	Apex Healthcare	Malaysia	Apr 2025	P2P	+ Quadria Capital, 65 Equity Partners, Employees Provident Fund, Silk Road Fund	—	Healthcare Providers	MYR1.9B (US\$426M)
6	800 Super Holdings	Singapore	Sep 2025	Secondary Buyout	+ Actis	Keppel	Business Services	SG\$540M (US\$420M)
7	Digital Halo	Singapore	May 2025	Secondary Buyout	+ Partners Group	Arch Capital Management, Manulife IM	Telecoms & Media	US\$400M
8	UltraGreen (Surgical Devices)	Singapore	Nov 2025	IPO	—	65 Equity Partners, August Global Partners, Renew Group, Vitruvian Partners	Medical Devices	US\$308M
9	Pinnacle Towers	Philippines	Jun 2025	Secondary Buyout	— British Columbia Investment Management Corp	KKR	Telecoms & Media	US\$300M
10	SP Telecommunications	Singapore	Nov 2025	Buyout	+ AQX Digital Infrastructure (backed by Seraya Partners)	SP Group (Multi-Utilities), ST Engineering	Telecoms & Media	US\$237M

+ Investment — Exit

Source: Deloitte analysis

Glossary

Add-on / Bolt-on	An acquisition performed by a PE-owned portfolio company
AI (Artificial intelligence)	Computer systems designed to perform tasks typically requiring human intelligence, such as data analysis, pattern recognition, prediction, and natural language processing
Buyout	Investment in a majority or significant minority of a company, often with the intention to gain a controlling interest
Carve-out	The acquisition of a business unit or subsidiary that is separated from a larger corporate parent, often requiring the establishment of standalone governance, management, and operational systems
Continuation fund / Continuation vehicle	A fund that buys out existing LPs, enabling a GP to continue to own an asset, sometimes involving new investors, while providing liquidity to previous investors
Corporate buyer / Strategic buyer	A company acquiring another business for long-term strategic reasons such as scale, market entry, or capability expansion, rather than purely financial return
Distributions to paid-in capital (DPI)	Distributions to paid-in capital measures the total capital that a PE fund has returned to its investors, calculated as the cumulative value of all investor distributions in proportion to the called-up capital
Dry powder	The amount of capital that has been committed to a private capital fund that has yet been allocated by the GP for investment
Evergreen fund	A private markets fund structure without a fixed termination date, allowing continuous fundraising, investment, and (often limited) redemptions, commonly used for private wealth and retail investors
Environmental, social, and governance (ESG)	A set of specialised criteria used by investors and corporations to evaluate a company's performance and risk profile regarding its impact on the planet, its relationships with stakeholders, and the integrity of its leadership
Fund of funds	A fund of funds is a fund that invests its capital into other funds rather than into companies
General partner (GP)	A general partner is responsible for the management and investment decisions of a fund, overseeing capital raised from Limited Partners
Initial public offering (IPO)	Initial public offering is the first listing of private company shares on a stock exchange to be made available to the public
Limited partner (LP)	A limited partner is an investor, typically an institution, high-net-worth individual or sophisticated investor that invests capital to a fund to be managed by a general partner (GP)
LP direct	An investment or acquisition made into a single, specific asset by a limited partner (typically an institutional investor)
Megadeal	A private equity or M&A transaction of exceptionally large size, typically involving enterprise value in excess of US\$1B, often attracting heightened regulatory, political, and public scrutiny

Portfolio company	A company in which a private equity fund has made an investment and over which the GP exercises ownership influence or control
Private investment in public equity (PIPE)	Private investment in public equity is an investment made in a public company directly from the public company, via a private placement
Public-to-private (P2P)	The acquisition and de-listing of a company
Re-ups	Follow on commitments made by existing LPs to a subsequent fund raised by the same GP, often reflecting satisfaction with past performance and a desire to maintain or strengthen the GP relationship
Secondary buyout	A PE-backed company sold to another PE fund
Secondary fund	A private capital fund that purchases existing interests or assets from primary PE fund investors (LPs) or GPs
Sovereign wealth fund (SWF)	A state-owned investment fund or entity that invests in a diverse range of domestic and international assets such as stocks, bonds, real estate, and private equity
YoY (year-on-year)	A comparison of performance or metrics between the same period in consecutive years

Our approach

Private Equity, by its very nature, can be an opaque arena, certainly when compared to other spheres of investment, and establishing a single, verifiable source of truth poses real challenges: different players provide information – when they provide it at all – in different formats and using different metrics.

The Deloitte Asia Pacific Private Equity Almanac attempts to overcome many of the shortcomings of this incomplete data to provide the most insightful view possible of the buyout market. It reflects commentary and market insights based on our close coverage of the market throughout the year. Trends and statistics are checked against and supported by Deloitte's proprietary database of portfolio holdings for PE funds in Asia.

The scope of the Almanac is limited to buyout PE funds and their transactions (i.e. traditional buyout funds, focused on control deals), and as such, transactions deemed to be made by venture, growth, infrastructure, or real estate funds have not been included. Its geographic coverage spans PE activity across the entire Asia Pacific region: China, India, Japan, Korea, Australia and New Zealand and Southeast Asia; and deals done in the rest of world by Asia Pacific-based PE funds.

Our aim has been to provide what we believe is as rigorous and complete a view as is possible on the Asia Pacific buyout market – a market that is notoriously difficult to track in a holistic and accurate manner. With the Deloitte Asia Pacific Private Equity Almanac, we are providing a valuable tool for industry participants to better understand the market as a whole – qualitatively and quantitatively – and make better-informed decisions.

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