



Investing in CEE

Inbound M&A report 2024/2025



Contents

4 Foreword

The M&A market in Central and Eastern Europe (CEE)

6 The dealmaking landscape

10 Around the CEE region – country profiles

17 Private equity in CEE

21 CEE versus other emerging markets

22 CEE as an attractive region for US investments

23 Ukraine reconstruction and related opportunities

Cross-border M&A in Central and Eastern Europe

26 The inbound picture

32 Sector focus

36 Technology

38 Energy and utilities

40 Industrials

42 Indicative valuation considerations

44 M&A outlook for 2025 and conclusion

Foreword

Big-ticket M&A in the CEE region came under significant strain in 2024, but forecasts suggest the worst is now behind us and that dealmakers should look forward to a brighter 2025

The past 12 months proved to be very challenging for M&A dealmakers, with tighter financing, stubborn valuation gaps and political instability complicating deal execution. Against this background, the aggregate value of M&A transactions in Central and Eastern Europe (CEE) declined precipitously in 2024, even as total deal volume rose marginally year-on-year.

While dealmakers face common macroeconomic and geopolitical challenges, powerful regional factors are increasingly in play. In the case of CEE, one of these is the health of the German economy. This matters because the fortunes of many CEE countries and companies are closely tied to Germany – particularly those that depend on the vast German automotive sector.

There are also questions about political stability. The CEE region has had its share of upheavals – but so too has neighbouring Western Europe. In parallel with this is the continuing impact of the war in Ukraine. There is also uncertainty about the likely direction of US trade policy – particularly with regard to tariffs and potential inflationary impacts, though this concern is not unique to the CEE region.

Despite all of this, there are many reasons to remain optimistic. Financing conditions in the CEE region are improving, albeit slowly, with central banks committed to monetary easing. This should help to improve exit conditions and close the valuation gaps that blighted markets in 2024.

There is also growing optimism about the prospects for peace in Ukraine. The desire to end the war is increasingly strong, although it is not yet clear how this might be achieved or what form it may take. The end of hostilities would have many positive implications, among them reduced risk premiums. That being said, inbound investors are not waiting for the war to end: a growing number are already investing in Ukraine's reconstruction, as we show in this report.

In tandem with this, momentum behind EU enlargement is building. This is good news for Ukraine and for the Western Balkan nations that are not yet members. The European Commission recently restated its commitment to expansion, describing it as a top priority. The promise of enlargement is already making a difference. Albania is one case in point: the announcement that it aims to join the bloc by 2030 is fuelling an uptick in inbound interest.

In the meantime, the growth outlook for the region is increasingly upbeat. Most CEE countries are expected to achieve GDP growth of more than 2% in 2025 – well ahead of the leading economies in neighbouring Western Europe. This – coupled with the CEE region's attractive targets, consolidation opportunities and skilled labour force – augurs relatively well for M&A in the year ahead.



Olivier Degand
CEE Financial Advisory Co-Lead
Managing Partner
Forvis Mazars in Poland



Andrija Garofulić
CEE Financial Advisory Co-Lead
Partner
Forvis Mazars in Adria subregion



Adam Zohry
CEE Financial Advisory Co-Lead
Executive Manager
Forvis Mazars in Poland

Methodology

Mergermarket deal data includes transactions with a disclosed deal value greater than or equal to US\$5m, except for some minority stake acquisitions where a higher threshold applies. If the consideration is undisclosed, deals are included on the basis of a reported or estimated deal value greater than or equal to US\$5m.

In the case of minority stake deals, transactions are included where the stake acquired is greater than or equal to 30% of the entire share capital, and the deal value is at least US\$5m. Where the stake acquired is less than 30%, the deal will only be included if the deal value is at least US\$100m, provided there is also evidence of an advisory mandate; or at least US\$500m in the absence of evidence of an advisory mandate.

Mergermarket data includes property transactions where a property company, with the exception of a property holding company, is acquired or merged with another entity. It does not include property/real estate transactions restricted to land, buildings, portfolios or sale and leaseback agreements.

Effective 1 July 2023, the underlying Mergermarket data supporting this research was consolidated with Dealogic data to produce an even more complete picture of the M&A marketplace. As such, figures published in preceding editions of this research before 1 July 2023 will not match precisely with figures illustrated in this report.

For a full version of the Mergermarket M&A deal database inclusion criteria, go to: mergermarket.com/pdf/deal_criteria.pdf



The M&A market in CEE

The dealmaking landscape

Though aggregate deal value declined in 2024, M&A volumes in CEE maintained a similar pace as the two years prior, which speaks to the market’s resilience and sustained appeal to global dealmakers

Geopolitical and macroeconomic headwinds weighed heavily on M&A markets in 2024. Despite these unwelcoming conditions, dealmaking in the CEE region held up relatively well – at least in volume terms, with a total of 1,270 deals announced in 2024, representing a slight increase of 3% from 2023’s 1,232 transaction announcements. Aggregate deal value, however, collapsed by 30% to €27.4bn, the biggest year-on-year drop on recent record.

“It was a challenging year for the region,” confirms Maciej Ptak, Head of Financial Advisory at Forvis Mazars in Poland. “M&A activity was impacted by political and economic uncertainty driven by the war in Ukraine, the crisis in the Middle East and concerns about the German economy. Against this background, higher interest rates reduced the availability of financing for transactions.”

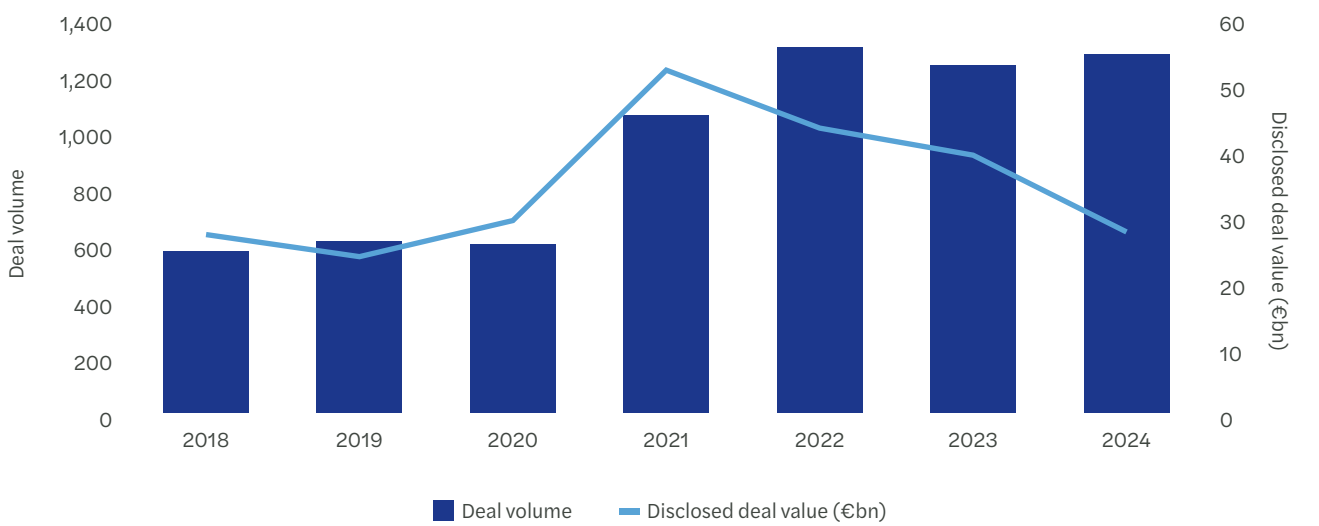
In volume terms, the relative shares of domestic and cross-border transactions changed only marginally year-on-year, with inbound deals continuing to predominate, contributing 56% of all activity. But the shift in value terms has been stark. In 2023, inbound

M&A from outside CEE accounted for 63% of total deal value in the region. That share fell to 47% in 2024, while domestic M&A’s share rose year-on-year from 32% to 41%. Cross-border dealmaking within the region contributed 12%, up from 5% in 2023.

The region’s largest transaction in 2024 was the acquisition of Budapest Airport by the Hungarian Development Bank and Vinci, the France-based concessions and construction company. With a total value of €4.3bn (including €3.1bn in equity value plus net debt of €1.2bn), the deal returns the capital city’s airport to majority state ownership. The government now holds an 80% stake in the airport and is reported to be considering selling a minority stake to the Qatar Investment Authority.

Austrian companies were the target of four of the 10 biggest deals announced in CEE in 2024. The largest of these transactions, the fourth-biggest in the region in 2024, was the €803m acquisition of telecoms company OnTower Austria by a consortium led by Vauban Infrastructure Partners, EDF Invest and MEAG.

Total CEE M&A market



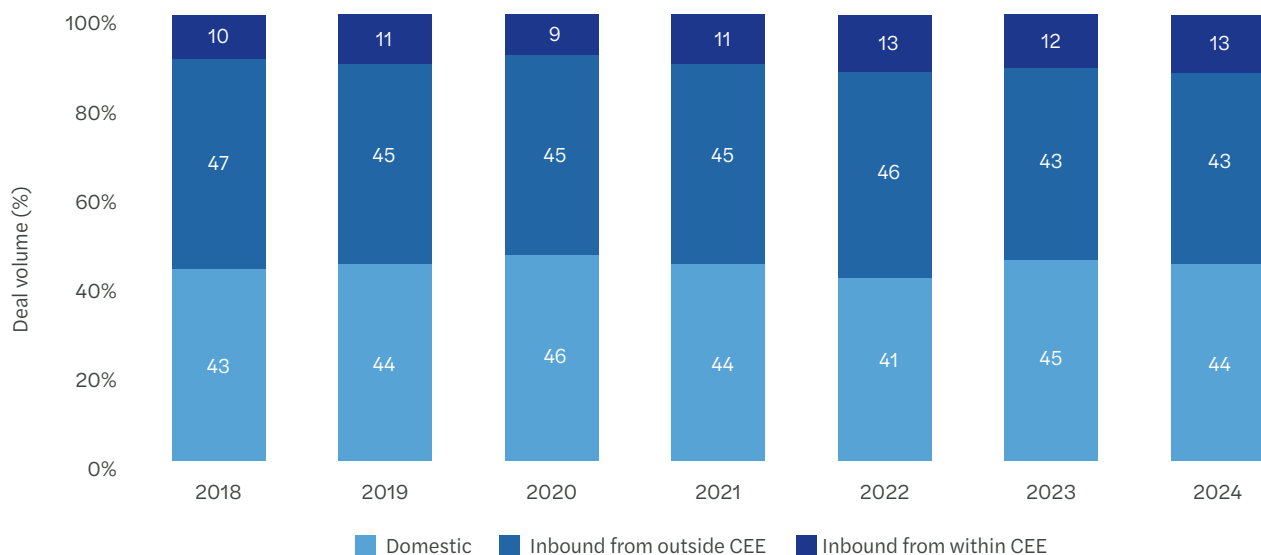
The M&A market in CEE

The dealmaking landscape

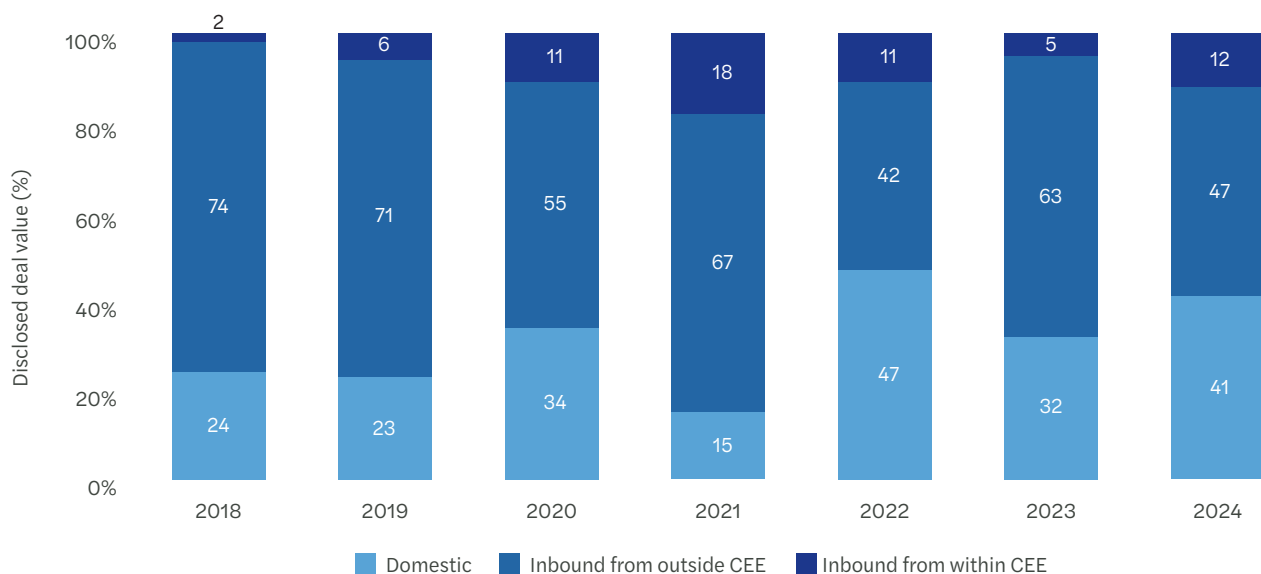
“M&A activity was impacted by political and economic uncertainty driven by the war in Ukraine, the crisis in the Middle East and concerns about the German economy.”

Maciej Ptak, Head of Financial Advisory, Forvis Mazars in Poland

CEE M&A volume – inbound vs. domestic



CEE M&A disclosed deal value – inbound vs. domestic



The M&A market in CEE

The dealmaking landscape

Top 10 M&A deals in CEE in 2024

Announced date	Target company	Sector	Target country	Bidder company	Bidder country	Disclosed deal value (€m)
06/06/2024	Budapest Airport Zrt (100% Stake)	Transport and logistics	Hungary	VINCI SA; Corvinus Nemzetkozi Befektetesi Zrt; Hungarian Development Bank Zrt; Vinci Concessions SAS	Hungary	4,300
28/06/2024	Partner in Pet Food Hungaria Kft	Food and beverage	Hungary	CVC Advisers Ltd	United Kingdom	2,000
21/03/2024	GasNet sro (55.21% Stake)	Energy and utilities	Czech Republic	ČEZ as	Czech Republic	847
09/08/2024	OnTower Austria GmbH (100% Stake)	Telecommunications	Austria	EDF Electricite de France SA; Muenchener Rueckversicherungs gesellschaft AG; MEAG MUNICH ERGO AssetManagement GmbH; EDF Invest; Vauban Infrastructure Partners SCA	Austria	803
12/04/2024	InPost SA (10% Stake)	Transport and logistics	Poland	PPF Group NV	Czech Republic	785
06/08/2024	Power Station (Renewable energy generation portfolio) (100% Stake)	Energy and utilities	Romania	Public Power Corp SA	Greece	700
17/06/2024	Tallink Grupp AS (21.71% Stake)	Transport and logistics	Estonia	Infortar AS	Estonia	670
15/05/2024	Single Use Support GmbH (60% Stake)	Industrials	Austria	Novo Holdings A/S; Novo Nordisk Foundation	Denmark	600
02/05/2024	VAMED AG (European rehabilitation business) (67% Stake)	Professional services	Austria	PAI Partners SAS	France	572
24/10/2024	RP Global Holdings SL	Energy and utilities	Austria	Mirova SA	Austria	480

The M&A market in CEE

The dealmaking landscape

Telecoms deals account for a relatively small proportion of transactions by volume, but their value is typically high. The CEE region generates a steady stream of such deals each year as players race to consolidate networks and expand 5G capabilities. Underlining this trend, 2024 also saw the €400m acquisition of Telekom Serbia's tower portfolio by Actis LLP and PortfoLion Capital Partners, one of the year's largest inbound deals.

As in previous years, the technology sector stood out as the top deal generator in volume terms, contributing 216 transactions, up 8% year-on-year – however, their aggregate value was €2.5bn, representing a decline of 48% relative to 2023's total (€4.8bn). Moreover, not one of the 10 largest deals announced in CEE last year fell in the technology sector.

Industrials was the next busiest sector with 160 deal announcements (matching the previous year's output), with these worth €2.2bn in the aggregate (down 54% year-on-year). Energy and utilities also produced a steady flow of deals (156 deal announcements), with renewables attracting a lot of attention – two of CEE's top 10 M&A deals in 2024 involved green energy assets, but ready-to-build projects remain in short supply. Overall, energy and utilities M&A rose by 12% in volume terms but saw a 37% year-on-year decline in terms of total value (just under €4bn).

Despite modest rate cuts by central banks, securing debt financing remained tough throughout 2024 as interest rates remained high relative to the norms of the past 15 years. Elevated borrowing costs make it harder to qualify for bank loans and to align with bank covenants. In addition, the weighted average cost of capital increases. All of this put downward pressure on valuations. Turning to equity, risk premiums ticked up as a result of political and economic uncertainty. This contributed to an increase in required returns – piling further pressure on valuations.

PE firms faced specific challenges. First, many already have a sufficient level of cash, but are unable to invest

due to enduring valuation gaps. Second, they are missing their performance track records to show to investors – some are exiting early for this reason, and those exits are taking longer. These challenges are especially acute among smaller PE firms. "Some local or regional PE firms may struggle to raise new funds," confirms Adam Zohry, Executive Manager at Forvis Mazars in Poland. "By contrast, large international PE players are less exposed to issues related to fundraising specific to our region."

Investment decisions were postponed by acquirers of all types as a consequence of high interest rates and political instability. Meanwhile, valuation gaps between buyers and sellers also continued to act as a brake on dealmaking – although this phenomenon was by no means unique to the CEE region.

Despite tougher conditions – particularly in sectors such as automotive and real estate – the M&A market in CEE has yet to witness a torrent of distressed deals. "We are prepared for a restructuring cycle, but it still hasn't happened – most activity is still around growing, buying and selling businesses," says Andrija Garofulić, Partner, Financial Advisory at Forvis Mazars in Adria subregion. "But if instability continues, we may see distressed opportunities and restructurings over the next 12 months."

Focusing on the exit environment, large deals were relatively scarce in 2024 – a point manifested in terms of deal value, which declined everywhere. Looking ahead, this opens up opportunities for management buyouts (MBOs), the potential for which currently remains underexploited in the CEE region.

Tougher exit conditions mean that PE firms are increasingly setting up continuation funds to extend the holding period of assets, while simultaneously generating liquidity for existing LPs. "PE firms are under pressure to pay out returns to investors and they have a limited time frame in which to exit," says Garofulić. "If a portfolio company is still growing – and they cannot sell it – they will transfer it to a continuation fund."

The M&A market in CEE

Around the CEE region

Ukraine and the Baltics shine amid an otherwise subdued regional M&A market

Poland, Austria and Romania were the CEE region's top M&A deal generators in terms of volume in 2024, a pattern that has remained unchanged over the past three years. In terms of aggregate deal value, Hungary took the top spot with transactions totalling €6.5bn – followed by Poland (€5.8bn) and Austria (€4.9bn) – though most of Hungary's aggregate deal value was generated by just two large transactions.

Though deal volume across CEE remained quite stable compared to 2023's levels, Ukraine and the Baltic countries stand out from their regional neighbours, recording the most pronounced year-on-year increases in transactions announcements in 2024. In the case of the Baltics, this was accompanied by a pronounced year-on-year gain in aggregate deal value.

Poland

The busiest M&A market in the CEE region in 2024 was Poland – and by a significant margin, with a total of 339 deals, 79% more than second-placed Austria. Poland also generated the second-highest aggregate deal value in the region. However, it suffered a steeper decline in transaction activity compared to the region-wide averages. Deal volume fell by 12% compared to 2023, while aggregate value slid by 47% to €5.8bn.

The largest deal announced in Poland in 2024 (the fifth-largest in CEE overall) was the €785m acquisition by PPF, the Czech investment group, of a 10% stake in e-commerce distribution company InPost. PPF had previously acquired a 5% stake in the company in 2023.

Technology was a strong performer, with Poland generating some of the region's largest inbound deals. The largest of these was the €410m acquisition of a majority stake in IT business solutions provider Comarch by a consortium led by CVC Advisers. Healthcare also produced a strong crop of deals, among them the €370m acquisition of sports injury hospital Scanmed SA Chirurgia Endoskopowa Scanmed.

Energy was another sector that saw significant activity. Poland has big plans for its power grid,

including a €15bn upgrade that will make it easier to connect renewable assets. "Energy in Poland is currently among the most expensive in Europe, so change is vital if we are to increase our attractiveness," says Jan Fido, Head of Transaction Services at Forvis Mazars in Poland. "The grid investment programme is impressive and it should stimulate wider investments in the energy sector."

Big-ticket M&A activity has trended down sharply in Poland over the last two years. However, improved political stability and a brightening growth outlook – the IMF has forecast economic expansion in Poland of 3% in 2024 and 3.5% in 2025 – may soon spark the revival of the country's deal market.

Moreover, Poland will continue to benefit from the release of up to €137bn of EU cohesion and recovery funding that had been frozen under the previous government. "This is a sizeable amount of money for investments and it should fuel the economy as well once it is released to companies, so we are positive there," says Maciej Ptak of Forvis Mazars in Poland.

Austria

Austria was the CEE region's second-largest deal market in 2024 in volume terms and third-largest by aggregate deal value. The past year saw a total of 189 deal announcements involving Austrian targets (up 7% compared to 2023) with a combined value of €4.9bn (down 52% year-on-year).

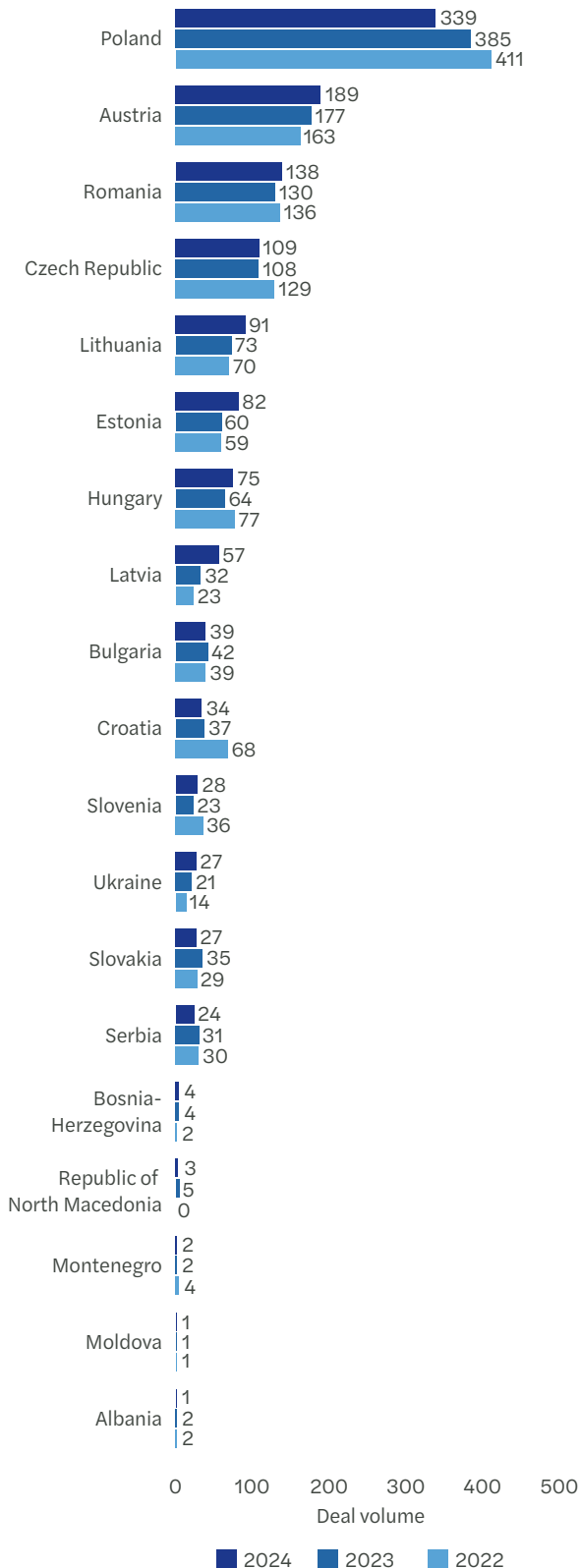
Four of the 10 biggest deals in the CEE region involved Austrian targets, each in a different sector. The largest of these, and the region's fourth-biggest M&A deal in 2024, was a telecoms transaction – the previously-mentioned €803m acquisition of OnTower by a consortium led by Vauban Infrastructure Partners.

Industrials also figured in the CEE top 10, with the €600m acquisition of a majority stake in Single Use Support by Denmark-based Novo Holdings and Novo Nordisk Foundation, makers of Ozempic and Wegovy. Single Use Support specialises in tools and services for drug substance production involving medical liquids.

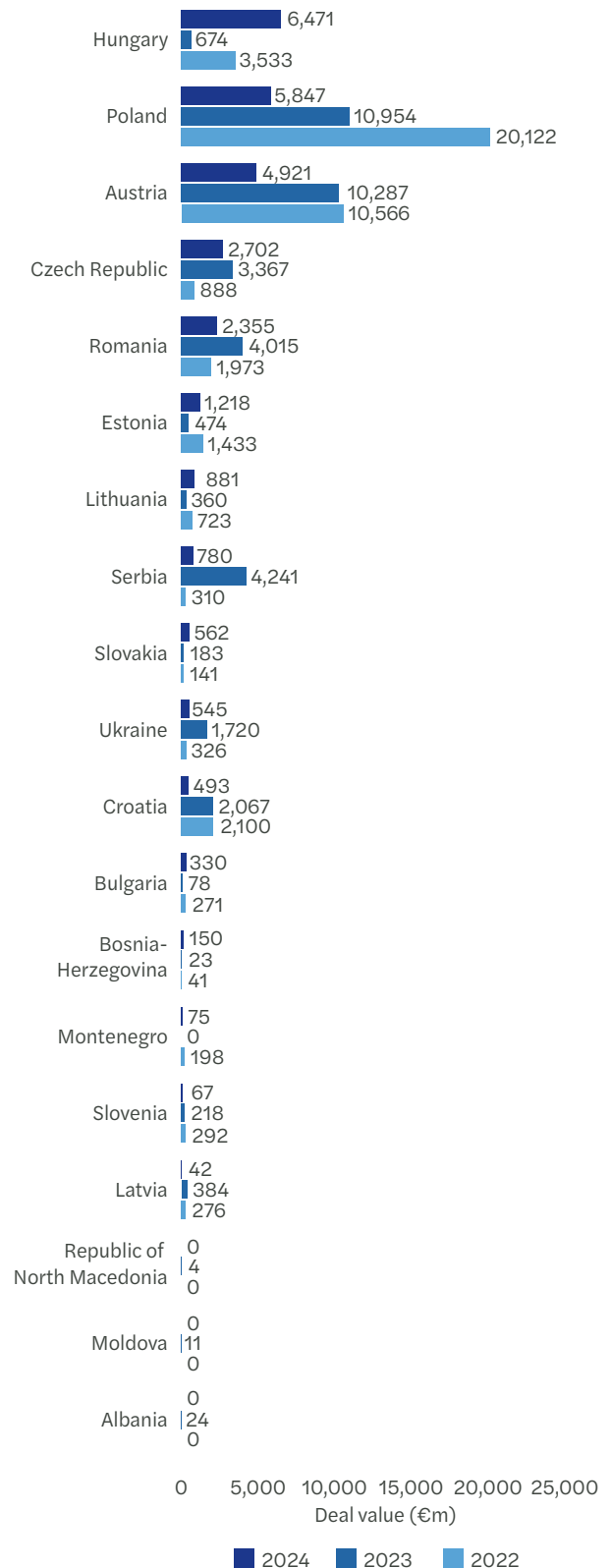
The M&A market in CEE

Around the CEE region

CEE M&A volume by country, 2022-2024



CEE M&A disclosed value (€m) by country, 2022-2024



The M&A market in CEE

Around the CEE region

Sticking with the medical trend – but this time falling specifically in the professional services sector – 2024 also saw the €572m acquisition by France-based buyout firm PAI Partners of a majority stake in the European rehabilitation business of Vienna-based VAMED, which operates more than 60 clinics and care centres across Germany, Austria, Switzerland, the Czech Republic and the UK.

One of the big attractions of the Austrian M&A market is the abundance of so-called ‘hidden champions’. These are small and medium-sized enterprises (SME) with a reputation for excellence in manufacturing and engineering, with products that include everything from digital control systems to ski lifts. “These companies are not always well known, but they are innovative and often leading players on the global market,” says Günther Mayrleitner, Partner at Forvis Mazars in Austria. “Targets of this sort are always attractive for foreign investors and they generate consistent interest.”

Romania

With 138 deal announcements, Romania was CEE’s third-busiest market in volume terms in 2024. That figure is up by 6% from 2023, while the aggregate value of those deals (€2.4bn, the fifth-largest overall in the region) was down 41% year-on-year.

Energy and utilities was the biggest deal generator by volume, accounting for one in five of Romania’s M&A transactions in 2024 – many involving inbound acquirers from outside the CEE region. “Renewable energy was hot in 2024,” confirms Adrian Mihalcea, Director at Forvis Mazars in Romania. “Investors want projects which are ready to build, or with permission in place so they can plan ahead. We saw a lot of local and international players looking for assets of this sort.”

The country’s ample renewable energy resources provide a strong underpinning. The southern fringe of the CEE region has excellent solar potential and Romania benefits from 210 sunny days per year. On top of this, Romania has the highest wind potential in continental Europe.

Romania’s largest energy and utilities deal in 2024 (and the sixth-biggest deal overall in the CEE region) saw Greek state-owned utility Public Power Corp acquire a portfolio of renewable energy assets from Evryo Power – which is owned by funds managed by

Macquarie Asset Management – for a total enterprise value of approximately €700m.

Technology also produced a strong crop of M&A deals in Romania last year, nearly two-thirds of which were inbound. The country’s largest tech transaction in 2024 saw payment processing solutions business Fintech OS raise €55m in a Series B+ funding round led by Cipio Partners, Molten Ventures and BlackRock. The outlook for Romania is broadly positive. Full accession to the Schengen Area – effective 1 January 2025 – should ease the flow of people and goods across the country’s borders with its EU neighbours. On a similar note, Romania is engaged on a massive road-building programme with nearly 800km of highways and express roads currently under construction – one of the biggest projects of its sort in Europe. Against this background, the IMF predicts GDP growth of 3.3% in 2025, well ahead of most CEE countries.

“Overall, the last few years have been very good for Romania,” says Răzvan Butucaru, Partner at Forvis Mazars in Romania. “We gained visibility towards inbound investors, and target companies have matured here. Also, we see more and more diversity in the investors, more initiative, more openness to various sources of financing. These are good grounds for optimism.”

Czech Republic

The Czech Republic was the CEE region’s fourth-busiest M&A market in 2024 with 109 announced deals. These had a combined value of just under €2.7bn, of which nearly a third was accounted for by a single transaction. Deal volume rose marginally year-on-year (up 1%), but aggregate value declined by 20% compared to 2023.

The largest deal of the year to be announced in the Czech Republic was the €847m acquisition of a majority stake in gas distributor GasNet by national energy conglomerate ČEZ Group. GasNet’s 65,000km pipeline network covers 80% of the Czech Republic’s gas distribution and may have a central role to play in the transition to hydrogen for heat and power generation.

Tech targets in the Czech Republic generated two of the country’s 10 biggest inbound technology M&A deals in 2024. The largest of these was the acquisition of a €159m stake in online grocery delivery platform



developer Rohlik Group in a pre-IPO funding round led by the European Bank for Reconstruction & Development (EBRD). Staying with large tech deals, 2024 also saw the acquisition of a €100m stake in computer software company Omnetic by a group of investors led by Kartesia Advisor LLP.

Large assets are capable of attracting a wide spectrum of buyers, often from outside the region – in 2024, the UK, China and the US numbered among inbound acquirers in the Czech Republic. Smaller assets, meanwhile, are more likely to be targeted by domestic and regional players. “Buying an SME company without any significant technological or market edge doesn’t make much sense for an inbound strategic investor. If you have a relatively small company, these days it’s more likely you’ll sell it to local financial capital,” says Lukáš Hruboň, Head of Transaction Advisory at Forvis Mazars in the Czech Republic. “Currently, we see many financial investors in the Czech market – PE funds, venture capital firms, family offices and wealthy individuals. These are increasingly important players.”

Looking ahead, IMF data suggests that the Czech Republic’s economy is set to expand by nearly 2.3% in 2025 – a significant improvement over the 1% growth recorded in 2024, which was among the lowest in CEE.

Hungary

Deal volume in Hungary rose by 17% year-on-year with 75 transactions announced in 2024. Meanwhile, aggregate deal value soared to €6.5bn – an almost 10-fold increase versus 2023. This stellar total is accounted for almost entirely by two large transactions.

Hungary’s largest deal was the previously-mentioned nationalisation of Budapest Airport, worth €4.3bn.

The country’s next-largest transaction (also the CEE region’s second largest) saw UK private equity (PE) firm CVC acquire Partner in Pet Food for €2bn. Together, these two deals accounted for almost 98% of total transaction value in Hungary in 2024.

Overall, the share of PE activity ticked higher year-on-year, with buyouts accounting for 12% of Hungary’s transaction total, up from less than 5% in 2023. “PE was more active in Hungary in 2024, particularly for small and middle-size deals,” confirms Balázs Szécsi, Head of Advisory at Forvis Mazars in Hungary. “PE firms still have unutilised funds, so they have much more to spend. The challenge is finding targets – good assets generate a lot of competition.”

Cross-border deals involving PE firms from elsewhere in the CEE region are an increasing feature of Hungary’s M&A market, particularly when it comes to tech sector consolidation and scale-ups. “There’s a great talent base here and borders don’t make much difference if you are developing services for export,” points out Szécsi. “We see PE firms from the Czech Republic, Poland and Romania coming here to make an initial acquisition, establish a foothold and then explore further opportunities.” Looking ahead, IMF data suggests that Hungary’s economy is set to expand by just over 2.8% in 2025, up from 1.5% in 2024.

Bulgaria

Bulgaria recorded 39 deal announcements in 2024, down 7% from the year prior but matching 2022’s level of output. However, the aggregate value of these transactions – €330m – represents a more than fourfold increase from the €78m total recorded in 2023, and also exceeded the standard achieved the year before (€271m in 2022).

The M&A market in CEE

Around the CEE region

Unlike other markets, the increase in deal value in Bulgaria was widely spread and not down simply to one or two big deals. The largest transaction to be announced in Bulgaria in 2024 was the €71m acquisition by Vienna-headquartered investor AG Capital of logistics and industrial property investment company Bulgarian Property Developments.

Energy and utilities and technology were Bulgaria's most active sectors in terms of volume, each generating nearly a quarter of the country's overall M&A deal count in 2024. In the energy space, most of these transactions were inbound from outside CEE and targeted renewable assets, especially solar photovoltaic projects. "The renewables sector is big in Bulgaria – we are seeing a lot of interest in solar parks, particularly from Israeli and Chinese investors," says Kristina Stefanova, Manager at Forvis Mazars in Bulgaria.

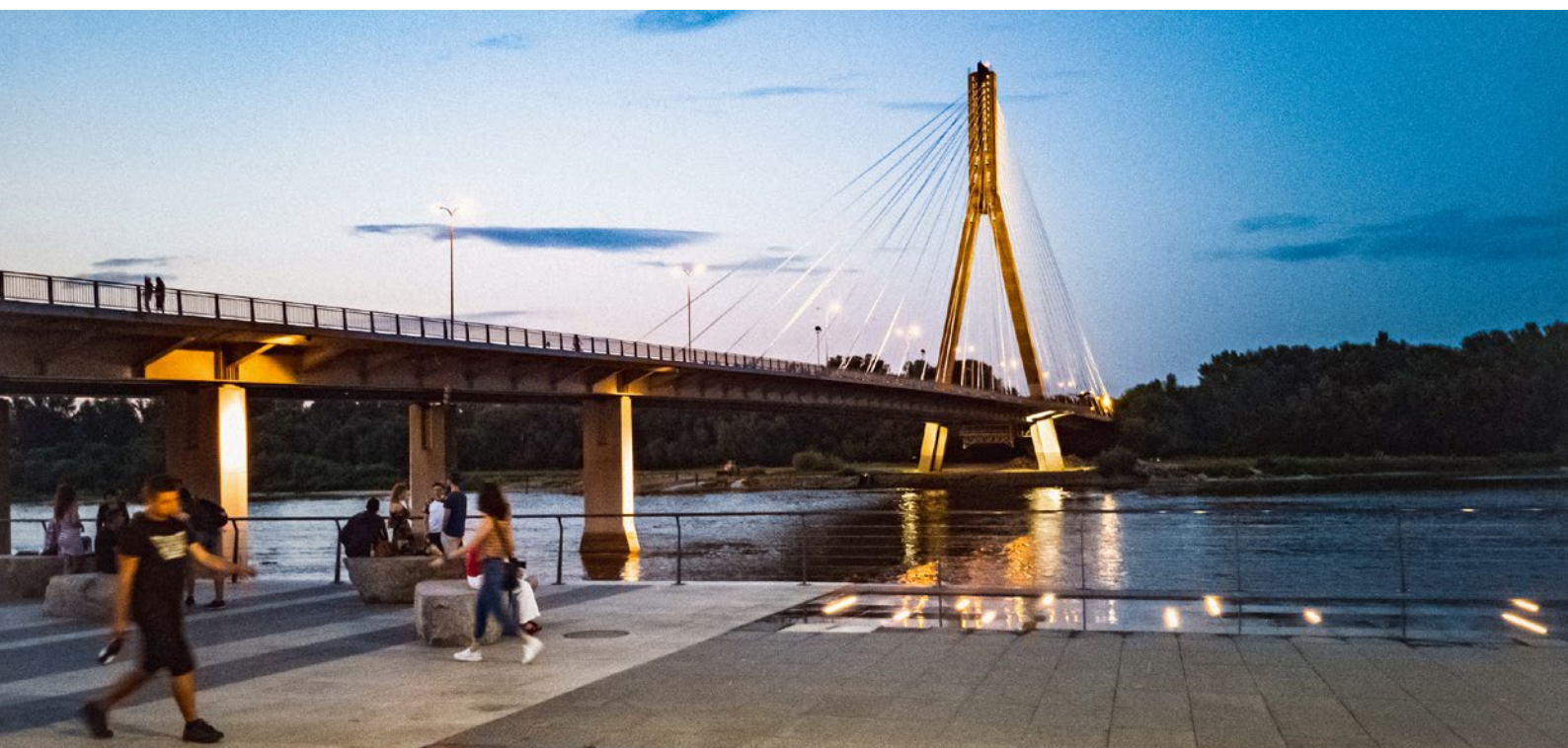
Technology has been a cornerstone of the Bulgarian economy for decades. Today, the country's IT capabilities span everything from vehicle diagnostics to robotics, AI, crypto and blockchain-enriched IT products. "Digitalisation is a major topic in Bulgaria and we have a huge talent pool, so it is easy to develop and scale an IT business," says Thanos Petropoulos, Managing Director and Partner at Forvis Mazars in Bulgaria. The largest tech deal of 2024 with a declared value was the €55m acquisition of custom software developer Dreamix by US-based global consulting firm Synechron Inc.

Bulgaria was among the first countries to implement the EU's Corporate Sustainability Reporting Directive, which sets out new reporting obligations for companies. "This will open up our markets even more for foreign investments in ESG companies and it should create more opportunities for M&A deals," Stefanova says. The IMF predicts GDP growth of 2.5%, a slight increase versus 2023. "I am positive on the Bulgarian economy – we are seeing a lot of local investment, which tells me that people are confident about the future," says Petropoulos.

Adria subregion

The Adria subregion – comprising Albania, Bosnia and Herzegovina, Croatia, Kosovo, Montenegro, North Macedonia, Serbia and Slovenia – saw a total of 96 deals in 2024, a year-on-year decline of 8%. Their aggregate deal value of just under €1.6bn was down by 76% versus 2023.

Croatia contributed the largest share of deal volume with 34 transactions announced (35% of the total), while Serbia accounted for the biggest share of aggregate value in the subregion (nearly 50%) with deals worth a combined €780m. The largest deal to be announced in the Adria subregion in 2024 saw a consortium led by London-based investment firm Actis acquire the macro tower portfolio of Telekom Srbija across Serbia, Montenegro and Bosnia and Herzegovina. The deal was worth €400m, according to Mergermarket reporting.



The M&A market in CEE

Around the CEE region

EU membership – or the lack thereof – remains a sensitive issue for the six countries of the Adria subregion currently outside the bloc. But things are looking up, especially for Albania. “There were some good milestones in 2024 in terms of the opening of EU accession negotiations,” says Teit Gjini, Managing Partner at Forvis Mazars in Albania.

As the prospect of EU membership inches closer – Albania aims to join the bloc by 2030 – investor confidence is building. “We’re seeing increased inbound interest, particularly in the tourist industry. There are some very ambitious projects in the pipeline,” Gjini says. “The mining sector also has scope. In addition, energy could do well – we have a lot of projects with M&A potential.”

Neighbouring North Macedonia is among the smallest countries in the Adria subregion and relies heavily on foreign direct investment, which is encouraged by generous state support. But it generates inbound M&A interest as well. Highlights in 2024 included the acquisition by Ireland-based Magic Media & Entertainment Group Ltd of gaming animation specialist Interactive Creation, and Estonia-based Modirum Group’s acquisition of a majority stake in software and IT services provider ITgma.

The energy sector is also promising. North Macedonia depends on coal-fired generation, but coal supplies are dwindling and there is growing interest in renewables. “Photovoltaic and windfarms are generating a lot of interest among investors from Israel, Turkey, Belgium and Germany,” says Jane Ivanov, Partner with Forvis Mazars in North Macedonia. “Development of this sector has the potential to drive M&A activity.”

Slovakia

Slovakia recorded 27 transaction announcements in 2024, down 23% from 2023. However, these deals were worth a combined €562m, more than three times the total logged the previous year. The bulk of that value was generated by a single transaction, the €448m acquisition by Ireland-based Valeo Foods Group of IDC Holding, a major independent producer of sweet treats in the CEE region.

Manufacturing constitutes a critical part of the Slovak economy, a fact underlined by the high proportion of M&A deals targeting industrial assets. These

accounted for nearly a third of the overall deal total by volume in 2024 and attracted inbound bidders from geographies including Taiwan, India, Germany and the US. The largest industrials deal with a disclosed value was the €52m acquisition of industrial electronics business EASYS by Taiwan-based wiring harness maker BizLink.

Staying with industrials, 2024 also saw two deals targeting Slovakia-based R&D and battery maker InoBat. These were the €20m acquisition of a 4.5% stake by India-based automotive battery manufacturer Amara Raja Energy & Mobility, and a separate deal which saw Slovak Investment Holding, the Slovakia-based state-owned alternative investment fund, acquire a stake worth €12m. InoBat illustrates the way that Slovakia is leveraging its car-making heritage to take advantage of the fast-evolving electric vehicle sector.

Slovakia continues to branch out beyond the industrials arena, notably in sectors such as healthcare, renewables and technology. In 2024, the latter generated M&A deals targeting assets from cloud-based phone software to business-to-consumer (B2C) platforms. Meanwhile, early-stage momentum is building in tech. “We are starting to see a pattern with artificial intelligence start-ups in areas such as computer software and healthcare,” says Samuel Sviba, Manager at Forvis Mazars in Slovakia. “Today, these start-ups are primarily supported by venture capital, and investments are relatively small.”

The current tense political situation in Slovakia and throughout Europe is expected to impact the local M&A activities significantly in 2025. Slovakia’s strong dependence on the automotive sector means that developments within major manufacturing companies across Europe will also be crucial. Additionally, shifts in the political landscape might influence investor sentiment, particularly with the introduction of new transaction taxes set to take effect in April 2025. This is a levy on outgoing payments made by businesses, including invoice and card payments. Turning to indicators, the IMF predicts GDP growth approaching 1.9% in the year ahead, while inflation is forecast to rise to just over 5% – the second-highest level in the CEE region.

The M&A market in CEE

Around the CEE region

Ukraine

Ukraine recorded 27 deal announcements in 2024, up from 21 the year prior and 14 in 2022. Apart from Austria and the three Baltic countries – and despite the war – Ukraine is the only market in the CEE region to have seen two consecutive years of rising deal volume.

In value terms, Ukraine's 27 deals were worth a combined €545m. That figure is down by 68% compared to the total achieved in 2023, though it is something of an outlier – between 2020 and 2022, Ukraine recorded an average annual total deal value of €171m, including €326m in 2022. Taking those figures into consideration, and factoring in the stability in deal volumes over the last couple of years, 2024 was auspicious for Ukraine's M&A market.

Deals in 2024 spanned a wide range of business sectors from energy and retail to technology, the latter including inbound deals in e-learning software and cloud-based healthcare solutions. "Tech has been a consistent performer since the first year of the war," confirms Grégoire Dattée, Managing Partner at Forvis Mazars in Ukraine. "It's driven by a new generation of entrepreneurs and a highly-educated workforce which is adaptable to changing circumstances. Tech is the biggest services exports sector today in Ukraine."

The confidence of inbound investors continues to rise – a point underscored by the landmark acquisition and merger of Ukraine-based mobile operator Lifecell and digital services provider Datagroup-Voila. The first part of this deal – the €474m acquisition of Lifecell – was announced late in December 2023. The second part – the purchase of Datagroup-Voila – was announced in April 2024. Both acquisitions were carried out by a consortium led by NJJ Holding, the investment firm founded and fully-owned by French tech and telecoms entrepreneur Xavier Niel. The intention is to merge Datagroup-Voila with Lifecell. Datagroup-Voila is a pay-TV and broadband service provider with more than 30,000km of fibre infrastructure, while Lifecell is Ukraine's third-biggest mobile operator. The deal testifies to the ability of Ukraine to attract large-scale inbound investment, despite the conflict.

Baltic subregion

Alongside Ukraine, the Baltic states (Lithuania, Estonia and Latvia) were the star performers of 2024, amassing a total of 230 deal announcements, up

39% compared to 2023. Each country enjoyed an increase in volume, with Latvia seeing the biggest jump (up 78% year-on-year) though it was Lithuania that contributed the largest share of deals overall with 91 transactions announced, accounting for 40% of the subregion's deal total.

"It was a good year with an increasing number of deals," says Aleksandras Papšys, Partner at Forvis Mazars in Lithuania. "The perception – particularly here in Lithuania – is that things have never been better. There are a lot of good targets and vibrant regional funds which are still raising new money."

The aggregate value of Baltic M&A deals in 2024 climbed to €2.1bn, up a massive 76% from the €1.2bn recorded in 2023. Despite Latvia's increase in volume, the total value of its deals fell markedly, from €384m in 2023 to just €42m in 2024. This decline, however, was easily offset by major year-on-year increases in total deal value in both Lithuania (from €360m to €881m) and Estonia (from €474m to €1.2bn).

Estonia generated the largest deal in the Baltics (and seventh-largest across CEE) worth around €670m. As part of an intragroup reorganisation, investment holding company Infortar acquired 21.71% of all shares in Tallink Grupp, the leading maritime transport group in the Baltic Sea region. The deal brings Infortar's stake in the shipping company up to 68.47%.

The Baltic states are a reliable source of high-value technology deals, and 2024 did not disappoint. The largest tech deal – and one of the year's 10 biggest PE transactions in the CEE region – was the €340m acquisition of a 6.8% stake in Lithuania-based second-hand marketplace Vinted by a group of investors led by TPG. Staying with e-commerce, 2024 also saw the acquisition of Estonia's leading general classifieds platform, Okidoki, by US-based Metal Sky Star Acquisition Corporation in a deal worth €108m.

Deals linked to the energy transition were a notable feature of the market in 2024. One of the largest of these – an industrials transaction – was the €140m investment by US-based Baker Hughes in Estonia-based green hydrogen specialist Elcogen Group. Against this background, the EBRD acquired a minority shareholding in Lithuanian renewables developer Green Genius in a deal worth €100m. This represents the largest-ever equity commitment by the EBRD to a single company in the Baltics.

The M&A market in CEE

Private equity in CEE

Local and regional PE firms are leading the charge when it comes to succession planning and consolidation

PE dealmaking in CEE was somewhat muted in 2024. Indeed, buyout volumes have fallen consistently in the region since 2021, with 160 announced in 2024, down 2% from 2023. Total buyout value, meanwhile, followed the same up-and-down trend that has been observed in the region for most of the last decade. The 160 buyouts announced in 2024 were worth a combined €5.6bn, down 18% versus 2023 but comfortably ahead of 2022's total (€4.4bn).

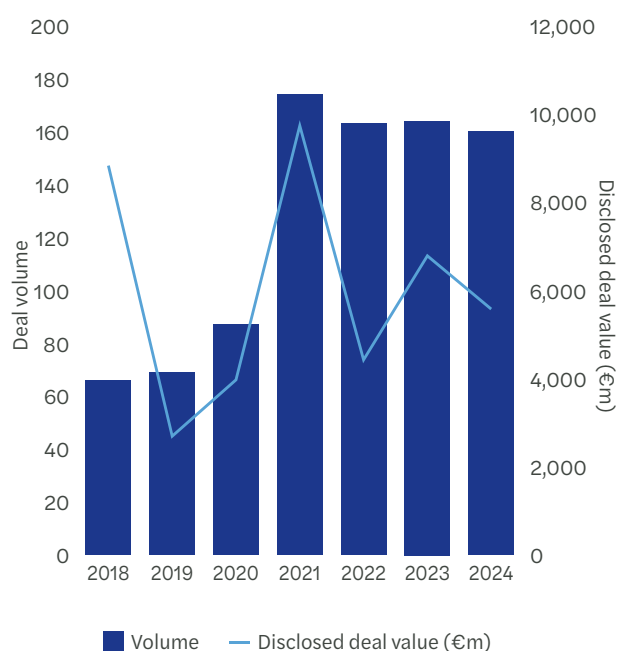
PE exits have tracked a similar path over the last few years. In 2024, 54 exits were announced (up marginally from the 50 recorded in 2023) worth a combined €4.7bn (down 28% year-on-year). The latter figure does, however, eclipse the equivalent total logged in 2022 (€3bn).

Despite the subdued year-on-year value totals, there are reasons to be optimistic about the PE arena's potential in CEE, spurred by broader European interest in the region. "European funds have helped to create new opportunities, giving confidence to PE funds to emerge and expand," says Răzvan Butucaru, Partner at Forvis Mazars in Romania. "Investors are more confident when a fund has already gone through a rigorous due diligence process. This will develop the region, boost local entrepreneurs' confidence and help them build more mature businesses."

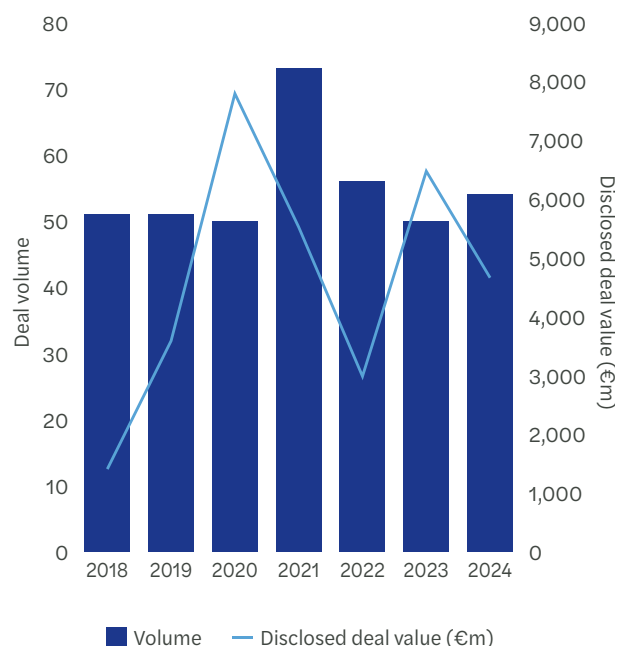
"European funds have helped to create new opportunities, giving confidence to PE funds to emerge and expand."

Răzvan Butucaru, Partner, Forvis Mazars in Romania

CEE private equity M&A buyouts



CEE private equity M&A exits



The M&A market in CEE

Private equity in CEE

Top 10 private equity M&A deals in CEE in 2024

Announced date	Target company	Sector	Target country	Bidder company	Bidder country	Disclosed deal value (€m)
28/06/2024	Partner in Pet Food Hungaria Kft	Food and beverage	Hungary	CVC Advisers Ltd	United Kingdom	2,000
12/04/2024	InPost SA (10% Stake)	Transport and logistics	Poland	PPF Group NV	Czech Republic	785
17/06/2024	Tallink Grupp AS (21.71% Stake)	Transport and logistics	Estonia	Infortar AS	Estonia	670
02/05/2024	VAMED AG (European rehabilitation business) (67% Stake)	Professional services	Austria	PAI Partners SAS	France	572
13/12/2024	Contera Management sro (CT Real Estate)	Real Estate	Czech Republic	Blackstone Inc	USA	470
16/07/2024	Comarch S.A. (64.75% Stake)	Technology	Poland	CVC Advisers Ltd; Elzbieta Filipiak (Private Individual); Janusz Filipiak (individual investor); Maria Filipiak (Private Individual); Michal Pruski (Private Individual); Anna Prokop (Private Individual); Anna Pruska (Private Individual)	United Kingdom	410
22/01/2024	Telekom Serbia (Srbija) AD (1.8k macro tower portfolio across Serbia, Bosnia and Herzegovina, and Montenegro.) (100% Stake)	Telecommunications	Serbia	Actis LLP; PortfoLion Capital Partners	United Kingdom	400
24/07/2024	Aion Bank SA (100% Stake); Vodeno Sp Z oo (100% Stake)	Technology	Poland	UniCredit SpA	Italy	370
07/05/2024	Scanmed SA Chirurgia Endoskopowa Scanmed (100% Stake)	Healthcare & Pharmaceuticals	Poland	American Heart of Poland SA; Gruppo San Donato SpA	Italy	370
24/10/2024	Vinted UAB (6.8% Stake)	Technology	Lithuania	TPG Capital LP; Baillie Gifford & Co Ltd; Invus Group LLC; FJ Labs Inc; Moore Strategic Ventures; Manhattan Venture Partners; Hedsophia Services Ltd	USA	340

The M&A market in CEE

Private equity in CEE

The largest PE deal of 2024 in CEE was an exit, specifically the previously-mentioned €2bn acquisition of Hungary-based Partner in Pet Food by the buyout firm CVC, which allowed its UK PE peer Cinven to exit its investment while retaining a minority stake in the Hungarian company. Indeed, the three biggest PE transactions of 2024 were all exits. After the Cinven-CVC deal, the next largest were US-based Advent's sale of a 10% stake in InPost to PPF for €785m and Citigroup Venture Capital's sale of shares in Tallink Grupp to Infortar for €670m, both mentioned above.

Focusing on the CEE region's vast and varied SME landscape, PE firms play an important role as a catalyst for succession planning – there are still many family-owned entities looking for an exit. "Covid-19, the war in Ukraine and succession planning have convinced owners that they should think of a sale. That can drive deals, providing the overall financials are good," says Maciej Ptak of Forvis Mazars in Poland.

Local and regional PE firms are also active in the related area of consolidation. "Many small but successful businesses are not big enough for a foreign buyer, and they sometimes fall short in terms of ESG and professional management," says Andrija Garofulić of Forvis Mazars in Adria subregion. "PE combines these companies, grows them and provides a proper organisational structure."

Valuation expectations remain a blocker, however. "Company owners are prepared to sit it out and wait for valuations to increase," says Samuel Svíba of Forvis Mazars in Slovakia. "As a result, deals are taking longer to get done or getting postponed."

Top 5 PE firms investing in CEE by number of M&A deals, 2023-24

PE firm	Deal volume
Enterprise Investors Sp. z o.o.	24
Innova Capital Sp z o.o.	17
Abris Capital Partners Sp z oo	15
Genesis Capital s.r.o.	13
BaltCap	13

Top 5 PE firms investing in CEE by total disclosed deal value of M&A deals, 2023-2024

PE firm	Disclosed deal value (€m)
CVC Advisers Ltd	2,410
Cinven Ltd	2,000
One Rock Capital Partners LLC	1,413
Wendel SE	1,413
Allianz Capital Partners GmbH	1,336

"Many small but successful businesses are not big enough for a foreign buyer ... PE combines these companies, grows them and provides a proper organisational structure."

Andrija Garofulić, Partner, Forvis Mazars in Adria subregion

Note: The Private Equity Activity Tables reflect the activity of buyout firms, venture capitalists, investment firms, financial institutions and all parties whose activities wholly involve, or include making private equity investments. Please note that the values in the 'Disclosed Deal Value' column do not reflect the equity contribution of the investors but represent the total values of deals in which they were involved.



The M&A market in CEE

CEE versus other emerging markets

Sound fundamentals place the CEE region ahead of other emerging markets

Of the core groups of emerging markets, including CEE, Latin America, the Middle East, South East Asia and Africa, only CEE saw deal volume rise year-on-year in 2024, enjoying a 3% increase while the other territories logged an average decline of 8%.

In value terms, however, the situation is the reverse – the CEE region’s 30% year-on-year decline is the steepest among emerging markets. In fact, all other emerging markets saw year-on-year increases in aggregate deal value (averaging 17%), even as volume fell. South East Asia and Latin America recorded the largest increases compared to 2023, of 21% and 25%, respectively.

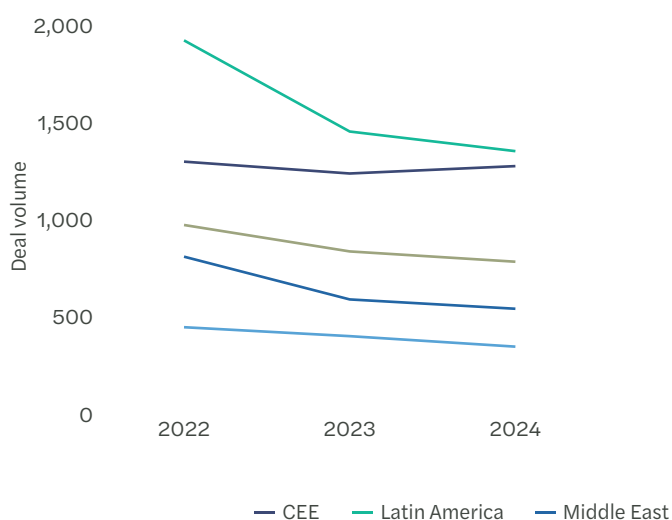
While performance in the CEE was lacklustre in 2024, several characteristics set it apart from other emerging markets. First, CEE countries typically offer a higher level of legal certainty, with transparent processes underpinned by the rule of law. Second, most CEE countries are EU members and enjoy access to the vast single market. Countries currently outside the bloc are on accession pathways – the process of EU enlargement has been stepped-up in the wake of Russia’s invasion of Ukraine. On top of

this, almost half of CEE countries have adopted the single European currency, and more are expected to join. Besides these advantages, investment in CEE is bolstered by a favourable business environment and infrastructure growth.

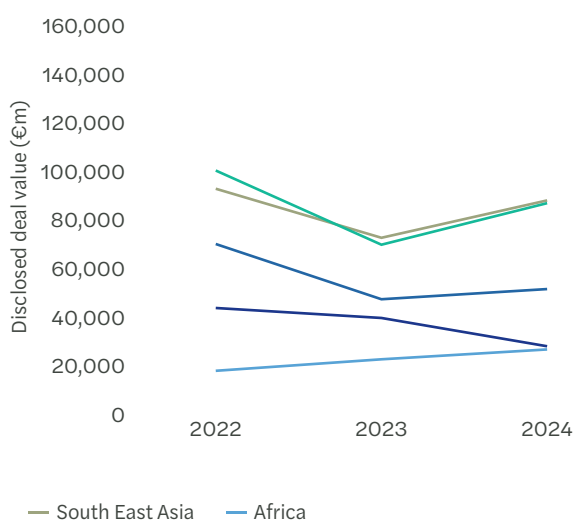
“There is significant interest from companies and entrepreneurs in building training facilities for their employees and retaining talent in the region,” says Răzvan Butucaru, Partner at Forvis Mazars in Romania. “We’re seeing significant investment in infrastructure, like motorway construction, which will help connect different regions more quickly with suppliers and clients in Western Europe.”

These developments, coupled with the region’s robust growth projections, onshoring opportunities, skilled workforce and excellent existing transport infrastructure – including highways, railways, seaports from the Baltic to the Black Sea and more than 100 international airports – underpin the enduring attraction of the CEE region. All of this bodes well for the future.

Total M&A market deal volume by region



Total M&A market disclosed deal value by region (€m)



The M&A market in CEE

CEE as an attractive region for US investments

Tech is the number-one attraction for US acquirers seeking out assets across CEE

US-based buyers are a significant force in the CEE region's M&A arena. In 2024, American acquirers accounted for 75 deals in CEE (14% of all inbound deals from outside the region), tied with UK-based bidders and trailing only acquirers from neighbouring Germany (92 transactions).

Focusing on sectors, technology stands out as the top target for US inbound acquirers, and by a huge margin. To put this in context, tech accounted for 41% of all inbound US acquisitions in the CEE region in 2024, far ahead of any other sector. Of these deals, 29% were PE-led. "US acquirers have always had specialised venture capital and PE funds with experience in this sector," says Maciej Ptak of Forvis Mazars in Poland.

Access to cutting-edge technology is one of the big attractions for inbound acquirers – particularly in the fast-moving sphere of artificial intelligence. Assets targeted by US buyers in 2024 included companies

offering AI solutions in areas from customer relationship management and photography to document processing and vulnerability management. As well as acquiring valuable intellectual property, acquirers gain access to expertise at a comparatively low cost – a key consideration for businesses looking to scale and develop tech products over the long term.

A lack of familiarity with the CEE region remains a blocker for some US acquirers; but there are ways around this. "A US buyer might make their first acquisition in Austria to gain experience of the CEE region before moving further afield," says Andrija Garofulić of Forvis Mazars in Adria subregion. "But it depends on the type of asset – with tech, for example, familiarity with the target geography is much less of a factor." In terms of geographies, the two most sought-after countries in 2024 were Poland and Austria, which attracted 24% and 21% of US inbound transactions, respectively.



The M&A market in CEE

Ukraine reconstruction and related opportunities

Rebuilding starts now, with international investors clearly committed to Ukraine's recovery

The coming year is likely to be pivotal for Ukraine as momentum for peace continues to build. But investors are not waiting for the war to end. “Reconstruction has started – and foreign investors are already here,” confirms Grégoire Dattée of Forvis Mazars in Ukraine.

Ukraine's ability to attract new inbound investment is underlined by NJJ Holding's mammoth broadband and mobile merger, described earlier in this report. Meanwhile, PE funds are increasingly active. “Take the example of Horizon Capital. They were targeting US\$250m to invest in Ukraine – they ended up raising US\$350m,” says Dattée.

The rebuilding of Ukraine represents Europe's biggest reconstruction project for nearly 80 years, with costs assessed at nearly US\$500bn. Physical reconstruction – of homes, businesses and infrastructure – is a primary area of focus. European construction materials manufacturers are already expanding their operations in Ukraine, with national governments providing war warranties to contain investment risk.

Energy is another focal point. Decentralisation and decarbonisation are at the forefront, with a major emphasis on resilience. OKKO Group fuel stations are a case in point – hundreds are now equipped with solar power plants. Ukraine is well placed to take advantage of green energy, says Diana Sidko, coordinating Ukraine reconstruction activities at Forvis Mazars: “Even before 2020, we had a huge inflow of international renewable energy companies thanks to our green tariffs. So the expertise to manage complex projects is already here.”

Various conventional businesses are also continuing to thrive, particularly in the technology sector. “The tech industry is absolutely crucial and it continues to attract both strategic investors and venture capital. Tech is key, not only because we can work remotely, but also because we have the expertise,” says Sidko.

Projecting an image of normality is no easy task when a country is at war. Yet despite the conflict, Ukraine's economy is thriving. “It's super dynamic,” emphasises Dattée. “But there is a big perception gap between investors who are already present in Ukraine – who are increasingly confident – and those on the outside.”

International investors in Ukraine have shown remarkable tenacity since the outbreak of war. To give an example, 95% of Forvis Mazars' clients in Ukraine before the conflict were international investors. Today, that proportion remains exactly the same. “None of our clients have left Ukraine,” says Dattée. “That tells you something very important.”

“War is not an embargo on investment.”

Yulia Svyrydenko, First Deputy Prime Minister and Economy Minister of Ukraine

Cross-border M&A in CEE

The inbound picture

Germany, the UK and US stand out as 2024's most persistent cross-border acquirers in CEE

Total inbound deal volume to CEE rose slightly year-on-year to 542 transactions led by bidders from outside the region, an increase of 3% and far above the pre-pandemic average (267 annually between 2015-20). However, the aggregate worth of deals with a disclosed value fell considerably, dropping from €24.4bn in 2023 to €12.8bn in 2024, a decline of 47% and the lowest total since 2017.

In terms of the balance between inbound and domestic deals, inbound transactions led by acquirers from outside CEE accounted for 43% of all M&A volume in the region in 2024, only marginally below the 10-year average of 44.8%. The share of cross-border acquisitions made by CEE-based buyers of targets in neighbouring CEE countries was 13%. This proportion has been gradually ticking higher over the past decade, reflecting the growing firepower of regional PE sponsors.

As in previous years, the top-10 inbound deals reveal the depth and diversity of M&A targets available in CEE. In 2024, these included everything from pet food to renewable energy assets, high-tech manufacturing, professional services and iconic confectionary brands.

The largest deal in CEE involving a bidder from outside of the region was the previously-mentioned €2bn acquisition of Hungary-based Partner in Pet Food by UK investment firm CVC for €2bn. This stands out as the largest inbound food and beverage deal on recent record.

Interestingly, this was not the only top-10 deal involving a food and beverage target: the region's sixth-largest inbound deal of 2024 also involved edible products, albeit for people rather than pets. This was Ireland-based Valeo Food Group Limited's €448m acquisition of Slovakia-based IDC Holdings, whose snacks and biscuits are famous in Slovakia, the Czech Republic and beyond.

"The region is well known for food and beverage manufacturing and we see a lot of activity in this area," confirms Andrija Garofulić of Forvis Mazars in Adria subregion. "This sector has the advantage of being well-insulated from negative geopolitical factors, government influence and debt levels. Everything that is B2C is hot – not only food and beverage, but also healthcare and specialised retail."

Total inbound M&A deals to CEE



Cross-border M&A in CEE

The inbound picture

Top 10 M&A deals inbound to CEE in 2024

Announced date	Target company	Sector	Target country	Bidder company	Disclosed deal value (€m)
28/06/2024	Partner in Pet Food Hungaria Kft	Hungary	CVC Advisers Ltd	United Kingdom	2,000
06/08/2024	Power Station (Renewable energy generation portfolio) (100% Stake)	Romania	Public Power Corp SA	Greece	700
15/05/2024	Single Use Support GmbH (60% Stake)	Austria	Novo Holdings A/S; Novo Nordisk Foundation	Denmark	600
02/05/2024	VAMED AG (European rehabilitation business) (67% Stake)	Austria	PAI Partners SAS	France	572
13/12/2024	Contera Management sro (CT Real Estate)	Czech Republic	Blackstone Inc	USA	470
05/09/2024	IDC Holding AS (100% Stake)	Slovakia	Valeo Foods Group Limited	Ireland (Republic)	448
16/07/2024	Comarch S.A. (64.75% Stake)	Poland	CVC Advisers Ltd; Elzbieta Filipiak (Private Individual); Janusz Filipiak (individual investor); Maria Filipiak (Private Individual); Michal Pruski (Private Individual); Anna Prokop (Private Individual); Anna Pruska (Private Individual)	United Kingdom	410
06/12/2024	Shopping Centres (Silesia City Center) (100% Stake)	Poland	NEPI Rockcastle NV	Netherlands	405
22/01/2024	Telekom Serbia (Srbija) AD (1.8k macro tower portfolio across Serbia, Bosnia and Herzegovina, and Montenegro.) (100% Stake)	Serbia	Actis LLP; PortfoLion Capital Partners	United Kingdom	400
07/05/2024	Scanmed SA Chirurgia Endoskopowa Scanmed (100% Stake)	Poland	American Heart of Poland SA; Gruppo San Donato SpA	Italy	370

Based on deals with disclosed values

Cross-border M&A in CEE

The inbound picture

Top bidders

In deal volume terms, Germany stands out as the number-one inbound bidder for CEE targets for the second year in a row, with 92 transactions announced in 2024. However, though they were the busiest in volume terms, German bidders don't feature at all among even the 20 biggest inbound deals announced in CEE last year. It is worth nothing, however, that in most of these transaction no final value was disclosed by the dealmakers.

Tech was the most sought-after sector by German acquirers, with 20 deals involving assets that ranged from car-sharing platforms to digital imaging solutions. Half of these transactions involved Austria-based targets, followed by Polish assets (four). Industrials ranks a very close second in volume terms, with 18 deals. Companies making machine tools, drones and batteries were among those snapped-up by German acquirers, with Poland-based targets predominating (seven).

After German bidders, the next busiest acquirers in CEE were those based in the UK and the US, with each country contributing 75 inbound deals to the region. For the UK, this is the highest total on recent record, and speaks to a long-term trend that has seen the number of deals involving a UK acquirer increase steadily year-on-year since 2020.

In terms of sectors, UK acquirers showed a preference for technology assets, followed at some distance by targets in the professional services and financial services industries. Poland was the top target geography, accounting for 23 acquisitions by UK bidders, followed by Austria (13) and Romania (8). In aggregate value terms, the UK was the biggest contributor to inbound M&A in CEE, with British bidders accounting for almost €4.3bn worth of deals, more than double the level achieved by US bidders on the same volume of transactions (€1.8bn).

After the usual trio of leading international bidders for CEE assets, Swedish and French dealmakers were the next most prevalent in the region in 2024, contributing 38 and 34 inbound transactions, respectively. Acquirers based in Sweden were especially interested in energy and utilities assets across CEE, while their French peers focused predominantly on construction and technology companies in the region.

Top inbound bidders in 2024 by volume

Country	Deal volume
Germany	92
United Kingdom	75
USA	75
Sweden	38
France	34
Netherlands	25
Switzerland	22
Italy	22
Belgium	19
Norway	17

Top inbound bidders in 2024 by disclosed deal value

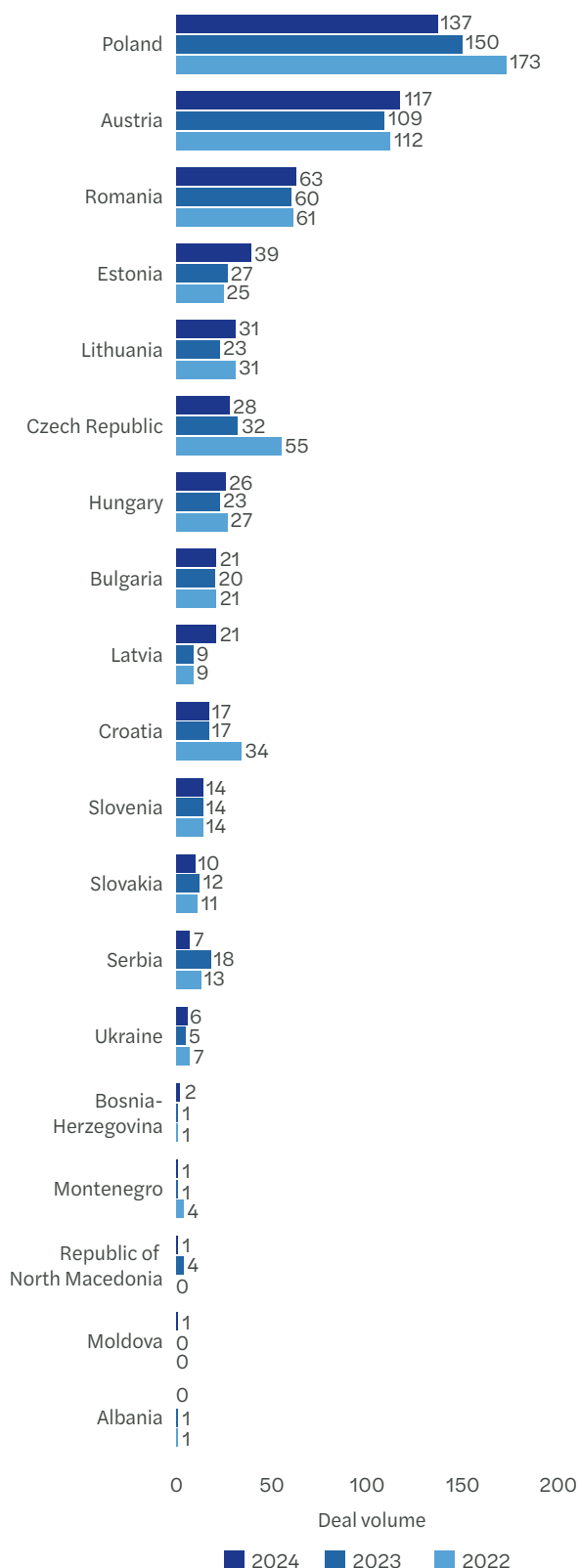
Country	Disclosed deal value (€m)
United Kingdom	4,261
USA	1,833
Denmark	790
Italy	748
Greece	700
Ireland (Republic)	695
Netherlands	662
France	616
Sweden	371
Singapore	360



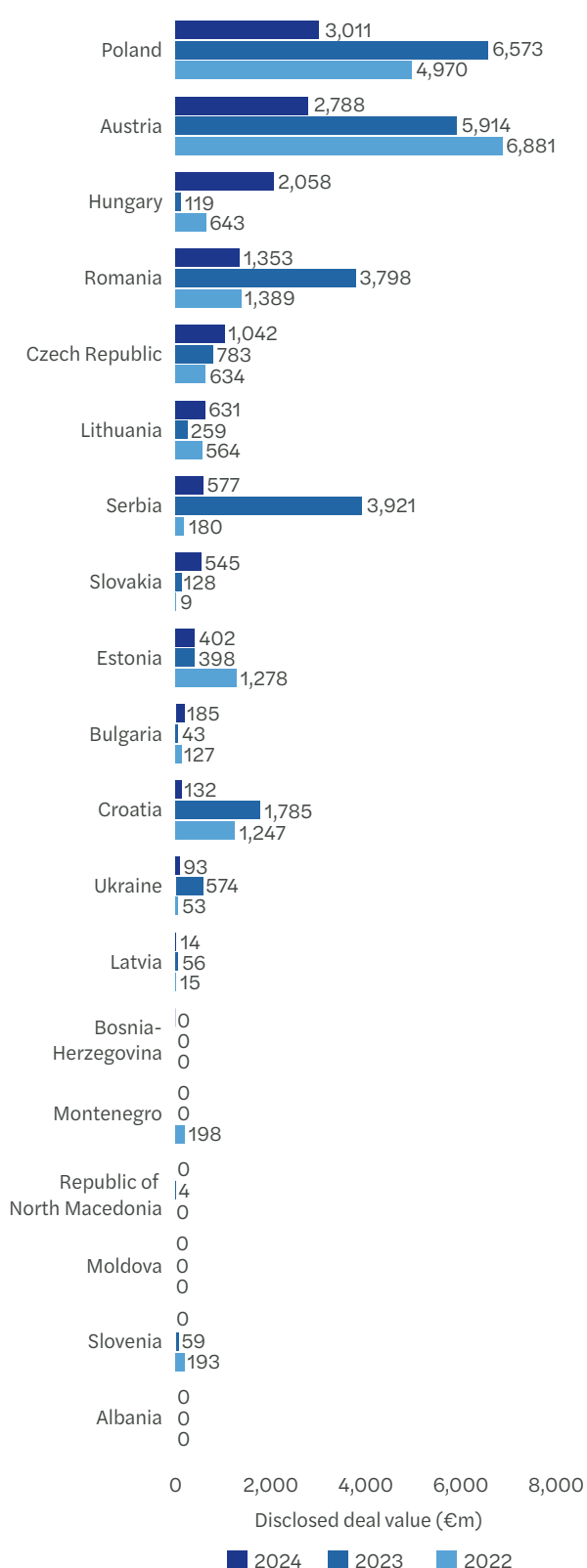
Cross-border M&A in CEE

The inbound picture

M&A volume inbound to CEE by country, 2022-2024 (from outside CEE)



M&A disclosed value (€m) inbound to CEE by country, 2022-2024 (from outside CEE)



Cross-border M&A in CEE

The inbound picture

Top destinations

Poland was once again the number-one destination for cross-border acquirers based outside CEE, attracting a grand total of 137 inbound deals in 2024. These were worth a combined €3bn, also the highest total across the region. Polish assets were targeted in three of the 10 largest inbound transactions, including the seventh biggest, the €410m acquisition by UK-based CVC Advisers of a majority stake in software firm Comarch.

In terms of key Polish sectors for international M&A, industrials and technology predominated, each generating 25 transactions. Healthcare and pharmaceuticals, professional services and energy and utilities, all performed strongly as well, with 14 inbound deals apiece, underlining the growing breadth and maturity of the Polish M&A market. Focusing on bidder geographies, the UK was the most prolific acquirer (17%), followed by Germany (14%) and the US (13%).

Austria was the next most popular destination for foreign buyers, contributing 117 inbound deals in 2024 worth an aggregate value of €2.8bn. This was helped in great part by Austrian-based companies being targeted in the third- and fourth-largest cross-border deals involving bidders from outside CEE last year, specifically the acquisitions of Single Use Support and VAMED. Taken together, these transactions were worth just under €1.2bn.

Looking at sectors, tech was by far the standout M&A generator in Austria, accounting for 38 deals, nearly a third of all inbound transactions by volume. Industrials (18) and professional services (17) were the next most popular targets, although each generated only around half the level of activity seen in tech. Germany accounted for the largest share of inbound bidders overall (32%), followed by the US (14%) and the UK (11%).

Romania – the third most popular target geography for cross-border acquirers – saw 63 inbound transactions with a combined value of almost €1.4bn in 2024. Despite the relatively small number of inbound transactions, Romania attracted bidders from 21 different nations in 2024, underlining the wide-ranging appeal of its M&A market.

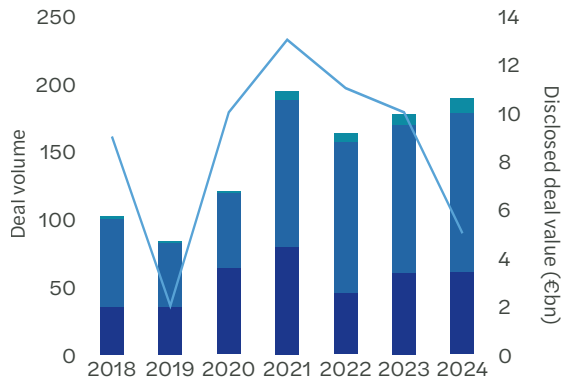
Romanian technology companies (which accounted for 22% of the country's inbound total) were targeted most frequently, narrowly ahead of energy and utilities assets (21%). The largest inbound transaction of the year (and the second-largest across the CEE region as a whole) was the €700m acquisition of Romania-based Evryo Power by Greek power utility Public Power Corp.



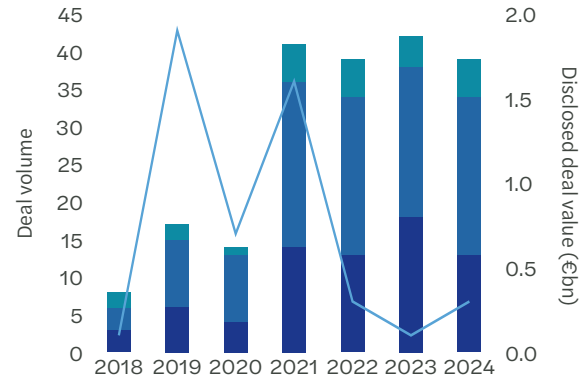
Cross-border M&A in CEE

The inbound picture

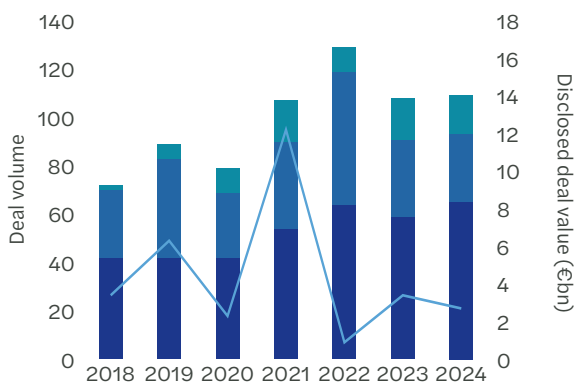
Austria M&A
Inbound and domestic deals



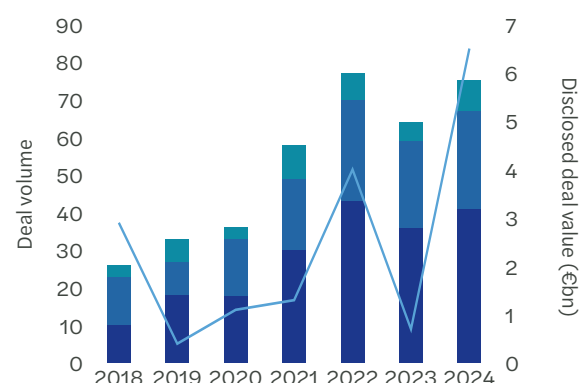
Bulgaria M&A
Inbound and domestic deals



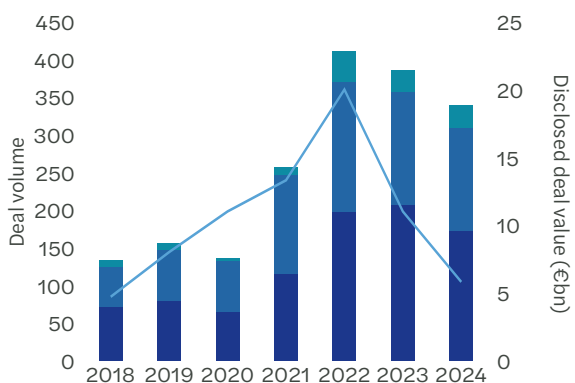
Czech Republic M&A
Inbound and domestic deals



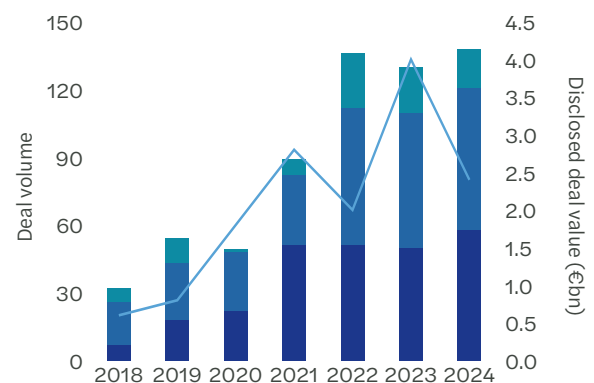
Hungary M&A
Inbound and domestic deals



Poland M&A
Inbound and domestic deals



Romania M&A
Inbound and domestic deals

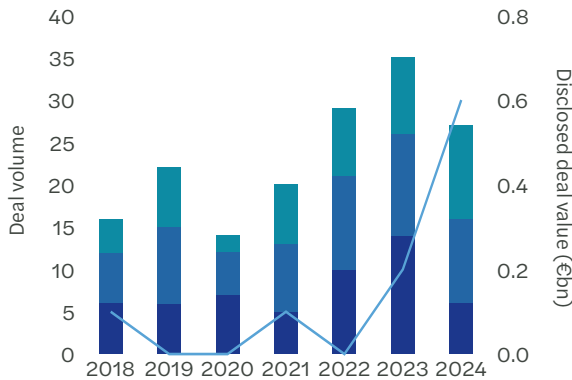


Domestic Inbound from outside CEE Inbound from within CEE Value

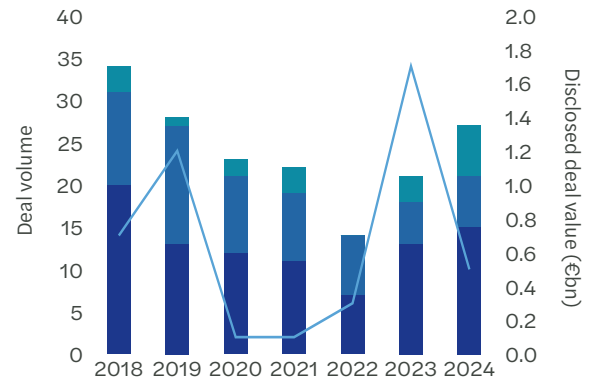
Cross-border M&A in CEE

The inbound picture

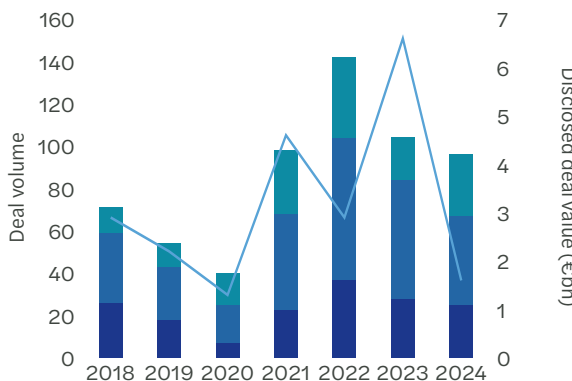
Slovakia M&A
Inbound and domestic deals



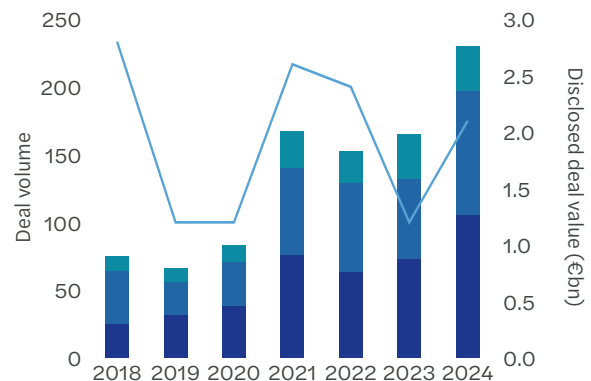
Ukraine M&A
Inbound and domestic deals



Adriatic subregion M&A
Inbound and domestic deals



Baltics M&A
Inbound and domestic deals



Domestic Inbound from outside CEE Inbound from within CEE Value

Adriatic subregion M&A
Inbound and domestic deal volume (by country)

Year	Albania	Bosnia and Herzegovina	Croatia	Montenegro	North Macedonia	Serbia	Slovenia
2018	5	4	23	1	3	12	23
2019	3	3	9	3	1	16	19
2020	1	1	16			8	14
2021	4	3	44	1	1	20	25
2022	2	2	68	4		30	36
2023	2	4	37	2	5	31	23
2024	1	4	34	2	3	24	28

Baltics M&A
Inbound and domestic deal volume (by country)

Year	Estonia	Latvia	Lithuania
2018	32	18	25
2019	25	12	29
2020	35	16	32
2021	70	30	67
2022	59	23	70
2023	60	32	73
2024	82	57	91

Cross-border M&A in CEE

Sector focus

Innovative tech and sturdy industrials assets are the top attractions for inbound dealmakers

As has been the case for several years now, it was the technology sector that generated the greatest number of M&A deals in CEE in 2024. Tech contributed a grand total of 216 transactions (representing 17% of all activity), of which nearly two-thirds of deals (133) were led by bidders from outside the region.

After technology, the next biggest contributor to inbound M&A was the industrials sector, with a total of 82 deals by non-CEE acquirers. Industrials was followed by professional services and energy and utilities, tied with 59 inbound M&A deals apiece across CEE, though it is worth noting that the former saw declining year-on-year deal volume, while activity rose in the latter sector over the last 12 months.

Food and beverage stands out as the largest sector for inbound dealmaking in aggregate value terms. Despite contributing just 14 deals, these were worth a combined €2.5bn (up 27% year on year). This was

driven almost exclusively by CVC's €2bn bid for Partner in Pet Food and Valeo Foods Group's €448m deal to acquire IDC Holding. After food and beverage, the next-largest sectors for inbound M&A activity in terms of overall value were: technology, real estate, industrials, and energy and utilities.

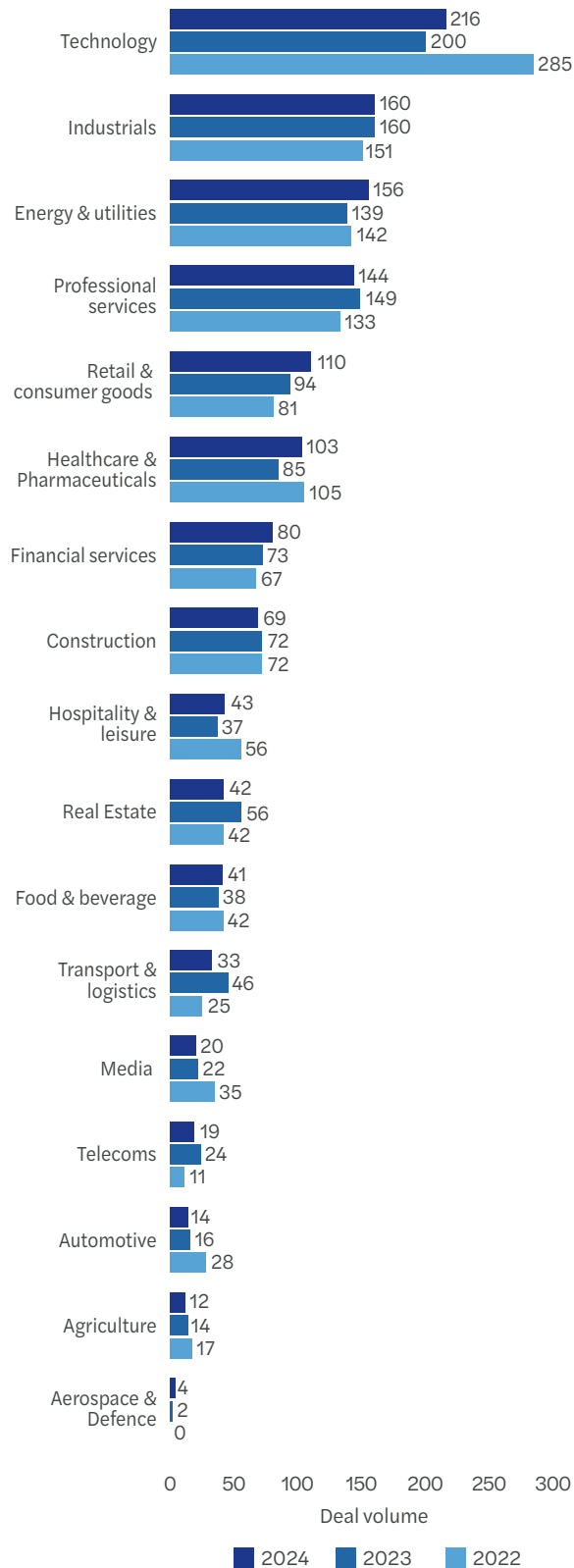
The real estate sector enjoyed an end-of-year surge, with two large transactions announced in December and another in late-November, with these three inbound deals worth a combined €1.2bn. That figure represents almost two-thirds of total inbound deal value in the sector, which generated just 10 inbound transactions overall in 2024. Of those three major real estate deals, the largest (and fifth-largest inbound deal across all sectors) saw US alternative investment giant Blackstone acquire a portfolio of 10 logistics parks in the Czech Republic for €470 million from property development group Contera.



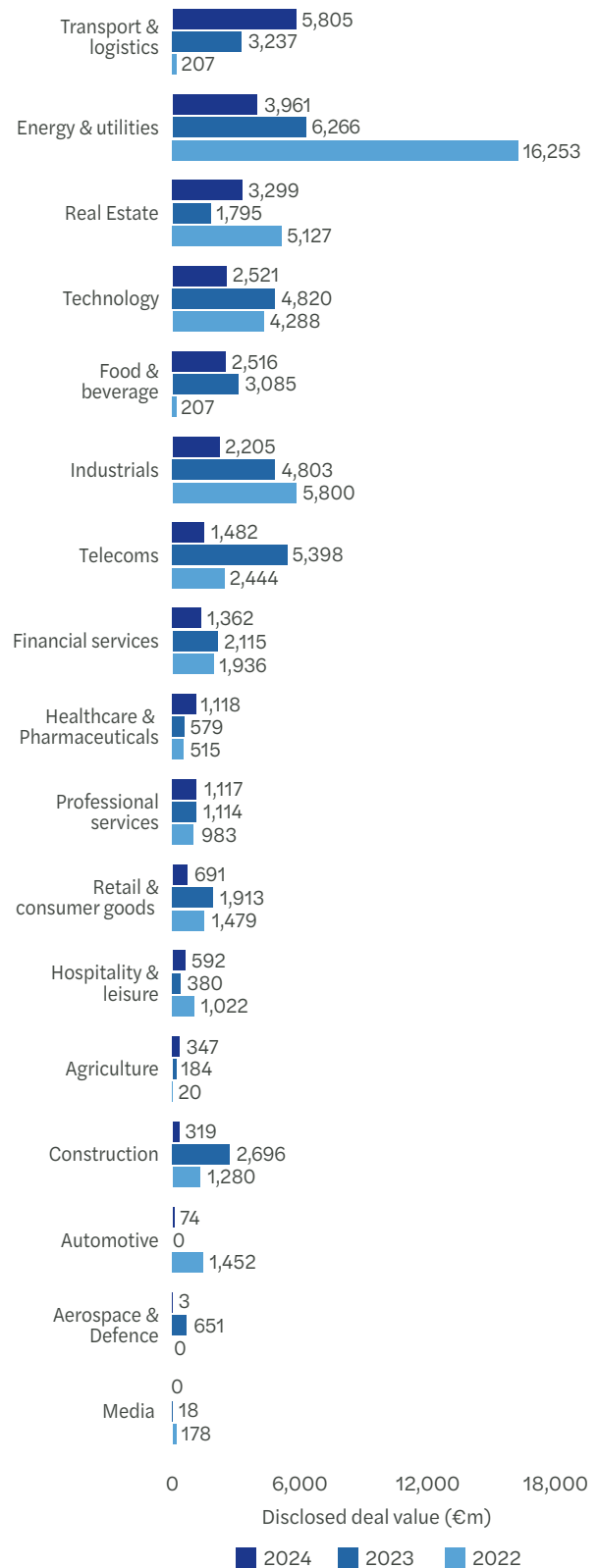
Cross-border M&A in CEE

Sector focus

CEE M&A volume by sector,
2022-24



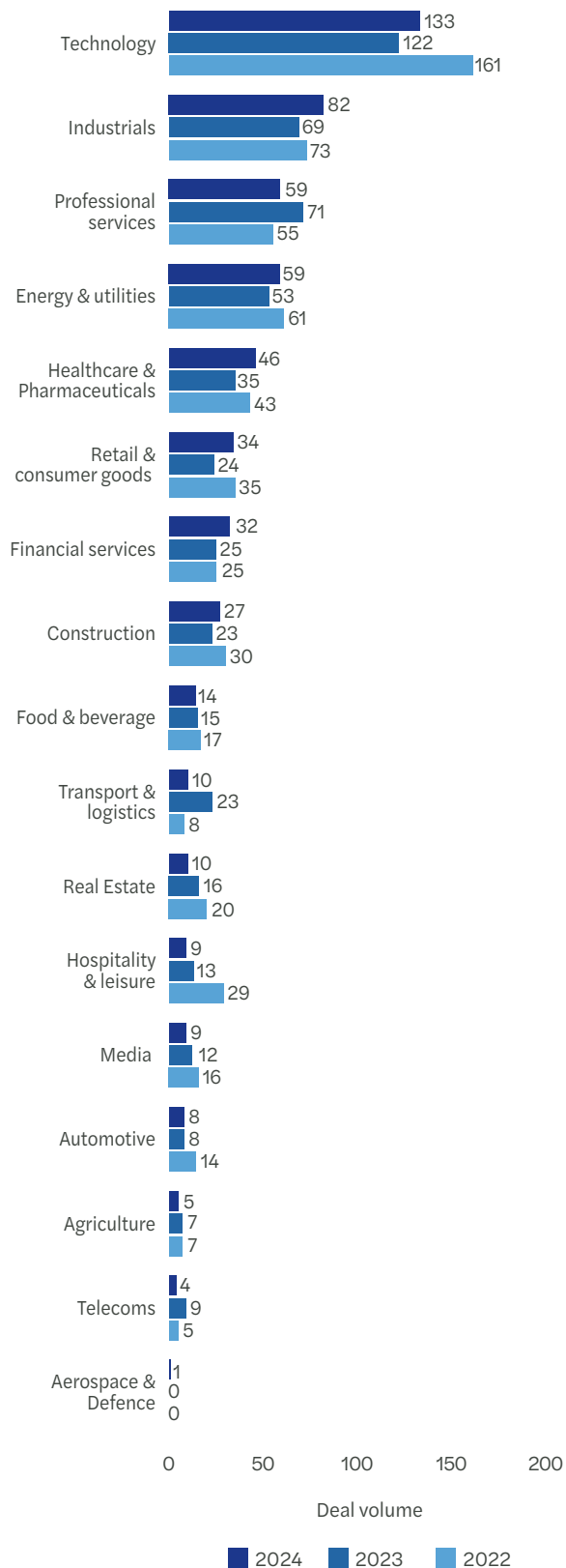
CEE M&A disclosed value by sector (€m),
2022-24



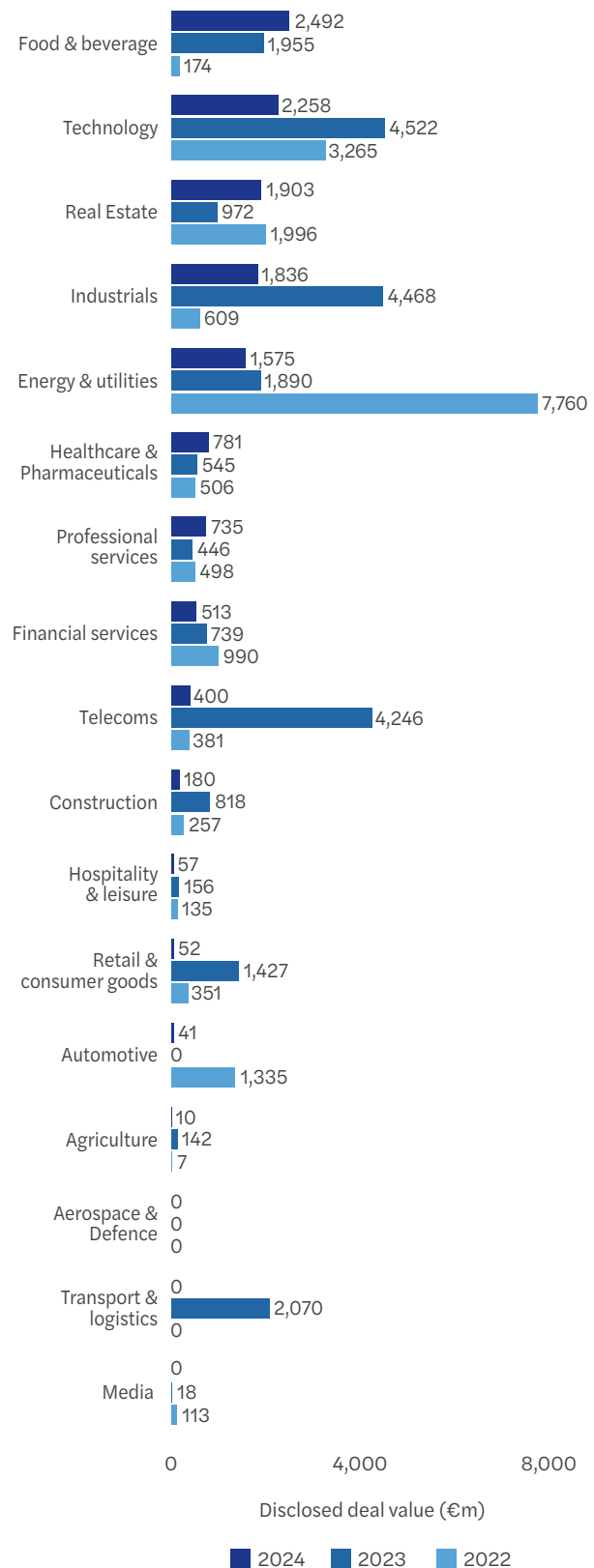
Cross-border M&A in CEE

Sector focus

M&A volume inbound to CEE by sector, 2022-2024 (from outside CEE)



M&A disclosed value (€m) inbound to CEE by sector, 2022-2024 (from outside CEE)





Cross-border M&A in CEE

Technology

The CEE region's abundant tech targets, skilled workforce and competitive cost base continued to attract inbound acquirers in 2024, despite challenging conditions in the M&A market. With a total of 133 transaction announcements, deal volume was up 9% versus 2023 – but aggregate value halved year-on-year to just under €2.3bn.

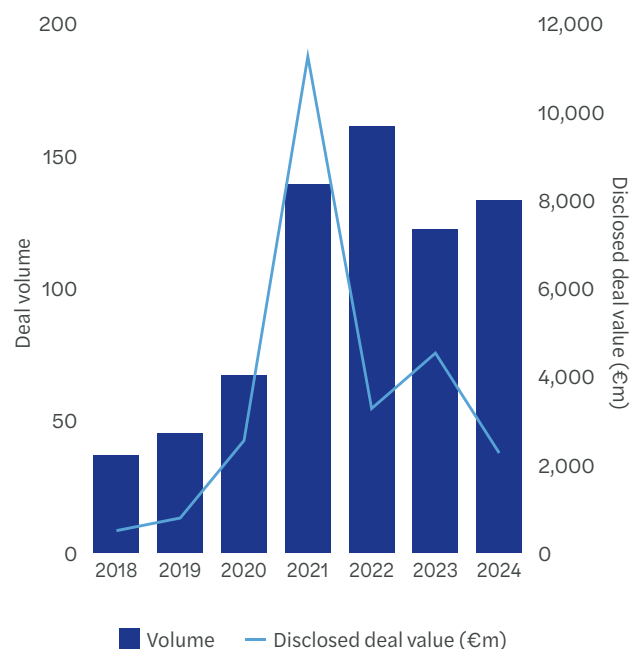
Despite this somewhat unpromising backdrop, the tech sector remained the CEE region's biggest transaction generator in 2024 – as it was the year before – and it produced a strong crop of deals as bidders pursued their digital transformation goals. "We saw growing interest in fintechs and companies which can transform the traditional financial services industry, including insurance and banking," says Răzvan Butucaru, Partner at Forvis Mazars in Romania. "We also saw interest in applications that incorporate artificial intelligence."

The year's largest inbound tech deal was UK-based PE firm CVC's €410m bid to acquire Comarch and delist the Polish software company from the Warsaw Stock Exchange. The next biggest inbound M&A deal, worth an estimated €370m, saw Italian bank UniCredit move to acquire Vodeno, a Polish banking-as-a-service financial technology company.

UK bidders were especially busy at the top of the M&A market, accounting for five of the 10 biggest inbound technology deals in the CEE region in 2024, all but one of which were PE-led. Two of these deals involved targets headquartered in the Czech Republic. The largest of these was a €159m funding round led by the EBRD in Rohlik Group, a developer of online grocery delivery platforms. The next biggest UK-sponsored deal involving a Czech target was Kartesia Advisor's acquisition of a €100m stake in Omnetic, which produces a software platform for car dealers.

US-based acquirers were the driving force behind four of the top-10 inbound tech bids in 2024. The largest of these was the previously-mentioned €340m acquisition of a 6.8% stake in Lithuanian online marketplace Vinted by a group of investors led by Texas-based TPG. This was followed by the €165m acquisition of Austrian cloud-based services provider ecosio by US-based fintech company Vertex. 2024 also saw the €108m acquisition of Estonia-based Okidoki by US-based blank-cheque company Metal Sky Star Acquisition Corporation, as well as a large funding round by Austrian content management

Technology M&A inbound deals involving non-CEE buyers



system company Storyblok, which raised €73m from a group of investors led by Connecticut-based Brighton Park Capital.

Focusing on target geographies, Austria stands out as the top destination for inbound tech bidders in 2024 – and by a significant margin, with 38 deals representing 29% of the CEE region total. Poland was the second most popular target geography, attracting 25 bids, though taken as a whole the three Baltic countries just outpaced Poland, with 28 inbound tech bids, which speaks to these small economies' remarkable reputation in the sector.

"We saw growing interest in fintechs and companies which can transform the traditional financial services industry."

Răzvan Butucaru, Partner, Forvis Mazars in Romania

Cross-border M&A in CEE

Technology

Top 10 inbound technology M&A deals

Announced date	Target company	Target country	Bidder company	Bidder country	Disclosed deal value (€m)
16/07/2024	Comarch S.A. (64.75% Stake)	Poland	CVC Advisers Ltd; Elzbieta Filipiak (Private Individual); Janusz Filipiak (individual investor); Maria Filipiak (Private Individual); Michal Pruski (Private Individual); Anna Prokop (Private Individual); Anna Pruska (Private Individual)	United Kingdom	410
24/07/2024	Aion Bank SA (100% Stake); Vodeno Sp Z oo (100% Stake)	Poland	UniCredit SpA	Italy	370
24/10/2024	Vinted UAB (6.8% Stake)	Lithuania	TPG Capital LP; Baillie Gifford & Co Ltd; Invus Group LLC; FJ Labs Inc; Moore Strategic Ventures; Manhattan Venture Partners; Hedosophia Services Ltd	USA	340
07/08/2024	ecosio GmbH (100% Stake)	Austria	Vertex Inc	USA	165
28/06/2024	Rohlik Group as	Czech Republic	European Bank for Reconstruction & Development - EBRD; European Investment Bank - EIB; Sofina SA; Quadrille Capital SAS; Index Ventures SA; TCF Capital	United Kingdom	159
01/10/2024	Okidoki OU (100% Stake)	Estonia	Metal Sky Star Acquisition Corporation	USA	108
14/02/2024	Omnetic	Czech Republic	Kartesia Advisor LLP; Credit Value Investments Sp z oo	United Kingdom	100
04/06/2024	Storyblok GmbH	Austria	HV Capital Adviser GmbH; Firstminute Capital LLP; Mubadala Capital; Brighton Park Capital Management LP; 3VC Partners GmbH	USA	73
25/06/2024	Prewave GmbH	Austria	Ventech SA; Creandum AB; Speedinvest GmbH; Hedosophia Services Ltd; Working Capital; Kompas Management ApS	United Kingdom	63
30/05/2024	Fintech OS SRL	Romania	BlackRock Inc; Earlybird Venture Capital GmbH & Co KG; Molten Ventures plc; Cipio Partners GmbH; OTB Ventures Inc; GapMinder Venture Partners BV	United Kingdom	55

Cross-border M&A in CEE

Energy and utilities

The energy and utilities sector is rapidly emerging as a force to be reckoned with in the CEE region's inbound M&A market. To put this in context, the last four years have seen an average annual deal count of 55 transactions – a threefold increase versus the period 2015-20.

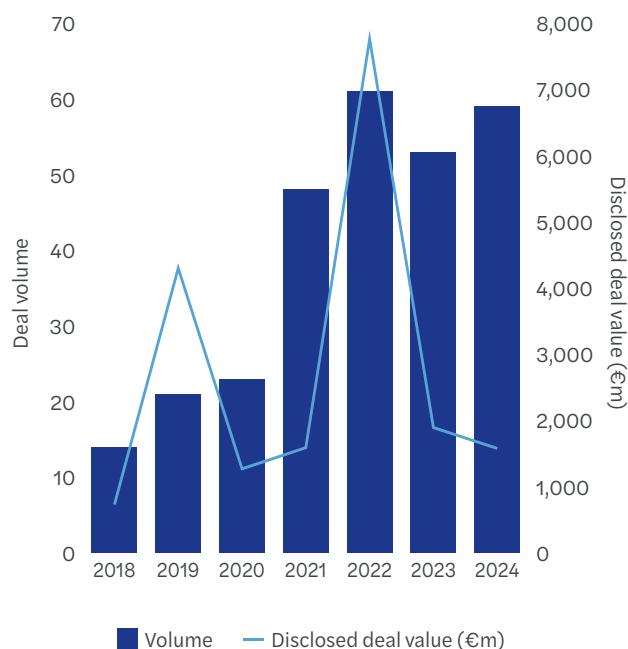
Driven by decarbonisation and the race to bolster energy security in the wake of Russia's full-scale invasion of Ukraine, the tempo of dealmaking shows no signs of slacking. Energy and utilities was tied for the third-busiest inbound sector in 2024 in terms of deal volume, with 59 transaction announcements (matching professional services' output), which was up 11% year-on-year. The sector's aggregate inbound deal value was the fifth-largest in the region, with a total of just under €1.6bn. While this was down 17% year on year, it was a less severe drop than those suffered by either the technology or industrials sectors.

The largest inbound energy and utilities deal announced in CEE in 2024 was the previously-mentioned €700m acquisition of a portfolio of renewable energy generation assets from Romania's Evryo Power by Greece-based Public Power Corp. The next biggest deal also involved a Romanian green energy asset, as UK-based Nala Renewables acquired a 99.2MW onshore wind project for €214m. UK bidders were involved in four other top-10 transactions in CEE last year.

"We have assisted on several transactions in the green energy space and met a lot of investors who are interested in this field," says Răzvan Butucaru, Partner at Forvis Mazars in Romania. "Up to a point, this has been a consequence of geopolitics in CEE, but it's also a strength of the region. CEE is in a very good position in terms of generating green energy, and there are a variety of small and medium-sized players in the market, in addition to the larger transactions."

CEE's energy sector is attracting interest from around the world. Besides the UK and Greece, major international bidders in 2024 also hailed from as far afield as Hong Kong, Saudi Arabia, Azerbaijan and Turkey. The region's third-largest energy deal of 2024 saw Croatia-based Project 3 Mobility, which specialises in autonomous electric vehicles, secure €100m in funding from a group of investors led by National Automotive & Mobility Investment Co, the Saudi Arabian auto investment firm that falls under the aegis of the country's massive Public Investment Fund.

Energy and utilities M&A inbound deals involving non-CEE buyers



Poland – which has traditionally relied on coal-fired power generation – was the CEE region's busiest target geography for inbound energy and utilities deals in 2024, accounting for 24% of such transactions, narrowly ahead of Romania's 22% share.

"Energy and utilities has been a very active M&A market in Poland for several years, mostly in renewables – not only wind and solar, but also energy storage," confirms Maciej Ptak of Forvis Mazars in Poland. "Most of those investments are made by developers, not the ultimate owner. That drives M&A, because sooner or later, those developers need to go to market to sell the project."

"CEE is in a very good position in terms of generating green energy."

Răzvan Butucaru, Partner, Forvis Mazars in Romania

Cross-border M&A in CEE

Energy and utilities

Top 10 inbound energy and utilities M&A deals

Announced date	Target company	Target country	Bidder company	Bidder country	Disclosed deal value (€m)
06/08/2024	Power Station (Renewable energy generation portfolio) (100% Stake)	Romania	Public Power Corp SA	Greece	700
05/08/2024	Power Station (99.2 MW onshore wind project) (100% Stake)	Romania	Nala Renewables Ltd	United Kingdom	214
06/02/2024	Project 3 Mobility	Croatia	Kia Corp; Rimac Group doo; Infinum d o o; SiteGround Hosting EOOD; National Automotive & Mobility Investment Co; Neurone SA; Elaf Auto	Saudi Arabia	100
04/06/2024	Ovetill Investments SP Z o o (100% Stake)	Poland	SigmaRoc plc	United Kingdom	100
03/10/2024	Green Genius UAB	Lithuania	European Bank for Reconstruction & Development - EBRD	United Kingdom	100
16/10/2024	United Mining and Chemical Company (UMCC) (100% Stake)	Ukraine	NEQSOL Holding	Azerbaijan	88
05/12/2024	Sunly	Estonia	European Bank for Reconstruction & Development - EBRD; Vardar AS; Mirova SA	United Kingdom	60
01/10/2024	Velocity Minerals Ltd (Rozino gold project and other Bulgarian mineral property assets) (100% Stake)	Bulgaria	Turkerler Insaat Turizm Madencilik Enerji Uretim Ticaret ve Sanayi AS	Turkey	53
25/07/2024	Power Station (solar farm projects) (100% Stake)	Poland	NextEnergy Capital Ltd	United Kingdom	42
02/04/2024	Green Profit EOOD (100% Stake)	Bulgaria	United Energy Group Ltd	Hong Kong (China)	38

Cross-border M&A in CEE

Industrials

The industrials sector was, after technology, the second-busiest in the CEE region in terms of inbound deal volume in 2024, notching up a total of 82 transaction announcements – a year-on-year increase of 19%. In aggregate value terms, these deals were worth a combined €1.8bn (down by 59% versus 2023), making industrials the fourth-largest sector in 2024.

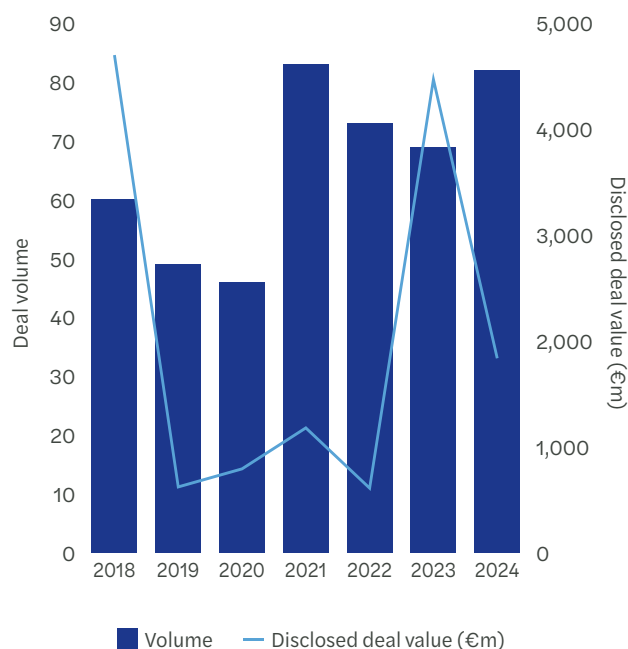
A wide variety of overseas bidders acquired industrials assets throughout the CEE region in 2024. Germany-based bidders were the busiest, contributing 18 inbound M&A deals, though acquirers from as far afield as Brazil, India and Taiwan also made major bids in the region in 2024.

The largest inbound deal in CEE's industrials sector, worth €600m, was the previously-mentioned acquisition by Denmark-based Novo Holdings of a 60% stake in Single Use Support, a fast-growing Austrian firm that specialises in life sciences technology. In fact, Austrian assets were targeted in the second- and third-largest industrials deals also – Singapore timber company Everygreen Hill's €360m acquisition of 'tipping paper' specialist Tannpapier; and the €230m acquisition of a 15% stake in fibre maker Lenzing by Brazil-based paper and pulp giant Suzano.

An interesting feature of the industrials M&A market in 2024 is the extent to which it was permeated by deals linked to decarbonisation. These included everything from manufacturers of biogas plants and solar panels to makers of high-voltage grid hardware. The largest industrials deal with an energy transition theme – and the fourth-largest industrials transaction of the year – was the €140m investment by US-based Baker Hughes in Estonia-based Elcogen Group, which is developing solid oxide technology essential for the production of green hydrogen.

Concerns about the security of global supply chains – which were brought into sharp focus during the pandemic and amplified in the wake of Russia's full-scale invasion of Ukraine – have seen a surge of interest in onshoring. This is the process of moving the manufacturing operations of a company back to its home country or region. This trend has implications for the CEE region's industrials sector – particularly given uncertainties around the future direction of US trade policy.

Industrials M&A inbound deals involving non-CEE buyers



“We would expect to see more manufacturing to be transferred to the CEE region,” confirms Andrija Garofulić of Forvis Mazars in Adria subregion. “We already see signs of additional investment in Hungary and Serbia. This trend has already started and it is having a positive impact – we can expect to see more this year.”

“We would expect to see more manufacturing to be transferred to the CEE region.”

Andrija Garofulić, Partner, Forvis Mazars in Adria subregion

Cross-border M&A in CEE

Industrials

Top 10 inbound industrials M&A deals

Announced date	Target company	Target country	Bidder company	Bidder country	Disclosed deal value (€m)
15/05/2024	Single Use Support GmbH (60% Stake)	Austria	Novo Holdings A/S; Novo Nordisk Foundation	Denmark	600
18/12/2024	TANNPAPIER GmbH (100% Stake)	Austria	Evergreen Hill Enterprise Pte Ltd	Singapore	360
12/06/2024	Lenzing AG (15% Stake)	Austria	Suzano SA	Brazil	230
03/04/2024	Elcogen Group plc	Estonia	Baker Hughes Co	USA	140
05/09/2024	Piezocryst Advanced Sensorics GmbH (100% Stake)	Austria	Spectris plc	United Kingdom	134
09/08/2024	Tehno World Srl (100% Stake)	Romania	CRH plc; Romcim SA	Ireland (Republic)	100
25/11/2024	Mercor SA(Poland) (Gravity smoke extraction and fire ventilation business) (100% Stake)	Poland	Kingspan Group Plc	Ireland (Republic)	97
26/08/2024	Bizlink System Integration Solutions (Slovakia) sro (100% Stake)	Slovakia	Bizlink Holding Inc; BizLink System Integration Solutions sro	Taiwan (China)	52
22/10/2024	Marin's International; Peppermint Warszawa Sp z oo; Quad/Graphics Europe Sp z oo	Poland	Capmont GmbH	Germany	41
20/06/2024	InoBat AS (4.5% Stake)	Slovakia	Amara Raja Energy & Mobility Ltd	India	20

Indicative valuation considerations

Deal multiples among lowest on recent record

The median EV/EBITDA deal multiple for the CEE region (across all sectors) was 6.7x in 2023/24, according to Mergermarket data. This compares with 9.4x for the rest of Europe, with the gap between those multiples narrowing over the last three years. Interestingly, CEE's median EV/EBITDA multiple was up in 2023/24 compared to the preceding period, when the median was 6.1x. By contrast, the enterprise multiple for the rest of Europe is down, sliding by more than two turns of EBITDA versus 2022/23.

Looking at valuation multiples for Europe as a whole (the CEE region and the rest of Europe combined), all sectors saw declines in the period 2022/23 to 2023/24, with the exception of healthcare and pharmaceuticals, which remained steady.

The real estate sector recorded the highest median EV/EBITDA multiple in 2023/24 – 19.1x – down from 21.5x in the previous period. This is followed at some distance by technology with an enterprise multiple of 13.1x (down from 15.8x), then healthcare and pharmaceuticals at 12.3x (unchanged).

Moving into single-digit territory, professional services recorded a deal multiple of 9.7x in 2023/24, down only marginally from the 10.4x seen in the previous period. This is followed by financial services, which saw a steep drop of almost three turns of EBITDA to 7.6x, and transport and logistics, down a

single turn to 7.1x in 2023/24. Energy and utilities recorded the lowest deal multiple for any sector in 2023/24. At 5.7x (down from 6.9x previously), this is the lowest median EBITDA multiple on recent record for any sector.

Significantly, 2023/24 marks the first period for some years in which no sector in Europe recorded a rise in the EV/EBITDA multiple – all sectors saw their enterprise multiple either fall or remain static. Against this background, the deal multiples recorded for industrials, transport and logistics, construction, energy and utilities, and retail and consumer goods, stand out as the lowest on recent record.

One of the reasons for this is the tougher financing environment. While interest rates are now easing, borrowing costs nevertheless remain high by the standards of recent years – driving down valuations, fuelling the valuation gap and delaying deals. “Buyers adapt quite easily to higher interest rates – they calculate their required return and if interest rates increase, their required return goes up, and valuations go down,” says Andrija Garofulić of Forvis Mazars in Adria subregion. “The problem is on the sellers’ side, where valuation expectations remain high. The gap is narrowing, but we still need to see seller expectations come down in line with higher rates.”

Median EBITDA multiples in CEE vs. Rest of Europe, 2021-2024

Year	CEE Median EBITDA Multiple Year 1	Rest of Europe* Median EBITDA Multiple Year 1
2021/22	8.0x	12.3x
2022/23	6.1x	11.6x
2023/24	6.7x	9.4x

Disclaimer: the below indicative valuation figures are exclusively based on Mergermarket database figures and are for informational purposes only. They should not replace a formal valuation done by an independent adviser. An industry must have a minimum of 25 reported deals in Europe to be calculated. All the below EBITDA multiples figures are derived from taking the median from the transaction samples.

*‘Rest of Europe’ includes: Andorra, Belgium, Channel Islands, Cyprus, Denmark, Faroe Islands, Finland, France, Germany, Gibraltar, Greece, Iceland, Ireland, Isle of Man, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, United Kingdom.

Indicative valuation considerations

EBITDA Multiple average in CEE vs. Rest of Europe, 2021-2024

Sector	European 2023-24 Median EBITDA Multiple Year 1	European 2022-23 Median EBITDA Multiple Year 1	European 2021-22 Median EBITDA Multiple Year 1
Real estate	19.1x	21.5x	22.4x
Technology	13.1x	15.8x	15.3x
Healthcare and pharmaceuticals	12.3x	12.3x	13.0x
Professional services	9.7x	10.4x	11.5x
Financial services	7.6x	10.4x	12.1x
Transport and logistics	7.1x	8.1x	8.0x
Industrials	6.8x	9.3x	10.7x
Construction	6.1x	6.7x	7.0x
Retail and consumer goods	6.0x	7.3x	9.1x
Energy and utilities	5.7x	6.9x	7.1x

NB: Sector list excludes automotive, agriculture, aerospace and defence, and food and beverage due to insufficient data. Financial services is excluded due to industry-specific valuation metrics within the financial services sector.

NBB: Median EBITDA multiples only given for sectors with 25 or more reported EBITDA multiples in 2023-24.

European countries included: Albania, Andorra, Austria, Belgium, Bosnia and Herzegovina, Bulgaria, Channel Islands, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Faroe Islands, Finland, France, Germany, Gibraltar, Greece, Hungary, Iceland, Ireland, Isle of Man, Italy, Kosovo, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Monaco, Montenegro, Netherlands, Norway, Poland, Portugal, North Macedonia, Romania, Russia, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Kingdom.

“Buyers adapt quite easily to higher interest rates – they calculate their required return and if interest rates increase, their required return goes up, and valuations go down. The problem is on the sellers’ side, where valuation expectations remain high.”

Andrija Garofulić, Partner, Forvis Mazars in Adria subregion

M&A outlook for 2025 and conclusion

Onshoring drive and a wave of industrial M&A ready to propel dealmaking across CEE in year to come

‘Company for sale’ stories provide vital clues about the possible future direction of the M&A market in terms of both sectors and geographies. Zooming in first on sectors, industrials stands out as the most talked-about topic covered in the 231 for-sale stories logged by Mergermarket in H2 2024. Significantly, this is the first time on recent record that industrials has topped the league table, with 38 mentions (accounting for 16% of all for-sale stories) putting it comfortably ahead of second-place technology. A number of factors are likely to account for the increased buzz around industrials, not least the previously-mentioned onshoring trend.

Against this backdrop, technology garnered 29 mentions (13% of the story total). This represents a significant drop versus from H2 2023, when it accounted for 28% of all stories. Retail and consumer goods achieved a grand total of 27 mentions in H2 2024, representing 12% of the total – a share that is unchanged year on year. Meanwhile, energy and utilities logged 21 mentions (9%), again broadly in line with the sector’s performance in H2 2023.

Considering key geographies, Poland’s vast M&A landscape continued to generate a steady flow of for-sale stories – notably in industrials, which was red hot. Poland’s 96 mentions in H2 2024 represent 42% of the region-wide total, a higher share than that recorded in the same period a year earlier. By comparison, the next most frequently mentioned territories are the Czech Republic and Romania, with 30 and 28 for-sale stories apiece.

Looking ahead, the major headwinds in 2025 are likely to be political as much as economic. Europe

– and not just the CEE region – faces a number of consequential elections in the months ahead and these could result in far-reaching political changes. There is also considerable uncertainty about the direction of US trade policy with regard to tariffs and inflationary impacts. Against this background, there are continuing concerns about the health of the German economy.

But there are tailwinds, too. The dialling down of conflicts in Ukraine and the Middle East is likely to boost confidence, particularly among inbound acquirers. And – perhaps paradoxically – global trade tensions could even accelerate the renaissance of manufacturing in the CEE region.

“Although current geopolitics presents a challenge for dealmaking, some aspects are having a positive impact for CEE,” says Andrija Garofulić of Forvis Mazars in Adria subregion. “Everyone is talking about trade wars with China. CEE is a natural place to do manufacturing in Europe and at least part of this is being transferred back into our region.”

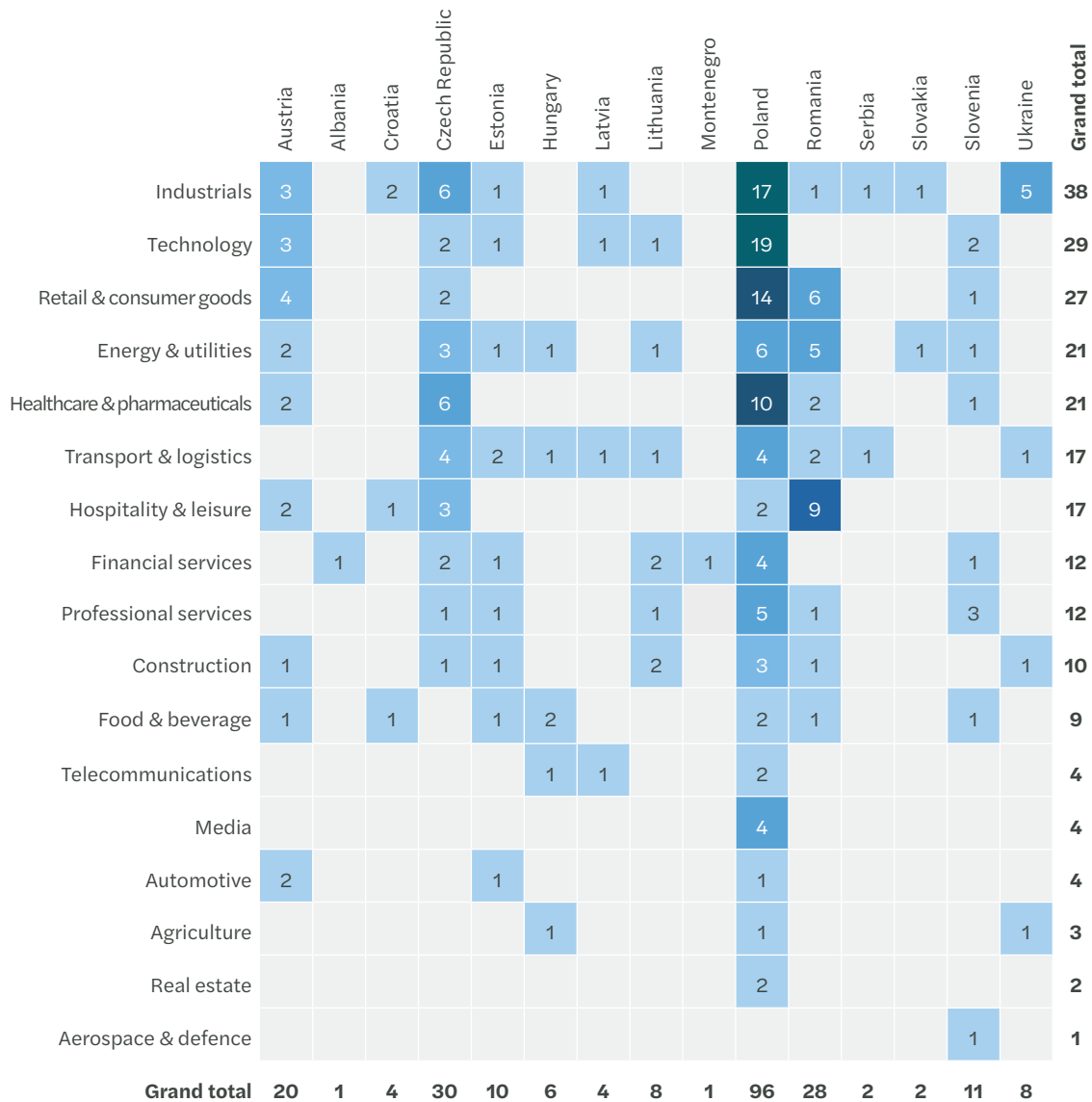
Growth projections for the CEE region in the year ahead are extremely positive, far outpacing those of neighbouring Western Europe. Meanwhile, there are signs that looser monetary policy is helping to break the logjam of deals delayed by disagreements over valuations. “Interest rates have come down and inflation seems to be under control, so it is a much healthier environment than a year ago,” concludes Lukáš Hruboň of Forvis Mazars in the Czech Republic. “This could have a fruitful impact on dealmaking in 2025.”

“Interest rates have come down and inflation seems to be under control, so it is a much healthier environment than a year ago.”

Lukáš Hruboň, Head of Transaction Advisory, Forvis Mazars in the Czech Republic

M&A outlook for 2025 and conclusion

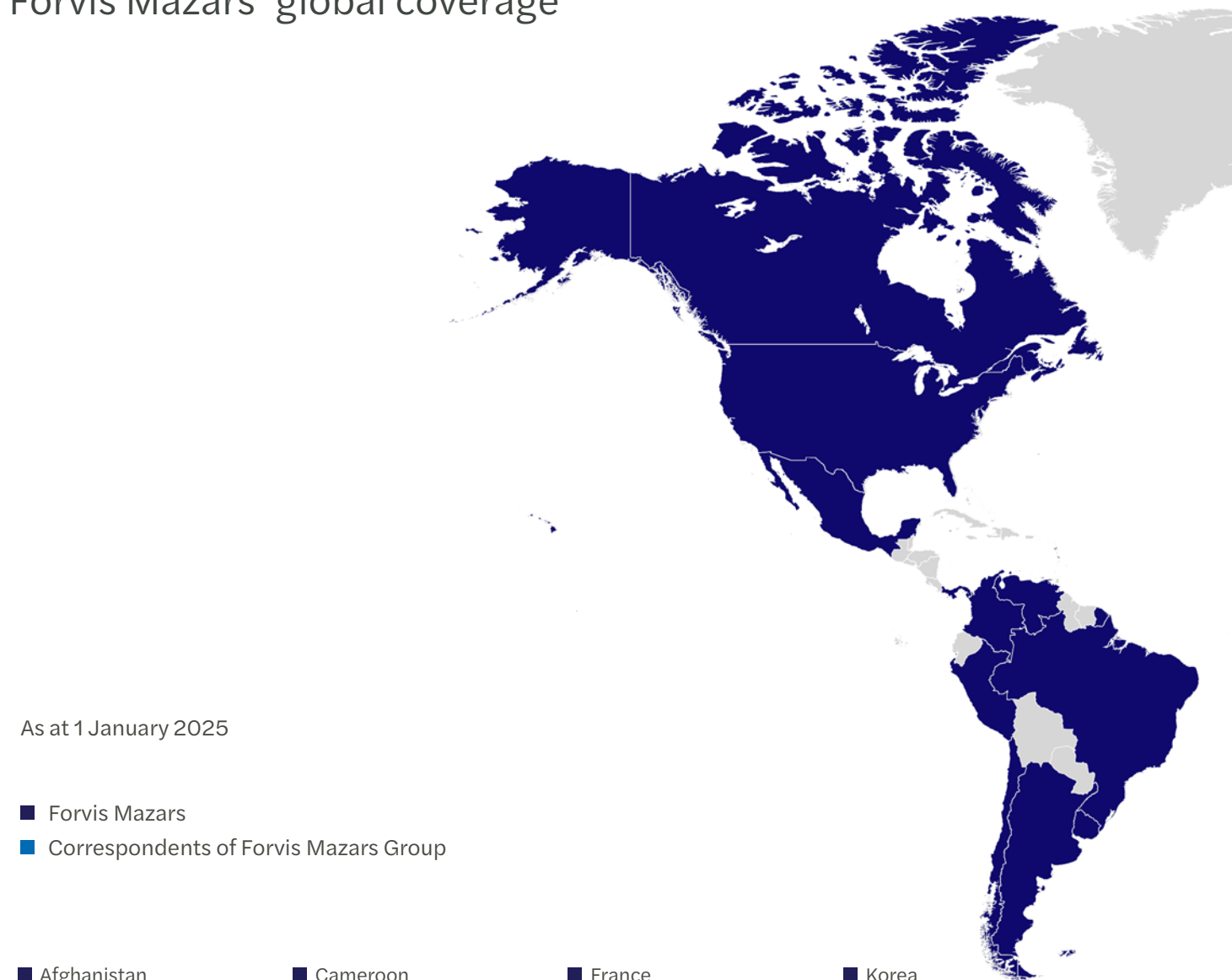
Heat chart: 'Company for sale' stories in CEE



Based on Mergermarket data for 'company for sale' stories published between 01/07/2024 and 31/12/2024.



Forvis Mazars' global coverage



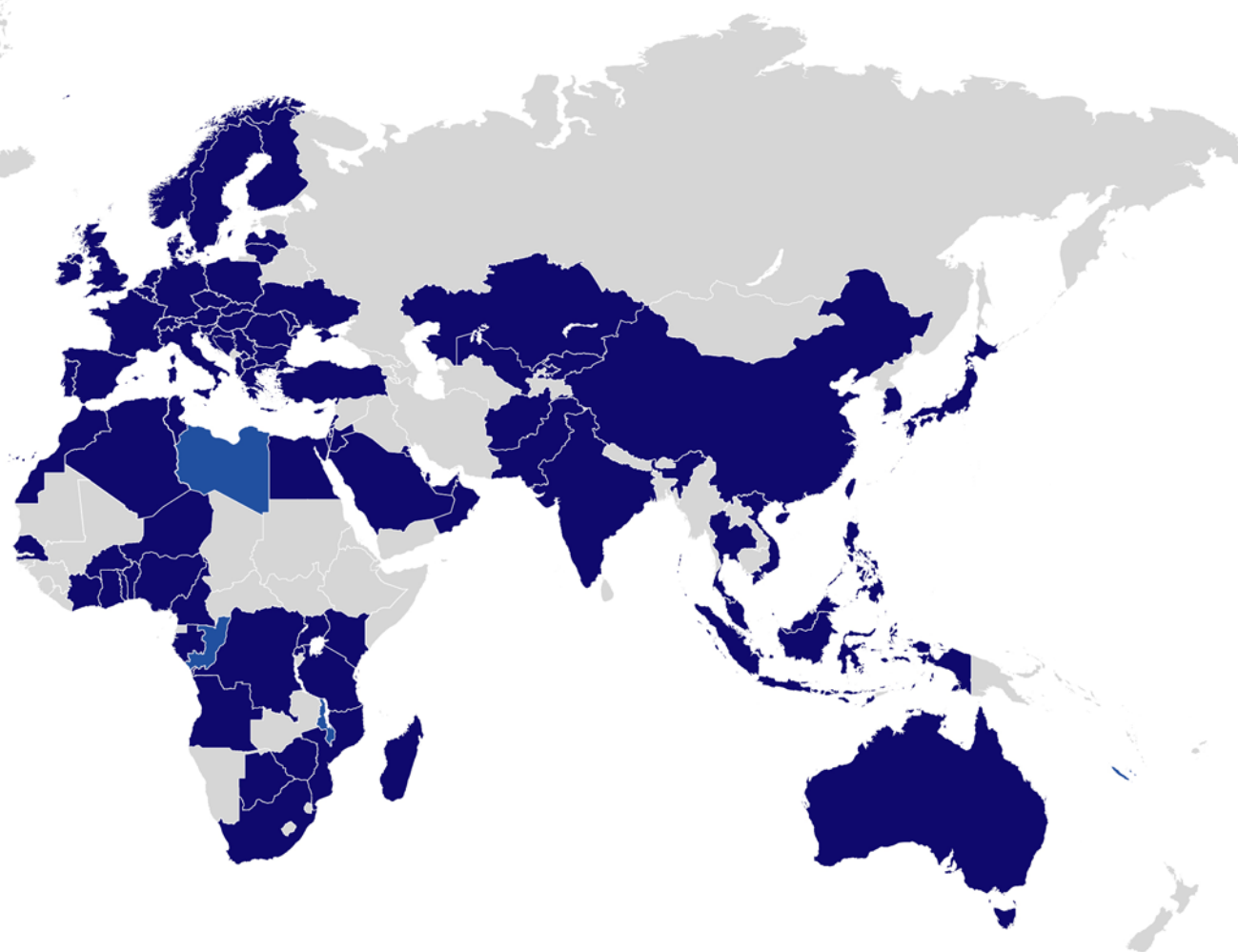
As at 1 January 2025

- Forvis Mazars
- Correspondents of Forvis Mazars Group

■ Afghanistan	■ Cameroon	■ France	■ Korea
■ Albania	■ Canada	■ Gabon	■ Kosovo
■ Algeria	■ Cayman Islands	■ Germany	■ Kuwait
■ Angola	■ Chile	■ Ghana	■ Kyrgyzstan
■ Argentina	■ China	■ Greece	■ Latvia
■ Australia	■ Colombia	■ Hong Kong	■ Lebanon
■ Austria	■ Congo	■ Hungary	■ Libya
■ Bahrain	■ Côte d'Ivoire	■ India	■ Lithuania
■ Belgium	■ Croatia	■ Indonesia	■ Luxembourg
■ Benin	■ Cyprus	■ Ireland	■ Madagascar
■ Bermuda	■ Czech Republic	■ Israel	■ Malawi
■ Bosnia and Herzegovina	■ Democratic Republic of the Congo (DRC)	■ Italy	■ Malaysia
■ Botswana	■ Denmark	■ Japan	■ Malta
■ Brazil	■ Egypt	■ Jordan	■ Mauritius
■ Bulgaria	■ Finland	■ Kazakhstan	■ Mexico
■ Burkina Faso		■ Kenya	■ Moldova

Forvis Mazars is the brand name for the Forvis Mazars Global network (Forvis Mazars Global Limited) and its two independent members: Forvis Mazars, LLP in the United States and Forvis Mazars Group SC, an internationally integrated partnership operating in over 100 countries and territories.

Forvis Mazars' global coverage



■ Morocco	■ Qatar	■ Togo
■ Mozambique	■ Romania	■ Tunisia
■ Netherlands	■ Rwanda	■ Türkiye
■ New Caledonia	■ Saudi Arabia	■ Uganda
■ Niger	■ Senegal	■ Ukraine
■ Nigeria	■ Serbia	■ United Arab Emirates
■ North Macedonia	■ Singapore	■ United Kingdom
■ Norway	■ Slovakia	■ United States
■ Oman	■ Slovenia	■ Uruguay
■ Pakistan	■ South Africa	■ Uzbekistan
■ Palestine	■ Spain	■ Venezuela
■ Panama	■ Sweden	■ Vietnam
■ Peru	■ Switzerland	■ Zimbabwe
■ Philippines	■ Taiwan	
■ Poland	■ Tanzania	
■ Portugal	■ Thailand	

Contacts

Forvis Mazars' financial advisory leaders at the group level

Global

Firas Abou Merhi

Global Head of Financial Advisory
firas.abou-merhi@forvismazars.com

Pierre Tchertoff

Global Head of
Transaction Services
pierre.tchertoff@forvismazars.com

Stephen Skeels

Global Head of Valuation
stephen.skeels@mazars.co.uk

Stéphane Pithois

Global Head of M&A
stephane.pithois@forvismazars.com

Chris Drewe

Global Head of Forensic
& Litigations
chris.drewe@mazars.co.uk

Bob Green

Global Head of
Infrastructure Finance
bob.green@gif.mazars.com

Adam Harris

Global Head of Restructuring
adam.harris@mazars.co.uk

Alex Bell

Director – International
Financial Advisory
alex.bell@mazars.co.uk

Fernando Rossi Vargas

VP/Manager – International
Financial Advisory
fernando.rossi-vargas@
forvismazars.com

Forvis Mazars' financial advisory leaders in CEE

Adria subregion (Croatia, Bosnia and Herzegovina, Montenegro, Serbia, Slovenia)

Central

Andrija Garofulić

Partner
andrija.garofulic@forvismazars.com

For Croatia

Lovre Botica

Partner
lovre.botica@forvismazars.com

For Serbia

Vuk Lakić

Senior Manager
vuk.lakic@forvismazars.com

For Slovenia

Sebastian Horvat

Director
sebastian.horvat@forvismazars.com

Albania, Kosovo

Diana Ylli

Partner
diana.ylli@forvismazars.com

Austria

Günther Mayrleitner

Partner
guenther.mayrleitner@mazars.at

Bulgaria

Thanos Petropoulos

Managing Director, Partner
thanos.petropoulos@
forvismazars.com

Czech Republic

Jaroslav Křivanek

Partner
jaroslav.krivanek@mazars.cz

Hungary

Balázs Szécsi

Head of Financial Advisory
balazs.szecsi@mazars.hu

Latvia

Andris Jaunzemis

Managing Partner
andris.jaunzemis@mazars.lv

Lithuania

Aleksandras Papšys

Partner
aleksandras.papsys@mazars.lt

North Macedonia

Jane Ivanov

Partner
jane.ivanov@forvismazars.com

Poland

Maciej Ptak

Head of Financial Advisory
maciej.ptak@mazars.pl

Romania, Moldova

Răzvan Butucaru

Partner
razvan.butucaru@mazars.ro

Slovakia

Miriám Bombalová

Partner
miriam.bombalova@mazars.sk

Ukraine

Yevgeniya Kopystyanska

Partner
yevgeniya.kopystyanska@
forvismazars.com

Contacts

Forvis Mazars' financial advisory leaders worldwide

Africa

Zied Loukil

Partner

zied.loukil@forvismazars.com

Rishi Juta

Partner

rishi.juta@mazars.co.za

Asia Pacific

Rickard Wärnelid

Partner

rickard.warnelid@forvismazars.com

Canada

Denis Hamel

Partner

denis.hamel@mazars.ca

Central and Eastern Europe

Olivier Degand

Managing Partner

o.degand@mazars.pl

Andrija Garofulić

Partner

andrija.garofulic@forvismazars.com

Adam Zohry

Executive Manager

a.zohry@mazars.pl

Latin America

Kenzo Otsuka

Partner

kenzo.otsuka@mazars.com.br

China

Cindy Cheung Tung

Partner

cindy.cheung@mazars.cn

France

Pierre Tchertoff

Partner

pierre.tchertoff@forvismazars.com

Germany

Thoralf Erb

Partner

thoralf.erb@mazars.de

Greece

Michalis Papazoglou

Partner

michalis.papazoglou@forvismazars.com

India

Santosh Bohra

Partner

santosh.bohra@mazars.in

Ireland

Tom O'Brien

Managing Partner

tjobrien@mazars.ie

Italy

Sylvain Rousmant

Partner

sylvain.rousmant@forvismazars.com

Japan

Takeshi Tanaka

Partner

takeshi.tanaka@mazars.jp

Netherlands

Thomas Notenboom

Partner

thomas.notenboom@forvismazars.com

Spain

Alberto Martínez Salazar

Partner

alberto.martinez@mazars.es

Switzerland

Antonio Rubino

Partner

antonio.rubino@mazars.ch

Turkey

Gokcen Muftuoğlu Capa

Partner

gmuftuoglu@mazarsdenge.com.tr

United Kingdom

James Gilbey

Partner

james.gilbey@mazars.co.uk

USA

Chris Dalton

Managing Partner – Deals

chris.dalton@us.forvismazars.com

Scott Linch

Partner & Private Equity Leader

scott.linch@us.forvismazars.com

About Forvis Mazars



We are an international audit, tax and advisory firm committed to helping our clients build and grow their businesses, always seeking to understand their environments, adjusting our recommendations and support accordingly.

Present in over 100 countries and territories, we work together as one team across borders and functions to deliver exceptional and tailored services, combining our skills and expertise with both a global perspective and local knowledge.

forvismazars.com

About Mergermarket



Mergermarket blends market-leading human insights, advanced machine learning and 30+ years of Dealogic data to deliver the earliest possible signals of potential M&A opportunities, deals, threats and challenges.

For more information, please contact:

Nadine Warsop
Sales Director
Tel: +44 20 3741 1370

Disclaimer

This publication contains general information and is not intended to be comprehensive nor to provide financial, investment, legal, tax or other professional advice or services. This publication is not a substitute for such professional advice or services, and it should not be acted on or relied upon or used as a basis for any investment or other decision or action that may affect you or your business. Before taking any such decision, you should consult a suitably qualified professional adviser. While reasonable effort has been made to ensure the accuracy of the information contained in this publication, this cannot be guaranteed and none of Mergermarket, Forvis Mazars nor any of their subsidiaries or any affiliates thereof or other related entity shall have any liability to any person or entity which relies on the information contained in this publication, including incidental or consequential damages arising from errors or omissions. Any such reliance is solely at the user's risk.



Turning critical moments into growth milestones

CEE's 4th most trusted
transaction advisor

Forvis Mazars in CEE ranks #4 by number of
successful M&A deals advised according to
'Mergermarket CEE Accountant League Table 2024'

**forvis
mazars**

Forvis Mazars Group SC is an independent member of Forvis Mazars Global, a leading professional services network. Operating as an internationally integrated partnership in over 100 countries and territories, Forvis Mazars Group specialises in audit, tax and advisory services. The partnership draws on the expertise and cultural understanding of over 40,000 professionals across the globe to assist clients of all sizes at every stage in their development.

Visit forvismazars.com to learn more.

© Forvis Mazars 2025

