



The Southeast European M&A Report

July 2025

A background image of a wooden cabin with a red roof, nestled in a forest of tall evergreen trees. The cabin has a balcony and is surrounded by dense foliage.

Agenda

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Southeast Europe in transition

Strategic capital targets energy transition, digital infrastructure, and logistics as EU convergence reshapes deal dynamics

The region's M&A landscape is undergoing a fundamental recalibration as capital flows toward assets aligned with EU strategic priorities. While overall volumes remain 10–15% below peak levels, average deal size is rising in core markets, reflecting a shift in focus towards policy-anchored transactions in energy transition (particularly renewables and grid infrastructure), digitalization, and transport logistics. This reflects growing investor conviction in the structural transformation underway, supported by €30+ billion in committed EU convergence funding through 2027.

Three structural dynamics are reshaping Southeast Europe's M&A environment. Strategic investors now account for nearly 70% of deal volume, led by regional consolidation plays in TMT and industrial services. Private equity is re-entering the market through platform-and-build strategies, concentrating on governance-ready assets in business services and healthcare tech. Meanwhile, development banks (e.g. EBRD, IFC) are increasingly de-risking complex transactions via hybrid financing structures—particularly in the energy transition space. Landmark deals such as Croatia's €1.2 billion digital infrastructure investment and Serbia's renewable energy auctions reflect this evolving model.

Navigating today's deal environment requires managing two competing forces. On one side, EU integration continues to lower systemic risk, demonstrated by Croatia's investment-grade rating and Bulgaria's pending Eurozone entry. On the other, execution remains challenging—driven by valuation gaps, operational complexity, and inconsistent target readiness. In premium segments such as renewables and data infrastructure, scarcity is driving valuations to 9–11x EBITDA, with compressed discount rates reflecting strong investor appetite.

Going forward, we see actionable opportunity in three areas: (1) Privatizations with reform tailwinds (e.g. Bosnia's electricity assets); (2) Cross-border industrial platforms; and (3) Digital infrastructure aligned with EU's 2030 connectivity targets. The region is shifting from opportunistic dealmaking to a more strategic role within Europe's M&A landscape—bringing with it elevated expectations and a maturing valuation regime.

Southeast Europe M&A Cross-sector coverage

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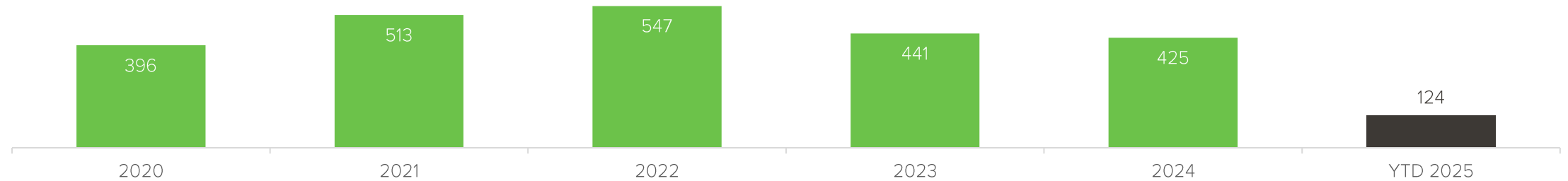
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Southeast Europe in transition

Deal flow to accelerate on the back of structural tailwinds and improving sentiment

Southeast Europe total deal flow 2020 – 2025 YTD (y/y)



Outlook

Deal flow in Southeast Europe is expected to strengthen steadily over the next five years, driven by macro normalization, EU alignment, and an expanding pipeline of investable assets. While volumes remain mid-market in nature, cross-border transactions are gaining momentum as strategic buyers and private equity funds deepen their regional focus. Intra-regional consolidation is accelerating, particularly in sectors like telecom and banking where national markets remain subscale. Domestic dealmaking remains active, though increasingly shaped by succession dynamics and formalization. As integration improves and regulatory visibility increases, transaction activity is set to trend upward, with strategic platforms, carve-outs, and regional scale-ups leading the charge.

Valuations remain bifurcated, but structure and creativity are closing execution gaps. Premium assets in infrastructure and digital services continue to attract competitive bidding, while mid-market transactions often involve earn-outs, staged exits, or minority stakes to align buyer and seller expectations. Access to financing is improving as interest rates stabilize, with banks cautiously re-entering acquisition lending and private credit gaining relevance. Consortium bids and public-private structures are becoming more common for large assets. Target profiles are evolving, with increased focus on succession-driven sales, tech-enabled businesses, and regionally scalable platforms. The coming cycle will favor disciplined execution, creative structuring, and value creation beyond traditional arbitrage.



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Macro snapshot

3.2% growth in 2025 amid stable inflation (2.4%) and labor market gains

Albania's economy expanded by 3.96% in 2024, with a projected moderation to 3.2% in 2025, driven by private consumption, tourism, and construction.

Key takeaways



Inflation in Albania declined to 2.2% in 2024 and is projected to edge up to 2.4% in 2025, remaining within the Bank of Albania's target. In contrast, Kosovo's annual inflation accelerated to 3.6% in May 2025—the highest since September 2023—driven by surging electricity and food prices.

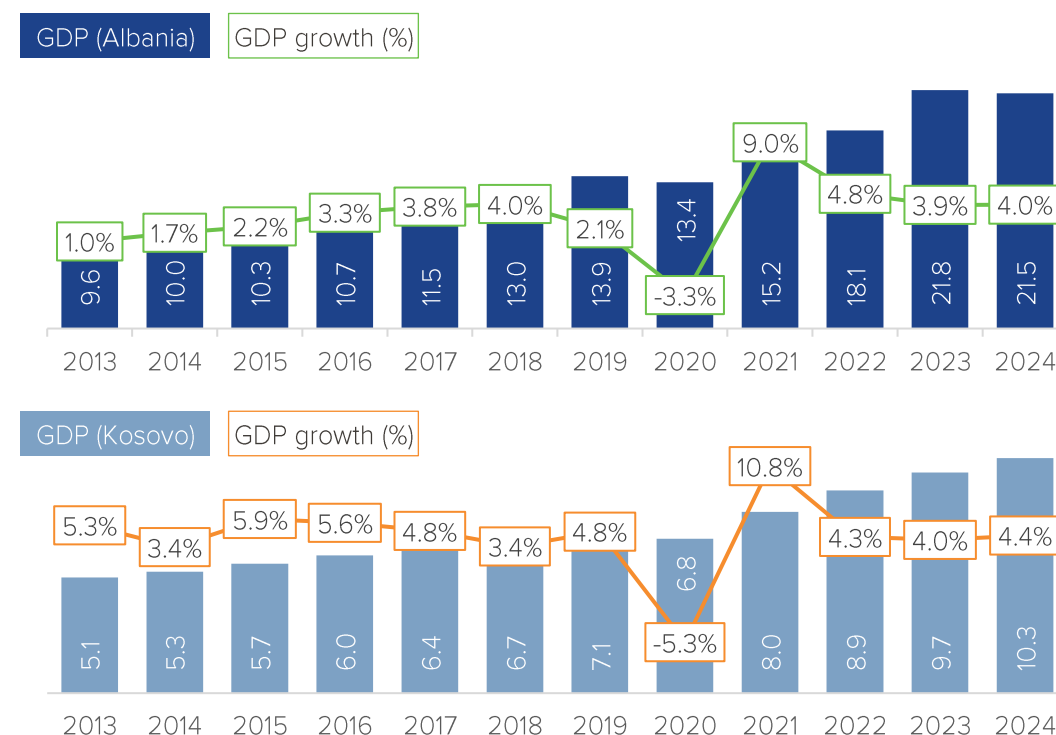


The unemployment rate in Albania declined from 9.5% in December 2023 to 8.8% in December 2024, reflecting gradual labor market improvements alongside steady wage growth. In contrast, Kosovo's unemployment rate edged down to 10.8% in 2024—a historic low.



The Albanian lek appreciated against the US dollar, strengthening from c93.76 in December 2024 to c87.02 in May 2025, while the EUR/ALL exchange rate remained broadly stable at 98.2 over the same period.

Albania & Kosovo's GDP and GDP growth rate (2013–2024)
(in €b)



M&A developments

Energy/TMT anchor activity as EU accession and tourism catalyze growth

Albania & Kosovo’s M&A landscapes remains stable, with 2024 delivering a record volume of transactions and 2021 standing out for deal values—where flagship deals averaged €55 million. Recent deal-value visibility is limited, but the consistent flow of transactions underscores strong investor appetite—especially in TMT, Financials, and Consumer sectors.

Deal momentum is expected to gather pace further, supported by EU accession, special economic zone incentives, and an emerging visible need pipeline of succession-driven and strategic divestiture opportunities—as the countries display a large share of M&A activity between the two.

Key M&A themes



Platform acquisitions over greenfield
Investors are prioritizing M&A over greenfield entry, acquiring proven platforms to accelerate market access and bypass execution risk.

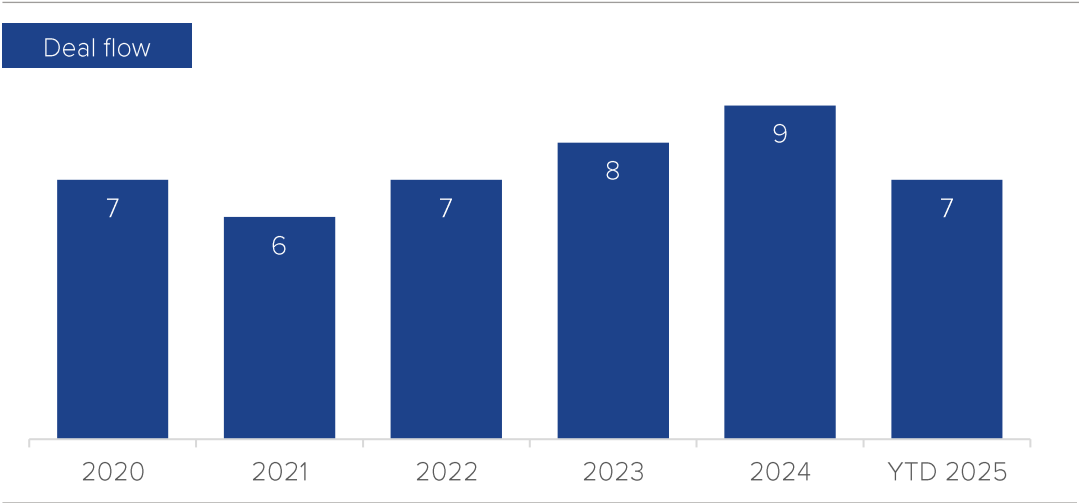


Succession-led and private capital-backed deals
Aging ownership and lack of succession planning are creating time-sensitive entry points, prompting rising interest from investors.



Digital infrastructure targets
M&A is focusing on telecom, fintech, and IT assets that enable digital scale and EU-aligned growth.

M&A deal flow in Albania & Kosovo (y/y)



2025 highlights

7 Deal count

67% Strategic buyers

NA Average deal size

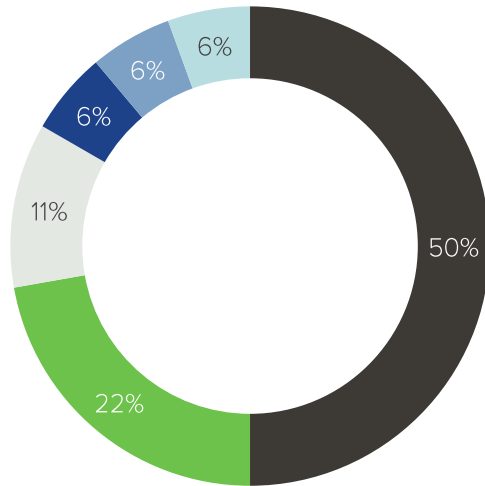
33% Financial investors

Source: S&P Capital IQ, OCF analysis

M&A industry dynamics

Sector concentration highlights market evolution

Historical M&A volume by industry (5-year trend)
(% share)



Key takeaways

The data reveals pronounced sectoral concentration, with TMT accounting for 50% of total deal volume, demonstrating consistent activity across multiple years. Financial services represent the secondary market segment at 22% share, while all other sectors show minimal participation.

































This distribution indicates two clear investment themes:

- Technology-driven growth in TMT and restructuring opportunities in financial services; and
- The absence of activity in real estate and healthcare, coupled with single-deal showings in energy, industrials and materials, suggests Albania's M&A market remains in early development stages, with capital flowing primarily to sectors benefiting from digital transformation and financial modernization.

The TMT dominance, particularly its consistent annual deal flow compared to other sectors' sporadic activity, positions it as Albania's established M&A driver, while financial services emerge as the secondary focus area, especially in Kosovo.

M&A activity

Relevant recent transactions in Albania & Kosovo

Date	Type	Target		Industry	Rationale	Acquirer	
25/06/2025	Strategic*			Consumer Discretionary	Albi Group is acquiring Fashion Group Albania to accelerate scale in a priority market and expand regional reach. The deal adds a profitable, multi-brand retail platform with 22 prime stores and exclusive rights to global labels, offering immediate commercial and operational upside.		
16/05/2025	Strategic			Healthcare	Dite e Nate is acquiring Farma Net Albania and its subsidiaries, expanding its pharmacy network to 86 locations nationwide. The deal strengthens its market position and scale in pharmaceutical retail.		
20/03/2025	Strategic*			Consumer Staples	Viva Fresh sh.p.k acquired Spar Albania from BALFIN on March 20, 2025. The deal is partially financed by a €25 million loan—€22 million from EBRD and €3 million from ENEF II—supporting Viva Fresh's entry into the Albanian market and enabling store expansion and consolidation.		
11/03/2025	Strategic			Consumer Discretionary	BALFIN acquired a 40% stake in HyperActive. The deal supports HyperActive's expansion into new European markets, leveraging BALFIN's regional footprint and commercial infrastructure to scale its digital services platform.		
14/01/2025	Strategic			Financials	NOA Sh.a. has been acquired by a consortium led by NCH Capital through ABI Bank (via Tranzit sh.p.k.), marking a major step in integrating the microfinance lender into a broader financial group. The deal brings NOA's services under ABI Bank's platform.		
19/04/2024	Strategic			TMT	Soft & Solution Group acquired Horizon Sh.p.k to bolster its infrastructure technology capabilities. The integration combines Horizon's expertise in large-scale infrastructure design with Soft & Solution's software and R&D strengths, enhancing the Group's capacity.		
08/03/2024	Strategic			Financials	Dev.al acquired a majority controlling stake in Rubicon, an e-money institution and Mastercard principal member, in early 2024. The move accelerates its entry into fintech, leveraging Rubicon's instant payments, POS, vPOS, and debit card capabilities to enhance its software services		
21/12/2023	Strategic			Financials	Eurosig acquired a 14.37% stake in United Bank of Albania from the Islamic Development Bank on December 21, 2023. The deal increases Eurosig's total holding to 99.16%, marking the final step toward full control of the bank.		

Source: S&P Capital IQ, OCF analysis

*Pending regulatory approvals



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Macro snapshot

2.5% growth, elevated inflation (3.4%) and structural labor market constraints

Bosnia and Herzegovina's economy grew by 2.2% in 2023 and expanded by 2.5% in 2024, supported by resilient household consumption, public investment, and gradual recovery in external demand.

Key takeaways



Inflation in Bosnia & Herzegovina rose to 3.4% in April 2025 from 2.2% in December 2024. Prices increase mainly from food and non-alcoholic beverages, housing and utilities, recreation and culture.

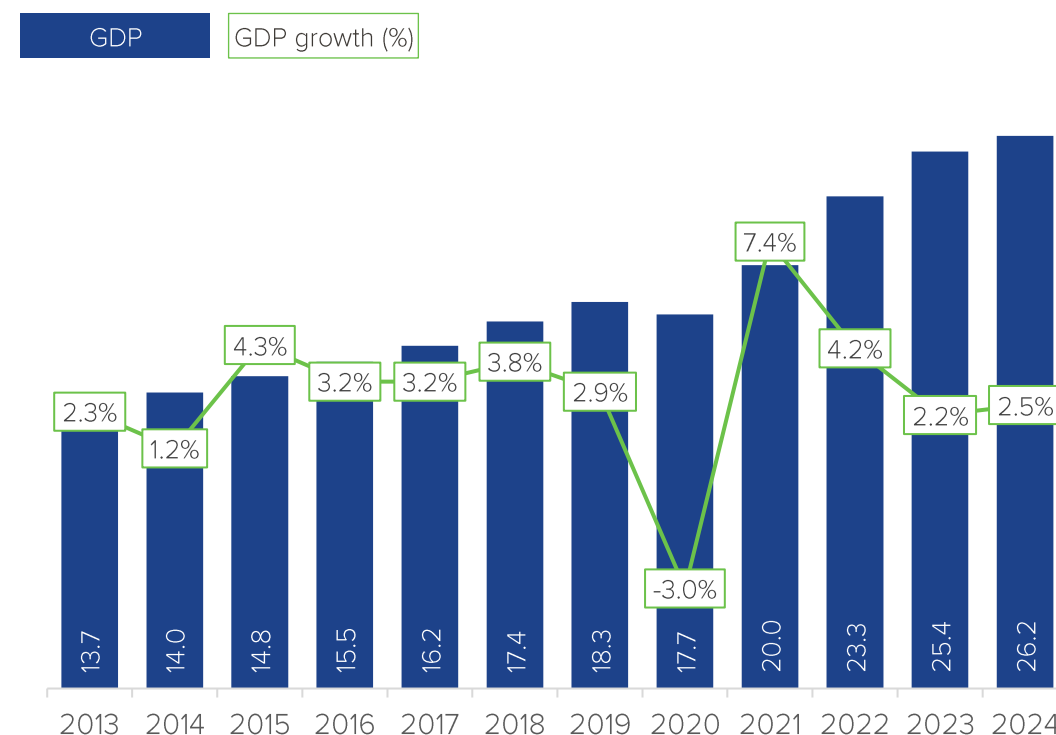


The unemployment rate in Bosnia and Herzegovina remains elevated at 13.2% in both 2024 and 2025, underscoring persistent structural weaknesses in the labor market



The BAM is pegged to the euro at a fixed rate of c1.96. The USD/BAM exchange rate is projected to strengthen from c1.87 in December 2024 to c1.73 in May 2025.

Bosnia and Herzegovina's GDP and GDP growth rate (2013–2024)
(in €b)




M&A developments

Deal size jumps 3x to €17m on EU funds and privatization push


Despite a decline in deal volume since 2022, Bosnia & Herzegovina recorded 23 transactions in 2024, with an average deal size of €6 million.

In 2025, the average surged to €17 million, reflecting a clear shift toward larger, more strategic deals.


Key M&A themes




Infrastructure & Energy M&A supported by EU funds
EU funding—€1.0 bn in IPA II, €310 m in IPA III, and €1.1 bn via WBIF—continues to drive energy, green initiatives, and digital project M&A.



Regulatory and institutional alignment with the EU
Ongoing reforms in competition law, investor protection, and judicial transparency are increasing investor confidence.

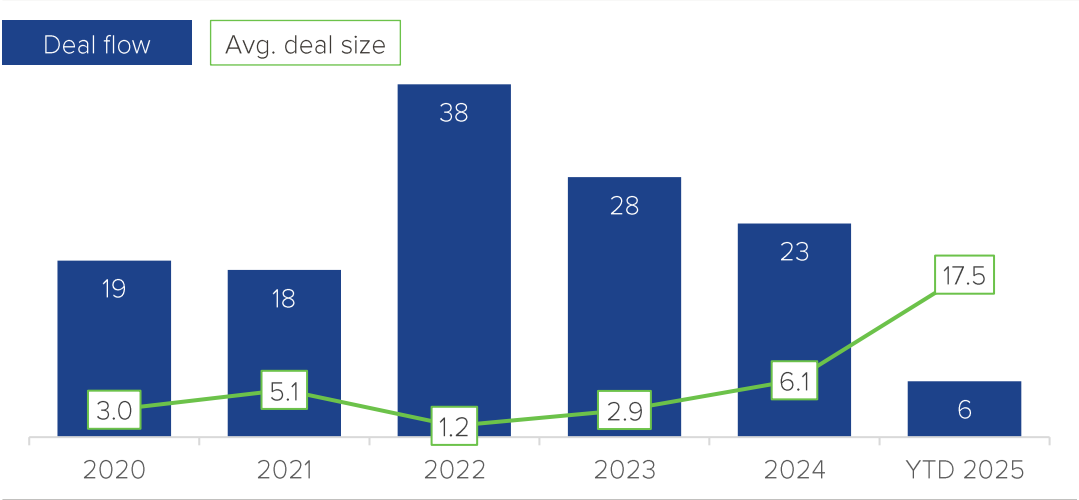


Strengthening legal certainty for foreign investors
Bosnia maintains an investor-friendly FDI regime, offering national treatment, free profit repatriation, and protection from expropriation.



Privatization momentum in Telecoms
Moves like BH Telecom’s bid for Telemach (covering Bosnia, Montenegro, North Macedonia) could accelerate sector consolidation.

M&A deal flow and average deal size in Bosnia and Herzegovina
(deal size in €m)



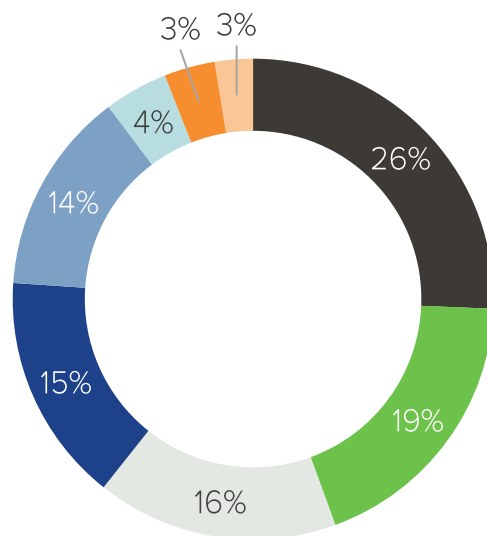
2025 highlights	6 Deal count	€17m Average deal size
	67% Strategic buyers	33% Financial investors

Source: S&P Capital IQ, OCF analysis

M&A industry dynamics

Consumer and Industrials lead fragmented market

Historical M&A volume by industry (5-year trend)
(% share)



Key takeaways

The market structure points to a transitional phase, where traditional industries dominate but lack the concentration seen in more mature M&A markets. Deal flow is concentrated around Consumer and Industrials, with occasional activity in Financials and Materials.














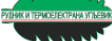
















This pattern highlights two distinct themes:

- Consumer/industrial consolidation in established sectors with domestic demand fundamentals
- Materials sector volatility, with deal spikes suggesting cyclical rather than structural activity

The near-absence of Energy and Real Estate deals contrasts with regional peers, suggesting either underdeveloped asset pipelines in infrastructure-heavy sectors or regulatory barriers limiting transaction viability. While TMT shows gradual growth, its inconsistent annual volume suggests the sector remains emergent rather than established.

M&A activity

Relevant recent transactions in Bosnia and Herzegovina

Date	Type	Target	Industry	Rationale	Acquirer
16/04/2025	Strategic	Stocar a.d. Banja Luka 	Consumer	Kreis International AG launched a mandatory takeover bid for the remaining shares of Stočar a.d. Banja Luka after reaching a 24.4% stake. The move aims to secure full control of the company, despite its loss-making position and limited market liquidity.	 
28/02/2025	Strategic	 BOSNALIJEK 	Healthcare	Vispak and Solana launched a takeover bid to acquire the remaining stake in Bosnalijek, aiming for full control of the company. The move follows their earlier acquisition of a majority interest and supports their strategy to consolidate and integrate Bosnia's leading pharmaceutical manufacturer.	  
04/02/2025	Strategic	Usce Bosne VP a.d. 	Materials	Martic-Inter-Copp acquired a 50%+ stake in Usce Bosne VP, becoming its majority owner. The deal secures control over the company's road transport and aggregate separation operations, supporting Martić's vertical integration strategy in construction services.	 
23/01/2025	Strategic	 COMSAR ENERGY 	Energy & Utilities	RITE Ugljevik agreed to acquire the remaining 90% of Comsar Energy RS, gaining full ownership. The deal enables the Serb Republic to reclaim concession rights over the Ugljevik East 2 coal deposit and consolidate control of the energy asset.	 
11/11/2024	Strategic	 pobjeda-tezanj 	Industrials	HIFA-PETROL, together with Ahmed and Muharem Ahmetlic, launched a takeover offer for the remaining 50.5% stake in Pobjeda Tesanj. Following the offer, the group increased its combined ownership to 51.2%, securing majority control of the automotive pump and filter manufacturer.	 
20/08/2024	Strategic	 BOKSIT MILICI 	Materials	Pavgord launched a buyout bid for the remaining 28.5% of Boksit a.d. Milici and raised its stake from 71.5% to 87.9% following shareholder acceptance. The move strengthens Pavgord's control ahead of a potential full takeover and delisting process.	 
28/05/2024	Strategic	Copper Stream 	Materials	Gold Royalty Corp. completed the acquisition of a copper stream on the Vares Silver Project from Orion Resource Partners. The deal enhances Gold Royalty's exposure to long-life, low-cost European assets and was financed through a mix of equity and an expanded credit facility.	 
29/04/2024	Strategic	 BANJA VRUCICA 	Consumer	Sloboprom acquired an additional 18.1% stake in ZTC Banja Vrucica from the Republic of Srpska's Investment-Development Bank, further consolidating its position in the regional health tourism sector.	 

Source: S&P Capital IQ, OCF analysis



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Macro snapshot

2.8% GDP growth in 2024 with tight labor market at c4% unemployment

Bulgaria's economy grew by 1.9% in 2023 and expanded by 2.8% in 2024, driven by private consumption, which was underpinned by higher real wages, employment gains and increased social transfers.

Key takeaways



Inflation slowed to 2.6% in 2024. The price increases at the beginning of 2025 were driven by the restoration of higher VAT rates on bread and restaurant services, higher excise duties on tobacco, increased costs of electricity, gas, and other utilities, as well as administered prices and rising food prices.

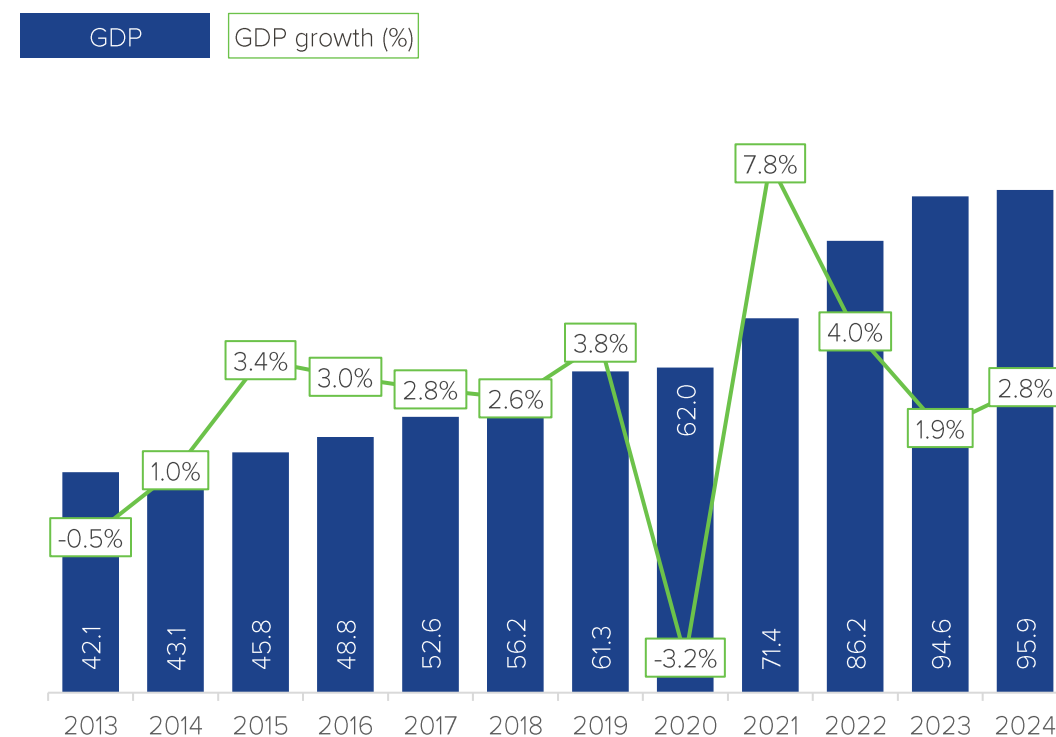


In 2024, the labor market remained tight, with the unemployment rate hovering around 4%. Nominal growth in compensation per employee slowed from 13.8% in Q1 2024 to 4% in Q4 2024, as inflationary pressures subsided and firms sought to curb costs.



Bulgaria maintained a fixed exchange rate of c1.96 BGN per EUR, supported by a long-standing currency board mechanism, providing monetary stability ahead of eurozone accession in 2026.

Bulgaria's GDP and GDP growth rate (2013–2024)
(in €b)



M&A developments

Deal activity resets as eurozone entry expected to boost tech-led recovery

Bulgaria has experienced a decline in M&A activity in recent years following the 2021 peak. The year 2024 closed with 47 transactions, primarily in the TMT industry, with an average deal size of €14 million. In the first half of 2025, only 12 transactions have been recorded, driven mainly by Strategic Buyers, with a significantly lower average deal size of €1 million.

Key M&A themes



Eurozone & Schengen entry driving confidence

The scheduled adoption of the euro and full Schengen integration are enhancing macro stability and lowering financing costs.



Digital innovation & AI uptake

Bulgaria is emerging as a tech hub—with government support, a skilled workforce, and EU-aligned AI and cybersecurity frameworks.



Macro & currency convergence

Eurozone entry boosts investor confidence via stable currency and reduced sovereign risk.

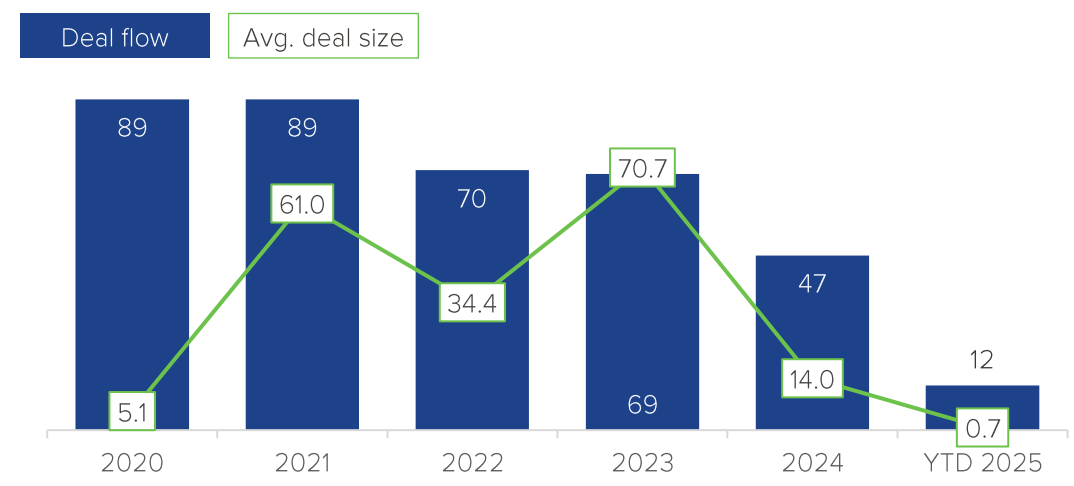


The launch of InvestEU program in Bulgaria's financial sector

EBRD is mobilizing new green finance of more than €300 million for Bulgarian businesses.

M&A deal flow and average deal size in Bulgaria

(deal size in €m)



2025 highlights

12
Deal count

83%
Strategic buyers

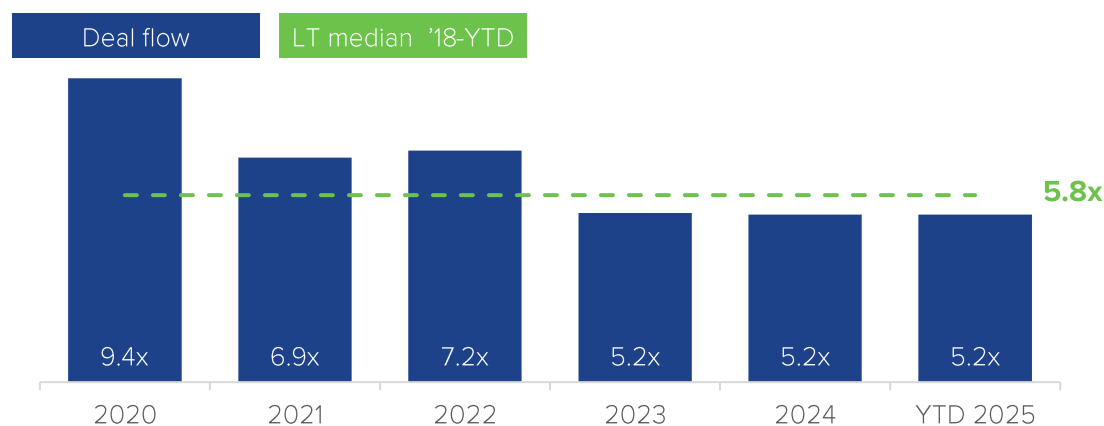
€1m
Average deal size

17%
Financial investors

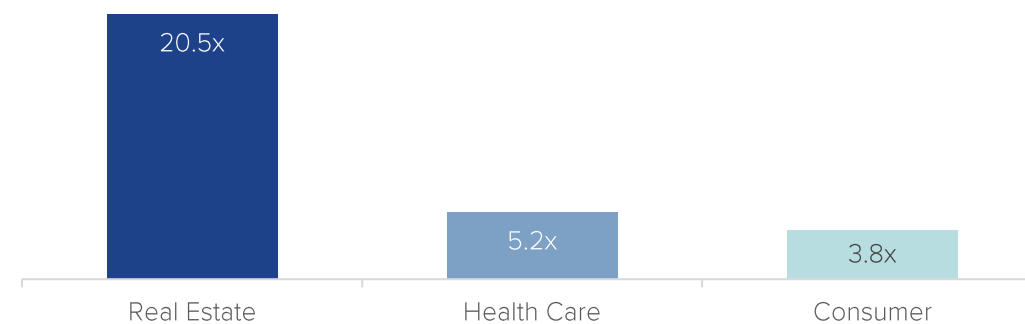
M&A valuations

Post-peak normalization creates selective opportunities

Market 36-month rolling median EV/EBITDA development
(y/y)



36-month rolling EV/EBITDA multiples by industry*
(YTD 2025)



Key takeaways

The contraction in the 36M rolling median EV/EBITDA to 5.2x in 2023 reflects a fundamental repricing, driven by smaller deal sizes, tighter buyer discipline, and waning sector competition.

Real Estate remains an outlier, buoyed by defensive income streams and asset scarcity, while Healthcare aligns with the compressed median, suggesting

balanced risk-reward dynamics. Consumer trades at a steep discount, likely due to margin pressures and cyclical headwinds. This reset creates selective opportunities for value-driven capital, particularly in oversold segments, though sector fragmentation demands rigorous due diligence.

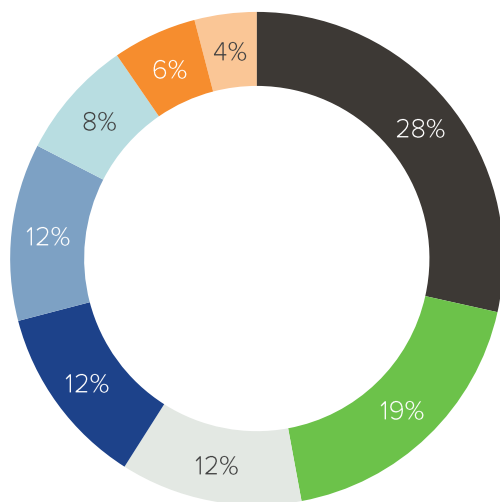
Source: S&P Capital IQ, OCF analysis

* Analysis limited to sectors with reported deal multiples

M&A industry dynamics

TMT leadership anchors robust deal activity

Historical M&A volume by industry (5-year trend)
(% share)



Key takeaways

The data underscores a maturing M&A market, with TMT emerging as the clear growth engine - capturing 28% of total volume and demonstrating consistent annual momentum. The sector's accelerating trajectory reflects Bulgaria's successful positioning as a regional tech hub.

































This distribution highlights three market strengths:

- Diversified sector base with three clusters (TMT, Consumer, Financials/Industrials) supporting deal flow
- Resilient consumer sector maintaining share despite macroeconomic headwinds
- Energy sector recovery visible in 2024 activity after 2023 pause

While Real Estate's consolidation reflects sector-specific rebalancing, Materials' and Energy's measured activity (combined 14%) indicates selective capital allocation away from capex-heavy models. The data underscores Bulgaria's organic transition toward a tech-anchored M&A market, with TMT establishing category leadership through consistent sector outperformance.

M&A activity

Relevant recent transactions in Bulgaria

Date	Type	Target	Industry	Rationale	Acquirer
22/04/2025	Strategic		 TMT	RM Equity Partners acquired a majority stake in PRIZMOS OOD, including its subsidiary Carista, on April 22, 2025. The deal ensures continuity with founder Todor retaining a minority stake and CEO role, supporting RMEP's growth strategy in the regional automotive tech segment.	 
18/04/2025	PE		 Financials	Advent International agreed to acquire TBI Bank from 4finance, marking a strategic entry into Southeast Europe's challenger banking space. The deal, which values TBI above its 2024 book value, is expected to close in Q4 2025 pending regulatory approvals.	 
06/02/2025	Strategic		 TMT	Paradox Interactive signed a binding agreement to acquire Haemimont Games, further strengthening its position in the management games segment. The studio will operate as a wholly owned subsidiary, with its leadership and ongoing projects remaining in place post-acquisition.	 
06/02/2025	Strategic		 Real Estate	TSH Investment completed the acquisition of Park Center Sofia from Revetas Capital Advisers, marking a strategic move into the Bulgarian retail real estate market. The asset adds a prime shopping center to TSH's portfolio, supporting its regional expansion strategy.	 
04/02/2025	Strategic		 TMT	Encorp Bulgaria acquired Ambitioned to expand its capabilities in decentralized systems and embedded finance. The combined team will offer development across smart contracts, DeFi, mobile wallets, and payment integrations including SEPA, SWIFT, ACH, and Visa Direct.	 
28/11/2024	Strategic		 Energy & Utilities	NewMed Energy signed a contingent agreement to acquire a 50% stake in Bulgaria's Han Asparuh offshore block from OMV Offshore Bulgaria. The deal, subject to multiple regulatory and governmental approvals, marks a strategic entry into Bulgaria's upstream sector.	 
28/10/2024	Strategic		 TMT	Datacidars GmbH acquired Roiti Ltd. to strengthen its energy and utilities consulting capabilities across Europe. The deal adds over 90 consultants and engineers, expanding Datacidars' presence in key markets including Germany and Switzerland.	 
23/10/2024	Strategic		 TMT	Semantic Web Company acquired Ontotext AD and merged to form Graphwise, a leading provider of Graph AI solutions. The combined entity strengthens capabilities in knowledge graph technologies and AI-powered data integration for enterprise clients globally.	 

Source: S&P Capital IQ, OCF analysis



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Macro snapshot

3.2% GDP growth in 2025 driven by consumption, labor market at 4.6% unemployment

Economic activity in Croatia is projected to expand by 3.2% in 2025 and 2.9% in 2026, driven by household consumption. Growth is expected to be mainly driven by private consumption, underpinned by real wage and employment growth.

Key takeaways



Headline inflation is projected to ease from 4% in 2024 to 3.4% in 2025, as energy prices rise but food and services inflation declines gradually. With moderating wage and demand pressures, inflation is expected to slow further, reaching 2% in 2026.

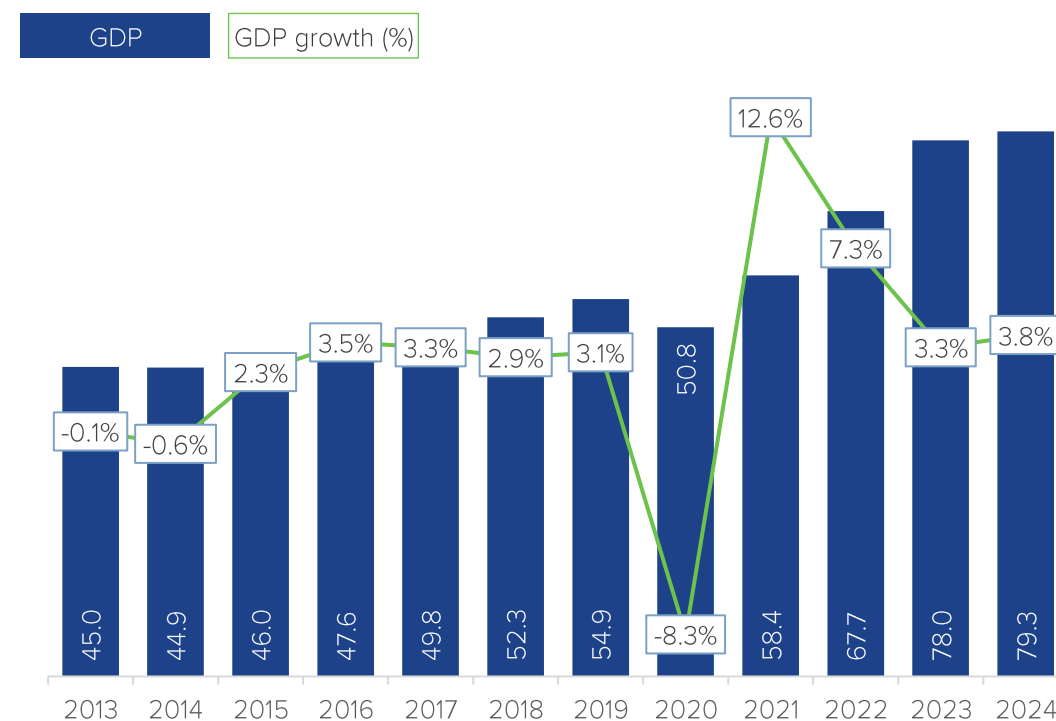


Labor shortages persist, prompting continued inflows of non-EU workers. Unemployment is projected to fall to 4.6% in 2025 and 4.5% in 2026, while slowing employment growth is expected to moderate wage gains in both nominal and real terms.



Croatia has operated on the euro since January 1, 2023, at a fixed conversion rate of €1 to c7.53 HRK, eliminating currency risk and enhancing monetary alignment with the eurozone.

Croatia's GDP and GDP growth rate (2013–2024)
(in €b)




M&A developments

Croatian M&A evolves with strong ESG and digital infrastructure opportunities


Croatia saw a notable increase in M&A activity in 2024, closing the year with 77 transactions, primarily in the TMT and Industrials sectors, and an average deal size of €78 million.

However, momentum has slowed in the first half of 2025, with only 19 transactions recorded to date. Activity has been predominantly driven by strategic buyers, with the average deal size declining significantly to €7 million.


Key M&A themes



ESG & Energy shift
Sustainability and ESG credentials increasingly influence premiums, with deal activity in renewables and utility carve-outs on the rise.



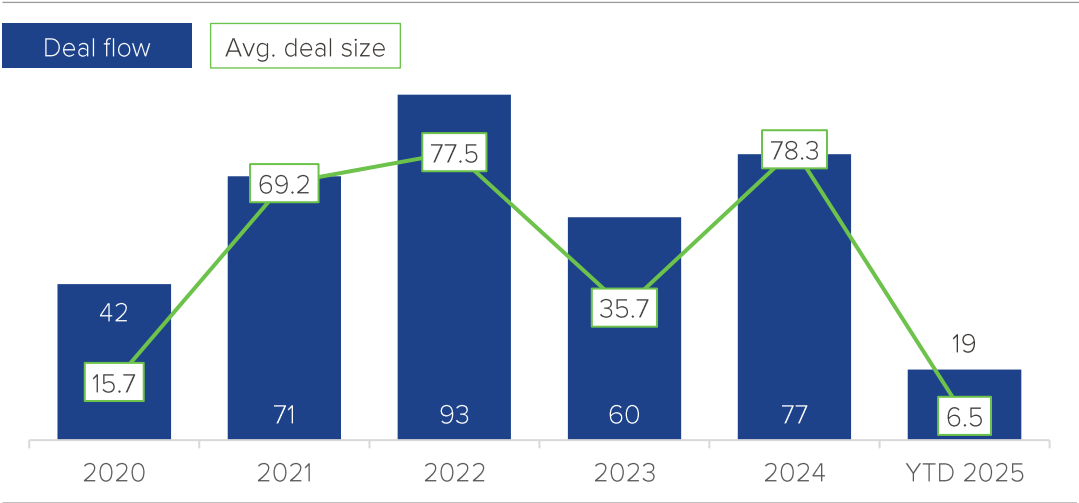
Tech, data-centers & digital infrastructure
Expansion in digital infrastructure—particularly AI, cloud and data-center platforms—is supporting M&A among regional TMT players.



Elevated energy and input costs
High energy prices and inflation continue to pressure valuations across industrial and utility sectors.

M&A deal flow and average deal size in Croatia

(deal size in €m)



2025 highlights

19
Deal count

89%
Strategic buyers

€7m
Average deal size

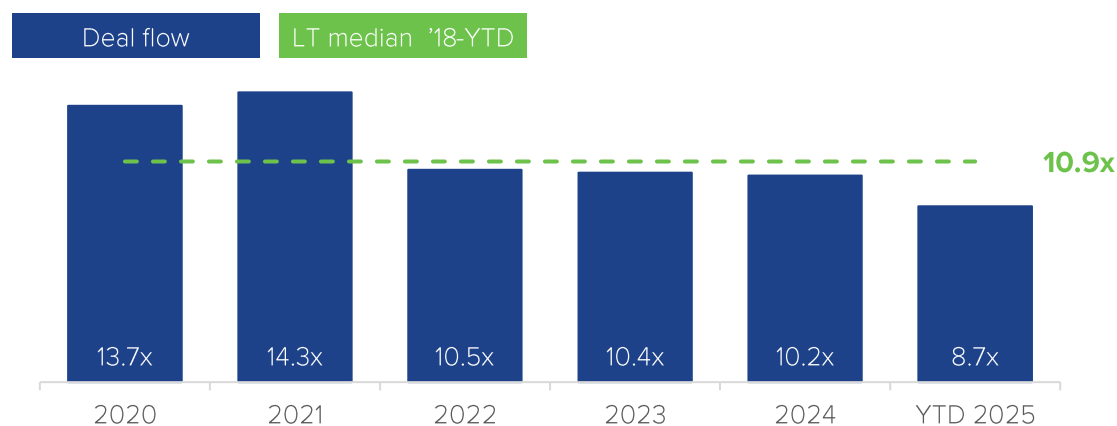
11%
Financial investors

Source: S&P Capital IQ, OCF analysis

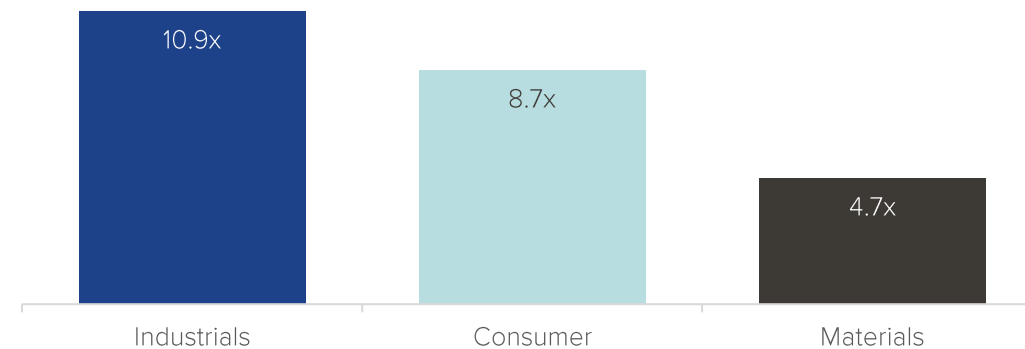
M&A valuations

Multiples contract to 8.7x amid macro pressures, select sectors outperform

36-month rolling median EV/EBITDA development
(y/y)



36-month rolling EV/EBITDA multiples by industry *
(YTD 2025)



Key takeaways

After peaking at 14.3x EV/EBITDA in 2021 amid post-COVID recovery and strong strategic demand, median multiples have steadily declined to 10.2x by 2024, with the YTD 2025 median further contracting to 8.7x—below the long-term average of 10.9x. This compression reflects a recalibration in buyer expectations due to tighter financing, macroeconomic pressures, and fewer

premium cross-border deals. However, valuations remain regionally competitive, with Industrials commanding higher multiples versus Consumer and Materials, meanwhile stabilization is expected as sustained investor appetite for renewables, tech infrastructure, and tourism assets supports selective premium transactions.

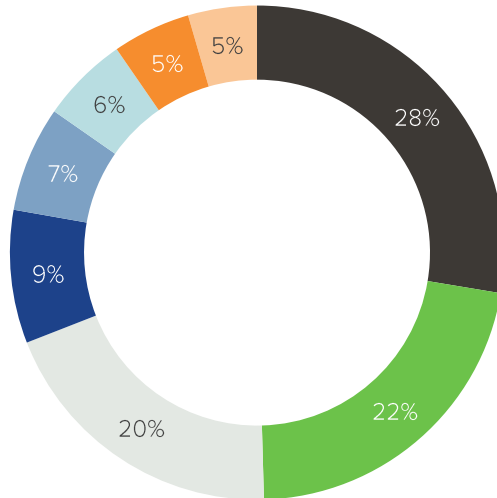
Source: S&P Capital IQ, OCF analysis

* Analysis limited to sectors with reported deal multiples

M&A industry dynamics

Consumer leads volume while TMT drives premium growth

Historical M&A volume by industry (5-year trend)
(% share)



Key takeaways

Croatia's M&A market demonstrates balanced resilience, with Consumer and TMT forming a stable dual-core foundation. While **Consumer maintains consistent volume leadership across cycles, TMT stands out as the premium growth engine** – delivering 15+ deals annually since 2021, reflecting Croatia's successful integration into regional digital value chains.


































The supporting cast shows promising dynamics:

Industrials (20%) have normalized at sustainable levels after post-pandemic adjustments, while Healthcare's 2024 surge signals emerging sector potential.

Though early 2025 data shows expected cyclical softening, the market structure remains robust, with Consumer providing defensive volume and TMT driving value creation. This dual-sector anchor, complemented by Industrials' steady presence and Healthcare's growth trajectory, positions Croatia for sustainable deal flow.

M&A activity

Relevant recent transactions in Croatia

Date	Type	Target	Industry	Rationale	Acquirer
15/05/2025	Strategic	 	Consumer	Cakovecki Mlinovi announced a takeover bid for Klara d.d., aiming to consolidate its position in Croatia's packaged food and grain processing sector. The move aligns with its strategy to expand scale across bakery, flour, and cereal product categories.	 
05/05/2025	Strategic	 	TMT	KONČAR Digital signed a binding offer to acquire NEOS d.o.o., strengthening its digital solutions portfolio. The acquisition supports KONČAR's strategy to expand in data analytics, cloud services, and AI-driven industrial applications.	 
28/04/2025	Strategic	 	TMT	Allurity AB agreed to acquire Croatian cybersecurity firm Infigo IS, expanding its presence in the Adriatic region. The deal supports Allurity's strategy to build a leading European cybersecurity group and is subject to regulatory approvals.	 
25/04/2025	Strategic	 	TMT	Datatonic Ltd. has acquired Croatian data analytics firm Syntio, enhancing its capabilities in data management and infrastructure services. The acquisition strengthens Datatonic's European footprint and reinforces its position as a leading AI-driven IT and analytics solutions provider.	 
09/04/2025	Strategic	 	Consumer	Antalis S.A. set to acquire Fortuna Komers d.o.o., enhancing its distribution capabilities in paper, printing, and capital goods. The acquisition expands Antalis's industrial footprint in the region, reinforcing its position as a leading distributor of printing machinery and related materials.	 
18/03/2025	Strategic	 	Financials	Agram Invest acquired a minority stake in Slatinska Banka, becoming a strategic shareholder in the Croatian lender. The investment supports Agram's broader growth and influence in the banking sector.	 
10/02/2025	Strategic	 	Industrials	KONČAR – Elektroindustrija signed an agreement to acquire a 75% stake in Helb D.O.O., reinforcing its expansion into energy and industrial solutions. The investment aligns with KONČAR's strategy to strengthen its diversified manufacturing and services footprint.	 
19/12/2024	PE	 	Consumer	BOSQAR, alongside Mideuropa and Mlinar's executive team, agreed to acquire a 67% stake in Mlinar mlinsko pekarska industrija, immediately securing 50.1% control. The investment, made in partnership with Panvita's leadership, strengthens strategic continuity and regional scale.	  

Source: S&P Capital IQ, OCF analysis



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Macro snapshot

2.3% GDP growth in 2024-25, moderating inflation supports outlook

Greece's economy expanded by 2.3% in 2024 and is expected to maintain this growth rate in 2025, with a slight moderation to 2.2% in 2026, according to the European Commission's Spring 2025 forecast.

Key takeaways



Inflation in Greece is forecast to decline to 2.9% in 2025 and gradually converge toward the ECB's 2% target by end-2026, before temporarily rising in 2027 due to the rollout of the EU's ETS2 carbon pricing system.

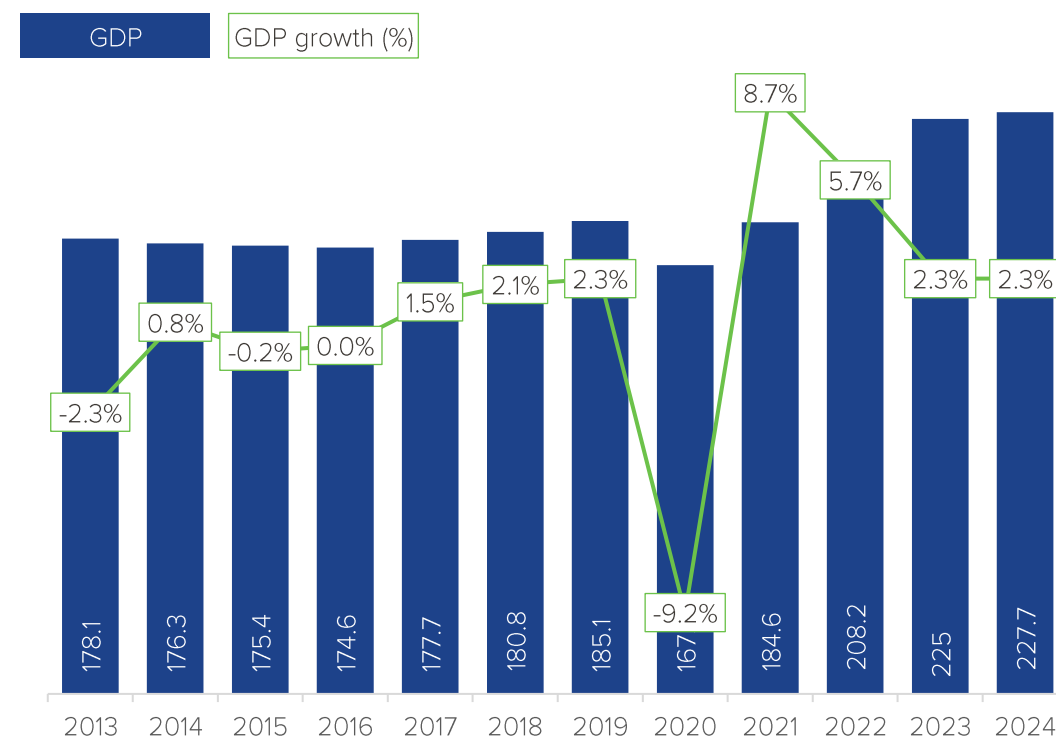


The unemployment rate decreased from 9.5% in December 2024 to 8.3% in April 2025, indicating an improving labor market.



The euro weakened to USD c1.04 by end-2024 but appreciated to c1.14 by mid-2025, affecting Greece's export competitiveness and potentially improving import cost structures, especially in energy and industrial inputs

Greece's GDP and GDP growth rate (2013–2024)
(in € bn)




M&A developments

Reform-led recovery lifts deal values despite lower volume

After a subdued 2023 marked by macroeconomic headwinds and elevated rates, Greece’s M&A market decreased in 2024, with a notable uptick in average deal value. Active buyer appetite, supported by targeted legislative reforms and investor incentives, has revived momentum, attracting renewed interest from both international and domestic acquirors.

Key M&A themes



Digital & innovation-driven deals

Deals are increasingly focused on digital transformation, use of AI, and integration of technical due diligence into deal processes.




Energy & ESG momentum

Renewables, green utilities and ESG-compliant assets surge, led by PPC and Motor Oil, underscoring sustainable energy transition.



Financial sector consolidation

Banking and insurance consolidation accelerates, driven by domestic repositioning and cross-border expansion.



New entrants in Education

2024 marked the entry of foreign investors in private education (e.g. Inspired, Cognita), signaling rising appetite for this emerging sector.

M&A deal flow and average deal size in Greece

(deal size in €m)



2025 highlights

24
Deal count

92%
Strategic buyers

€99m
Average deal size

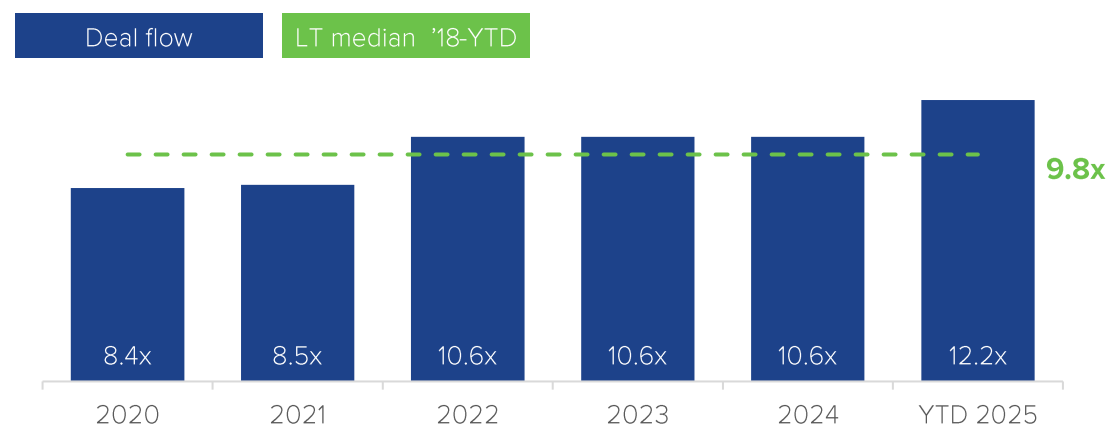
8%
Financial investors

Source: S&P Capital IQ, OCF analysis

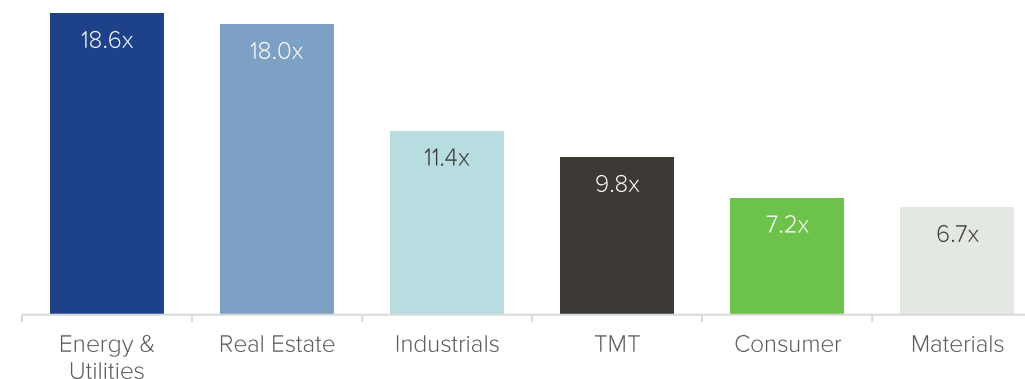
M&A valuations

Sustained re-rating amid structural improvements

Market 36-month rolling median EV/EBITDA development (y/y)



36-month rolling EV/EBITDA multiples by industry* (YTD 2025)



Key takeaways

The data highlights a sustained upward trend in Greek deal multiples, driven by strong buyer demand and improved sector performance. The 2025 36M rolling median EV/EBITDA of 12.2x marks a 5Y high, reflecting broader economic stabilization and strategic interest in key sectors. Energy & Utilities and Real Estate lead valuations, benefiting from EU capital inflows and infrastructure

focus. Industrials and TMT remain solid, supported by cross-border activity and earnings visibility. In contrast, Consumer and Materials, likely due to lower growth prospects or regulatory pressures. This divergence underscores the market's selective appetite, favoring sectors with macroeconomic tailwinds and strategic appeal.

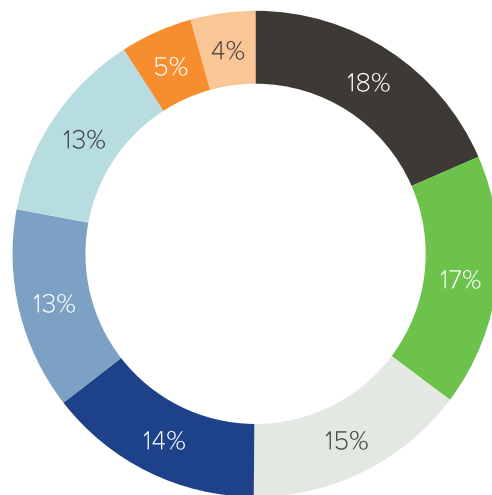
Source: S&P Capital IQ, OCF analysis

* Analysis limited to sectors with reported deal multiples

M&A industry dynamics

Growth vectors outperform in Greek M&A

Historical M&A volume by industry (5-year trend)
(% share)



Source: S&P Capital IQ, OCF analysis

Key takeaways





























Deal flow distribution confirms a bifurcated market: **capital is rotating into structural growth verticals (TMT, Consumer) and regulated yield assets (Energy), while cyclicals remain under-allocated.**

TMT sector activity has accelerated to top-three national volume share, driven by: (1) execution of Greece's National AI Strategy, (2) concentrated 5G/cloud infrastructure investment, and (3) cybersecurity urgency from EU NIS2 compliance. Cross-border buyers dominate (60%+ of tech deals), leveraging Greek assets as regional expansion platforms.

Consumer sectors maintain second-position resilience (17% volume share), supported by tourism recovery and stable household demand. Energy & Utilities demonstrate defensive appeal (third by volume) through renewable investments and regulated asset turnover.

M&A activity

Relevant recent transactions in Greece

Date	Type	Target	Industry	Rationale	Acquirer
30/04/2025	Strategic	 AKTOR CONCESSIONS	 Real Estate	Aktor SA agreed to acquire Aktor Concessions from Ellaktor SA for an enterprise value of approximately €370 million on a cash and debt-free basis. The deal, announced on April 30, 2025, is subject to shareholder and antitrust approvals.	 
12/03/2025	Strategic	 ETHNIKI FIRST IN INSURANCE	 Financials	Piraeus Bank agreed to acquire a 90% stake in Ethniki Insurance from CVC for €600 million. The deal boosts non-interest income, adds c€800 million in GWP, and is c5% EPS accretive, supporting Piraeus' strategy to build a leading bancassurance platform in Greece.	 
27/01/2025	PE	 HHG Hellenic Healthcare Group	 Healthcare	PureHealth agreed to acquire a 60% stake in Hellenic Healthcare Group (HHG) from CVC Capital Partners, valuing HHG at USD 2.3 billion. The deal will integrate HHG's network of 10 hospitals and 16 diagnostic centres across Greece and Cyprus into PureHealth's global platform.	 
31/12/2024	Strategic	 COMERGON SA RISK MANAGERS INSURANCE BROKERS	 Financials	GrECo acquired a majority stake in Comergon, a specialist P&C and Health & Benefits broker in Greece and Cyprus, expanding its footprint across 21 CEE markets. The deal leverages Comergon's c450 corporate clients and maintains its local management.	 
04/10/2024	PE		 Consumer	Blackstone and Hotel Investment Partners acquired the Athens Sledra Hotel from Hines and Henderson Park for €240 million. The deal marks Blackstone's tenth hotel in Greece, with HIP set to manage the property.	 
20/06/2024	Strategic		 Energy & Utilities	Masdar completed the €3.2 billion acquisition of a 70% stake in Terna Energy, aiming to fully consolidate the company. The deal adds 1.2 GW of renewables capacity in Greece and Eastern Europe, with plans to scale to 6 GW by 2029 as it supports Masdar's 100 GW global target.	 
25/04/2024	Strategic	 EPSILONNET	 TMT	General Atlantic acquired a 37.1% stake in Epsilon Net for €241 million at €12.00/share, raising its total holding to 62.9%. A mandatory offer followed, leading to 95.6% ownership and triggering a squeeze-out and planned delisting from ATHEX.	 
19/04/2024	Strategic	 R.E.D.S. ΕΤΑΙΡΕΙΑ ΤΟΥ ΟΜΙΛΟΥ ΕΛΛΑΚΤΟΡ	 Real Estate	Ellaktor acquired a 38.8% stake in REDS S.A. from RB Ellaktor Holding for €60.1 million, aiming to surpass 95% ownership. Through market purchases, Ellaktor reached 97.5%, triggering a voluntary delisting process from the Athens Exchange.	 

Source: S&P Capital IQ, OCF analysis



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Region overview

Growth stalls amid supply shocks while inflation rebounds & currency volatility persists

Economic recovery stalled in 2024 amid weak harvest and transport sector contraction. While these headwinds persist into H1 2025 alongside energy price pressures, gradual growth reacceleration is expected.

Key takeaways



Following a disinflationary phase, CPI moderated to 3.9% in early 2024 before H2 food supply shocks (drought-driven) and energy cost pressures pushed inflation to 8.75% y/y by March 2025.



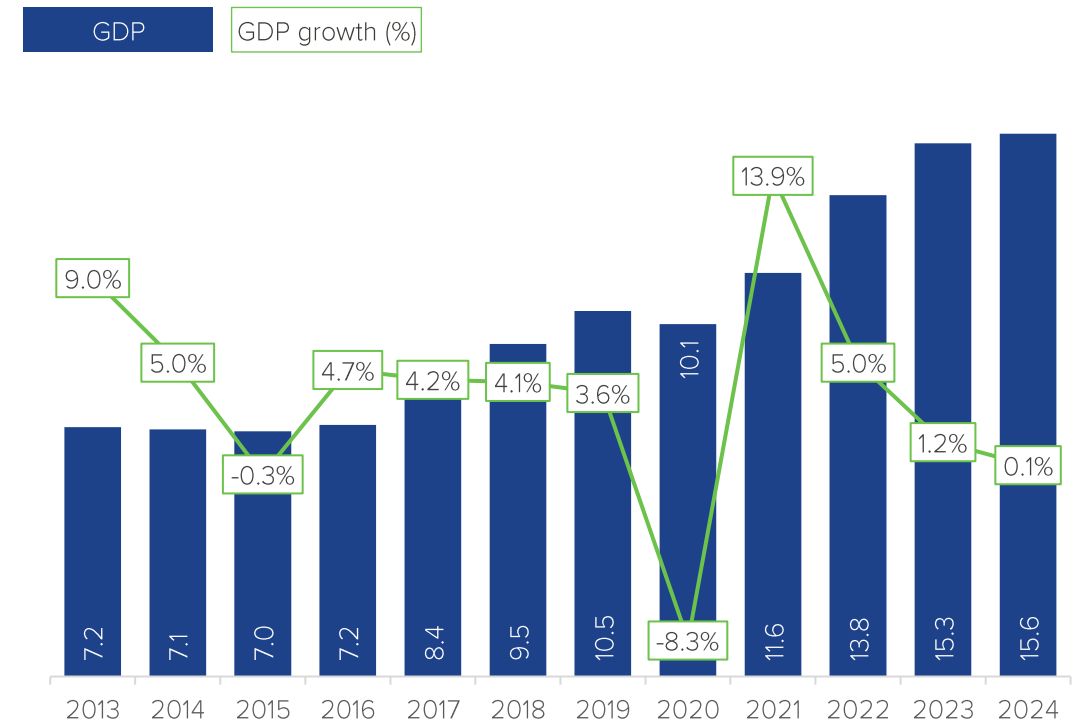
Unemployment remained at 4% in 2024. Real wages grew modestly in late-2024 as inflation eased, with further gains expected through 2026 driven by public sector raises, higher minimum wages, and persistent labor shortages.



The Moldovan leu weakened c6% against USD in 2024 before rebounding with equal magnitude (+6%) through May 2025, reflecting shifting macroeconomic sentiment.

Moldova's GDP and GDP growth rate (2013–2024)

(in € bn)




M&A developments

Moldova's fragile M&A recovery amid geopolitical flux

Moldova's M&A activity has remained subdued in recent years – reflecting persistent headwinds from regional geopolitical instability and Ukraine war spillovers. However, early 2025 data suggests tentative green shoots, with four deals already recorded year-to-date, predominantly in the Financials sector as investor confidence begins a measured return.

Key M&A themes



Energy & financial consolidation
M&A activity is notably active in the energy space and among smaller banks, driven by consolidation trends.



Digital integration & EU alignment
Moldova’s push toward e-government, judicial digitization, and EU-mapped reforms is nudging interest in IT and fintech targets.



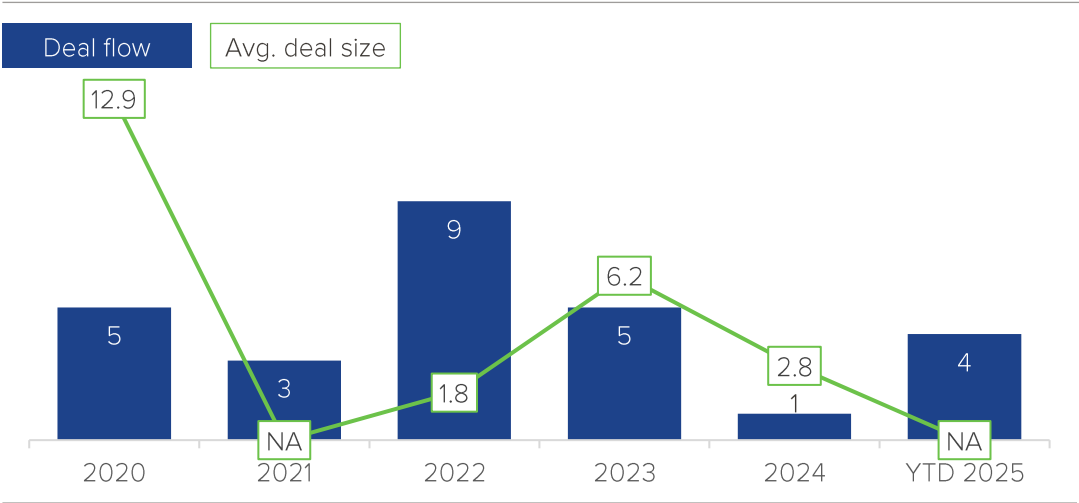
Influx of Ukrainian-linked investments
Ukrainian companies relocating to Moldova have triggered corporate investment and transactional interest, particularly in adjacent markets.



Energy insecurity and disruption risk
The Dec 2024 cut-off of Russian gas via Transnistria sparked sector instability and increased transaction risk in energy assets.

M&A deal flow and average deal size in Moldova

(deal size in €m)



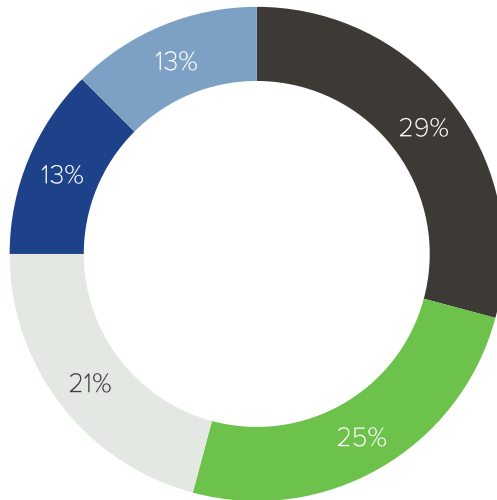
2025 highlights	4 Deal count	NA Average deal size
	50% Strategic buyers	50% Financial investors

Source: S&P Capital IQ, OCF analysis

M&A industry dynamics

Sector polarization and episodic momentum

Historical M&A volume by industry (5-year trend)
(% share)



Financials

TMT

Consumer

Industrials

Materials

Key takeaways






























Moldova's deal activity remains concentrated, with Financials and TMT accounting for over half of all transactions since 2020. The market exhibits three defining characteristics:

- **Sector polarization** – Only four sectors (Financials, TMT, Consumer, Industrials/Materials) show meaningful activity, with Energy, Healthcare and Real Estate remain dormant
- **Episodic momentum** – Financials' 2022 surge and TMT's 2022 spike reveal short-lived sector-specific windows of opportunity rather than sustained pipelines
- **Structural constraints** – Moldova's small-market limitations continue to restrict economic scale and activity volume

2025 Financials' early rebound suggests renewed consolidation appetite, while TMT's warrants monitoring. The Energy/Healthcare subdued deal activity confirms persistent sectoral barriers to entry.

M&A activity

Relevant recent transactions in Moldova

Date	Type	Target	Industry	Rationale	Acquirer
21/05/2025	Strategic		 Consumer	Maspex Romania submitted a voluntary takeover bid to acquire a controlling stake in Purcari Wineries. The transaction strengthens Maspex's position in the regional beverage market and is pending regulatory approval.	 
19/05/2025	Strategic		 Financials	Vienna Insurance Group announced an acquisition of an 80% stake in Moldasig S.R.L., marking a strategic move to expand its footprint in Moldova's insurance market. The deal supports VIG's regional growth strategy and enhances its capabilities in emerging Eastern European markets.	 
11/04/2025	Strategic		 Financials	Victoriabank is set to acquire O.C.N. Microinvest from Balkan Financial Sector Equity Holding and others. The acquisition—subject to regulatory approvals in Moldova and Romania—expands Victoriabank's microfinance and retail lending capabilities in Moldova.	 
20/03/2025	Strategic		 Healthcare	Med Life S.A. acquired a majority stake in All Clinic, marking its entry into a new outpatient care segment. The deal immediately enhances Med Life's service network and provides a platform to scale low-cost, specialist consultations.	 
28/10/2024	Strategic		 Industrials	Trans-Oil Group completed the acquisition of Frial S.A., a strategic terminal operator in the Port of Constanța. The deal enhances the Group's Black Sea logistics capabilities and received full regulatory clearance from Romanian authorities, including CEISD and the Competition Council.	 
28/03/2024	Strategic		 Consumer	Purcari Wineries completed the acquisition of Timbrus Purcari Estate, securing 100% ownership of c130 ha of vineyards and related assets in the Stefan Vodă IGP region. The deal strengthens Purcari's grape supply, supports export-led growth, and increases its managed vineyards.	 
19/12/2023	Strategic		 Materials	TeraPlast Group has acquired pipe manufacturer Palplast in Moldova, strengthening its Eastern European industrial footprint. The deal enhances TeraPlast's regional manufacturing capabilities and expands its product offering across key regional markets.	 
04/09/2023	PE		 TMT	One2all acquired NovaBloq on September 4, 2023, integrating NovaBloq's Web3 no-code development platform to enhance its solution offering for first-time founders in the decentralized applications space.	 

Source: S&P Capital IQ, OCF analysis



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Macro snapshot

2.8% expansion, inflation moderation & stable peg anchor outlook

Real GDP expanded 2.8% in 2024, primarily fueled by investment growth and elevated public consumption—the latter supported by significant public sector wage increases.

Key takeaways



Inflation moderated to 3.5% in 2024 amid tighter monetary policy and easing imported price pressures, though domestic wage and credit growth are expected to sustain inflation above 2% through 2026.

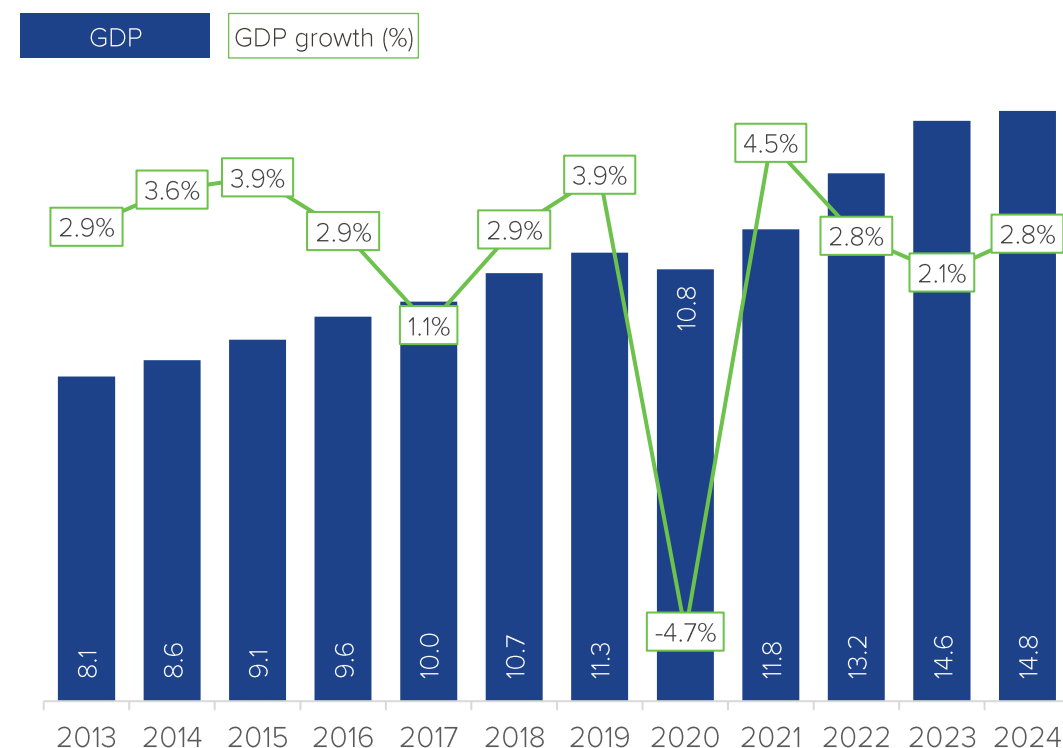


While North Macedonia's 13% unemployment rate remains the Western Balkans' highest, this persistent challenge creates clear opportunities for structural reforms to boost labor participation and unlock underutilized human capital potential.



North Macedonia's Euro peg delivered textbook stability in 2024, with the denar ending at MKD 61.53/EUR (near-identical to 2023's 61.57) – a regime success evident in the tight USD/MKD 54.0-55.0 range through June 2025.

North Macedonia's GDP and GDP growth rate (2013–2024)
(in € bn)



M&A developments

M&A momentum in transition as donor capital sustains energy/materials focus

North Macedonia recorded its highest M&A activity in 2024, with 16 transactions and an average deal size of €20 million. Deals were primarily concentrated in the Energy & Utilities, Materials, and Consumer sectors.

While so far 2025 has seen moderated deal flow, market fundamentals remain intact – requiring close monitoring of pipeline developments through year-end.

Key M&A themes



Strong influx of donor and institutional capital

North Macedonia remains a top beneficiary of EU, EBRD, and World Bank funding per capita in the Western Balkans. This supports infrastructure PPPs and co-financed private sector projects, catalyzing M&A in energy, construction, and public services.



Privatization of state-owned assets

The government has launched new asset sale plans in sectors such as energy, real estate, and industrials, creating pipelines for domestic and cross-border M&A.

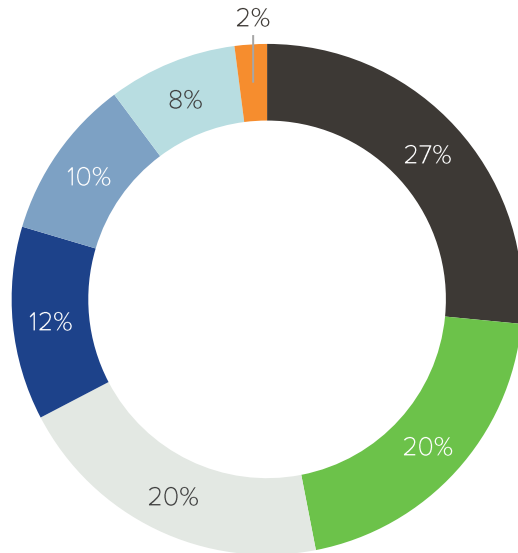
M&A deal flow and average deal size in North Macedonia
(deal size in €m)



M&A industry dynamics

TMT breakout potential vs. Cyclical reliance on materials/consumer

Historical M&A volume by industry (5-year trend)
(% share)



Source: S&P Capital IQ, OCF analysis

Key takeaways


















The data reveals a lopsided yet active M&A market, with Consumer, Materials, and TMT forming its core – collectively driving two-thirds of deal activity since 2020. While this concentration creates vulnerabilities, three strategic insights emerge:

- **TMT's Breakout Potential** – The sector's 2023-24 surge signals nascent tech adoption, though its 2025 pause requires monitoring for sustained momentum
- **Materials' Cyclical Nature** – Sharp fluctuations confirm commodity-driven volatility, yet maintain 20% total share
- **Consumer's Steady Base** – Despite recent softening, its 27% market share provides critical mass, anchored in essential goods demand
- **Structural gaps persist** – particularly in Real Estate and Healthcare—suggesting either unmet potential or systemic barriers.

The market's evolution now hinges on whether TMT can mature into a true growth engine, or if overreliance on Materials/Consumer will perpetuate cyclical swings.

M&A activity

Relevant recent transactions in Moldova

Date	Type	Target	Industry	Rationale	Acquirer
28/03/2025	Strategic	Sofija Gradba DOOEL 	Real Estate	Best Way Investment DOOEL and Orka Holding AD agreed to acquire Sofija Gradba DOOEL, each taking a 50% stake. The joint venture aims to strengthen their market position in North Macedonia's construction sector.	ORKA HOLDING  
14/03/2025	Strategic	ASI Trade-M 	Energy & Utilities	Kon-Tek to acquire 85% of ASI Trade-M, marking its entry into North Macedonia's solar energy market.. The deal, subject to antitrust approval, supports Kon-Tek's regional expansion in renewable energy.	KONTEK 
19/11/2024	Strategic	InnovoBroker <small>Licensed Brokerage House</small> 	Financials	WVP Fund Management has acquired 49.8% of Innovo Broker, strengthening its foothold in North Macedonia's asset management sector. The minority stake, complements WVP's strategy to diversify into financial services.	WVP FUND MANAGEMENT 
23/09/2024	Strategic	Хитро Платоѝ <small>СНУЧ 1985</small> 	Consumer	Nefroplus Medical has acquired additional stake in Zito Polog, continuing its gradual accumulation in the North Macedonian agri-food company. The transaction strengthens its shareholder position and long-term strategic influence.	Нетроплус Медикал 
04/09/2024	Strategic	nexora 	TMT	Vector8 has acquired Nexora, expanding its digital innovation and technology delivery footprint in North Macedonia. The deal enhances Vector8's nearshore capabilities and access to regional tech talent.	vector8 <small>Unlocking AI's True Value</small> 
18/06/2024	Strategic	Lyca Mobile 	TMT	MTEL DOOEL Skopje has acquired Lyca Mobile, expanding its footprint in North Macedonia's mobile telecom market. Completion followed regulatory approval, underscoring MTEL's strategy to consolidate market share and broaden its service offering.	MTEL 
29/03/2024	Strategic	МАКПЕТРОЛ <small>ЖИВОТЪТ Е ЕНЕРГИЈА</small> 	Energy & Utilities	OILCO KDA has acquired additional stake in Makpetrol, raising its shareholding through a targeted takeover offer. The move strengthens its strategic position in North Macedonia's leading oil distribution company.	OILCO 
28/03/2024	Strategic	euro Nickel Industries 	Materials	Polynickel Holding BV, a subsidiary of Yildirim Holding, has acquired Euronickel Industries from Komercijalna Banka. The transaction, including additional asset sales in Pehchevo, marks Yildirim's strategic entry into North Macedonia's nickel production sector.	YILDIRIM GROUP OF COMPANIES 

Source: S&P Capital IQ, OCF analysis



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Macro snapshot

Moderate growth amid sticky inflation and gradual labor market improvement

Romania's economy gained early 2025 momentum (construction/agriculture/services/exports) but real GDP growth remains moderate at 1.4%, with 2.2% expected in 2026 as recovery strengthens.

Key takeaways



Headline inflation is projected to moderate gradually from 5.8% in 2024, though persistent core pressures and the phased removal of electricity price caps will sustain elevated price levels. Concurrently, labor market improvements are expected to remain limited, with unemployment declining only marginally.

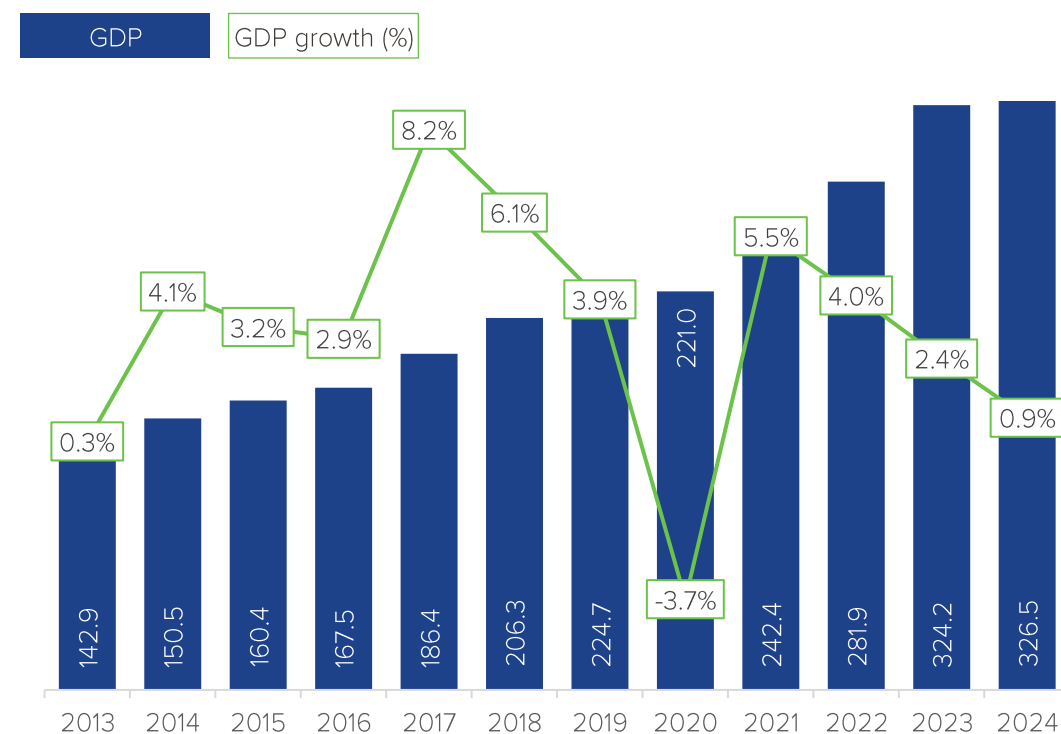


Unemployment edged down to 5.4% in 2024, with gradual improvement expected through 2026 as labor market conditions tighten—projected to approach 5% by year-end.



The leu exhibited remarkable stability against the euro in 2024, maintaining a tight trading band near RON 4.97/EUR. However, it experienced moderate depreciation (~3%) to RON 4.60/USD by year-end, reflecting tightening global dollar liquidity and widening interest rate differentials.

Romania's GDP and GDP growth rate (2013–2024)
(in € bn)




M&A developments

Rising volume meets smaller deals as strategic consolidation reshapes key sectors


Romania’s M&A market regained momentum in 2024, with 142 transactions—up from 124 in 2023—driven by robust activity in Consumer, TMT, Healthcare, and Industrials, which accounted for roughly 75% of total deal flow. Despite the higher volume, average deal size declined to €52 million from €99.2 million in 2023, reflecting a pivot toward mid-market transactions.

The trend has extended into 2025, with 41 deals completed year-to-date, led by strategic buyers, and an average ticket size of €11 million. This evolution signals a maturing market, increasingly defined by strategic consolidation and bolt-on acquisitions focused on core sectors.


Select M&A themes



Renewable energy boom
EU policy alignment and abundant resources are fueling Romania's strategic renewable energy expansion.



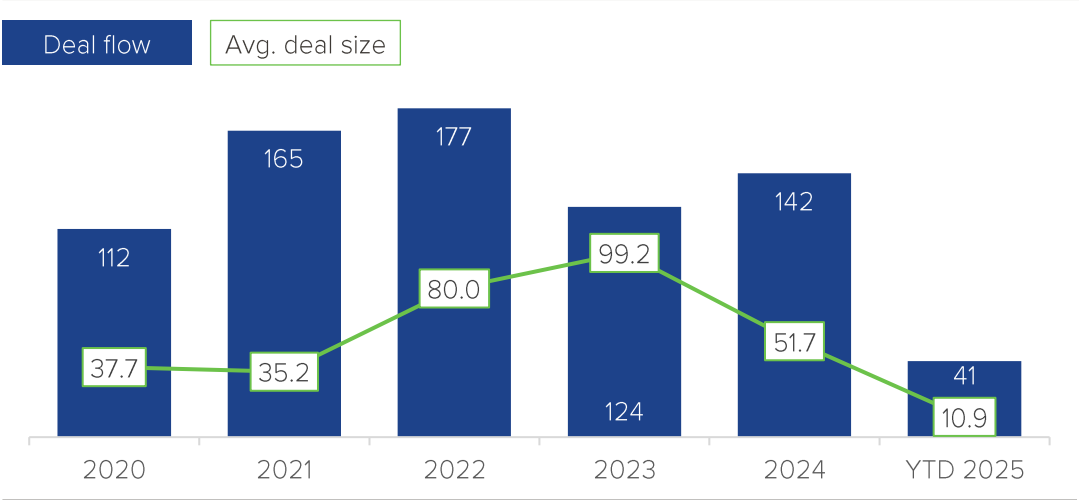
Tech, data-centers & digital infrastructure
Acquirers target AI/tech firms in automation, data infrastructure, and AI SaaS—notably fintech, defense-tech, and enterprise software.



Inflation & shifting interest rates
Fiscal tightening and rising electricity tariffs projected for mid-2025 threaten to dampen consumer and corporate investment.

M&A deal flow and average deal size in Romania

(deal size in €m)



2025 highlights

41
Deal count

90%
Strategic buyers

€11m
Average deal size

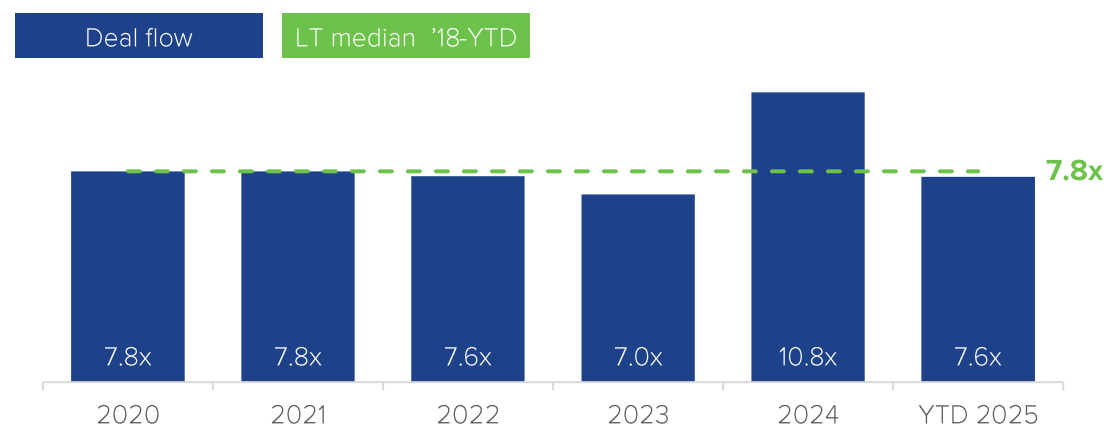
10%
Financial investors

Source: S&P Capital IQ, OCF analysis

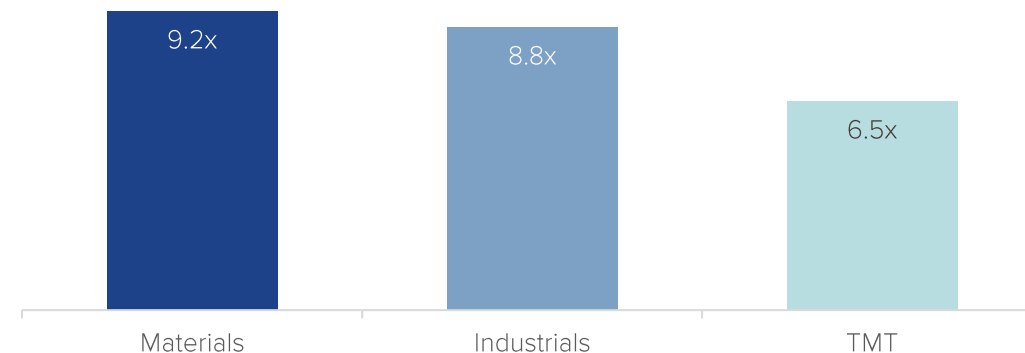
M&A valuations

Sector divergence emerges as multiples stabilize near historic norms

36-month rolling median EV/EBITDA development (y/y)



36-month rolling EV/EBITDA multiples by industry* (YTD 2025)



Key takeaways

Romania's median EV/EBITDA multiple rebounded sharply to 10.8x in 2024 after dipping to 7.0x in 2023, before normalizing to 7.6x YTD 2025—slightly below the long-term 7.8x average. This volatility reflects shifting investor priorities, with Materials and Industrials now commanding premiums over TMT as buyers favor inflation-resistant cash flows.

While the market has cooled from 2024's peak, stabilization appears likely given sustained interest in energy transition plays and strategic consolidation opportunities, particularly in industrial niches with export exposure and scalable tech platforms.

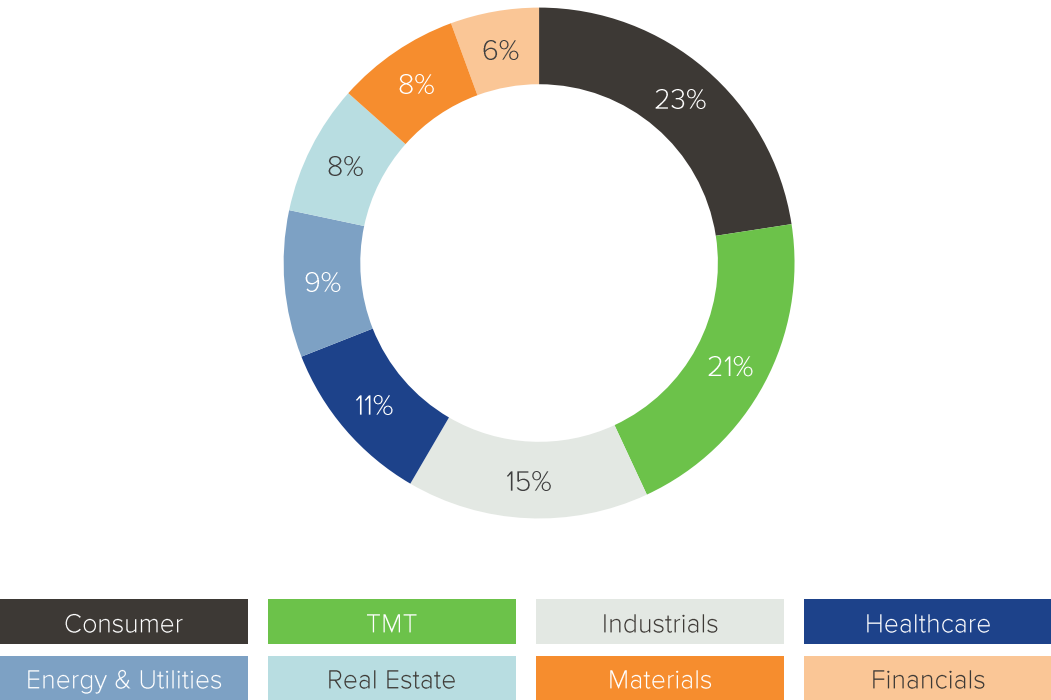
Source: S&P Capital IQ, OCF analysis

* Analysis limited to sectors with reported deal multiples

M&A industry dynamics

Consumer stability & TMT growth anchor resilient deal flow

Historical M&A volume by industry (5-year trend)
(% share)



Key takeaways

Romania's M&A market continues to be driven by its dual-sector foundation of Consumer and TMT, collectively representing over 40% of deal activity since 2020. While Consumer maintains volume leadership through steady deal flow, TMT has established itself as the primary growth catalyst, recording 25+ transactions in both 2022 and 2024—a trajectory aligned with the country's rapid digital transformation.































The market demonstrates structural maturity through complementary sector contributions: Industrials (15%) deliver consistent activity leveraging Romania's manufacturing competitiveness, while Healthcare's post-2022 acceleration reflects growing institutional focus on essential services.

Although experiencing expected cyclical softening in early 2025, the market maintains its fundamental stability—defensive Consumer demand anchors overall volume, TMT retains strategic appeal, and bolt-on acquisition activity gains traction across Industrials and Healthcare. This diversified sector mix, increasingly oriented toward strategic consolidation, reinforces Romania's position as a resilient mid-market M&A destination.

Source: S&P Capital IQ, OCF analysis

M&A activity

Relevant recent transactions in Romania

Date	Type	Target	Industry	Rationale	Acquirer
15/05/2025	Strategic	 PARALELA 45	 Consumer	Rainbow Tours has agreed to acquire a 70% stake in Paralela 45 Turism, with the remaining 30% to be acquired in stages by 2030. The deal marks Rainbow's strategic expansion into the Southeast European travel market.	 RAINBOW 
05/05/2025	Strategic	 SCL transport & logistics	 Healthcare	Dental Investments Holding agreed to acquire SCL Logistika in Croatia, strengthening its regional network in dental supplies and logistics. The deal will retain local leadership and enhance distribution capabilities across Southeast Europe.	 Dental Holding 
17/04/2025	Strategic	 TRISTAR STEEL SHAFTS CHARTERED FOR MOTION	 Materials	Excellin GmbH acquired a 58% controlling stake in Tristar Steel SA, enhancing its presence in Romania's steel sector. The deal positions Excellin for increased influence and integration in regional steel manufacturing.	 EXCELLIN EXCELLENCE IN LINEAR MOTION 
04/04/2025	PE	Equilibrium 1	 Real Estate	Gordiusz Private Equity Fund, managed by Gránit Asset Management, has acquired the Equilibrium 1 office building in Bucharest from Skanska. The €52 million deal marks a major investment into Romania's prime office market and strengthens Gordiusz's regional real estate portfolio.	 Gránit Asset Management 
01/04/2025	Strategic	 REGINA MARIA REȚEAUA PRIVATĂ DE SANĂTATE	 Healthcare	Mehiläinen Oy signed agreements to acquire Regina Maria in Romania and MediGroup in Serbia, marking a major expansion into Southeastern Europe's private healthcare sector. The transactions position Mehiläinen as a regional leader in premium medical services.	 MEHILÄINEN 
31/03/2025	Strategic	 ΚΑΡΑΜΟΛΕΓΟΣ	 Consumer	Grupo Bimbo has acquired Karamolegos Bakery Romania, marking its entry into the Romanian bakery market. The deal strengthens Bimbo's European footprint and adds a profitable local operator with strong revenue and margin performance.	 GRUPO BIMBO NOURISHING A BETTER WORLD 
14/02/2025	Strategic	 winmarkt shopping in center	 Real Estate	An undisclosed Romanian buyer acquired the Winmarkt Someș shopping center in Cluj from Win Magazine SA. The acquisition reflects continued investor interest in prime retail assets, as international sellers like IGD shift focus back to core markets.	Private Investor 
18/12/2024	Strategic	 BRICO STORE	 Consumer	Altex Impex has completed the acquisition of Brico Depot România from Kingfisher, marking a major move into the home improvement retail segment. The deal positions Altex to diversify beyond electronics and strengthen its footprint in consumer retail.	 ALTEx 

Source: S&P Capital IQ, OCF analysis



Agenda

1 Southeast Europe M&A

2 Albania & Kosovo

3 Bosnia and Herzegovina

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5 Croatia

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8 North Macedonia

9 Romania

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Macro snapshot

3.9% GDP expansion anchored by strong labor market and stable FX

GDP growth remained robust in 2024, at 3.9%. Growth is forecast to remain largely driven by domestic demand, on the back of buoyant investment and private consumption amid a strong labor market.

Key takeaways



Consumer price inflation fell to 4.7% in 2024, down from 12.4% in 2023, thanks to easing food and energy price pressures.

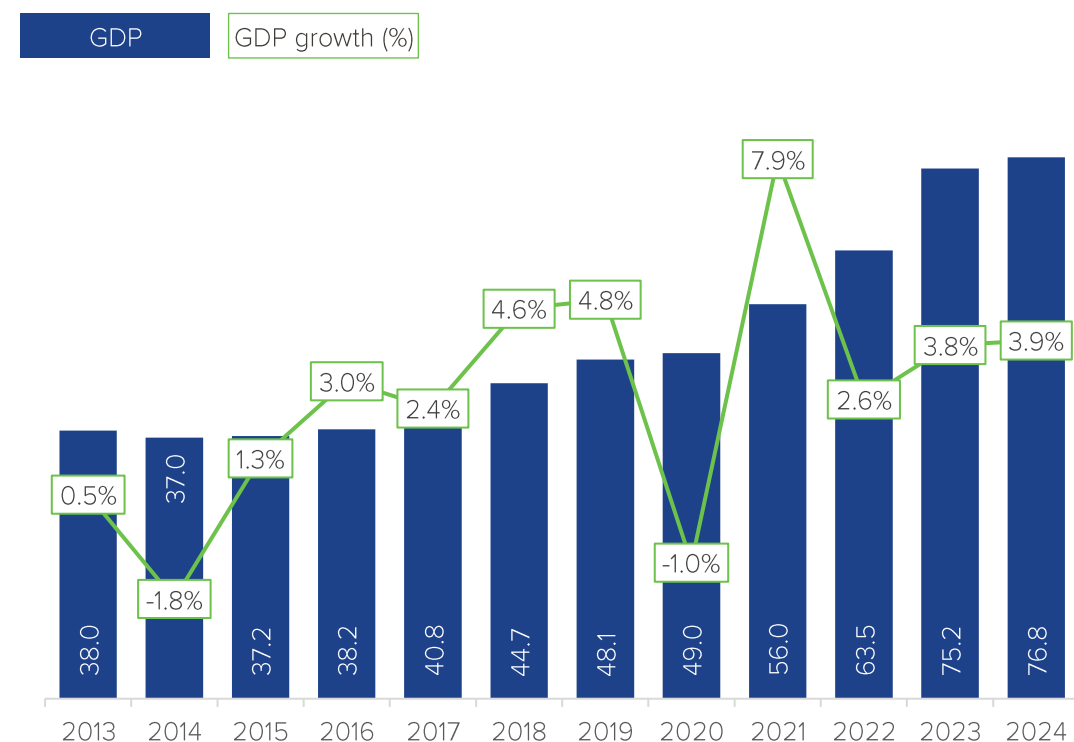


The labor market continued to improve in 2024, with employment growth mounting to 2.0% and unemployment falling to 8.6%, down from 9.4% in 2023.



In 2024, the Serbian dinar remained broadly stable against the euro at c117.3 RSD/EUR, while gradually depreciating to c107.8 RSD/USD by year-end, reflecting external pressures and global dollar strength under the National Bank's managed float regime.

Serbia's GDP and GDP growth rate (2013–2024)
(in €b)




M&A developments

Surging deal size offsets lower volume as buyers target premium industrial assets


Serbia's M&A market showed diverging 2024-2025 trends, with volume reaching 51 deals before contracting to 13 strategic transactions in 2025 YTD. Despite lower activity, average deal size surged 9x to €176mn, signaling strategic buyers' focus on premium industrial assets.

This shift reflects market dynamics where quality commands outsized premiums, even as financial sponsors retreat. The Industrials sector dominates large-ticket deals, while last year's TMT/Consumer momentum pauses - suggesting either temporary repricing or fundamental capital reallocation toward consolidation plays in core sectors.


Key M&A themes



Surging FDI & investment intensity
Serbia hit record €5bn FDI in 2024 (€4.6bn 2023), powered by strategic location and labor competitiveness.



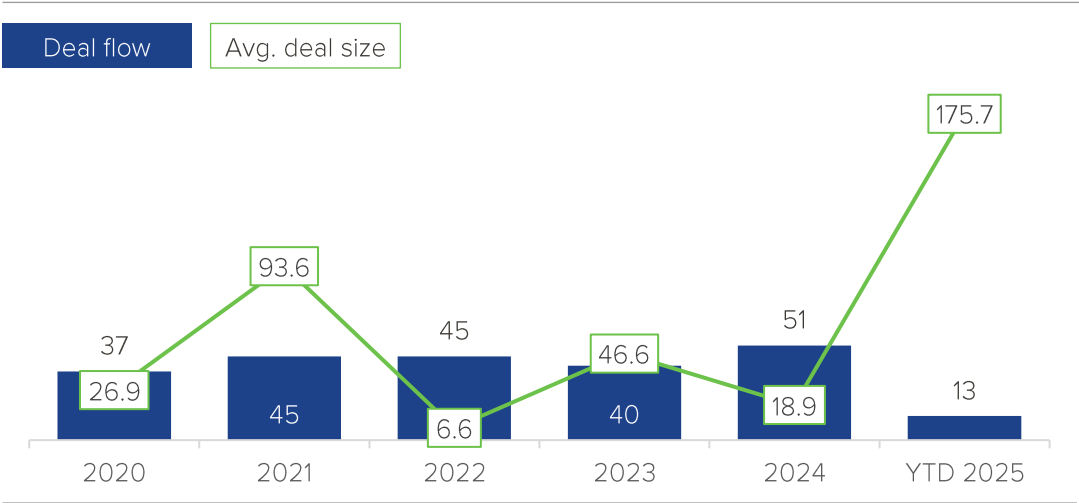
Strong digital & AI infrastructure push
Government is investing heavily in AI and supercomputing, while hosting the OECD GPAI and securing USD 70 m in AI/R&D funding.



Infrastructure & expo catalysts
Serbia targets fixed capital formation growth from 23% to 27% of GDP, creating sustained infrastructure and industrial project pipelines

M&A deal flow and average deal size in Romania

(deal size in €m)



2025 highlights

13
Deal count

100%
Strategic buyers

€176m
Average deal size

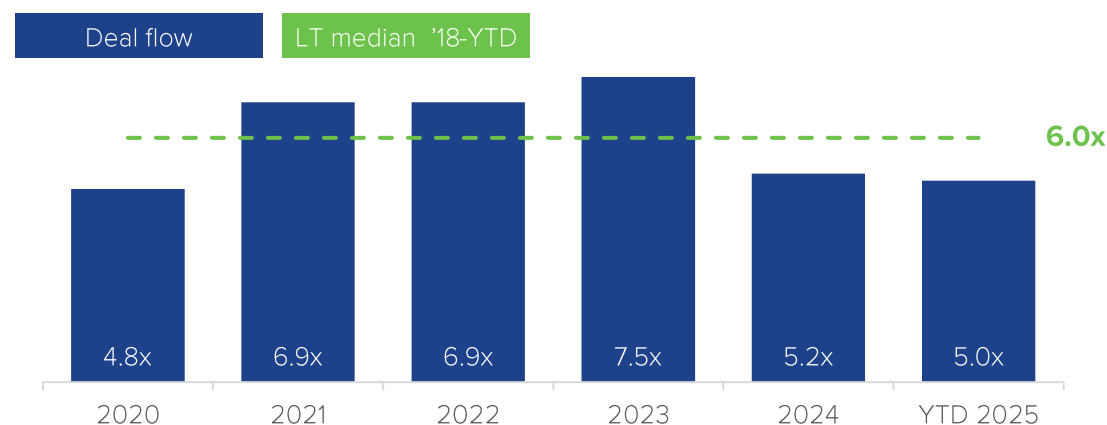
0%
Financial investors

Source: S&P Capital IQ, OCF analysis

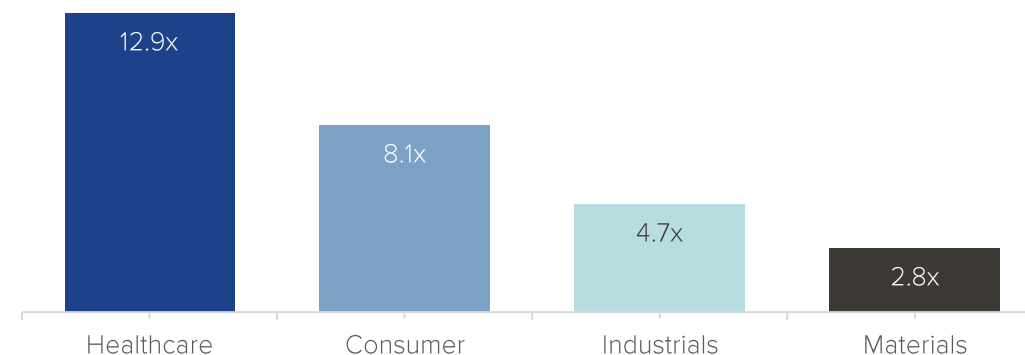
M&A valuations

Premium Healthcare and mega-deals amid broad multiple compression

36-month rolling median EV/EBITDA development
(y/y)



36-month rolling EV/EBITDA multiples by industry *
(YTD 2025)



Key takeaways

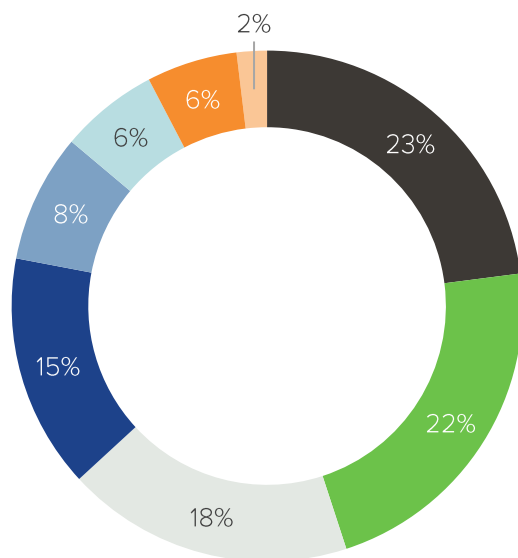
Serbia's median EV/EBITDA multiples compressed from 7.5x in 2023 to 5.0x YTD 2025, below the 6.0x historical average, despite surging average deal sizes. This paradox reflects two-tier market dynamics: premium valuations for strategic healthcare and consumer assets contrast with depressed multiples for commodity-exposed materials and industrials.

The divergence suggests quality assets now command scarcity premiums in selective processes, while broader sector challenges weigh on median multiples.

M&A industry dynamics

Digital & consumer dominate as manufacturing gains traction

Historical M&A volume by industry (5-year trend)
(% share)



































Key takeaways

Serbia's dealmaking landscape reveals a distinct hierarchy, with technology and consumer sectors collectively commanding nearly half of all transactions since 2020. The digital sector demonstrates pronounced cyclicity while consumer businesses maintain consistent appeal through economic cycles, averaging nine annual deals despite recent moderation. Manufacturing-related transactions have gained notable traction, with industrial deals jumping to 11 in 2024, potentially signaling a new growth vector alongside the established sector leaders.

This evolving composition contrasts sharply with dormant segments like energy infrastructure and property transactions, which continue to remain subdued. Current softness in technology deals likely reflects temporary caution rather than structural decline, with industrial stability and consumer resilience providing underlying support. **The market's uneven development presents compelling opportunities for investors capable of identifying mispriced assets in overlooked sectors while capitalizing on consolidation potential in core industries.**

M&A activity

Relevant recent transactions in Serbia

Date	Type	Target	Industry	Rationale	Acquirer
29/04/2025	Strategic	 	Industrials	Strela-Obrenovac has increased its stake in Lasta a.d. to 83% following a successful buyout bid targeting minority shareholders. The acquisition consolidates Strela's control over the Serbian transport company and advances its strategy to fully integrate Lasta under single ownership.	 
24/04/2025	Strategic	 	Industrials	Knez Petrol set to acquire the remaining 25% stake in Jugoprevoz Krusevac, aiming to take full ownership of the Serbian transport company. The move follows its earlier majority acquisition and signals a push toward full integration and control.	 
08/04/2025	Strategic	 	Industrials	Millennium Team and W.D. Concord West have acquired a 65% stake in port infrastructure firm Ivan Milutinović from Serbia's economy ministry. The deal marks a strategic investment in the country's inland waterways sector and port development capabilities.	 
03/04/2025	Strategic	 	TMT	Grupo AR Hoteles acquired a 50% stake in OTA Sync, marking its entry into the hospitality tech space. The partnership aims to accelerate OTA Sync's international growth and strengthen its cloud-based hotel management platform.	 
12/02/2025	Strategic	 	TMT	e& PPF Telecom Group agreed to acquire 100% of Serbia Broadband (SBB) from United Group for €825 million. The deal combines SBB with Yettel to create a fully converged telecom operator in Serbia and is expected to close in H1 2025, pending regulatory approvals.	 
30/01/2025	Strategic	 	TMT	Media 026 has acquired the remaining 50% stake in Politika novine i Magazini, taking full ownership of Serbia's oldest daily newspaper publisher. The transaction consolidates control and marks a key shift in the country's media ownership landscape.	 
05/12/2024	Strategic	 	Industrials	Itelyum Regeneration Spa has acquired 100% of Jakob Becker d.o.o. in Ruma, Serbia, from Jakob Becker GmbH & Co. KG. The deal strengthens Itelyum's footprint in Southeast Europe's environmental services sector and follows a parallel acquisition in Croatia.	 
03/07/2024	Strategic	 	Real Estate	BIG CEE Serbia has completed the acquisition of Promenada Novi Sad from NE Property B.V., marking one of the largest retail real estate transactions in Serbia. The deal strengthens BIG CEE's regional retail portfolio and marks NEPI Rockcastle's full exit from the Serbian market.	 

Source: S&P Capital IQ, OCF analysis

OCF Corporate Finance

Let's discuss how we can add value to your next opportunity

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- Financial due diligence
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- Independent investment research

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