

## PRESS RELEASE

### Dealmaking in CEE held up strongly in 2023 – a testament to the region’s maturity as an attractive M&A destination

- Against a backdrop of falling global M&A activity, dealmaking in Central and Eastern Europe (CEE) held up relatively well
- The number of transactions in the region in 2023 equals 1,097
- The total value of M&A activity reaches €37.3bn

16 February 2024

Today, Mazars, the international audit, tax and advisory firm, releases its annual CEE M&A report, prepared in association with Mergermarket. It reveals that dealmaking in the CEE region remained robust in 2023 in the face of global challenges.

The study, *Investing in CEE: Inbound M&A report 2023/2024*, offers an overview of M&A activity in the region in 2023 and looks ahead to the challenges and opportunities in the coming months.

Overall, the CEE region saw 1,097 transactions, amounting to a combined value of €37.3bn. While these figures represent year-on-year declines for the region – volume and disclosed value were each down 15% from 2022 – these falls were less severe than those seen in many other parts of the world.

*“We did well as a region, but the explanation for the general decline in dealmaking is rather straightforward: M&A activity tends to proliferate in times of (i) economic prosperity, (ii) low levels of uncertainty, and (iii) low interest rates. However, neither of these key factors showed a positive trait in 2023,”* said **Lukáš Hruboň, Head of Transaction Advisory at Mazars in the Czech Republic.**

Widely anticipated distressed M&A activity failed to materialise at scale in 2023. That said, distress is a lagging indicator: more distressed deals are expected as businesses refinance in a tighter borrowing environment.

*“We have not yet seen a lot of distressed cases, but we expect more in 2024,”* says **Günther Mayrleitner, Partner, Mazars in Austria.** *“There is money in the market from family offices, private equity (PE) firms and others who are looking for targets, including undervalued companies, distressed companies and those facing economic challenges. We expect to see increasing business activity in early 2024.”*

Telecom took centre stage in 2023 and accounted for two of CEE’s top-10 transactions. The largest of these deals, and by far the biggest in the CEE region, was the €2.5bn acquisition of a 50% stake in the telecom assets of PPF Telecom in Bulgaria, Hungary, Serbia, and Slovakia by Emirates Telecommunications Group, based in the United Arab Emirates.

Private equity activity held up well in 2023, despite brisk headwinds. Total disclosed buyout value rose to €5.4bn, an increase of 33% year-on-year, despite the volume of buyouts falling by 11% over the same period. Simultaneously, total disclosed exit value in CEE soared by 91% to €5.6bn, the second-highest annual exit total on recent record. Exit volume, though, was also lower, with the 46 deals announced representing a drop of 16% from 2022.

Looking ahead, geopolitical uncertainties seem to bring an element of unpredictability to 2024. Despite this, the macroeconomic outlook is considerably brighter than it was 12 months ago. Inflation is falling sharply in some regions, and particularly among CEE countries. Meanwhile, rate cuts are on the cards. *“We expect there will be monetary easing over the next 12 to 18 months,”* said **Andrija Garofulić, Partner, Mazars in Adria subregion.** *“I expect valuations to go up, but not as much as*



*two years ago because it was just not realistic. There is now an opportunity to reset the market and start from fairer ground.”*

**Further key findings from the report include:**

- **Regional hotspots.** Poland, Austria, Romania, and the Czech Republic stand out as the busiest M&A markets in terms of deal volume in the CEE region in 2023. Between them, these four countries generated 709 deals, representing 65% of the total for CEE as a whole.
- **Tech still the star performer.** Once again, the technology sector registered the highest number of inbound deals to the CEE region, with a total of 114 transactions. While down year-on-year, 2023 nevertheless stands out as one of the busiest periods for cross-border technology deals on recent record. Technology was also the top sector in terms of cross-border disclosed deal value in 2023, rising sharply by 36% year-on-year to €4.5bn. This makes 2023 the second-most valuable year for inbound deals going back to 2015.
- **Could valuations be about to rebound?** The median EV/EBITDA multiple for the CEE region across all sectors was 6.7x in the 2022-23 period, according to Mergermarket data. This represents a significant retreat from the 8.1x median multiple seen in 2021-22. The rest of Europe also experienced a decline, although less pronounced than in CEE, with the average multiple falling to 11.4x in 2022-23 versus 12.1x in 2021-22. The former figure is up, however, on 2020-21, when the median EBITDA multiple in the rest of Europe was 11.2x, whereas for CEE the downward trend has remained consistent (9.2x in 2020-21).

The full report can be downloaded at: [Investing in CEE: Inbound M&A report 2023/2024 - Mazars - Czech Republic](#)

- ENDS -

**For more information and/or interviews, please contact:**

Emilia Popa, Marketing & Communication Leader, Mazars in CEE  
[emilia.popa@mazars.ro](mailto:emilia.popa@mazars.ro), +40 741 111 042

**About Mazars**

Mazars is an internationally integrated partnership, specialising in [audit](#), [advisory](#), [HR & payroll](#), [outsourcing](#), [sustainability](#) and [tax services](#). Operating in over 100 countries and territories around the world, we draw on the expertise of more than 50,000 professionals – 33,000+ in Mazars’ integrated partnership and 17,000+ via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*\*where permitted under applicable country laws.*

[mazars.com](https://mazars.com) | [Mazars on LinkedIn](#)

**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.

[mergermarket.com](https://mergermarket.com)