

EY Romania: Q1 2022 M&A in Romania



The Romanian mergers and acquisitions (M&A) market recorded 48 transactions in the first three months of 2022, a 17% increase compared with the first quarter of 2021. Despite the higher volume of deal making, the estimated value of local M&A activity was lower on a year-on-year basis, at USD 1.8bn in Q1 2022 vs USD 2.1bn in Q1 2021. The level of activity reflects the global slowdown in M&A after a record year in 2021.

Iulia Bratu, *Associated Partner, Strategies & Transactions, EY Romania*: "The Romanian M&A market showed continued resilience in the first three months of 2022. Despite the challenging geopolitical and macroeconomic contexts, M&A activity remains significant and close to record-high levels."

The largest transaction of this quarter was the acquisition of automaker Ford Romania by Ford Otosan Netherlands for USD 785m, followed by the acquisition of wind farm Beta Wind by Energias de Portugal, through its subsidiary EDP Renovaveis for USD 136m.

Strategic investors continue to be the dominant players in Romania's M&A market, accounting for 92% of consumed transactions. Foreign players increased their activity in the Romanian market, counting 28 transactions and representing a 56% increase compared to Q1 2021, whereas domestic transactions registered a 10% decline (18 transactions) when compared to the same period. In terms of origins, the most active investors were the Netherlands (5 deals), the United States, and Belgium (3 deals each), followed by Poland, Austria, Hungary, and Gibraltar (2 deals each).

The most active sectors by inbound deal volume were technology and real estate (7 deals each), followed by diversified industrial products (5 deals), telecommunications, media & entertainment (3 deals), power & utilities, and healthcare (2 deals each).

While excluded from our market value calculation we also note two other transactions in the first three months of 2022. In March, MBC Group, the United Arab Emirates-based media company acquired 30% of Antenna Group, the Greece-based television broadcasting and production firm, including its Romanian operations. In the same month, Econergy International Limited acquired Two photovoltaic projects in Romania and USA from PNE AG. Both transactions are for an undisclosed consideration.