

Public M&A Trends in Germany 2025



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At a Glance

1 Decline in Public M&A Activity

With 20 offers (volume: EUR 17bn.), the 2025 public M&A market declined by approx. 37.5% compared to the previous year

3 Reduced significance of MACs

Only 27% of acquisition or takeover offers were subject to material adverse change conditions

5 Largely positive reasoned statements

In 65% of all offers, there were positive statements from the management board and supervisory board

2 Focus on delisting, limited IPO activity

The trend toward going private persisted in 2025, coinciding with limited IPO activity

4 Rising premiums

The average premium in takeover and acquisition offers has increased significantly

6 Outlook

Little public M&A activity in the market so far, recovery of the IPO market expected

Authors



Dr Michael Weiß
Partner, Frankfurt
Tel +49 69 2648 5453
michael.weiss@aoshearman.com



Dr Jan-Benedikt Fischer
Senior Associate, Hamburg
Tel +49 40 822212134
jan-benedikt.fischer@aoshearman.com



Dr Dominic Herold
Associate, Dusseldorf
Tel +49 211 2806 7311
dominic.herold@aoshearman.com

Facts & Figures

EUR **16.9bn.**
TRANSACTION VOLUME IN 2025
 (average EUR 845.8m.)¹

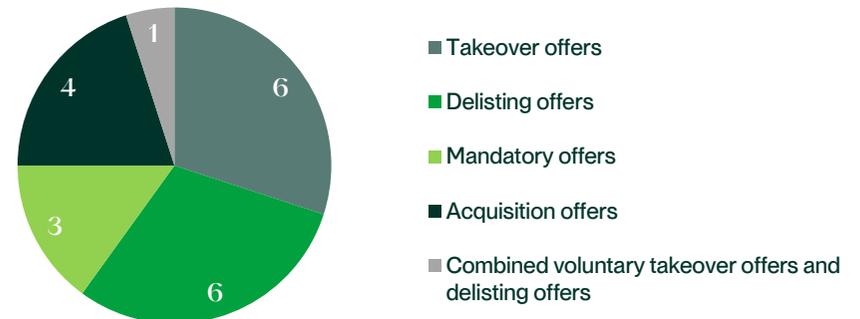
20
OFFERS
 in 2025



TYPE OF BIDDER



TYPE OF OFFER



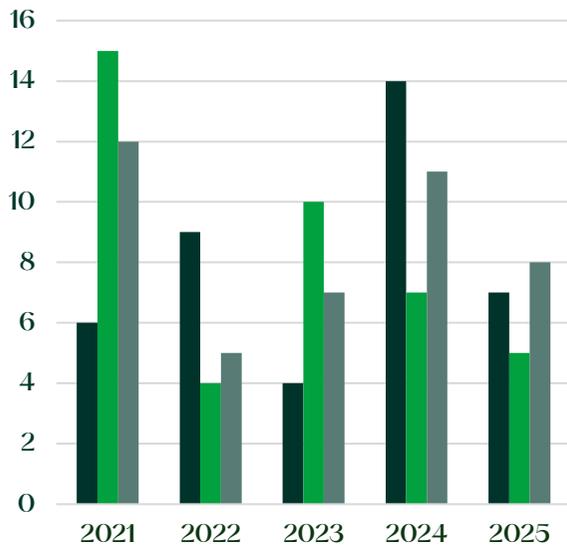
ACCEPTANCE RATES RELATING TO SHARES WITH VOTING RIGHTS



¹ Transaction volume corresponds to the product of the offer price and the total number of shares issued. In order to increase comparability, shares already held by the bidder, non-tender agreements and any partial offers have not been deducted.
² Acceptance rate after expiry of the additional acceptance period. Acceptance rate after expiry of the acceptance period: 20,7%. During the additional acceptance period of the takeover offer of Obotritia Capital KGaA to the shareholders of Readcrest Capital AG, the share capital of the target company increased; for better comparability, the acceptance rates after both acceptance periods were calculated with the increased share capital.
³ Among a total of four acquisition offers, the offer with the highest acceptance rate – based on shares with voting rights – was that of H&R Holding GmbH to the shareholders of H&R GmbH & Co. KGaA (7.92%). The acquisition offer of PPF IM LTD to the shareholders of ProSiebenSat.1 Media SE competed with the offer of MFE-MEDIAFOREUROPE N.V. In two of the four cases, the (indirect) shareholding of the bidder was above 77% after the expiration of the offer period.
⁴ Among a total of nine mandatory or delisting offers, the offer with the highest acceptance rate (14.76%) – based on shares with voting rights – was that of EP Global Commerce GmbH to the shareholders of METRO AG. For three of these offers, the acceptance rate was below 0.5%. The low acceptance rates correlate with the low premiums (cf. slide 4), although it must also be considered that in six cases the shareholding (including attributed voting rights) of the bidder was already above 50% at the time of submitting the offer, and the shareholding of the bidder and persons acting jointly with the bidder (including attributed voting rights) was above 84% in five cases after the expiration of the acceptance period.

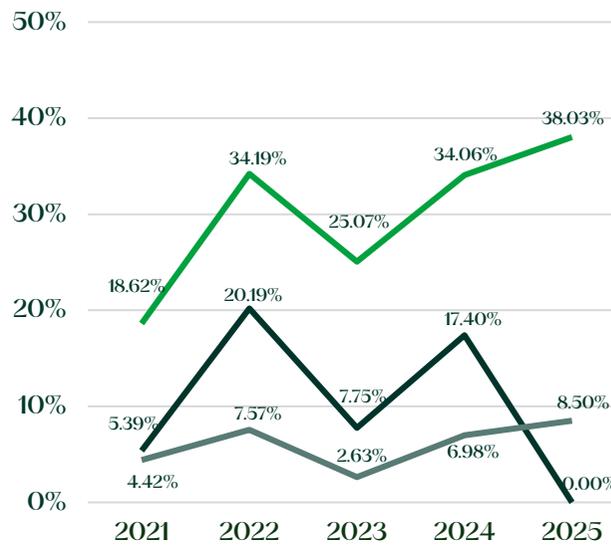
Facts & Figures

TRANSACTION VOLUME



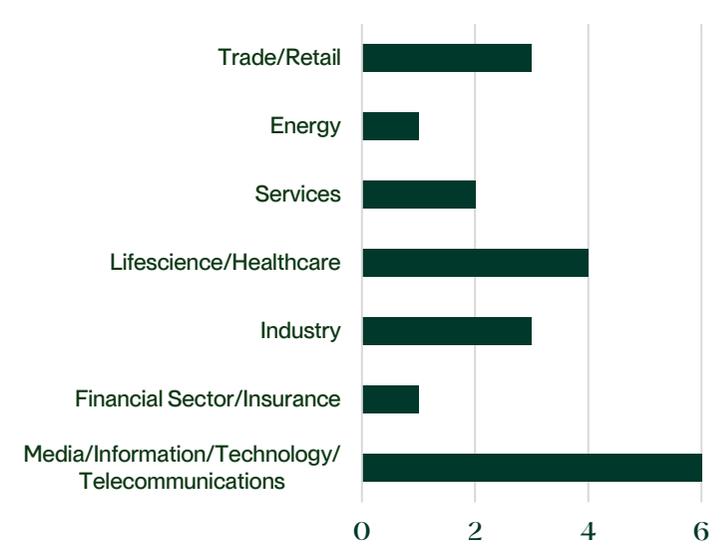
- Small Cap: < EUR 100m.
- Mid Cap: EUR 100m. – EUR 1bn.
- Large Cap: ≥ EUR 1bn.

OFFERS PREMIUM¹



- Average premium for mandatory and combined mandatory and delisting offers²
- Average premium for takeover/acquisition offers and combined takeover/acquisition offers and delisting offers
- Average premium for delisting offers

OFFERS BY SECTOR



¹ Average premium on the weighted average stock exchange price in the reference period relevant for determining the minimum price.

² In two of the three mandatory offers in 2025, the determination of the consideration was based on a company valuation. Only in the case of the offer by Apeiron Investment Group Ltd. to the shareholders of Heidelberger Beteiligungsholding AG, the weighted average stock exchange price in the reference period was taken into account when determining the minimum price, with the offer consideration not exceeding this value.



Key Trends



SIGNIFICANT DECLINE COMPARED TO THE PREVIOUS YEAR



With 20 public offers in Germany, the year 2025 recorded a significant decline compared to prior years. The year 2024 saw 32 offers, meaning the number of public offers in 2025 was 37.5% lower than in the previous year, putting it on par with the level seen in 2020 – the first year of the COVID-19 pandemic – and the years immediately following the outbreak of the war in Ukraine, namely 2022 (18 offers) and 2023 (21 offers). With one exception, all public offers in 2025 were cash offers.¹

The total transaction volume of all offers amounted to approx. EUR 16.92bn., significantly below the previous years of 2024 (EUR 40.1bn.) and 2023 (EUR 39.4bn.). Unlike in prior years, there were no significant upward outliers: In 2024, ADNOC International Germany Holding AG made an offer to the shareholders of Covestro AG with a volume of approx. EUR 11.7bn.; in 2023, the volume of Oak Holdings GmbH's offer to the shareholders of Vantage Towers AG was approx. EUR 16bn. Measured by volume, 2025 was thus the weakest year since 2021.

The offer with the highest transaction volume in 2025 was that of United Internet AG to the shareholders of 1&1 AG, with a volume of approx. EUR 3.27bn. This represents approx. 19% of the total transaction volume for the year 2025.

The average transaction volume also confirms the comparatively weak market. While in previous years it had consistently remained well above EUR 1.0bn.

(2024: approx. EUR 1.25bn.; 2023: approx. EUR 1.87bn.; 2022: approx. EUR 1.54bn.; 2021: approx. EUR 2.63bn.), the average transaction volume in 2025 fell to approx. EUR 845.5m.

35% of the offers fell within the small-cap segment, while the mid-cap segment accounted for 25% and the large-cap segment for 40% of the offers.

The German takeover market in 2025 was primarily of interest to European bidders (17), while only one bidder was located in North America and two in Asia. In addition, a trend from the previous year continued, whereby financial investors acted more cautiously compared to strategic investors due to challenging market conditions.

DECLINING SIGNIFICANCE OF MAC AND ACCEPTANCE THRESHOLDS



In 2025, closing conditions linked to a Material Adverse Change (MAC) experienced a massive decline in significance compared to previous years. Only three offers, or 30% of takeover and acquisition offers, were subject to such a condition. The so-called market MAC, which relates to changes in the market environment, was in balanced proportion to target MACs, which relate to negative changes affecting the target company (measured, for example, by metrics such as EBITDA or revenue). Minimum acceptance thresholds were also of minor importance: two out of ten pure takeover or acquisition offers were subject to such an offer condition. The highest threshold was 85%;² however, it was subsequently waived.

¹The offer by MFE-MEDIAFOREUROPE N.V. to the shareholders of ProSiebenSat.1 Media SE was a combined cash and exchange offer.

²Offer by H&R Holding GmbH to the shareholders of H&R GmbH & Co. KG.





DELISTING



Withdrawal from the stock exchange remains a trend. Of 20 public offers in 2025, seven offers – representing 35% – were pure or combined delisting offers. However, compared to the “delisting-heavy” previous years of 2024 (20 offers, 62.5%) and 2023 (eight offers, 40%), a decline was observed.

The background for the persistently large share of delisting-driven offers continues to be the desire to shed the regulatory requirements associated with a stock exchange listing.

IPOS



In line with the ongoing trend toward delisting, the German IPO market showed a weak performance in 2025. Ultimately, the year recorded six IPOs.¹ Two of these served to spin off business units² – a current trend aimed at unlocking hidden potential in integrated

business divisions through corporate independence and a separate stock exchange listing.

In six cases, a planned IPO was cancelled or postponed. Stada Arzneimittel AG stood out in this regard, as its shareholders first postponed the IPO plans and ultimately abandoned them in favour of a sale.

The weak IPO activity in 2025 is in clear contrast to the strong performance of the German stock market but ultimately fits into the broader European picture. However, it must be taken into account that four of the six IPOs cancelled or postponed in Germany occurred in the first half of 2025 – a period affected by significant market declines resulting not least from U.S. tariff policies and the global reactions thereto.

Further reasons for the comparatively weak IPO market can be seen in the persistently difficult economic environment in Germany and global political uncertainties. However, a recovery is expected in 2026 (see Outlook).

RISING PREMIUMS



The trend of rising premiums over the stock exchange price – which serves as the minimum offer price – in takeover and acquisition offers (including combined takeover and acquisition offers) continued in 2025. Compared to 2021, the average premium in this segment has more than doubled, increasing from approx. 18.6% to 38%.

This development is likely driven by an increased desire for deal certainty, as well as by the significant proportion of strategic investors in recent years, who expect higher premiums to create a stronger incentive effect on shareholders. The trend toward higher premiums also correlates with the critical importance of fairness opinions for the reasoned statement and with efforts to avoid neutral or even negative reasoned statements by the management of the target company.



Key Trends

¹ PFISTERER Holding SE (14 May 2025), TIN INN Holding AG (19 May 2025), innoscripta SE (23 May 2025), AUMOVIO SE (18 September 2025), Ottobock SE & Co KGaA (9 October 2025), TKMS AG & Co KGaA (20 October 2025).

² AUMOVIO SE (18 September 2025), TKMS AG & Co KGaA (20 October 2025).





Key Trends

Questions to a Practitioner

Why did MAC conditions play a less significant role in public offers in 2025?

“Compared to the previous year, the public takeover market experienced a reassessment of market risks in 2025. Transaction risks that bidders had previously hedged against using market MACs and target MACs were often accepted upfront in 2025 in favour of deal certainty. This is all the more remarkable given that 2025 was also partly characterized by significant market uncertainties. Consider, for example, the effects of U.S. tariff policy in the first half of the year.”

Did the high relevance of regulatory approvals as offer conditions continue in 2025?

„In 2025 as well, early analysis of regulatory hurdles remained a focus in transaction process planning: After all, 60% of all takeover and acquisition offers were subject to a regulatory approval condition, though this figure was slightly below that of previous years. We observe a particularly high relevance of merger control clearance, which was a closing condition in each of the six affected offers. Foreign direct investment clearance was a closing condition in only three offers.“

How should the sector distribution of public offers in 2025 be assessed?

„Unsurprisingly, half of the public offers in 2025 were in the media/information technology/telecommunications and life sciences/healthcare sectors, which continue to prove relatively crisis-resistant. Consistently, 62% of large-cap offers were in these sectors. It is remarkable that all offers in the trade/retail sector were large-cap offers, with the offers for ABOUT YOU Holding SE and CECONOMY AG specifically involving target companies in the online retail sector and thus a particularly in-demand market.“



Dr Michael Weiß
Partner, Frankfurt

Tel +49 69 2648 5453
michael.weiss@aoshearman.com



Key Topics



REASONED STATEMENTS AND FAIRNESS OPINIONS



Predominantly positive reasoned statements

In 13 offers in 2025, representing 65% of all offers, the (joint) reasoned statement of the management board and supervisory board of the target company was positive. It should be noted, however, that neutral statements, in which the management of the target company refrained from making a recommendation to its shareholders, occurred six times, representing 30% of all offers. A negative statement was issued in only one case.¹

Fairness Opinions

In the majority of cases, the reasoned statements were supported by fairness opinions: In a total of eleven offers, the management board and supervisory board based their statements on such fairness opinions. In the cases of both ProSiebenSat.1 Media SE and CECONOMY AG, the management board and supervisory board each engaged separate financial advisors to provide a fairness opinion. With respect to the delisting offer to shareholders of CompuGroup Medical SE & Co. KGaA, no new fairness opinion was obtained because the two fairness opinions prepared in connection with the immediately preceding takeover offer could still be relied upon for the reasoned statement.

Additionally, the competing offers to shareholders of ProSiebenSat.1 Media SE stood out in this context: The management board and supervisory board had obtained separate fairness opinions for the joint reasoned statement on the first offer by MFR-MEDIAFOREUROPE N.V., which were also referenced in the joint reasoned statement on the competing offer by PPF IM LTD. In response to the improved offer by MFR-MEDIAFOREUROPE N.V., the management board and supervisory board again obtained fairness opinions from their financial advisors.

Taking this into account, fairness opinions were used in some form in a total of 13 out of 20 reasoned statements, representing 65% of all public offers in 2025. By comparison: Among the reasoned statements for the 32 offers in the previous year, there were only 14 fairness opinions, corresponding to a share of approx. 44%. Based on the year-over-year comparison, it can be observed that fairness opinions are playing an increasingly important role in the assessment of adequate consideration by the management of the target company.

Notably, in only four of these 13 cases the fairness opinion was prepared by an audit firm in accordance with IDW S8 standards.; in the vast majority of offers, the fairness opinion came from credit institutions that were not bound by this standard.

¹ Joint statement by the Management Board and Supervisory Board regarding the mandatory offer by SGCI Corporate Finance GmbH to the shareholders of Leo International Precision Health AG.



Key Topics

UPDATE ON CONTROL THROUGH ATTRIBUTION OF VOTING RIGHTS

A significant decision on takeover law was issued in 2025 by the Regional Court (*Landgericht*) of Frankfurt am Main.

The court had to decide on a claim for payment of the difference amount pursuant to Section 31(6) sentence 1 in conjunction with Section 31(5) German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz – WpÜG*) (so-called top-up claim) and its limitation period in connection with a so-called *irrevocable commitment*. This had been entered into between the defendant, being the bidder in a public takeover offer, and a shareholder of the target company. In the irrevocable commitment, the shareholder had irrevocably undertaken to vote in favour of the conclusion of a domination and profit transfer agreement between the bidder and the target company at a subsequent general meeting and, until then, not to sell its shares in the target company to parties not affiliated with it.

Furthermore, the irrevocable commitment provided for a certain minimum amount as compensation under the domination and profit transfer agreement pursuant to



Section 305(1) German Stock Corporation Act (*Aktiengesetz*). This minimum amount exceeded the offer price of the takeover offer.

The court held that the claim for payment of the difference amount pursuant to Section 31(5) sentence 1 and Section 31(6) sentence 1 WpÜG had accrued. The irrevocable commitment constituted an agreement within the meaning of Section 31(6) sentence 1 WpÜG.

In this regard, the Regional Court of Frankfurt am Main fully adopted the view of the Federal Court of Justice (*Bundesgerichtshof – BGH*) in parallel proceedings (BGH II ZR 219/21). There, the BGH had decided that an agreement within the meaning of Section 31(6) sentence 1 WpÜG does not require the bidder being entitled to demand the transfer of shares. The BGH deemed it irrelevant how the acquisition by the bidder is established. Such a requirement can neither be derived from the wording of the provision nor is it necessary based on the legislative materials or the purpose of the provision.

In light of Section 31(1) WpÜG, the BGH considered it immaterial that the transfer of the

shares did not result from the irrevocable commitment but rather from the effectiveness of the enterprise agreement. This is because an agreement already constitutes a basis for a transfer demand when, viewed objectively, it contains a legal disposition by the bidder aimed at acquiring shares in the target company, in which the bidder expresses a willingness to provide consideration for the acquisition of shares. This was the case here.

In the case at hand, however, the claim for payment was time-barred under the applicable standard civil law limitation period.

In practice, bidders will need to pay even closer attention in the future to whether agreements with shareholders entered into in (temporal and substantive) connection with a takeover offer may have implications for the minimum price of the takeover offer.

(*LG Frankfurt a.M. – 3-05 O 30/23*)





Outlook of an Investmentbanker

Will the trend toward delisting continue in 2026, or will we see more IPOs again?

„Both. For 2026, I do see an improved environment for IPOs, particularly for profitable growth companies. At the same time, the trend toward public takeovers and delistings in Germany is likely to continue. Globally, we are observing positive sentiment and high valuation levels; yet for many mid-sized companies with anchor shareholders in Germany, we see limited capital market liquidity and valuation discounts, which call into question the benefits of being listed. Takeovers – often in partnership between existing anchor shareholders and private equity – can offer an attractive opportunity here to strategically develop a company away from the public markets.“

What factors will be decisive for the (German) public M&A market in 2026?

„For strategic buyers, the reliability of regulatory processes – particularly in FDI and antitrust proceedings – will be a decisive factor that can noticeably influence this buyer group’s activity. On the financial investor side, valuation gaps between private and public transactions, as we regularly observe in Germany with mid-sized companies that have low liquidity or are undergoing phases of strategic transformation, remain a key factor. How strongly these drivers can unfold will ultimately also depend on the geopolitical environment.“

Do you expect a continued trend of strategic portfolio optimizations – or will more transactions be PE-driven again?

„We currently see strong interest in publicly listed companies on both sides – among strategic buyers as well as private equity. Many strategic buyers have sharpened their focus in response to technological changes and geopolitical developments and are once again approaching potential acquisition targets more selectively. For private equity, partnership models remain a central approach: They provide access to attractive publicly listed companies whose main shareholder does not wish to sell. This trend is likely to continue in 2026.“



Manuel Echterbecker
Managing Director
Lazard & Co GmbH, Frankfurt
Tel +49 69 170073775
manuel.echterbecker@lazard.com





Outlook

Outlook for the German takeover market in 2026

The outlook for the (public) M&A market in Germany points to a cautious start to 2026. As of 31 January 2026, only one decision to launch a public offer pursuant to Section 10 WpÜG has been published on BaFin's website. It dates from 15 January 2026 and relates to the intended offer by Worthington Steel GmbH for Klöckner & Co. SE. No offers have been published as of 31 January 2026. It remains to be seen whether the market environment will improve significantly in 2026 and, in particular, whether it will become more attractive again for financial investors.

The IPO market is expected to recover in 2026. Among others, the stock market debuts of TK Elevators and the defense company KNDS are anticipated for 2026. The defense industry is in any case the IPO bright spot for 2026. It is expected that the defense sector will remain attractive to private investors, particularly due to continued government investments for the foreseeable future. The successful IPOs of TKMS on the Frankfurt Stock Exchange in 2025 and of the Czech defense company Czechoslovak Group on EURONEXT Amsterdam in January 2026 – the largest defense IPO globally to date – have demonstrated how it can be done.

Impulse for Delisting from the StoFöG

Following the early federal elections on 23 February 2025, the previously planned Second Financing for the Future Act (*Zweites Zukunftsfinanzierungsgesetz – ZuFinG II*) could no longer enter into force. In September 2025, the new federal government presented a draft of the Act on the Promotion of Private Investments and the Financial Location (*Standortfördergesetz – StoFöG*), which was largely similar to the draft of the ZuFinG II. The German Bundestag approved the StoFöG on 19 December 2025, and the German Bundesrat also passed its approval of the law on 30 January 2026.

The StoFöG provides, in particular, that a delisting offer within the meaning of Section 39 German Stock Exchange Act (*Börsengesetz*) will not be required for a delisting from the regulated market if the shares continue to be traded on an SME growth market. These are trading venues, such as the Scale segment of the Frankfurt Stock Exchange, which were introduced by the Markets in Financial Instruments Directive (MiFID II) and are to be implemented under national law.

Like ZuFinG II, the StoFöG also provides for a fundamental change to the legal remedies available in delisting situations. Going forward, the adequacy of the consideration offered in a delisting is to be reviewed by courts in valuation proceedings (*Spruchverfahren*). In practice, shareholders are expected to make extensive use of this legal remedy. The fact that valuation proceedings typically take a particularly long time will therefore need to be taken into account not only in connection with corporate restructuring measures under stock corporation or transformation law, but also in delisting planning.





Public M&A Team



Dr Hans Diekmann
Partner, Dusseldorf
Tel +49 211 2806 7101
hans.diekmann@aoshearman.com



Dr Christian Eichner
Partner, Dusseldorf
Tel +49 211 2806 7114
christianeichner@aoshearman.com



Dr Hartmut Krause
Partner, Frankfurt
Tel +49 69 2648 5782
hartmutkrause@aoshearman.com



Dr Michael Weiß
Partner, Frankfurt
Tel +49 69 2648 5453
michael.weiss@aoshearman.com



Dr Jonas Wittgens
Partner, Hamburg
Tel +49 40 82221 2158
jonas.wittgens@aoshearman.com



Dr Thomas König
Of Counsel, Frankfurt
Tel +49 69 2648 5440
tkoenig@aoshearman.com

Allen Overy Shearman Sterling LLP

Dreischeibenhäus 1, 40211 Düsseldorf, Germany | Tel +49 211 2806 7000 | Fax +49 211 2806 7800

Große Gallusstraße 14, 60315 Frankfurt am Main, Germany | Tel +49 69 2648 5000 | Fax +49 69 2648 5900

Ballindamm 17, 20095 Hamburg, Germany | Tel +49 40 82 221 2100 | Fax +49 40 82 221 2200

Leopoldstraße 7, 80802 Munich, Germany | Tel +49 89 71043 3000 | Fax +49 89 71043 3800

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