

## Croatian premium furniture producer **welcomes a new investor**

DEAL FLASH | CONSTRUCTION & ENGINEERING SERVICES | FEBRUARY 2023

### DEAL SNAPSHOT

The largest Croatian manufacturer of solid oak furniture, **Spin Valis d.d.**, has been acquired by **Pervanovo Invest AB**, an investment and R&D company owned by the Pervan family from Sweden.

Spin Valis is a leading local and regional company in the wood and wooden products industry, with a focus on making high-quality, solid furniture. The group includes two companies that produce furniture and other wooden products, and one that produces electrical and thermal energy, both for internal purposes and for external sale to the network. In 2022, Spin Valis exported 65% of its production. The company has 420 employees, which makes it Croatia's largest employer in this industry.

Pervanovo Invest is active in several business areas, including R&D activities in connection with click-furniture technology, flooring production and sales, processing of wood-based materials, real estate and tourism. Pervanovo Invest has approximately 2,150 employees, of which 1,800 are located in Croatia.

This acquisition will enable Pervanovo Invest to increase its access to raw materials, achieve large-scale furniture production by applying patented click-furniture technology, and market its own product range. In addition, Pervanovo Invest is entering the green electricity and thermal energy sectors, which will further contribute to the sustainability of its products.

“We are pleased to say that the key goal of our exit from ownership has been achieved. We are handing Spin Valis over to an experienced and innovative new owner who has over 3,000 patents and is known for its excellent attitude towards its employees. On behalf of all of us, I would like to thank all the participants in the process, especially our advisors, Oaklins, for the excellent preparation and management of the process.”

**ZDRAVKO JELČIĆ**  
MEMBER OF THE MANAGEMENT  
BOARD, SPIN VALIS D.D.  
CROATIA

### OAKLINS PLAYED A PIVOTAL ROLE IN ARRANGING THIS DEAL

Oaklins' team in Croatia was the exclusive financial advisor to Spin Valis' group of shareholders in the sale of a significant majority stake. The team led and coordinated the whole sale process from its preparation until the signing of the SPA, as well as assisting in other ways after that point.



## MARKET TRENDS & DEAL DRIVERS

Croatia has large reserves of high-quality wood, especially oak and beech. The main drivers for M&A activities in the Croatian wood and wooden products industry are the exceptional quality and secure supply of the raw materials, and a long tradition of wood processing, with special focus on furniture production.

Historically, domestic producers were mainly focused on primary wood processing. Over time, most of them switched their focus towards the production of higher-processing-level products that are designed and produced locally, thus carrying the identity of Croatian wood and design.

Consolidation in the wood and wooden products industry in Croatia is very active and has still not reached its peak. Further consolidation is expected as there are still attractive targets in private ownership.

## M&A VALUATION ASPECTS

The financial details of this transaction have not been disclosed.

Certain large European manufacturers, led by Swedish group Pervanovo Invest and Italy-based Florian Group, have completed dozens of acquisitions in Croatia in recent years.

The wood and wooden products industry in Croatia is characterized by exceptional profitability margins. Both strategic and financial investors are active in the market, which drives very attractive valuations.

## TALK TO OUR ADVISORS



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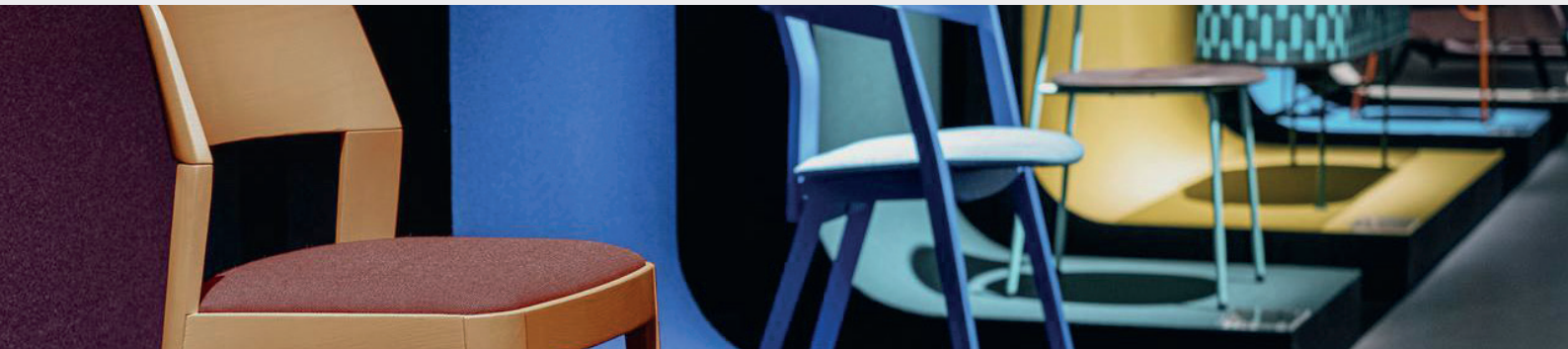
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Željko has extensive experience in leading numerous cross-border acquisitions, divestitures, restructurings, capital raisings and various other corporate finance projects. He is particularly focused on the consumer and retail sector, with notable clients including Fortenova, Pemo, Olival, Lonia, Podravka and Badel.

Bruno has worked on numerous sell-side transactions across a variety of sectors, especially in the retail and beauty segments. Most recently, he advised on the sale of Pemo, the most profitable retail chain in Croatia, to Studenac, Croatia's fastest-growing retail chain.

Katarina has extensive transaction experience across several industries, including food and beverage, pharmaceuticals, cosmetics, retail, metals, wood and wood products, logistics and hospitality. Notable clients she has worked with recently include Podravka, Atlantic Group, Olival and Pemo.



## OAKLINS HAS CLOSED 527 DEALS IN CONSTRUCTION AND ENGINEERING SERVICES

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