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Private M&A

GREECE

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Contents

Private M&A

EMPLOYEES, PENSIONS AND BENEFITS

UPDATE AND TRENDS

Contributors

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STRUCTURE AND PROCESS, LEGAL REGULATION AND CONSENTS

Structure

How are acquisitions and disposals of privately owned companies, businesses or assets structured in your jurisdiction? What might a typical transaction process involve and how long does it usually take?

The 'share deal' (acquisition of the shares in a company) is the transaction structure most commonly used by parties in Greece for the disposal and acquisition of privately owned companies, including their underlying businesses and assets. Depending on its investment appetite and tax structuring considerations, a buyer may also opt for an 'asset deal', which involves the cherry picking of specific assets or the acquisition of the company's business, or a stand-alone economic unit thereof, as a going concern (TOGC). Compared to asset deals involving individual assets, a TOGC entails different tax treatment, as well as the application of: (1) article 479 of the Greek Civil Code (GCC), which provides for the liability of the transferee, jointly with the transferor, for the debts of the transferred business, up to the latter's value; and (2) articles 358–367 of Presidential Decree 62/2025, which codified the provisions of Presidential Decree 178/2002 on the transposition of EU Directive 2001/23/EC (the Greek TUPE legislation), by virtue of which all personnel associated with the transferred business have the right to continue their employment with the transferee under the same terms.

The transfer of a company (or the segments thereof constituting the transaction perimeter) may also take place through a corporate transformation (merger, demerger or spin-off, as appropriate), following completion of which the transferee becomes the universal successor of all assets and liabilities of the entity or entities participating in the transformation by operation of the law.

The typical transaction process includes the preliminary phase, involving the execution of preliminary agreements, information disclosure and initial offer submission, the negotiation phase, which involves the conduct of due diligence and the negotiations for the finalisation of the transaction terms, and the closing phase, which involves the signing of the sale and purchase agreement (SPA) and the rest of the transaction documentation and the perfection of the transfer. The transaction may close immediately upon signing of the SPA or be contingent on specific conditions provided in the contract. The overall timeline is not standard and depends on the transaction structure and complexity, the particularities of the target's industry, the scope and findings of due diligence and the regulatory approvals required. In corporate transformations, there are specific deadlines provided in the law that need to be observed.

Law stated - 29 August 2025

Legal regulation

Which laws regulate private acquisitions and disposals in your jurisdiction? Must the acquisition of shares in a company, a business or assets be governed by local law?

In Greece, there is no special legal framework dedicated to private M&A activity. M&A transactions are primarily governed by the relevant provisions of the GCC, as well as the corporate laws regulating the type of company being the subject matter of the transaction (ie, Law 4548/2018 on sociétés anonymes (the Companies Law), Law 4072/2012 on private companies and Law 3190/1955 on limited liability companies). Law 4601/2019 governs corporate transformations, including cross-border ones. The Greek Income Tax Code (Law 4172/2013), Law 5162/2024 on tax incentives for corporate transformations and other tax laws govern the tax aspects of M&A transactions. Finally, various other laws may be relevant to specific aspects of a transaction. The most notable are: (1) with respect to merger control matters, Law 3959/2011 on the protection of free competition (the Greek Antitrust Law) and the EC Merger Regulation (Council Regulation (EC) No. 139/2004) and (2) recently enacted Law 5202/2025, which introduced a screening mechanism for foreign direct investments.

Under article 3 of the Regulation (EC) No. 593/2008 of 17 June 2008 (Rome I Regulation) on the law applicable to contractual obligations, the parties to a sales contract are free to choose the law governing their contractual relationship; however, considering that the sales refer to rights in rem over assets located in Greece (such as the shares of a Greek-based company), the proprietary transfer thereof shall be governed by Greek law.

Law stated - 29 August 2025

Legal title

What legal title to shares in a company, a business or assets does a buyer acquire? Is this legal title prescribed by law or can the level of assurance be negotiated by a buyer? Does legal title to shares in a company, a business or assets transfer automatically by operation of law? Is there a difference between legal and beneficial title?

The nature of legal title over assets, including shares in a company or other tangible or intangible assets, is specifically prescribed in the law and may not be negotiated by the parties. This legal title represents full ownership rights. Greek legal system does not recognise the concept of beneficial title.

In Greek law there is a distinction between an asset's sales and purchase agreement and the corresponding transfer agreement. Although both agreements often take effect simultaneously, they remain separate from a legal point of view. Moreover, it is equally common for parties to an M&A transaction to defer the transfer of title at a later stage when certain conditions (eg, the issue of regulatory approvals) will have been met. Accordingly, legal title passes to the transferee when all perfection requirements that are applicable to the transfer of the asset in question (eg, for shares in a Greek société anonyme, registration at the shareholders' register) are met.

Law stated - 29 August 2025

Multiple sellers

Specifically in relation to the acquisition or disposal of shares in a company, where there are multiple sellers, must everyone agree to sell for

the buyer to acquire all shares? If not, how can minority sellers that refuse to sell be squeezed out or dragged along by a buyer?

In principle, each shareholder must agree to sell for the buyer to acquire all shares in a company. By way of exception, the Companies Law provides for the right of a shareholder holding a 95 per cent stake in a company to squeeze out the 5 per cent minority, against payment of a judicially determined consideration. This right may be exercised within five years from the acquisition of the 95 per cent stake. Furthermore, minority shareholders may be forced to sell if appropriate drag-along provisions have been included in the articles of incorporation of the company or in an existing shareholders agreement.

Law stated - 29 August 2025

Exclusion of assets or liabilities

Specifically in relation to the acquisition or disposal of a business, are there any assets or liabilities that cannot be excluded from the transaction by agreement between the parties? Are there any consents commonly required to be obtained or notifications to be made in order to effect the transfer of assets or liabilities in a business transfer?

In TOGCs, the buyer becomes liable by operation of the law (article 479 of the GCC), jointly with the seller, for all liabilities relating to the transferred business that have been created prior to the transfer (ie, even those not specifically assumed by the buyer in the frame of the transaction). This liability of the buyer, which is capped to an amount equal to the value of the transferred business, may not be contractually excluded. On the contrary, given that the TOGC is effected through special succession (assignment of each individual right and assumption of each individual obligation), all assets that have not been specifically transferred to the buyer are excluded from the transaction by default.

In cases where the business transfer takes place through a corporate transformation (eg, through a demerger or a spin-off), due to the 'universal succession' results of this mechanism, the company benefiting from the transformation assumes all assets and liabilities of the transferred business by operation of the law; however, special protection is granted to creditors of a beneficiary company that is unable to satisfy their claims. In such a case, the rest of the beneficiary companies participating in a demerger, as well as the demerged company (in the case of a partial demerger or a spin-off), are held jointly liable with the beneficiary company being the principal obligor, but only up to the net value of the assets transferred to them through the relevant transformation.

As far as notifications and consents are concerned, in the case of a TOGC, the assignment of rights needs to be notified to the relevant debtors, while the consent of the creditors is required for the assumption of the liabilities of the business, including contractual obligations, by the transferee. Furthermore, any administrative licences required for carrying out the business will need to be re-issued in the name of the transferee. This does not apply to business transfers taking place through corporate transformations.

Law stated - 29 August 2025

Consents

Are there any legal, regulatory or governmental restrictions on the transfer of shares in a company, a business or assets in your jurisdiction? Do transactions in particular industries require consent from specific regulators or a governmental body? Are transactions commonly subject to any public or national interest considerations?

M&A transactions qualifying as concentrations that meet the turnover thresholds set out in the Greek Antitrust Law need to be notified to the Hellenic Competition Commission. The parties thereto must suspend consummation of the transaction until they obtain the Commission's clearance.

As regards sector-specific consents, depending on the industry to which the transaction refers, the prior approval of the following regulatory bodies may be required:

- the Bank of Greece, in acquisitions referring to credit and financial institutions (or the European Central Bank, in case of the systemic Greek banks) or insurance companies;
- the Hellenic Capital Market Commission, in acquisitions referring to investment firms or other entities supervised by it;
- the Regulatory Authority for Energy, in acquisitions referring to certain entities in the energy market; and
- the Hellenic Gaming Commission, in acquisitions referring to gaming companies.

Regarding foreign ownership controls, Greece has historically welcomed foreign investment, with only limited restrictions being in place for reasons of protection of national security. More particularly, pursuant to Law 1892/1990, direct or indirect (through the acquisition of shares in the owning company) acquisitions of real estate located in designated 'border' areas, by non-EU or EFTA individuals or legal entities are prohibited. Violation of the prohibition results in the nullity of the relevant transaction. The prohibition can be lifted by decision of the competent decentralised administration department following application of the prospective investor.

The recent enactment of Law 5202/2025 (the FDI Law) signals the establishment of the first national screening mechanism for foreign investments at market-wide level, for reasons of national security. The new regime applies to investments meeting the following conditions cumulatively:

- the investment involves a Greek target;
- it is performed by non-EU foreign investors (ie, non-EU individuals or legal entities, or EU individuals or legal entities controlled, directly or indirectly (whether through ownership rights or the provision of significant financing), by non-EU individuals, legal entities, or non-EU government bodies).
- the investment relates to a 'sensitive' (energy, transport, communications, healthcare and digital infrastructure) or 'highly sensitive' (national defence and security, cybersecurity, AI, port and critical subsea infrastructure, and border-area tourism) sector of the Greek economy; and
- the participation interest in the investment exceeds 25 per cent for sensitive-sector investments, or 10 per cent for the highly sensitive-sector ones.

Screening may be repeated gradually, each time pre-existing interests are increased up to 75 per cent.

Failure to notify a notifiable investment, late submission, or provision of incomplete or false information may lead to significant sanctions, including fines and mitigation measures, or even the unwinding of the transaction.

Law stated - 29 August 2025

Consents
Are any other third-party consents commonly required?

The consent of shareholders may be necessary if there is such a requirement in the company's articles of incorporation for the valid transfer of a company's shares. The consent of banks or other third parties may also be required in the case of contractual arrangements containing change of control restrictions or prohibiting the target company's corporate transformation.

Law stated - 29 August 2025

Regulatory filings
Must regulatory filings be made or registration (or other official) fees paid to acquire shares in a company, a business or assets in your jurisdiction?

Regulatory filings and payment of the corresponding administrative fees may be necessary in asset deals involving the transfer of real estate property, IP rights or other assets requiring registration.

Law stated - 29 August 2025

ADVISERS, NEGOTIATION AND DOCUMENTATION

Appointed advisers
In addition to external lawyers, which advisers might a buyer or a seller customarily appoint to assist with a transaction? Are there any typical terms of appointment of such advisers?

Apart from legal counsel, buyers (or in some cases, such as in auctioned processes, both parties) usually engage financial and tax advisers to assist in the performance of the financial and tax due diligence and finalisation of the transaction structure. Technical, insurance or other advisers may also be appointed depending on the target company's industry and nature of assets and business activities.

The terms of engagement of these advisers are negotiated on a case-by-case basis; however, terms that are mandatorily applicable by operation of the law do not need to be included explicitly in the agreement.

Law stated - 29 August 2025

Duty of good faith

Is there a duty to negotiate in good faith? Are the parties subject to any other duties when negotiating a transaction?

Greek law requires parties to a transaction to negotiate in good faith and in accordance with good business ethics. This means that they should provide each other with information that is true, accurate and not misleading.

Given the duty of loyalty and care they bear towards the company under the Companies Law, company directors should always negotiate transactions with the view to promote the company's affairs and to refrain from pursuing conflicting own interests.

Law stated - 29 August 2025

Documentation

What documentation do buyers and sellers customarily enter into when acquiring shares or a business or assets? Are there differences between the documents used for acquiring shares as opposed to a business or assets?

The type of documents to be entered into heavily depends on the stage, the selected structure of the transaction and, in the case of asset deals, the type of assets transferred.

At the preliminary stage of a transaction, the parties usually enter into a confidentiality agreement to ensure the secrecy of commercially sensitive information. At this stage, it is also customary for the parties to enter into a binding or non-binding memorandum of understanding or term sheet setting out the parties' preliminary understanding of the transaction. Such memorandum or term sheet may also include an exclusivity undertaking of the seller to refrain from negotiating the transaction with third parties for a given period.

Definitive transaction documentation predominantly refers to the SPA. In the case of share deals having a split signing closing process, upon closing it is customary for the parties to enter into a share transfer agreement, or a closing memorandum, for the purpose of confirming the satisfaction of all conditions precedent and completion formalities. Furthermore, in share deals where the seller is retaining a stake in the target company and/or will continue to be engaged in the management of its affairs, conclusion of a shareholders' and management agreement, respectively, is also customary. In the case of TOGCs, other supplementary documentation, such as novation agreements and assignment notices, may be necessary to effect the transfer of the individual assets comprising the business, through special succession. In corporate transformations, the main document required to be concluded is the merger or split-off agreement, which needs to take the form of a notarial deed.

Law stated - 29 August 2025

Documentation

Are there formalities for executing documents? Are digital signatures enforceable?

In principle, there are no formalities for executing an agreement. By way of exception, execution in the form of a notarial deed is necessary, if this is required by the laws governing the conclusion of the specific agreement, such as in the case of merger agreements or transfer agreements concerning real estate assets.

Under article 50 of Law 4727/2020 on digital governance, qualified electronic signatures, namely advanced electronic signatures based on qualified certificates and created by qualified electronic signature creation devices that both meet the requirements set out in Annexes I and II, respectively of the eIDAS Regulation (Regulation (EU) No. 910/2014 of the European Parliament and of the Council on electronic identification and trust services for electronic transactions in the internal market), have the same legal effect as the handwritten ones.

Law stated - 29 August 2025

DUE DILIGENCE AND DISCLOSURE

Scope of due diligence
What is the typical scope of due diligence in your jurisdiction? Do sellers usually provide due diligence reports to prospective buyers? Can buyers usually rely on due diligence reports produced for the seller?

The scope and depth of due diligence in Greece can vary depending on the type of activities of the target company, the intended timeline for closing and the risk profile of the buyer. Due diligence normally covers legal, financial, tax and accounting matters, while technical or environmental due diligence may be also relevant. In the frame of legal due diligence exercises, buyers would ordinarily seek to identify potential regulatory or other restrictions affecting or triggered by the transactions, as well as potential legal risks arising from non-compliance with licensing and other regulatory requirements, financing and other material agreements and pending or threatened litigation. In recent years, targeted, 'red flag' due diligence exercises have taken the lead in the preferences of prospective investors, compared to 'full scope' ones. Moreover, vendor due diligence reports have become increasingly popular lately, especially in bidding sale procedures. Buyers may rely on such reports if the sellers' advisers have agreed to grant reliance; however, buyers usually seek to conduct their own, confirmatory or 'top-up' due diligence investigations.

Law stated - 29 August 2025

Liability for statements
Can a seller be liable for pre-contractual or misleading statements? Can any such liability be excluded by agreement between the parties?

If a seller culpably makes a misleading statement, or otherwise breaches its obligation to act in accordance with good faith and business morals, during transaction negotiations, it may be held liable for the buyer's damages suffered as a result of the breach. Such pre-contractual

liability extends to compensation for the costs incurred by the buyer during negotiations, as well as to the loss of another investment opportunity, but does not extend to full contractual damages (eg, to the anticipated profits if the transaction was concluded).

The parties cannot validly exclude in advance their pre-contractual liability, in case this is attributed to their wilful misconduct or gross negligence.

Law stated - 29 August 2025

Publicly available information

What information is publicly available on private companies and their assets? What searches of such information might a buyer customarily carry out before entering into an agreement?

Certain corporate information of private companies can be sourced from the online database of the Greek General Commercial Registry (the Registry). More particularly, prospective buyers can retrieve from the Registry information on the target's articles of incorporation, its representation and approved financial statements, as well as any other corporate documentation that the law requires to be made publicly available.

Information on a company's solvency may be sought from the publicly available digital insolvency registry (existing bankruptcy decisions or applications, etc), while buyers can request sellers to provide them with recent tax and social security 'clearance' certificates confirming the non-existence of debts to the corresponding state authorities.

With respect to a company's assets, information on title, existing mortgages and other rights in rem over real estate assets, as well as on notional charges and pledges over claims is publicly available at the corresponding public records of the competent land registries and the National Cadastre. Separate public registries also exist in relation to specific assets (eg, patents and trademarks).

Law stated - 29 August 2025

Impact of deemed or actual knowledge

What impact might a buyer's actual or deemed knowledge have on claims it may seek to bring against a seller relating to a transaction?

Sellers are excused from their liability, or the latter is reduced, in case of buyers' actual knowledge of an existing defect or breach of representation; however, the parties may agree to reinstate, or even increase, a seller's liability by opposite agreement or by providing a specific indemnity.

Law stated - 29 August 2025

PRICING, CONSIDERATION AND FINANCING

Determining pricing

How is pricing customarily determined? Is the use of closing accounts or a locked-box structure more common?

Both pricing methods are used in the Greek market. Selection of one or the other usually depends on the prevailing market trends at the time of the transaction and the negotiating power of the parties.

Law stated - 29 August 2025

Form of consideration

What form does consideration normally take? Is there any overriding obligation to pay multiple sellers the same consideration?

Cash is the preferred form of consideration in the great majority of private M&A transactions. Shares or other in-kind consideration schemes may also be utilised, usually in combination with the cash component of the consideration.

Law stated - 29 August 2025

Earn-outs, deposits and escrows

Are earn-outs, deposits and escrows used?

Earn-out structures are commonly used, either when the parties are not fully aligned with respect to the valuation of the target, or as an incentive to the seller – in cases where the latter retains a minority stake or the company's management – to pursue specific business performance.

Transaction documentation may provide various other structures and modalities of payment of the purchase price, including deferred payment or escrow mechanisms. With respect to the latter, lately there is an increasing trend of dealmakers to introduce escrow agency arrangements, whereby certain part of the consideration is held back by the buyer and is put in escrow until a due diligence finding is rectified or an identified risk is materialised.

Law stated - 29 August 2025

Financing

How are acquisitions financed? How is assurance provided that financing will be available?

Acquisitions can be financed by either the buyer's own funds (whether in the form of equity injections to the acquiring entity or through shareholder loans) or external (usually bank) debt.

Availability of funds can be proven by bank statements or letters confirming preliminary approval of the bank financing, parent commitment letters or other means.

Law stated - 29 August 2025

Limitations on financing structure

Are there any limitations that impact the financing structure? Is a seller restricted from giving financial assistance to a buyer in connection with a transaction?

Limitations that may affect the financing structure exist in respect of the process and corporate approvals required to be followed for the grant of securities in favour of the lender(s), if the entity granting the security is a société anonyme and the buyer, for the benefit of which such security is given, is a 'related party' within the meaning of article 99 of the Companies Law. Furthermore, the grant of security by a société anonyme for the purpose of facilitating the acquisition of its shares, or the shares of its parent entity (financial assistance) is prohibited, unless the conditions stipulated in article 51 of the Companies Law are met.

Law stated - 29 August 2025

CONDITIONS, PRE-CLOSING COVENANTS AND TERMINATION RIGHTS

Closing conditions

Are transactions normally subject to closing conditions? Describe those closing conditions that are customarily acceptable to a seller and any other conditions a buyer may seek to include in the agreement.

It is customary for M&A transactions to be subject to closing conditions. The most common are the receipt of all required regulatory approvals, the repayment of existing bank debt and the lifting of associated liens, the grant of third-party consents and waivers, the rectification of due diligence findings and the non-occurrence of a material adverse change or a material breach of the seller's obligations and warranties.

Law stated - 29 August 2025

Closing conditions

What typical obligations are placed on a buyer or a seller to satisfy closing conditions? Does the strength of these obligations customarily vary depending on the subject matter of the condition?

The level of prudence and effort required by the parties may be freely determined by them, provided that the general principles of Greek private law requiring from contracting parties to always act in good faith and in accordance with good business morals (including to not intentionally causing the failure of the conditions' satisfaction) are respected. Indeed, such level customarily varies depending on the nature of each closing condition.

Law stated - 29 August 2025

Pre-closing covenants

Are pre-closing covenants normally agreed by parties? If so, what is the usual scope of those covenants and the remedy for any breach?

Pre-closing undertakings are widely used, especially in cases of split signing closing transaction structures. Their scope predominantly covers the ownership, corporate and financial status of the target and the corresponding conduct of the seller, as well as the carrying out of the target's activities in the ordinary course of business during the interim period from SPA signing to closing. Breach of these covenants may lead to the buyer's liability for compensation or grant the latter the right to withdraw from the transaction.

Law stated - 29 August 2025

Termination rights
Can the parties typically terminate the transaction after signing? If so, in what circumstances?

In Greek market practice, the parties usually seek to limit the instances where the transaction can be terminated after the SPA signing. By way of exception, the SPA usually provides for a right of rescission in favour of the buyer (or both parties) in the case of occurrence of a material adverse change or in case a material breach of the seller's warranties or pre-closing covenants is identified.

Law stated - 29 August 2025

Termination rights
Are break-up fees and reverse break-up fees common in your jurisdiction? If so, what are the typical terms? Are there any applicable restrictions on paying break-up fees?

Break-up and reverse break-up fees are only rarely used as deal security measures in the Greek M&A market practice. When used, they can be challenged as excessive, in line with the relevant provisions of the GCC on excessive penalties, and be reduced by the court.

Law stated - 29 August 2025

REPRESENTATIONS, WARRANTIES, INDEMNITIES AND POST-CLOSING COVENANTS

Scope of representations, warranties and indemnities
Does a seller typically give representations, warranties and indemnities to a buyer? If so, what is the usual scope of those representations, warranties and indemnities? Are there legal distinctions between representations, warranties and indemnities?

In Greek-law governed transactions, it is customary for sellers to provide buyers with certain representations and warranties, which are usually negotiated on the basis of the due diligence findings. Typically, they pertain to:

- the title over, and transferability of, the shares, the business or the assets;
- the good standing of the target company, including in respect of its operating, tax and financial status;
- the compliance of the target company with all regulatory requirements applying to its activities;
- the non-existence of liens on the target's assets;
- the completeness and accuracy of accounting books and financial statements; and
- the non-existence of any indebtedness or pending litigation, other than that already disclosed to the buyer and, in general, completeness and accuracy of all information made available to the buyer.

Ad hoc representations relating to specific aspects of the target's activities (eg, in respect of employment, real estate, environmental matters, intellectual property, etc) may also be provided.

There is no actual distinction between representations and warranties as regards the seller's liability and the remedies available to the buyer in the case of breach. On the other hand, indemnities constitute separate contractual obligations of the seller, which the parties agree to include in the SPA for the purpose of protecting the buyer against materialisation, after closing, of potential risks that have been identified in the course of due diligence.

Law stated - 29 August 2025

Limitations on liability

What are the customary limitations on a seller's liability under a sale and purchase agreement?

In line with international practice, sellers in Greek-law governed SPAs usually seek to limit their liability exposure by inserting various quantitative and time limitations. Quantitative limitations typically include overall liability caps (usually linked with the purchase price) and de minimis amounts for claims (per individual case and in total). These limitations are not valid under Greek law, insofar as the liability is attributable to seller's wilful misconduct or gross negligence.

As regards time limitations, pursuant to article 275 of the GCC, the parties cannot validly reduce or extend the applicable statute of limitations, which is two years in the case of sale of movable goods (such as shares) and five years in the case of sale of immovable (real estate assets). Therefore, the validity of time limitations is questionable under Greek law.

Law stated - 29 August 2025

Transaction insurance

Is transaction insurance in respect of representation, warranty and indemnity claims common in your jurisdiction? If so, does a buyer or a

seller customarily put the insurance in place and what are the customary terms?

In the past, warranty and indemnity (W&I) insurance was seen as a factor substantially increasing deal costs and thus parties were reluctant to integrate this tool in transaction structures. Currently it seems that there is a growing trend in Greek private M&A transactions for the use of W&I insurance products, mostly in mid-to-large deals involving foreign investors or auctioned sales processes. W&I insurance is usually put in place by buyers before the signing of the SPA, however sell-side policies are also used in cases of sellers, especially private equity funds, seeking to reduce their residual exposure after exit. Standard policies cover the warranties provided by the seller under the SPA and due diligence findings, while sellers' fraud is typically excluded from the insurance cover.

Law stated - 29 August 2025

Post-closing covenants

Do parties typically agree to post-closing covenants? If so, what is the usual scope of such covenants?

Post-closing covenants are not that common in Greek M&A transactions. They are mostly used in cases where the seller has not managed to rectify certain due diligence findings until closing or where the agreement is that the seller will continue to be engaged in the management of the target's affairs.

Law stated - 29 August 2025

TAX

Transfer taxes

Are transfer taxes payable on the transfers of shares in a company, a business or assets? If so, what is the rate of such transfer tax and which party customarily bears the cost?

No transfer tax is applicable as such to the sales of shares in Greek private companies; however, the gains of the sellers therefrom may be subject to capital gains taxation. A transfer tax at the rate of 0.1 per cent is levied on the sales of exchange-listed companies, payable by sellers.

Regarding TOGCs, subject to certain exemptions relating to the VAT registration status of the parties, TOGCs are subject to the so-called Digital Transaction Duty (which replaced stamp duty as of 1 December 2024), currently at a rate of 2.4 per cent, payable by buyers.

As regards the sales of itemised assets, the imposition of transfer tax depends on the type of assets concerned. No transfer tax usually applies to the sale of movable assets. On the other hand, the transfer of real estate is subject to real estate transfer tax, currently at a rate of 3 per cent (plus a 3 per cent municipal tax on the transfer tax (ie, 3.09 per cent in aggregate)), imposed on the higher between the 'objective' value (which is an imputed value set by the Greek state for tax calculation purposes) and the agreed sales value of the asset. The real estate transfer tax is payable by the buyers.

In relation to capital gains taxation the following apply:

- Capital gains from the sales of shares in private companies or TOGCs, where the sellers are Greek tax-resident individuals, are taxed at a 15 per cent rate, while non-Greek tax-resident individuals are tax-exempt if they are residents of a jurisdiction with which Greece has a double taxation avoidance treaty in place and the required proof of such residence is provided to the Greek tax authorities. Otherwise, the taxation of Greek tax residents applies. Greek and foreign tax-resident individuals are exempted from the 15 per cent capital gains tax in respect of their gains arising from the sale of shares listed in a stock exchange, in cases where they hold less than 0.5 per cent of the company's share capital.
- The capital gains of individuals deriving from the sale of other itemised assets are taxed depending on the type of asset concerned. Capital gains from the sales of real property have been exempted from income tax until 31 December 2026.
- Capital gains deriving from the sales of shares, TOGCs or sale of itemised assets, where the seller is a Greek corporation are subject to Greek income tax, currently at the rate of 22 per cent. Capital gains of non-Greek resident corporations are not subject to Greek income tax, unless realised through a permanent establishment in Greece.

Law stated - 29 August 2025

Corporate and other taxes

Are corporate taxes or other taxes payable on transactions involving the transfers of shares in a company, a business or assets? If so, what is the rate of such transfer tax and which party customarily bears the cost?

Capital gains deriving from the sales of shares, TOGCs or sale of itemised assets are subject to Greek income tax, currently at the rate of 22 per cent. Capital gains of non-Greek resident corporations are not subject to Greek income tax, unless realised through a permanent establishment in Greece.

Law stated - 29 August 2025

EMPLOYEES, PENSIONS AND BENEFITS

Transfer of employees

Are the employees of a target company automatically transferred when a buyer acquires the shares in the target company? Is the same true when a buyer acquires a business or assets from the target company?

The transfer of shares in the target company does not affect the employment rights of employees that remain employed by the target following acquisition by the buyer. On the other hand, TOGCs are likely to fall within the ambit of the Greek TUPE legislation, thereby leading to the automatic transfer of the employees to the acquirer of the business. The same may apply to transfers of itemised assets (and not of a business as a whole), if these assets

could be viewed as so material to the operation of a business unit, therefore triggering the application of Greek TUPE legislation.

Law stated - 29 August 2025

Notification and consultation of employees

Are there obligations to notify or consult with employees or employee representatives in connection with an acquisition of shares in a company, a business or assets?

In transactions where the Greek TUPE legislation applies, the parties should inform the employees' representatives, in writing and in good time before the transfer, about the latter's intended date, as well as about its reasons transfer, the legal, economic and social implications for, and the envisaged measures with respect to, the employees. If there are no employee representatives, the above information should be given directly to each employee. Consultation with the representatives of the employees may be required if the parties envisage measures that will affect the employees' employment status.

Law stated - 29 August 2025

Transfer of pensions and benefits

Do pensions and other benefits automatically transfer with the employees of a target company? Must filings be made or consent obtained relating to employee benefits where there is the acquisition of a company or business?

In transactions where the Greek TUPE legislation applies, employee benefits usually transfer automatically. The same applies to pension plans established by mandatory social security. As regards private pension plans (either offered by private insurance companies or operating as special accounts within the transferred business), Greek TUPE legislation provides the following:

- if the buyer agrees to their terms, the relevant insurance agreements are renewed;
- if the buyer wishes to bring changes to the existing terms, it should consult with the employees before entering into the new agreement; or
- if, prior to the transfer, the buyer refuses to take up the continuation of the insurance agreement, the relevant funds are liquidated by the seller and the employees and distributed to the latter.

Law stated - 29 August 2025

UPDATE AND TRENDS

Key developments

What are the most significant legal, regulatory and market practice developments and trends in private M&A transactions during the past 12 months in your jurisdiction?

In late May 2025, Greece introduced its first FDI national screening regime, in alignment with Regulation (EU) 2019/452 of the European Parliament and the Council of 19 March 2019. Secondary legislation is expected to address certain implementation issues and provide clarifications. Under the new regime, investments by non-EU persons that reach certain thresholds in strategic sectors must be notified to, and cleared by, the Greek government before completion. The new government screening mechanism is expected to capture a great number of investments, affecting Greece-related transactions' timelines.

On 30 June 2025, the digital registry of pledges, provided by Law 5123/2024, became fully operational. As a result, perfection of the majority of possible pledges (including notional pledges and pledges on claims), now requires registration of the pledge at this digital register.

Finally, recently enacted Law 5162/2024, aiming, among others, to create a consolidated framework of tax incentives for corporate transformations and restructurings, is expected to boost integration of these tools to the overall M&A strategies of deal makers.

As regards market practice trends, generative AI tools are being increasingly adopted in due diligence and contract review exercises. Additionally, an increase in the use of insurance-backed transactions has been observed, with buyers and sellers opting for W&I cover in larger deals, to enhance certainty in liability risk allocation.

Law stated - 29 August 2025