

Kuwait Financial Centre K.P.S.C. "Markaz"

GCC M&A Report

H1 2022



Asset Management | Investment Banking

GCC M&A Report – H1 2022

Transactions increased by 25% compared to H1 2021

September 2022

Research Highlights:

Provides a review of M&A transactions in the GCC region.

Markaz Research is available on:

Bloomberg - Type "MRKZ" <Go>
Thomson Research,
Reuters Knowledge
Nooz
Zawya Investor
ISI Emerging markets
Capital IQ
FactSet Research Connect
TheMarkets.com

Mohammad Al Fahad

Asst. Vice President – Investment Banking
+965 2224 8000 Ext: 1107
mfahad@markaz.com

Fay Al Bader

Analyst – Investment Banking
+965 2224 8000 Ext: 1160
fbader@markaz.com

Nouf Al Muraikhi

Asst. Analyst – Investment Banking
+965 2224 8000 Ext: 1187
noufm@markaz.com

Kuwait Financial Centre K.P.S.C. "Markaz"

P.O. Box 23444, Safat 13095, Kuwait
Tel: +965 2224 8000
Fax: +965 2242 5828
markaz.com



The GCC market welcomed a significant level of M&A activity throughout H1 2022, during which it closed a total of 105 M&A transactions, demonstrating a growth of 25% year over year. Yet once again, UAE targets attracted the greatest level of interest from buyers, a trend that has persisted for the past consecutive quarters. At 56 transactions, UAE comprised 53% of the total number of transactions that closed during H1 2022, followed by Saudi Arabia and Kuwait, who accounted for 18% and 15% of these transactions, respectively. In addition, Bahrain and Oman each accounted for 6% of the total number of transactions that closed throughout the period, with Qatar representing the remaining 2%. Moreover, with the exception of Kuwait, the remaining markets recorded substantial growth year over year.

It is worth noting that the transactions that closed involved companies that operate in various sectors. With that being said, the sectors that attracted the greatest level of activity throughout the quarter were the Financials, Consumer Discretionary and Information Technology sectors, who collectively accounted for more than 48% of the total number of closed transactions.

On another note, GCC targets received an immensely greater level of interest from foreign buyers during the period, recording a total of 28 transactions (closed) vs. 13 transactions (closed) between H1 2022 and H1 2021; this implies a growth of 115% year over year. Note, UAE targets attracted the greatest level of interest from foreign buyers, closing a total of 21 transactions in H1 2022 alone.

Furthermore, GCC acquirers primarily invested in companies within their local markets and in international markets, while investing in regional companies to a lesser extent. Throughout H1 2022, GCC acquirers closed a total of 60 transactions within their local markets, compared to 49 transactions in H1 2021.* In addition, GCC acquirers sealed 46 cross-border transactions throughout H1 2022, relative to 29 transactions in H1 2021. It is worth noting that UAE buyers accounted for approximately 60% of the total number of cross-border transactions that closed, followed by Saudi Arabia and Bahrain, who accounted for 21% and 11%, respectively.

Figure: Number of Closed GCC M&A Transactions

Country	H1 2022	H1 2021	% Change (YoY)
Bahrain	6	4	50%
Kuwait	16	23	-30%
Oman	6	1	500%
Qatar	2	1	100%
Saudi Arabia	19	12	58%
United Arab Emirates	56	43	30%
Total	105	84	25%

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

*Local transactions refer to those whereby a GCC company acquires a target within their respective country (i.e. Kuwaiti company acquires Kuwaiti companies)

GCC Merger & Acquisition Deals (H1 2022)
M&A Transactions within GCC

GCC Mergers & Acquisitions

Transaction History (Closed)

GCC M&A Transactions – Number of Transactions

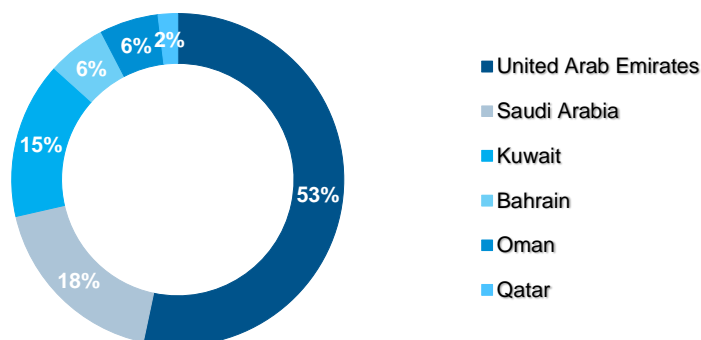
Country	H1 2022	H1 2021	% Change (YoY)
Bahrain	6	4	50%
Kuwait	16	23	-30%
Oman	6	1	500%
Qatar	2	1	100%
Saudi Arabia	19	12	58%
United Arab Emirates	56	43	30%
Total	105	84	25%

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Key Takeaways

- Oil prices among other factors indicate that investor confidence stands strong in comparison to H1 2021. This can be demonstrated through the rise in GCC M&A activity, which grew 25% growth year over year with a total of 105 closed transactions throughout H1 2022, in comparison to 84 transactions in H1 2021.
- UAE targets appeared to be the most attractive market relative to the other GCC markets as they recorded a total of 56 closed transactions throughout H1 2022, representing 53% of the total number of closed transactions.
- This is followed by Saudi and Kuwaiti targets, who accounted for 18% and 15% of the total transactions that closed, while Bahraini and Omani targets each accounted for 6% of total transactions. Lastly Qatari targets accounted for the remaining 2%.
- It is worth noting that aside from Kuwaiti targets, the remaining markets witnessed positive growth in closed transactions, relative to the previous year.

GCC M&A Transactions – Geographical Distribution by Number of Transactions (H1 2022)



GCC Mergers & Acquisitions

Announced Transactions in the Pipeline

GCC M&A Transactions – Announced Pipeline Transactions

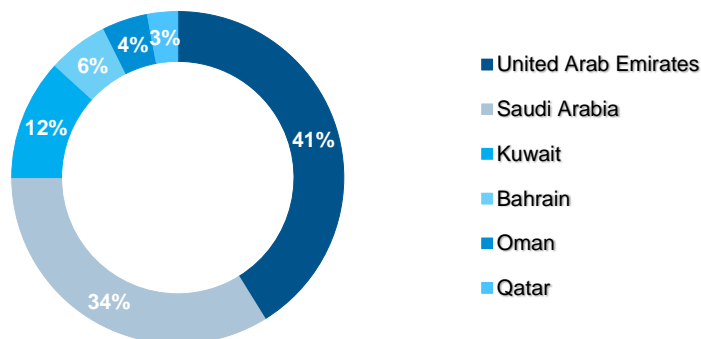
Country	H1 2022	H1 2021
Bahrain	4	3
Kuwait	8	5
Oman	3	4
Qatar	2	2
Saudi Arabia	23	22
United Arab Emirates	28	26
Total	68	62

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Key Takeaways

- Throughout H1 2022, there were a total of 68 announced transactions within the pipeline, which demonstrates a minor growth relative to H1 2021 in which there were 62 announced transactions in the pipeline.
- As witnessed last year, UAE and Saudi targets accounted for most of the announced deals at 41% and 34%, respectively. Kuwaiti targets accounted for approximately 12% of these transactions, whereas the remaining transactions were attributed to Bahraini, Omani, and Qatari targets.
- Aside from Oman and Qatar, each of the other markets witnessed stable growth in activity relative to H1 2021.

GCC M&A Transactions – Geographical Distribution by Number of Announced Pipeline Transactions (H1 2022)



GCC Mergers & Acquisitions

Top 5 Deals by Reported Value

Targets & Buyers – H1 2022

Target Company	Target Country	Buyer	Buyer Country	Percent Sought	Deal Value (USDmn)	Status
DP World- Flagship Assets	United Arab Emirates	Caisse de dépôt et placement du Québec	Canada	22	5,000	Announced
Ithmaar Bank - Consumer Banking Business & other assets	Bahrain	Al Salam Bank	Bahrain	100	2,200	Announced
Etihad Etisalat Company	Saudi Arabia	Emirates Telecomm Company	United Arab Emirates	22	2,100*	Announced
Kingdom Holding Company	Saudi Arabia	Public Investment Fund	Saudi Arabia	17	1,513	Closed
Abu Dhabi Future Energy Company – Joint Ventures	United Arab Emirates	Abu Dhabi National Oil Company, Abu Dhabi National Energy Company	United Arab Emirates	67	1,273	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Reuters, Markaz Analysis. These companies were selected based on available information.

**Note: The transaction value is an estimate and was calculated based on the following assumptions: (1) issued shares: 770 million (2) USD 12.5 per Mobily share (3) Percent sought 22%*

Key Takeaways

- Caisse de dépôt et placement du Québec (CDPQ) announced they intend to acquire an approximate 22% stake in DP World's Flagship Assets for a total consideration of USD 5.0 billion. CDPQ plans to invest in three of DP World assets including the Jebel Ali Port, Jebel Ali Free Zone, and National Industries Park, making up one of the leading infrastructure and logistics ecosystems in the region.
- Al Salam Bank pens an agreement to acquire a group of assets from Ithmaar Holding Group including its consumer banking business, indirect shareholdings in Bank of Bahrain and Kuwait, Solidarity Group Holding, Mastercard Inc, The Benefit Company, and a portfolio of sukuk issued by the Government of Bahrain. Note, the bank intends to acquire these assets for a total consideration of USD 2.2 billion.
- Etihad Etisalat Company (Mobily) announces it has received a letter from Emirates Telecommunications Group Company (e&) expressing the company's interest in acquiring an additional stake in the company for USD 12.5 per Mobily share. If successful, e& would raise its holdings from 28% to 50% plus one share by means of a pre-conditional partial tender offer for an implied value of USD 2.1 billion.*
- The Public Investment Fund sealed a USD 1.5 billion deal whereby it acquired a 17% stake, or 625 million shares, in Kingdom Holding Company, at USD 2.4 per share. Note, this stake was acquired from HRH Prince Alwaleed bin Talal Al Saud, who subsequently reduced his stake to 78%.
- Abu Dhabi National Oil Company (ADNOC) and Abu Dhabi National Energy Company (TAQA) are to acquire stakes in Abu Dhabi Future Energy Company's (Masdar) joint ventures from Mubadala Investment Company (Mubadala) for a total value of USD 1.3 billion. The binding agreement outlines that ADNOC will acquire a 24% stake in Masdar's renewable business with TAQA acquiring a 43% stake and Mubadala retaining the 33% stake in the business. In addition, ADNOC will acquire a 43% stake in Masdar's new green hydrogen joint venture, while Mubadala and TAQA will retain 33% and 24% stakes, respectively.

GCC Mergers & Acquisitions

Foreign (Non-GCC) Buyers (Closed)

Number of Foreign Buyers' Deals in GCC

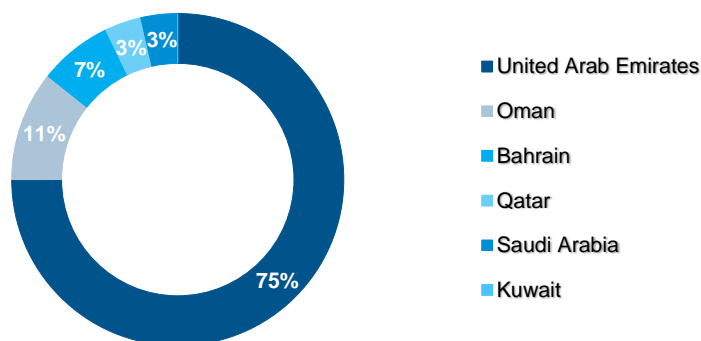
Country	H1 2022	H1 2021
Bahrain	2	0
Kuwait	0	3
Oman	3	0
Qatar	1	0
Saudi Arabia	1	2
United Arab Emirates	21	8
Total	28	13

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Key Takeaways

- GCC targets received a relatively greater level of interest from foreign buyers when compared to the previous year. Overall, foreign acquirers closed 28 transactions in H1 2022 in comparison to closing 13 transactions in H1 2021.
- Although a lingering uncertainty regarding the outlook of most of the GCC markets remains, the growth in investment activity by foreign acquirers between H1 2021 and H1 2022 indicates that investors are gaining back their trust in the GCC and are increasing investment activity. In addition, corona virus has no longer become a threat to GCC economies which explains the growth in investment activity between the two years.
- Moreover, foreign buyers demonstrated a particular interest in UAE, Omani, and Bahraini companies during H1 2022. The UAE continues to be one of the most attractive markets relative to its peers while Omani companies emerged as attractive contenders following a period of no foreign activity throughout H1 2021 (closed).
- Bahraini, Omani, Qatari, and UAE targets witnessed positive growth in activity relative to H1 2021, whereas the remaining markets recorded zero to negative growth.

GCC M&A Transactions – Geographical Distribution by Number of Transactions Involving Foreign Buyers (H1 2022)



GCC Mergers & Acquisitions

Top Deals by Reported Value (Foreign)

Targets & Foreign (Non-GCC) Buyers – H1 2022

Target Company	Target Country	Buyer	Buyer Country	Percent Sought	Deal Value (USDmn)	Status
DP World- Flagship Assets	United Arab Emirates	Caisse de dépôt et placement du Québec	Canada	22	5,000	Announced
Magnati Payment Solutions	United Arab Emirates	Brookfield Business Partners	Canada	60	690*	Announced
OCTAL Holding SAOC	Oman	ALPEK, S.A.B. de C.V.	Mexico	100	620	Closed
Emirates District Cooling Company	United Arab Emirates	Actis	United Kingdom	50	327**	Announced
Creative Table Holdings Limited	United Arab Emirates	Lagardère Travel Retail	France	-	84	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Reuters, Markaz Analysis. These companies were selected based on available information.

**Note: The transaction value is an estimate that calculated based on the following assumptions: (1) Magnati valuation ~USD 1.2 billion (2) Stake sold 60.0%*

***The transaction value is an estimate that was calculated based on the following assumptions: (1) Equity valuation of USD 653 million (2) Stake sold 50%.*

Key Takeaways

- Caisse de dépôt et placement du Québec (CDPQ) announced they intend to acquire an approximate 22% stake in DP World's Flagship Assets for a total consideration of USD 5.0 billion. CDPQ plans to invest in three of DP World assets including the Jebel Ali Port, Jebel Ali Free Zone, and National Industries Park, making up one of the leading infrastructure and logistics ecosystems in the region.
- First Abu Dhabi Bank has finalized an agreement to sell a 60% stake in Magnati, its payments business, to Brookfield Business Partners L.P., for USD 690 million. It is worth noting that the agreement implies an approximate valuation of USD 1.2 billion for Magnati. First Abu Dhabi Bank will retain the remaining 40% upon the completion of the transaction, which is subject to customary conditions and regulatory approvals.*
- Alpek Polyester finalizes 100% acquisition of Octal Holding after receiving all necessary regulatory approvals, for a total consideration of USD 620 million. Note, of the 100% acquired, 5% was sold by Bank Muscat, and 3% was sold by Oman & Emirates Investment Holding Company.
- Dubai Investments has penned an agreement with Actis to divest a 50% stake in Emirates District Cooling Company (Emicool) for a transaction value of USD 327 million. Emicool provides district cooling services and connects more than 2,200 buildings across the UAE.**
- Lagardère Travel Retail is to acquire a majority stake in Creative Table Holdings for a total consideration of USD 84 million. Creative Table Holdings operates several food and beverage brands at Dubai Airport; a major hub for Lagardère.

GCC Mergers & Acquisitions

By Sector (Closed)

Sector-wise Classification of Deals – H1 2022

Sector	Foreign Acquirers	GCC Acquirers	Other*	Grand Total	%**
Financials	1	16	5	22	21%
Consumer Discretionary	5	12	0	17	16%
Information Technology	6	6	0	12	11%
Consumer Staples	1	7	0	8	8%
Healthcare	2	6	0	8	8%
Industrials	4	2	0	6	6%
Insurance	2	4	0	6	6%
Materials	3	2	0	5	5%
Logistics	0	4	0	4	4%
Real Estate	0	4	0	4	4%
Education	0	3	0	3	3%
Energy	1	2	0	3	3%
Media	3	0	0	3	3%
Utilities	0	2	0	2	2%
Telecommunication Services	0	1	0	1	1%
Other	0	1	0	1	1%
Total	28	72	5	105	100%

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

* Other refers to deals where buyer information is not available.

** Totals may exceed 100% due to rounding

Sector-wise Classification of Deals – H1 2021

Sector	Foreign Acquirers	GCC Acquirers	Other*	Grand Total	%**
Real Estate	0	11	3	14	17%
Consumer Discretionary	0	9	2	11	13%
Financials	0	9	2	11	13%
Industrials	6	4	1	11	13%
Consumer Staples	0	5	1	6	7%
Healthcare	0	4	1	5	6%
Energy	2	1	1	4	5%
Information Technology	1	3	0	4	5%
Media	1	3	0	4	5%
Education	1	1	1	3	4%
Insurance	0	3	0	3	4%
Logistics	1	1	0	2	2%
Materials	0	2	0	2	2%
Utilities	1	1	0	2	2%
Telecommunication	0	2	0	2	2%
Total	13	59	12	84	100%

Key Takeaways

- As witnessed in previous years, the majority of the transactions that closed within H1 2022 and H1 2021 were carried out by GCC acquirers. During H1 2022, GCC acquirers accounted for 69% of the total number of closed transactions while foreign acquirers accounted for 27%. The remaining 5% is comprised of closed transactions for which the buyer information was not available.
- During H1 2021, GCC acquirers accounted for 70% of the total number of closed transactions while foreign acquirers accounted for 15%. The remaining 14% is comprised of closed transactions for which the buyer information was not available.
- In addition, the transactions that closed throughout H1 2022 targeted companies that operate across various sectors, with most transactions occurring in the Financials, Consumer Discretionary and Information Technology sectors.

M&A Transactions by GCC Acquirers

Merger & Acquisition Watch

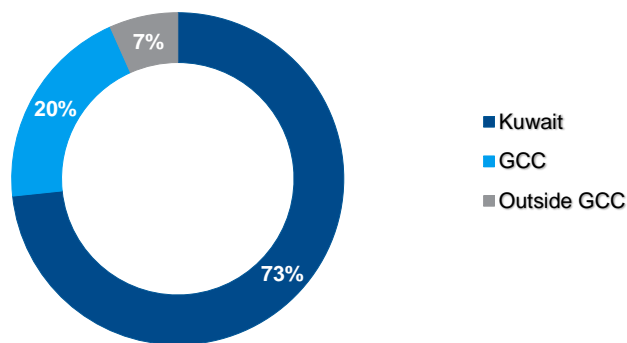
By Kuwaiti Acquirers

Targets & Buyers – H1 2022

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
John Menzies plc	United Kingdom	Agility Public Warehousing Company	100	670	Announced
Egypt Kuwait Holding Company	Kuwait	Jassem Louay Al Kharafi	11	180	Closed
National Investments Company	Kuwait	SAK Real Estate Company	10	79	Closed
E-Portal Holding Company	Kuwait	Kuwait Telecom Company	100	75	Closed
Atlantic Gulf & Capital	Singapore	Asiya Capital Investments Company	21	38	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Target Companies – Geographical Distribution by Number of Transactions (Closed) (H1 2022)



Key Takeaways

- Agility Public Warehousing Company's (Agility) board and shareholders' nod to a cash offer to acquire 100% of John Menzies PLC (Menzies), a UK-based logistics company, at £0.608 per share, for a total consideration of USD 670 million. Note, the transaction closed on August 4, 2022.
- Al Khair National for Stocks & Real Estate Company (Al Khair) successfully divests an ~11% stake (128 million shares) in Egypt Kuwait Holding Company to Jassim Louay Al Kharafi for a total consideration of USD 180 million, at USD 1.4 per share. Upon completing this transaction, Al Khair reduced their stake to ~ 7%.
- SAK Real Estate Company acquired a 10% stake in National Investments Company from Al Khair National for Stocks and Real Estate Company for a total consideration of USD 79 million, at ~ USD 1.0 per share.
- Upon receiving all necessary approvals, Kuwait Telecom Company announces it has successfully acquired 100% of E-Portal Holding Company and its local subsidiaries for a total consideration of USD 75 million. No further details have been provided.
- Asiya Capital Investments has penned a binding agreement to acquire an additional ~21% stake in Atlantic Gulf & Pacific, a leading infrastructure company based in Singapore, for USD 38 million. The company is involved in the logistics, distribution and marketing of LNG and gas products. Once completed, Asiya Capital Investments will effectively raise their total ownership stake to 39%+.

Merger & Acquisition Watch

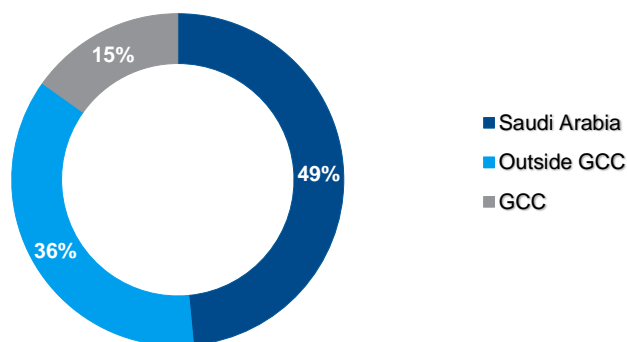
By KSA Acquirers

Targets & Buyers – H1 2022

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Kingdom Holding Company	Saudi Arabia	Public Investment Fund	17	1,513	Closed
Olam Agri Holdings Pte. Limited	Singapore	SALIC International Investment Company	35	1,240	Announced
ESL Gaming GmbH	Germany	Savvy Gaming Group	100	1,080	Closed
Embracer Group AB	Sweden	Savvy Gaming Group	8	1,056	Announced
Mobile Telecomm Company (KSA) – Infrastructure Towers	Saudi Arabia	Multiple	80	646	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Target Companies – Geographical Distribution by Number of Transactions (Closed) (H1 2022)



Key Takeaways

- The Public Investment Fund sealed a USD 1.5 billion deal whereby it acquired a 17% stake, or 625 million shares, in Kingdom Holding Company for a total consideration of USD 1.5 billion, at USD 2.4 per share. Note, this stake was acquired from HRH Prince Alwaleed bin Talal Al Saud, who subsequently reduced his stake to 78%.
- The Saudi Agricultural & Livestock Investment Company has penned an agreement to acquire a 35% stake in Olam Agri Holdings for USD 1.2 billion. Closing is subject to receiving regulatory approvals from the respective authorities.
- Savvy Gaming Group fully acquires ESL Gaming Company, a leading e-sports production company based in Germany, for a total consideration of USD 1.1 billion. Shortly after, the company acquired an additional USD 1.1 billion. Note, Savvy Gaming Group is wholly-owned by Saudi Arabia's Public Investment Fund.
- Mobile Telecommunication Company announces its board of directors has approved of an offer received from the Public Investment Fund (PIF), HRH Prince Saud Bin Fahad and Sultan Holding Company regarding the acquisition of 8,069 of the company's infrastructure towers for a total consideration of USD 646 million. Pursuant to the offer, PIF will acquire a 60% stake in the tower infrastructure and HRH Prince Saud Bin Fahad and Sultan Holding Company will acquire 10% each, while Zain KSA will retain the remaining 20%. Note, PIF's offer includes a call option that will grant the fund the right to buy Zain KSA's 20% stake for a pre-specified amount. Finally, the offer states that Zain KSA will sell the towers however it will retain all other wireless communication antennas, software, technology, and intellectual property.

Merger & Acquisition Watch

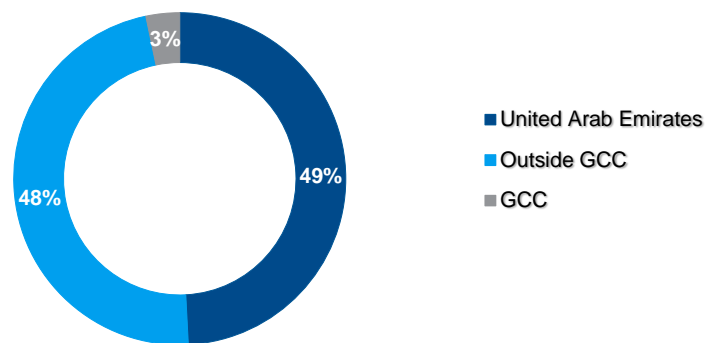
By UAE Acquirers

Targets & Buyers – H1 2022

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Zendesk, Inc.	United States	Multiple	100	10,200	Announced
Vodafone Group Public Limited Company	United Kingdom	Emirates Telecomm Group Company	10	4,400	Closed
Pharma Intelligence	United Kingdom	Mubadala Investment Company; Warburg Pincus	85	2,575	Closed
Etihad Etisalat Company	Saudi Arabia	Emirates Telecomm Company	22	2,100	Announced
Commercial International Bank	Egypt	Alpha Oryx Limited	17	911	Closed

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Target Companies – Geographical Distribution by Number of Transactions (Closed) (H1 2022)



Key Takeaways

- Abu Dhabi Investment Authority pens an agreement to acquire 100% of Zendesk, Inc, a leader in the customer solutions market, for an all-cash consideration of USD 10.2 billion. Note, Abu Dhabi Investment Authority is part of a larger consortium, led by Permira and Hellman & Friedman LLC, that will collectively acquire the company.
- Emirates Telecommunications Group Company has successfully acquired a 10% stake, or ~3 billion shares, in Vodafone Group for a total consideration of USD 4.4 billion. No further details have been provided.
- Mubadala Investment Company joins Warburg Pincus in acquiring an 85% stake in Pharma Intelligence, a leading tech company specialized in clinical trials, drug development and regulatory compliance, for a total consideration of USD 2.6 billion. Note, the companies acquired these shares from Informa PLC, a UK-based business intelligence group, who will retain the remaining 15%.
- Etihad Etisalat Company (Mobily) announces it has received a letter from Emirates Telecommunications Group Company (e&) expressing the company's interest in acquiring an additional stake in Mobily for USD 12.5 per share. If successful, e& would raise its holdings to from 28% to 50% plus one share by means of a pre-conditional partial tender offer for an implied value of USD 2.1 billion.
- Alpha Oryx Limited acquires a 19% stake in Egypt's Commercial International Bank for a total consideration of USD 911 million. Note, Alpha Oryx Limited is a wholly-owned subsidiary of ADQ.

Merger & Acquisition Watch

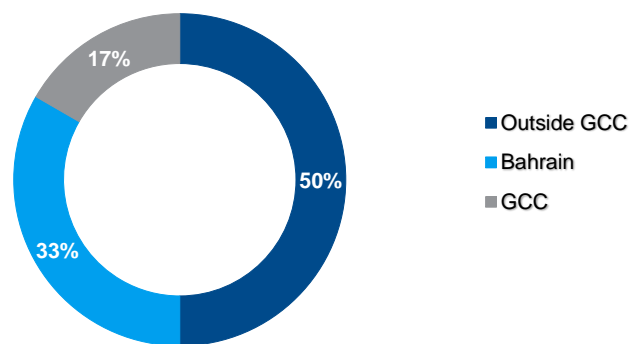
By Bahraini Acquirers

Targets & Buyers – H1 2022

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Ithmaar Bank - Consumer Banking Business & other assets	Bahrain	Al Salam Bank	100	2,200	Announced
Citi (Bahrain) – Retail Banking & Lending Business	Bahrain	Ahli United Bank	100	-	Announced
Venture Capital Bank	Bahrain	Esterad Investment Company	75	-	Announced
Afro Asian Assistance	Oman	Braxtone Group	100	-	Closed
V-Ensure Pharma Technologies Limited	India	Investcorp Holdings; Tanas Capital	-	17	Closed

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Target Companies – Geographical Distribution by Number of Transactions (Closed) (H1 2022)



Key Takeaways

- Al Salam Bank pens an agreement to acquire a group of assets from Ithmaar Holding Group including its consumer banking business, indirect shareholdings in Bank of Bahrain and Kuwait, Solidarity Group Holding, Mastercard Inc, The Benefit Company, and a portfolio of sukuk issued by the Government of Bahrain. Note, the bank intends to acquire these assets for a total consideration of USD 2.2 billion.
- Ahli United Bank (AUB) has penned an agreement with Citibank to acquire the company's consumer business in Bahrain for an undisclosed amount. Under this agreement, AUB will acquire Citibank's retail banking, credit card and unsecured lending businesses in the Kingdom. No further details have been provided.
- Esterad Investment Company announces it has signed a binding agreement to acquire a majority stake in VC Bank, with a minimum stake of 75% and up to 100% of the bank's share capital. Closing is subject to obtaining shareholders' approvals and all applicable regulatory approval from the respective authorities.
- Braxtone Group fully acquires Afro Asian Assistance, an Omani insurance company, for an undisclosed amount. Braxtone Group is a local company that offers technical and administrative assistance to insurance and reinsurance companies.
- Investcorp invests USD 17 million in V-Ensure Pharma Technologies, an Indian company specialized in the development of specialty pharmaceutical formulations focused on complex generics for regulated markets. No further details have been provided.

Merger & Acquisition Watch

By Omani Acquirers

Targets & Buyers – H1 2022

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Al-Ameen Stores & Refrigeration Company	Oman	Asyad Group	100	8	Announced
Al Hael Company	Oman	Al Maha Ceramics SAOG	45	5	Announced
Royal & Sun Alliance Insurance (Middle East)	United Arab Emirates	National Life & General Insurance Company	100	n/a	Announced
Hutchison Ports Sohar	Oman	Oman Investment Authority	31	n/a	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Key Takeaways

- Oman Fisheries Company announces it has received an offer from Asyad Group to fully acquire Al-Ameen Stores and Refrigeration Company for a total consideration of USD 8 million. No further details have been provided.
- Al Maha Ceramics Company finalizes a sale and purchase agreement to acquire a 45% stake in Al Hael Ceramics Company for a total consideration of USD 5 million. As a part of the agreement, Al Maha Ceramics Company would manage and operate the factory for the next five years. Note, the factory is one of the largest factories in the Middle East and is equipped with the latest Italian technologies for tile manufacturing.
- National Life & General Insurance Company discloses it has entered into an agreement to fully acquire Royal & Sun Alliance Insurance Middle East for an undisclosed amount. National Insurance Company intends to acquire 50% of the company from Sun Alliance Insurance Overseas Limited, a wholly owned subsidiary of Royal & Sun Alliance Insurance Limited, and will acquire the remaining shares by way of a share swap whereby it will issue new shares to the company's existing shareholders.
- Oman Investment Authority acquires a 31% in Oman International Contained Terminal L.L.C., located in Port Sohar, for an undisclosed amount. Oman International Contained Terminal L.L.C. is a joint venture between Hutchison Port Holdings Limited (HPH) and the Government of the Sultanate of Oman. Moreover, the authority intends to acquire the shares through Rakiza, a fund established by its subsidiary, Oman Infrastructure Investment Management.

Merger & Acquisition Watch

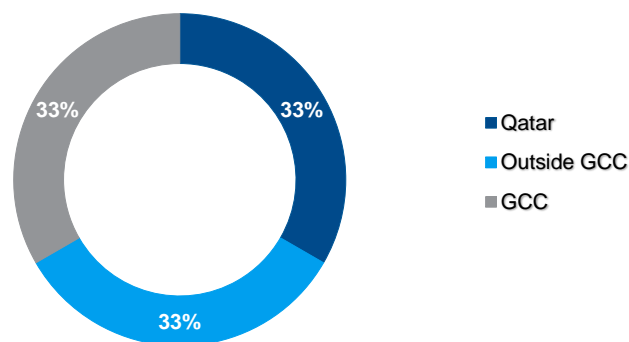
By Qatari Acquirers

Targets & Buyers – H1 2022

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Elegancia Group	Qatar	Estithmar Holding	100	723*	Closed
Nebras Power	Qatar	Raslaffan Operating Company W.L.L.	40	530	Announced
Enismore	United Kingdom	Multiple	11	195	Announced
Avrasya Tüneli İşletme İnşaat ve Yatırım A.Ş.	Turkey	Qatar Investment Authority	25	160	Announced
North Marakia Offshore Block	Egypt	QatarEnergy	40	-	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Target Companies – Geographical Distribution by Number of Transactions (Closed) (H1 2022)



Key Takeaways

- Estithmar Holding (previously known as Investment Holding Group) successfully acquires Elegancia Group, a Qatari Holding Company, in a share swap deal valuing the latter company at USD 723 million for an undisclosed amount. No further details have been provided.
- Qatar Electricity & Water Company's subsidiary, Raslaffan Operating Company, has signed a share sale & purchase agreement with Qatar Holding L.L.C. to acquire a 40% stake in Nebras Power for a proposed transaction value of USD 530 million. Note, the utilities company owns the remaining 60%.
- Accor enters exclusive negotiations to divest an 11% stake in Enismore to a Qatari consortium for a total consideration of USD 195 million, a portion of which will be financed by USD 21 million loan from Qatar First Bank. Enismore is one of the leading luxury hospitality and lifestyle companies that owns Hoxton hotels located in London and New York.
- Qatar Investment Authority pens a share purchase agreement to acquire a ~25% stake in Avrasya Tüneli İşletme İnşaat ve Yatırım A.Ş., the concessionaire of Eurasia Tunnel, for a total consideration of USD 160 million. Note, the authority will acquire these shares from SK Group.
- QatarEnergy enters into an agreement with ExxonMobile Corporation to acquire a 40% interest in an exploration block offshore Egypt for an undisclosed amount. Exxon's affiliate will retain the remaining 60%. No further details have been provided.

Disclaimer

This report has been prepared and issued by Kuwait Financial Centre K.P.S.C (Markaz), which is regulated by the Capital Markets Authority and the Central Bank of Kuwait. The report is owned by Markaz and is privileged and proprietary and is subject to copyrights. Sale of any copies of this report is strictly prohibited. This report cannot be quoted without the prior written consent of Markaz. Any user after obtaining Markaz permission to use this report must clearly mention the source as "Markaz ". The report is intended to be circulated for general information only and should not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction.

The information and statistical data herein have been obtained from sources we believe to be reliable but no representation or warranty, expressed or implied, is made that such information and data is accurate or complete, and therefore should not be relied upon as such. Opinions, estimates and projections in this report constitute the current judgment of the author as of the date of this report. They do not necessarily reflect the opinion of Markaz and are subject to change without notice. Markaz has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn.

This report may not consider the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors are urged to seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this report and to understand that statements regarding future prospects may not be realized. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Investors should be able and willing to accept a total or partial loss of their investment. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily indicative of future performance.

Kuwait Financial Centre K.P.S.C (Markaz) may seek to do business, including investment banking deals, with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. This report may provide the addresses of, or contain hyperlinks to, websites. Except to the extent to which the report refers to website material of Markaz, Markaz has not reviewed the linked site and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to Markaz's own website material) is provided solely for your convenience and information and the content of the linked site does not in any way form part of this document. Accessing such website or following such link through this report or Markaz's website shall be at your own risk.

For further information, please contact 'Markaz' at P.O. Box 23444, Safat 13095, Kuwait; Email: ; Tel: 00965 1804 800; Fax: 00965 2245 0647.

Kuwait Financial Centre K.P.S.C. "Markaz"

P.O. Box 23444, Safat 13095

State of Kuwait

Tel: +965 2224 8000

Fax: +965 2242 5828

Email: advisory@markaz.com

www.markaz.com

المركز
MARKAZ