



GCC M&A Report

Q1 2024

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GCC M&A Report – Q1 2024

Transactions decreased by 13% compared to Q1 2023

- The GCC witnessed yet another eventful quarter within the M&A realm, recording a total of **48 successful transactions** across the six countries, (Q1 2023: 55). These transactions were heavily concentrated in Saudi Arabia and the United Arab Emirates (UAE), who collectively accounted for **86% of the total transactions** that closed throughout the quarter. This is followed by Kuwaiti targets, who captured 8% of the total pool of transactions closed, while the remaining portion is equally divided amongst Bahraini, Omani and Qatari targets. It is worth noting that Saudi Arabia was the **sole market to witness a growth** in the total number of transactions closed year over year, while the remaining markets recorded zero to negative growth throughout the period.
- Moreover, these transactions spanned across an array of sectors however investors particularly expressed a vast level of interest in the **Consumer Staples, Industrials, and Information Technology** sectors, which is evident as 42% of the transactions that closed revolved around players within the aforementioned sectors.
- Furthermore, GCC companies continued to attract interest from foreign buyers, who have **sealed a total of 16 transactions** throughout the quarter. This further exemplifies a **solid level of international interest** in the GCC market, as foreign buyers closed a total of 13 transactions involving GCC targets throughout Q1 2023. The UAE reigned the charts throughout both quarters as it **captured an average of 66%** of the total number of transactions that closed throughout the respective periods.
- Similarly, GCC acquirers actively invested across various international companies, closing a total of **23 transactions involving international targets** (Q1 2023: 13). UAE buyers dominated this space for yet another quarter, sealing a total of 15 cross-border transactions throughout the quarter, whereas the remaining GCC buyers closed one to three cross-border transactions each.
- In addition, GCC acquirers continued to fuel their local economies by spearheading deals with each of their respective markets (i.e. a Kuwaiti buyer acquiring a Kuwaiti company). Throughout Q1 2024, GCC acquirers recorded a **total of 26 transactions** within their **local markets** (Q1 2023: 35), which equates to approximately 50% of the total number of transactions that closed throughout the quarter.

GCC M&A Transactions
Number of Transactions (Closed)

| Country | Q1 2024 | Q1 2023 | % Change (YoY) |
|----------------------|-----------|-----------|----------------|
| Bahrain | 1 | 1 | - |
| Kuwait | 4 | 4 | - |
| Oman | 1 | 4 | (75%) |
| Qatar | 1 | 3 | (67%) |
| Saudi Arabia | 20 | 10 | 100% |
| United Arab Emirates | 21 | 33 | (36%) |
| | 48 | 55 | (13%) |

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

GCC Merger & Acquisition Deals (Q1 2024)

M&A Transactions within GCC

GCC Mergers & Acquisitions

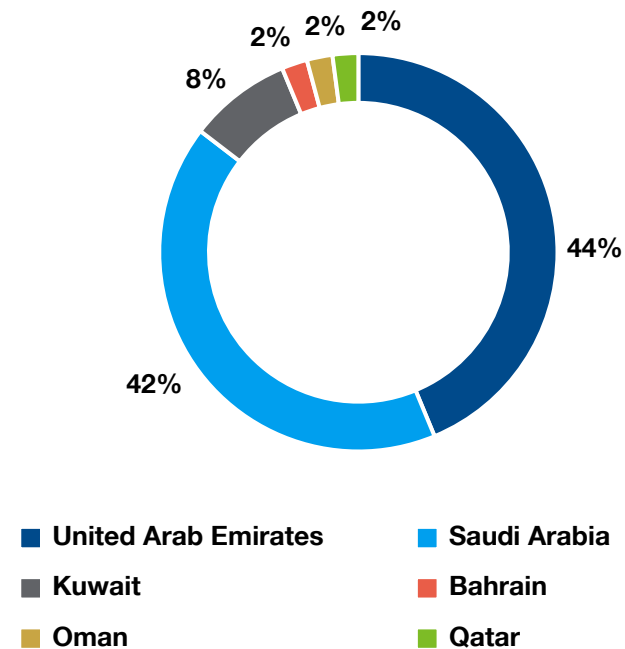
Transaction History (Closed)

GCC M&A Transactions
Number of Transactions (Closed)

| Country | Q1 2024 | Q1 2023 | % Change (YoY) |
|----------------------|-----------|-----------|----------------|
| Bahrain | 1 | 1 | - |
| Kuwait | 4 | 4 | - |
| Oman | 1 | 4 | (75%) |
| Qatar | 1 | 3 | (67%) |
| Saudi Arabia | 20 | 10 | 100% |
| United Arab Emirates | 21 | 33 | (36%) |
| Total | 48 | 55 | (13%) |

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

GCC M&A Transactions
Geographical Distribution
by Number of Transactions (Q1 2024)



GCC Mergers & Acquisitions (contd.)

Transaction History (Closed)

Key Takeaways

- The GCC market recorded a significant level of M&A activity throughout Q1 2024, during which the Gulf markets collectively closed a total of 48 transactions. Although this weighs slightly lower than the number of transactions that closed during Q1 2023 (55 transactions), it is worth noting that there is a solid pipeline of transactions that are expected to close throughout the remainder of the year, which further attests to the significant level of interest in the region.
- Investors have remained incentivized to invest in the GCC as they are swayed by the region's promising prospects which primarily stems from a combination of the following factors: an anticipated recovery in regional oil production during H2 2024, expected growth in non-oil economic activity and robust investments in each of the respective countries, whether it be from a local, regional or international source.
- Saudi Arabia and the United Arab Emirates (UAE) solidified their positions as two of the region's most attractive markets which is evident since the transactions that closed throughout the quarter were heavily concentrated in these two countries; to put this into perspective, 86% of the total transactions that closed throughout Q1 2024 targeted Saudi and UAE companies. This is followed by Kuwaiti targets, who captured 8% of the total pool of transactions closed, while the remaining portion is equally divided amongst Bahraini, Omani and Qatari targets.
- It is worth noting that Saudi Arabia was the sole market to witness a growth in terms of the total number of transactions that closed year over year, while the remaining markets recorded zero to negative growth throughout the period.

GCC Mergers & Acquisitions

Announced Transactions in the Pipeline

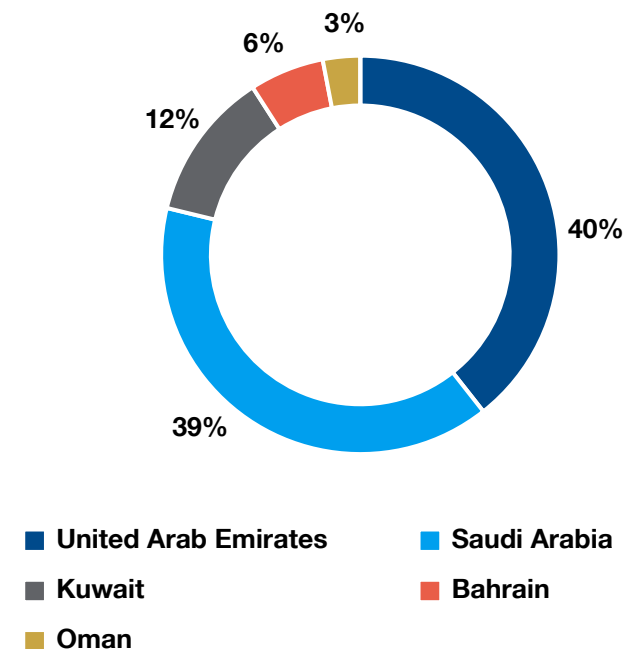
GCC M&A Transactions
Pipeline Transactions (Announced)

| Country | Q1 2024 | Q1 2023 | % Change (YoY) |
|----------------------|-----------|-----------|----------------|
| Bahrain | 2 | 0 | n/a |
| Kuwait | 4 | 5 | (20%) |
| Oman | 1 | 3 | (67%) |
| Qatar | 0 | 0 | n/a |
| Saudi Arabia | 13 | 9 | 44% |
| United Arab Emirates | 13 | 5 | 160% |
| Total | 33 | 22 | 50% |

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

GCC M&A Transactions
Geographical Distribution

by Number of Announced Pipeline Transactions (Q1 2024)



GCC Mergers & Acquisitions (contd.)

Announced Transactions in the Pipeline

Key Takeaways

- The GCC markets concluded Q1 2024 with a substantial number of transactions in the pipeline, with 33 transactions expected to finalize throughout 2024. Note, this is significantly higher than Q1 2023, which ended with 22 transactions in the pipeline.
- The UAE and Saudi Arabia attracted the greatest level of interest from investors yet once again, with 13 pipeline transactions in each respective country. This aligns with the pipeline activity in Q1 2023, during which Emirati and Saudi Arabian companies emerged as the most attractive targets, accounting for more than 64% of the total number of transactions that were announced.
- Moreover, Kuwaiti targets followed shortly after, capturing 12% of the transactions announced, while the remaining transactions targeted Bahraini and Omani companies.
- Note, there were no transactions that were announced throughout the quarter involving Qatari targets, as was the case in Q1 2023.

GCC Mergers & Acquisitions

Top 5 Deals by Reported Value

GCC Target – Q1 2024

| Target Company | Target Country | Buyer | Buyer Country | Percent Sought | Deal Value (USDmn) | Status |
|--|----------------------|--|----------------------|----------------|--------------------|-----------|
| GEMS Education | United Arab Emirates | Brookfield Asset Management Limited | Canada | - | 2,000 | Announced |
| National Petrochemical Industrial Company | Saudi Arabia | LyondellBassell Industries Holding B.V. | United States | 35 | 498 | Announced |
| ADH Hospitality RSC Limited; Hill View Resorts (Seychelles) Limited | United Arab Emirates | National Corporation for Tourism & Hotels | United Arab Emirates | 100 | 249* | Announced |
| Gulf Insurance Group K.S.C.P. | Kuwait | Fairfax (Barbados) International Corporation | Canada | 10 | 179** | Announced |
| Abeer Medical Company | Saudi Arabia | Gulf Islamic Investments | United Arab Emirates | - | 160 | Announced |

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

***Note:** The transaction value is an estimate that was calculated based on the following assumptions: 1) The buyer intends to issue 1.3 billion shares; 2) The shares are expected to be issued at a price of AED 1.0 per share.

****** The transaction value is an estimate that was calculated based on the following assumptions: 1) The buyer intends to acquire a 9.9% stake, and 2) Offer price under mandatory tender offer = KD 1.9.

GCC Mergers & Acquisitions (contd.)

Top 5 Deals by Reported Value

Key Takeaways

- Brookfield Asset Management Limited reveals it is currently exploring the opportunity to acquire a stake in GEMS Education, a global operator of private schools based in the UAE. The Canadian investor is willing to inject up to USD 2 billion in the company and could possibly carve out CVC Partners as a majority stakeholder. Note, CVC Partners acquired a 30% stake in GEMS Education for an estimated value of USD 1 billion in 2019.
- LyondellBassell Industries Holding B.V. pens an agreement to acquire a 35% stake in National Petroleum Industrial Company (NATPET) from Aljuain Corporation for USD 498 million. NATPET is a Saudi-based industrial company that manufactures various resins and chemical products including but not limited to propylene, polypropylene and heterophasics. No further details have been provided.
- National Corporation for Tourism & Hotels (NCTH) submits a proposal to Alpha Dhabi Holding expressing its interest in acquiring 100% of ADH Hospitality RSC Limited, Murban (BVI) Holding Inc and Hill View Resorts (Seychelles) Limited. Note, Alpha Dhabi Holding holds the rights to these companies through its subsidiaries, Alpha Dhabi Hospitality Holding L.L.C. and Murban Energy Limited. More importantly, NCTH's proposal states they intend to acquire 100% of the shares in both companies by way of a share swap whereby the company will issue more 1 billion shares to the selling parties at a par of value for AED 1 per share, implying a total transaction value of USD 249 million.
- Upon successfully acquiring a 46% stake in Gulf Insurance Group (GIG), Fairfax (Barbados) International Corporation issues a mandatory tender offer to acquire the remaining shares in GIG that are not currently owned by the Company nor Fairfax Financial Holdings Limited, which amounts to approximately 10% of GIG's issued share capital, or ~ 28 million shares. Moreover, the offer states the company intends to acquire the remaining stake at approximately KD 2 per share, implying a transaction value of USD 179 million.
- Gulf Islamic Investments aims to expand its footprint in the Saudi Arabian healthcare market through the acquisition of a majority stake in Abeer Medical Company for an estimated USD 160 million. Note, Abeer Medical Company operates one of Saudi Arabia's largest affordable healthcare providers. On another note, Gulf Islamic Investments initially entered the Saudi Arabian healthcare market when it acquired a majority stake in AlMeswak Dental Centers, a large chain of dental and dermatology clinics in the Kingdom.

GCC Mergers & Acquisitions

Foreign (Non-GCC) Buyers (Closed)

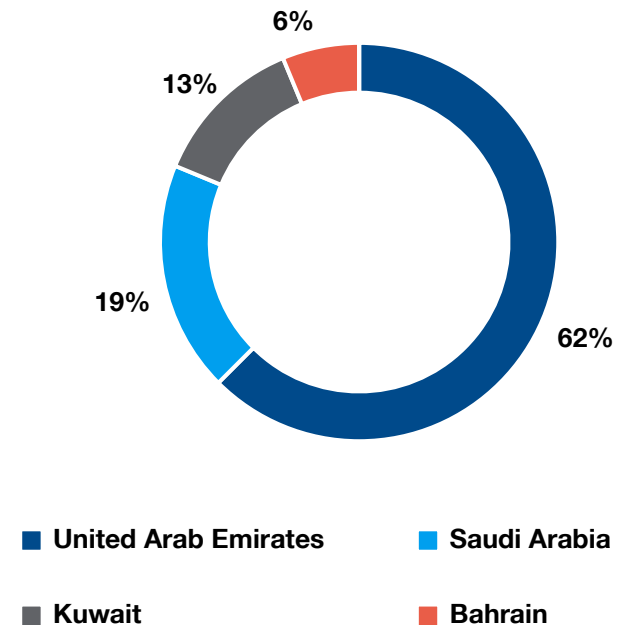
Number of Foreign Buyer Transactions
Deals Closed in GCC

| Country | Q1 2024 | Q1 2023 | % Change (YoY) |
|----------------------|-----------|-----------|----------------|
| Bahrain | 1 | 1 | - |
| Kuwait | 2 | 1 | 100% |
| Oman | 0 | 2 | (100%) |
| Qatar | 0 | 0 | n/a |
| Saudi Arabia | 3 | 0 | n/a |
| United Arab Emirates | 10 | 9 | 11% |
| Total | 16 | 13 | 23% |

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

GCC M&A Transactions
Geographical Distribution

by Number Transactions Involving Foreign Buyers (Q1 2024)



GCC Mergers & Acquisitions (contd.)

Foreign (Non-GCC) Buyers (Closed)

Key Takeaways

- Despite an anticipated global economic slowdown, GCC markets are expected to remain poised throughout 2024, as OPEC+ production cuts ease and oil prices recover relative to previous quarters. This is further supported by the projected growth in Asian markets, which is expected to boost 2024's level of global oil demand by approximately 1.1 billion barrels per day, relative to 2023.
- Moreover, GCC governments as well as private investors have continued to plow capital to boost developments within their respective countries, which has subsequently fueled a growth in non-oil GDP growth. For example, GCC players have expressed an interest in artificial intelligence and have allocated a significant amount of capital across multiple research and developmental efforts, with Qatar, Saudi Arabia and the United Arab Emirates leading the way. In doing so, these players have created numerous opportunities for both local and international businesses.
- Collectively, these factors have positioned the GCC as an attractive market amongst regional and international investors, hence the solid level of M&A activity that has been spearheaded by GCC and foreign acquirers. Foreign buyers particularly closed a total of 16 transactions in Q1 2024 (**Q1 2023: 13**) while GCC acquirers sealed 31 transactions throughout the quarter (**Q1 2023: 42**).
- The UAE reigned the charts yet once again, accounting for 63% of the total number of transactions closed throughout the quarter, followed by Saudi Arabia and Kuwait, at 19% and 13%, respectively. It is worth noting that Saudi Arabia is rapidly arising as an attractive contender amongst foreign buyers, who had only announced one transaction involving a Saudi Arabian target throughout Q1 2023.

GCC Mergers & Acquisitions

Top Deals by Reported Value (Foreign Buyers) (Closed)

GCC Targets & Foreign (Non-GCC) Buyers – Q1 2024

| Target Company | Target Country | Buyer | Buyer Country | Percent Sought | Deal Value (USDmn) |
|--|----------------------|---|----------------|----------------|--------------------|
| Dukan Retailing Company | Saudi Arabia | Kazyon - Tawfeer for Food Products | Egypt | 50 | 67* |
| Arab Insurance Group | Bahrain | Gulf Tamin Limited | Cayman Islands | 14 | 16 |
| M/s Portfolio Managing Events L.L.C. | United Arab Emirates | Vikas Lifecare Limited | India | 50 | 12 |
| Al Shola Al Modea Gas Distribution L.L.C | United Arab Emirates | Quality Industrial Corporation | United States | 51 | 10 |
| Sanam Real Estate Company K.S.C. | Kuwait | Evli Fund Management Company (through its fund Evli Emerging Frontier Fund) | Finland | 6** | 4 |

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

***Note:** The transaction value is an estimate that was calculated based on the following assumptions: 1) Dukan Retailing Company's enterprise value = USD 133.4 million.

****** The transaction value is an estimate that was calculated based on the following assumptions: 1) Sanam Real Estate's number of issued shares = 105.0 million shares, 2) Stake acquired = 5.7% and 3) Closing share price as of February 13, 2024 (trading day prior to day of announcement) = 190 fils per share.

GCC Mergers & Acquisitions (contd.)

Top Deals by Reported Value (Foreign Buyers)

Key Takeaways

- Kazyon -Tawfeer for Food Products (Kazyon) acquires a 50% stake in Dukan Retailing Company, a Saudi Arabian chain of grocery stores, from Al Dabbagh Group Holding Company Limited (Al Dabbagh Group) for USD 67 million. Note, Kazyon acquired the shares through its investment arm, Tawfeer Ventures Limited, while Al Dabbagh Group will retain the remaining shares.
- Gulf United Limited successfully acquires a 14% stake in Arab Insurance Group, a leading Bahraini insurance group, for an estimated USD 16 million, at USD 0.5 per share. Note, Gulf United Limited is a consortium that combines Lepercq Multi-Asset Fund SICAV, FIS and Callaway Capital Management, LLC, at 67% and 33% stakes, respectively.
- India's Vikas Lifecare Limited seals a deal for a 50% stake in M/s Portfolio Managing Events LLC (PME Entertainment) for USD 12 million. PME Entertainment is a reputable entertainment and event-planning company based in Dubai that has organized an array of events worldwide. Moreover, Vikas Lifecare Limited acquired the shares from PME's Entertainment's existing shareholders by way of a share swap based on an enterprise value of USD 12 million. No further details have been provided.
- Quality Industrial Corporation acquires a 51% stake in Al Shola Al Modea Gas Distribution L.L.C. for a total consideration of USD 10 million. Note, USD 1 million was paid immediately upon closing, while the bulk will be paid in installments over a period of two years. Moreover, Al Shola Al Modea Gas Distribution is an engineering and distribution company based in the United Arab Emirates that has become one of the nation's largest contractors for LPG centralized pipeline systems.
- Evli Fund Management Company acquires an additional 6% stake in Sanam Real Estate Company for an estimated USD 4 million. Note, the Finnish asset management company acquired the stake through its Emerging Frontier Fund, raising its total stake to 8%. No further details have been provided.

GCC Mergers & Acquisitions

By: Sector (Closed)

Sector-wise Classification of Deals
Q1 2024

| Sector | Buyer | | | Total | %** |
|------------------------|-----------|-----------|----------|-----------|-------------|
| | Foreign | GCC | Other* | | |
| Information Technology | 2 | 5 | 1 | 8 | 17% |
| Consumer Staples | 1 | 5 | 0 | 6 | 13% |
| Industrials | 1 | 5 | 0 | 6 | 13% |
| Consumer Discretionary | 1 | 4 | 0 | 5 | 10% |
| Media & Entertainment | 3 | 2 | 0 | 5 | 10% |
| Materials | 0 | 3 | 0 | 3 | 6% |
| Financials | 1 | 1 | 0 | 2 | 4% |
| Insurance | 1 | 1 | 0 | 2 | 4% |
| Real Estate | 1 | 1 | 0 | 2 | 4% |
| Education | 1 | 1 | 0 | 2 | 4% |
| Energy | 2 | 0 | 0 | 2 | 4% |
| Professional Services | 1 | 1 | 0 | 2 | 4% |
| Logistics | 0 | 1 | 0 | 1 | 2% |
| Utilities | 0 | 1 | 0 | 1 | 2% |
| Hospitality | 1 | 0 | 0 | 1 | 2% |
| Total | 16 | 31 | 1 | 48 | 100% |

Sector-wise Classification of Deals
Q1 2023

| Sector | Buyer | | | Total | %** |
|------------------------|-----------|-----------|----------|-----------|-------------|
| | Foreign | GCC | Other* | | |
| Information Technology | 1 | 7 | 0 | 8 | 15% |
| Consumer Discretionary | 0 | 7 | 0 | 7 | 13% |
| Energy | 4 | 3 | 0 | 7 | 13% |
| Industrials | 1 | 6 | 0 | 7 | 13% |
| Insurance | 0 | 6 | 0 | 6 | 11% |
| Healthcare | 3 | 2 | 0 | 5 | 9% |
| Utilities | 2 | 2 | 0 | 4 | 7% |
| Real Estate | 0 | 3 | 0 | 3 | 5% |
| Materials | 1 | 1 | 0 | 2 | 4% |
| Telecommunications | 0 | 2 | 0 | 2 | 4% |
| Consumer Staples | 0 | 1 | 0 | 1 | 2% |
| Education | 1 | 0 | 0 | 1 | 2% |
| Financials | 0 | 1 | 0 | 1 | 2% |
| Logistics | 0 | 1 | 0 | 1 | 2% |
| Total | 13 | 42 | 0 | 55 | 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.

GCC Mergers & Acquisitions (contd.)

By: Sector (Closed)

Key Takeaways

- As witnessed in previous quarters, GCC acquirers reigned the leaderboard for the greatest number of M&A transactions that closed throughout Q1 2024, sealing a total 31 transactions throughout the quarter (Q1 2023: 42). This is followed by international investors who accounted for more than a third of the transactions that closed, or 16 transactions (Q1 2023: 13), while the remaining portion comprises transactions whereby the buyers' details remain unavailable.
- Moreover, these transactions spanned across an array of sectors however investors particularly expressed a vast level of interest in the Consumer Staples, Industrials, and Information Technology sectors, which is evident as 42% of the transactions that closed in Q1 2024 revolved around players within the aforementioned sectors.
- Information and Industrials remained to be two of the most attractive sectors quarter over quarter, while players in the Consumer Discretionary and Energy sectors welcomed a substantial level of M&A activity in Q1 2023.

M&A Transactions by GCC Acquirers

Merger & Acquisition Watch

By: Kuwaiti Acquirers

Targets & Buyers – Q1 2024

| Target Company | Target Country | Buyer | Percent Sought | Deal Value (USDmn) | Status |
|--|----------------|--|----------------|--------------------|-----------|
| Project Bean Finance Company Limited | United Kingdom | KAMCO Investment Company | 61 | 54 | Closed |
| Orient Education Services Company | Kuwait | Rasiyat Holding Company | 70 | 23 | Announced |
| Al Siraj Holding Company | Kuwait | - | 20 | 18 | Announced |
| First Dubai Real Estate Development Company | Kuwait | Al-Mazaya Holding Company | - | 13* | Closed |
| Prontowash Kuwait for Car Wash and Lubrication Company | Kuwait | Kuwait Business Town Real Estate Company | 100 | 8 | Closed |

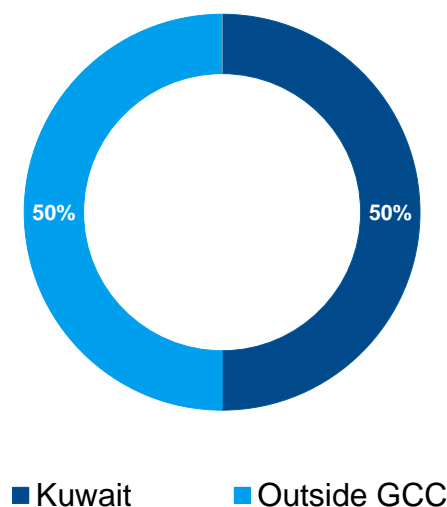
Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

***Note:** Al-Mazaya Holding Company issued 40.8 million new shares assuming a 0.497:1 exchange ratio, assuming the value of shares issued multiplied by par value.

Merger & Acquisition Watch (contd.)

By: Kuwaiti Acquirers

**Target Companies
Geographical Distribution**
by Number of Transactions (Closed) (Q1 2024)



Key Takeaways

- KAMCO Investment Company has completed the acquisition of a 61% equity stake in Project Bean Finance Limited (Project Bean) for a total consideration of USD 54 million. Project Bean is a private limited company based in the United Kingdom.
- Rasiyat Holding Company has announced the acquisition of a 70% stake in Orient Education Services Company (Orient Education) for a total consideration of USD 23 million. Orient Education is a Kuwait based education and training company that operates the Canadian College Kuwait – Algonquin.
- Rasiyat Holding Company announced receiving a letter of intent from an undisclosed party to acquire a 20% stake in their subsidiary, Al Siraj Holding Company (Al Siraj), at a transaction value of USD 18 million. Note, Al Siraj owns Kuwait Technical College.
- Al-Mazaya Holding Company (Al-Mazaya) has completed the merger by amalgamation with First Dubai Real Estate Development Company (First Dubai), where Al-Mazaya is the merging company and First Dubai is the merged company. Note, Al-Mazaya increased their capital to USD 173 million by issuing approximately 41 million shares at a par value equivalent to USD 13 million to the shareholders of First Dubai.
- Kuwait Business Town Real Estate Company (KBT) has completed the full acquisition of Prontowash Kuwait for Car Wash and Lubrication Company (Prontowash) from Oula Fuel Marketing Company (Oula) for a total transaction value of USD 8 million. Prontowash is a car wash service based in Kuwait that is available in multiple gas stations around the country.

Merger & Acquisition Watch

By: KSA Acquirers

Targets & Buyers – Q1 2024

| Target Company | Target Country | Buyer | Percent Sought | Deal Value (USDmn) | Status |
|--|----------------|--|----------------|--------------------|-----------|
| Esmax Distribución SpA | Chile | The Saudi Arabian Oil Company | 100 | 373 | Closed |
| Primary Installation Electrical Works Company Limited | Saudi Arabia | Red Sea International Company | 51 | 145 | Closed |
| Production Line - Sanitary Paper Rolls | Italy | Saudi Paper Manufacturing Company | 40 | 89 | Closed |
| Devoteam Middle East | Saudi Arabia | Arabian Internet & Communications Services Company | 100 | 80 | Announced |
| Adhwa'a Al-Hidaya Private Schools Company for Boys and Girls | Saudi Arabia | Al-Khaleej Training & Education Company | 80 | 61* | Announced |

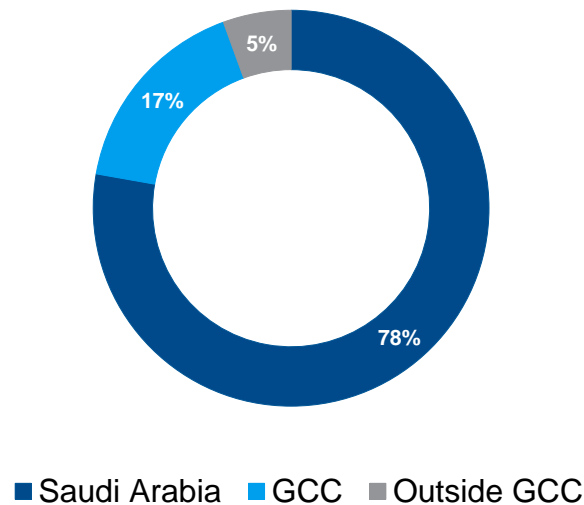
Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

* The value is an estimate based on the following assumptions: 1) The company is to issue 22.8 million shares and 2) Issuance price per share = USD 2.66 per share.

Merger & Acquisition Watch (contd.)

By: KSA Acquirers

**Target Companies
Geographical Distribution**
by Number of Transactions (Closed) (Q1 2024)



Key Takeaways

- The Saudi Arabian Oil Company (Aramco) has completed the full acquisition of Chile based Esmex Distribución SpA (Esmex) for a total consideration of USD 370 million. Esmex is a leading fuels and lubricants retailer with fuel stations, airport operations, fuel distribution terminals, and a lubricant blending plant.
- Red Sea International Company has successfully acquired a 51% stake in Primary Installation Electrical Works Company Limited (First Fix) for USD 145 million. First Fix is a Saudi Arabian construction firm that delivers end-to-end solutions with integrated design, engineering and construction disciplines of mechanical, electrical & plumbing.
- Arab Internet & Communications Services Company has completed the acquisition of a 40% equity stake in Devoteam Middle East (Devoteam) for a total consideration of USD 89 million. Devoteam is a Saudi Arabian-based leading consulting firm focused on digital strategy, platform technologies, cybersecurity, and business transformation.
- Saudi Paper Manufacturing Company (SPMC) has signed a non-binding memorandum of understanding to acquire a production line for sanitary paper rolls based in Italy from Toscotek for a total consideration of USD 80 million. The agreement will increase SPMC's production capacity of raw tissue paper rolls from 190,000 tonnes to 250,000 tonnes. The agreement is in line with SPMC's strategic expansion plans.
- Al-Khaleej Training & Education Company (Al-Khaleej) has signed an agreement to acquire 80% of Adhwa'a AlHidaya Private Schools Company for Boys & Girls (Adhwa'a AlHidaya) for a transaction value of USD 61 million. Adhwa'a AlHidaya owns two schools in Saudi Arabia with a combined capacity of 5,243 students.

Merger & Acquisition Watch

By: UAE Acquirers

Targets & Buyers – Q1 2024

| Target Company | Target Country | Buyer | Percent Sought | Deal Value (USDmn) | Status |
|---|----------------------|---|----------------|--------------------|-----------|
| Truist Insurance Holdings | United States | Mubadala Investment Company; Others | 80 | 12,400* | Announced |
| Dogger Bank South offshore wind projects | United Kingdom | Abu Dhabi Future Energy Company | 49 | 6,822** | Closed |
| OMV AG | Austria | Abu Dhabi National Oil Company | 25 | 3,583*** | Closed |
| Circle Health Group | United Kingdom | Pure Health Holding | 100 | 1,200 | Closed |
| ADH Hospitality RSC Limited; Hill View Resorts (Seychelles) Limited | United Arab Emirates | National Corporation for Tourism and Hotels | 100 | 342 | Announced |

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

Note: Other investors involved in Trust Insurance's acquisition includes Stone Point Capital and Clayton, Dubilier & Ross among other co-investors.

* The value was calculated based on an enterprise value of USD 15.5 billion multiplied by the percent sought.

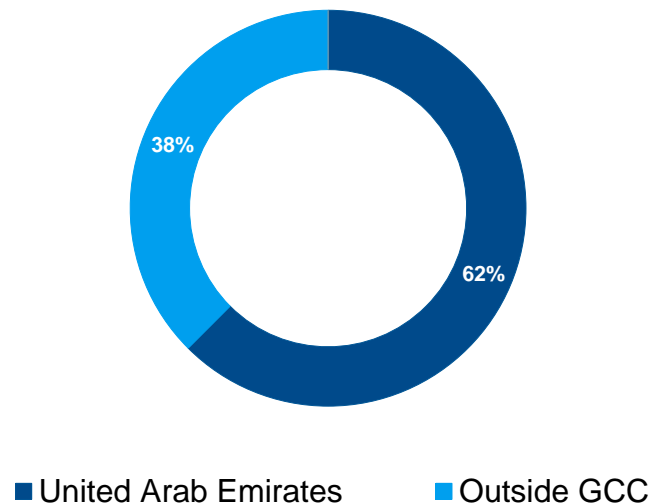
** The value was calculated based on the total injection of USD 13.9 billion multiplied by the percent sought.

*** The value was calculated based on the following assumptions: 1) Share closing price as of February 28, 2024 = USD 44.0/share , 2) Number of issued shares = 327.3 million and 3) Percent sought = 24.9%.

Merger & Acquisition Watch (contd.)

By: UAE Acquirers

**Target Companies
Geographical Distribution**
by Number of Transactions (Closed) (Q1 2024)



Key Takeaways

- Mubadala Investment Company (Mubadala), and co-investors Stone Point Capital, and Clayton, Dubilier & Ross, have announced the acquisition of 80% of Truist Insurance Holdings (Truist) for more than USD 12 billion, based on an implied enterprise value of USD 15+ billion. The transaction is expected to be completed during Q2 of 2024. Truist is the fifth-largest insurance broker in the United States with more than 200 offices for wholesale, retail, and insurance services. Note, the transaction follows Mubadala and co-investors' 20% stake acquisition back in March of 2023.
- Abu Dhabi Future Energy Company (Masdar) has closed the acquisition of a 49% stake in Dogger Bank South (DBS) offshore wind projects in the United Kingdom for a total consideration of ~ USD 7 billion. DBS is one of the world's largest planned offshore wind farms with a capacity of 3 gigawatts. The mega-facility is expected to power 3 million homes and is expected to be fully commissioned by the end of 2031.
- Abu Dhabi National Oil Company (ADNOC) has acquired a 25% stake in Austria-based global energy and chemicals group, OMV AG (OMV), from Mubadala Investment Company for just under USD 4 billion. Through the transaction, ADNOC has increased its shareholding in Borealis AG and Borouge plc, increasing its footprint in the chemicals industry. ADNOC and OMV are also in talks to create a new petrochemicals holding entity through a proposed merger of their shareholdings in Borealis AG and Borouge plc.
- Pure Health Holding (Pure Health) announced the acquisition of Circle Health Group (Circle Health) in a USD 1+ billion deal. Circle Health is the United Kingdom's largest private healthcare provider that offers market leading healthcare products and services. The acquisition is part of Pure Health's strategic expansion plan, long-term growth and value creation objectives.
- National Corporation for Tourism & Hotels (NCTH) is acquiring 100% of the share capital of ADH Hospitality RSC Limited (ADH Hospitality) and Hill View Resorts (Seychelles) Limited (Hill View) from subsidiaries of Alpha Dhabi Holding. The transaction consolidates 3 operating hotels and 1 soon to open hotel under the NCTH portfolio. Through the transaction, NCTH will issue 1+ million shares at par value (USD 0.3/share) to Alpha Dhabi Holding, increasing NCTH's capital to USD 586 million.

Merger & Acquisition Watch

By: Bahraini Acquirers

Targets & Buyers – Q1 2024

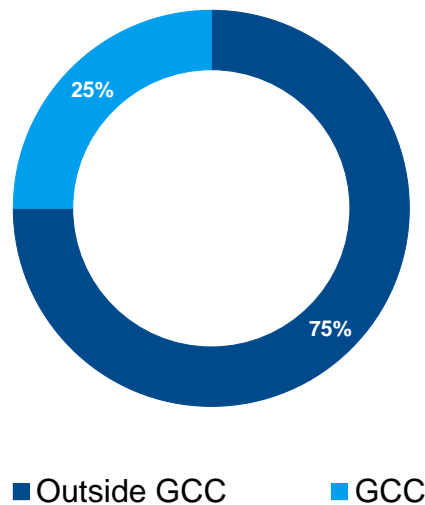
| Target Company | Target Country | Buyer | Percent Sought | Deal Value (USDmn) | Status |
|-----------------------------------|----------------|--|----------------|--------------------|-----------|
| Kuwait Finance House – Bahrain | Bahrain | Al Salam Bank | 100.0 | - | Announced |
| Emad Bakeries | Saudi Arabia | GreenCorp (platform owned by Gulf Islamic Investments) | 100.0 | - | Closed |
| Best in Class Technology Services | United States | Investcorp Holdings B.S.C. | 100.0 | - | Closed |
| VEDA GmbH | Germany | Investcorp Holdings B.S.C. | - | - | Announced |
| INSOMEA Computer Solutions | Tunisia | Beyon Group (Through its subsidiary: Beyon Solutions) | - | - | Closed |

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

Merger & Acquisition Watch (contd.)

By: Bahraini Acquirers

**Target Companies
Geographical Distribution**
by Number of Transactions (Closed) (Q1 2024)



Key Takeaways

- Al Salam Bank has announced the signing of agreements to acquire 100% of Kuwait Finance House – Bahrain (KFH Bahrain) from Kuwait Finance House Group (KFH Group). KFH Bahrain is one of two banking licenses held by KFH Group in Bahrain. The value of the transaction has not been disclosed and the transaction is subject to regulatory approvals.
- GreenCorp, a platform owned by Gulf Islamic Investments, has acquired 100% of KSA-based Emad Bakeries for an undisclosed amount. The transaction is part of GreenCorp's mandate to invest in high-growth, demand-driven, scalable, and sustainable food businesses across the GCC.
- Investcorp has completed the full acquisition of US-based Best in Class Technology Services (BCTS) for an undisclosed amount. BCTS is a leading provider of HVAC, electrical & plumbing maintenance and repairs & replacement services for critical end markets including industrial, medical, education, and commercial. Note, Investcorp aims to expand and grow BCTS through the acquisition.
- Investcorp Technology Partners, the technology arm of Investcorp, has entered into an agreement to acquire a majority stake in VEDA GmbH (VEDA), a Human Resources (HR) software company based in Germany. VEDA provides a platform solution for digital HR management, which includes payroll, time and security, recruiting, personnel development, and learning management. Investcorp aims to strengthen VEDA's go-to-market strategy and further develop the portfolio of products and services.
- Beyon Group (Beyon), through their subsidiary Beyon Solutions, has acquired a controlling stake in INSOMEA Computer Solutions (INSOMEA), a Tunisia-based regional Cloud IT solutions consultancy company. The acquisition of INSOMEA supports Beyon's strategic plan of growing its IT services with the ambition of becoming a leading Microsoft services provider in Bahrain and regionally.

Merger & Acquisition Watch

By: Omani Acquirers

Targets & Buyers – Q1 2024

| Target Company | Target Country | Buyer | Percent Sought | Deal Value (USDmn) | Status |
|---|----------------|---|----------------|--------------------|-----------|
| Polymetal International plc | Kazakhstan | Maaden International Investment | 24 | 381* | Closed |
| Al-Rayyan Grain Mills and Silos Company | Yemen | Salalah Mills Company | 50 | 7 | Announced |
| Tihama Power Generation Company | Saudi Arabia | Rakiza Fund – Oman Infrastructure Investment Fund | 40 | - | Closed |
| Dhofar Foodstuff & Investment Company | Oman | Salalah Mills Company | - | - | Announced |

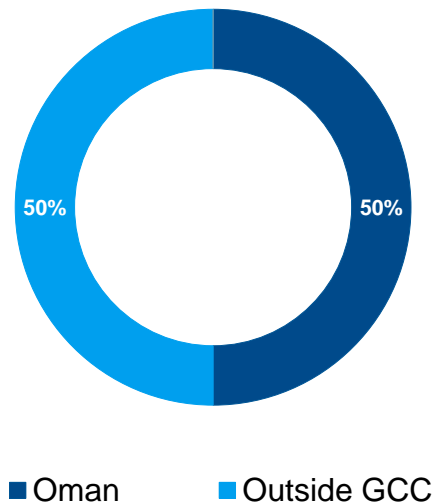
Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

* **Note:** This value is an estimate that was calculated based on: 1) Share price as of January 29, 2024 = USD 3.1/share, 2) Shares acquired = 123.1 million.

Merger & Acquisition Watch (contd.)

By: Omani Acquirers

**Target Companies
Geographical Distribution**
by Number of Transactions (Closed) (Q1 2024)



Key Takeaways

- Maaden International Investment (Maaden) has acquired a 24% stake in Polymetal International plc (Polymetal) from ICT Holding Limited's subsidiary in a transaction valued at USD 381 million. Polymetal is a precious mining company based in Kazakhstan.
- Salalah Mills Company (Salalah Mills) has signed an agreement to acquire a 50% stake in Yemen-based Al-Rayyan Grain Mills and Silos Company (Al-Rayyan Grain) for a total consideration of USD 7 million. The acquisition solidifies Salah Mills' commitment to regional expansion and addressing Yemen's food challenges.
- Rakiza, a private equity infrastructure fund managed by Oman Infrastructure Investment Management (OIM), has acquired a 40% stake in Tihama Power Generation Company (Tihama) for an undisclosed value. Tihama comprises four combined heat and power plants, where the output of the plants will be consumed by Saudi Aramco through a long-term agreement.
- Salalah Mills has announced its intention to conduct a feasibility study for the complete or partial acquisition of Dhofar Beverages & Foodstuff Company (Dhofar Beverages). Dhofar Beverages is one of the largest beverages companies based in Oman. The stake and value of the transaction have not been disclosed.

Merger & Acquisition Watch

By: Qatari Acquirers

Targets & Buyers – Q1 2024

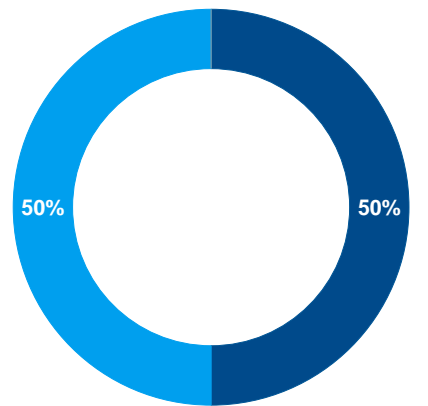
| Target Company | Target Country | Buyer | Percent Sought | Deal Value (USDmn) | Status |
|----------------------------|----------------|-----------------------------|----------------|--------------------|-----------|
| Undisclosed bank | Kazakhstan | Lesha Bank | 100 | - | Announced |
| Mobile Telecom Services | Kazakhstan | Power International Holding | 100 | - | Closed |
| Qatar Distribution Company | Qatar | Qatar Duty Free | 100 | - | Closed |

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

Merger & Acquisition Watch (contd.)

By: Qatari Acquirers

**Target Companies
Geographical Distribution**
by Number of Transactions (Closed) (Q1 2024)



■ Qatar ■ Outside GCC

Key Takeaways

- Lesha Bank announced that they are in discussions to acquire the entire share capital of an undisclosed bank in Kazakhstan. Neither the target bank nor the value of the acquisition was disclosed.
- Power International Holding has signed an agreement to acquire 100% of Mobile Telecom Services from National Telecommunications Company (Kazakhtelecom). The acquisition is in line with Power International Holding's strategic expansion plans to broaden the company's technological offerings.
- Qatar Duty Free has fully acquired Qatar Distribution Company for an undisclosed amount. Qatar Distribution Company is the sole licensed distributor of wines and spirits in Qatar. Through the acquisition, Qatar Duty Free expands the operations into distribution and domestic retail.

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