

An Overview of M&As and IPOs in the GCC



M&A activity in the GCC region has been on the rise in recent years, with a focus on sectors such as technology, healthcare, and retail. Some of the key M&A transactions in Saudi Arabia during 2022 included ACWA Power's acquisition of a 40% stake in the Shuqaiq Steam Power Plant and Sabic's acquisition of Clariant's Masterbatch business.

The 2nd largest GCC economy, the UAE, had the following major M&A transactions during 2022 included Abu Dhabi National Oil Company (ADNOC) becoming 100% owner of the Abu Dhabi Crude Oil Pipeline (ADCOP) after their deal with MDC.

The IPO activity in Saudi Arabia observed the following major Initial Public Offerings (IPOs):

- The IPO of Alawwal Bank, the kingdom's third-largest lender by assets.
- The IPO of National Commercial Bank, Saudi Arabia's largest lender by assets.
- The IPO of Alinma Tokio Marine, a joint venture between Alinma Insurance and Tokio Marine.
- The IPO of Tasnee, a leading industrial company in the kingdom.

UAE was not behind in the IPO market during 2022. Some of the major IPOs that took place in the UAE in 2022 were as follows:

- Abu Dhabi National Hotels' listing on the Abu Dhabi Securities Exchange.
- The IPO of Emaar Properties, the largest real estate developer in the UAE.
- The IPO of Dubai Electricity and Water Authority (DEWA), the largest utility company in the UAE.

It is difficult to predict M&As and IPOs likely to take place in the GCC in 2023. However, it is expected that the trend of M&A activity in the region will continue, with a focus on sectors such as technology, healthcare, and real estate. In terms of IPOs, it is expected that there will be a continued interest in listing on regional stock exchanges, especially for companies in sectors with high growth potential such as tech and renewables. Some of the large state-owned entities may also consider going public in 2023 to raise capital and increase transparency.