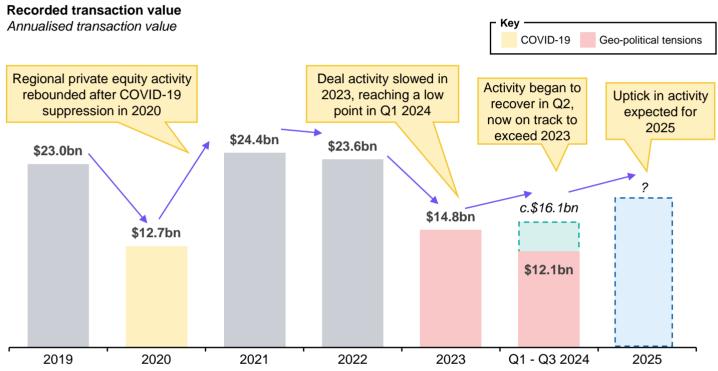


# Middle East Private Equity activity

## Management Consulting Q3 2024 roundup

Deal activity in the Middle East is on the rise, though international events have taken a toll on the market

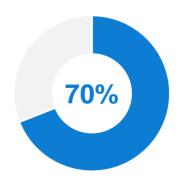
International PE and VC investments into the Middle East, 2019-2024



# Drivers of the slowdown are starting to ease, setting the stage for renewed growth

#### Geopolitical instability is expected to calm

Teneo surveyed 450 business leaders in the GCC and asked them, "how prepared is your company to address geopolitical challenges?"



of senior leaders state they are prepared to navigate geopolitical instability in the Middle East

# Interest rates are falling

3.4%

Consensus expectation for USD interest rates by end of 2025.

Down from **5.3%** in 2023

Note: Score is the weighted average

Sources: Teneo GCC Decision Makers' Survey; S&P Capital IQ data as of November 2024



# Middle East Private Equity activity

## Management Consulting Q3 2024 roundup

The mid-market segment sees the greatest volume of deal activity, with Software and Healthcare deals making up c.60%

Total deal activity in the Middle East, 2020-2024

**Small Deals** [<\$50m] \$21.0bn 1,981 deals Mid-market deals [\$50m-\$500m] \$38.8bn 301 deals **Large deals** [>\$500m] \$30.3bn 28 deals

#### Mid-market deals in the Middle East



Healthcare \$5.2bn 42 deals

Financials \$3.2bn 21 deals Consumer & Leisure \$3.2bn 24 deals

Media & Ent. \$2.5bn 16 deals Energy & Industrials \$2.8bn 11 deals

Tech, Hardware \$2.0bn 20 deals

> Others \$1.8bn 19 deals

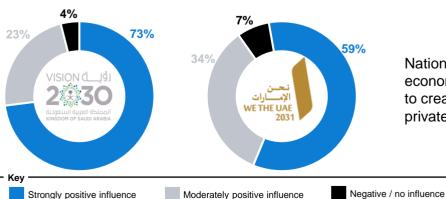
Average mid-market deal size is \$130m

Average number of deals per year is **c.63** 

The growing momentum is further supported by national transformation strategies employed in the region

National transformation strategies are expected to support growth

Teneo asked GCC experts, "from your experience, how does your country's national transformation plan influence decision-making within your sector?"



National transformation strategies and the economic shift away from oil are expected to create strong opportunities for private company growth

Sources: Teneo GCC Decision Makers' Survey; S&P Capital IQ data as of November 2024



# Middle East Private Equity activity

## Management Consulting Q3 2024 roundup

Teneo's Management Consulting team supports local and international investors throughout the asset lifecycle with a range of services

### **Deal lifecycle support**

### **Investment strategy**

Define investment strategy and value creation concept

#### Predeal

Post-

deal

Hold period

**Exit** 

#### Market scan

• Find the right target to acquire

#### Commercial due diligence

Assess the market, target, and value creation potential

### **Post-merger integration (PMI)**

 Plan and execute the integration and realise planned synergies

### **Portfolio strategy**

Identify portfolio synergies

#### Value creation

Maximise value over hold period

#### **Exit preparation**

Optimise the business for sale

#### Sales support

Vendor due diligence and process support

#### **Core sectors**









### Middle East Private Equity Practice – please get in touch



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