

February 18 at 4 PM GST



Transforming our Region: Future Insights - Economy and IPO Watch

Welcome

Stephen Anderson

Strategy Leader

PwC Middle East

01



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Middle East Economy Watch

Richard Boxshall

Chief Economist

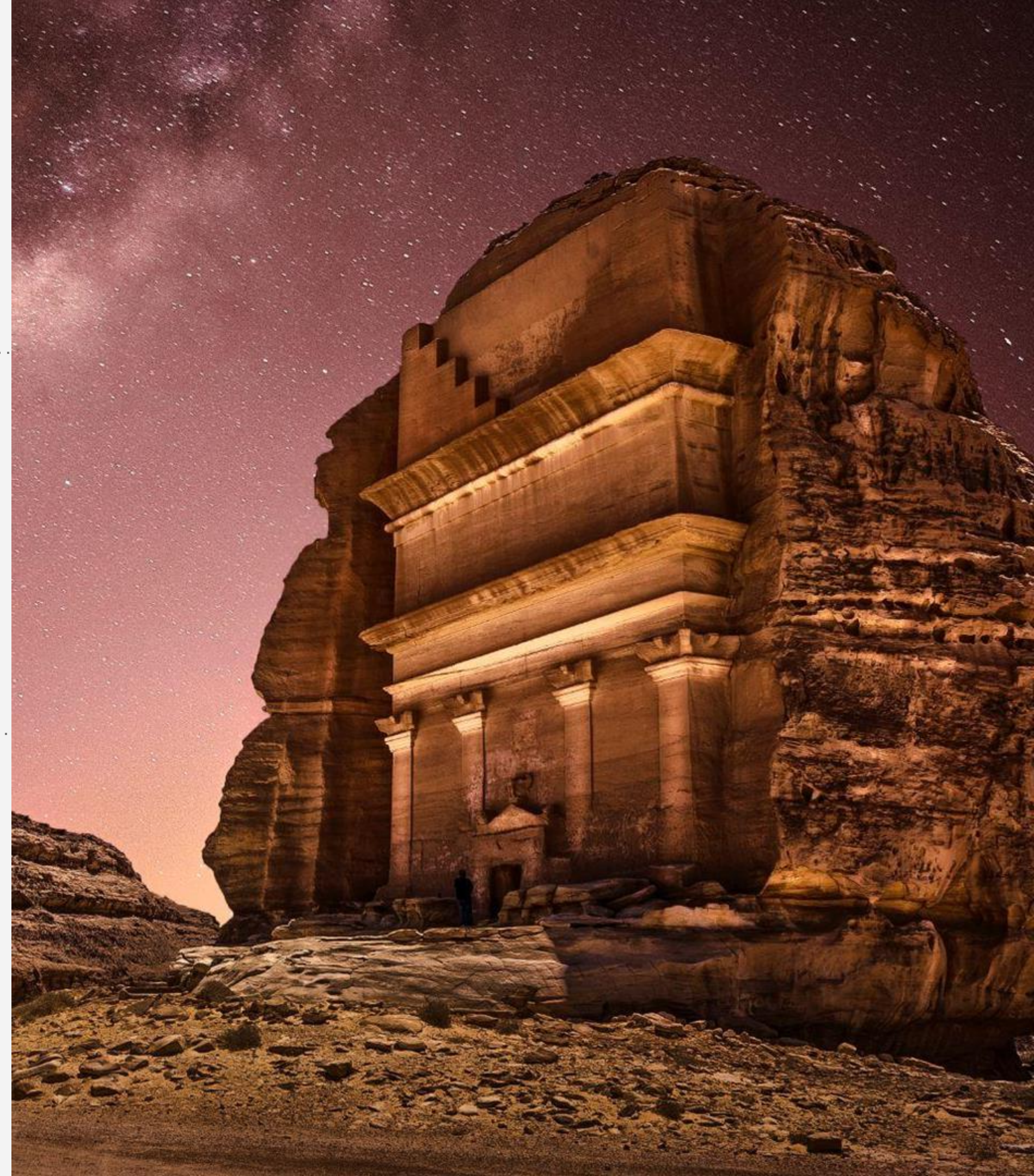
PwC Middle East

GCC IPO Watch

Muhammad Hassan

Capital Markets Leader

PwC Middle East



Middle East Economy Watch

Richard Boxshall

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02



Middle East Economy Watch

GCC strong growth and ambition, balanced with fiscal prudence

Key themes

01

OPEC+ extends oil cuts into 2026 but non-oil sector growth remains robust

02

Saudi Arabia’s fiscal balancing act

03

GCC economies are broadening their tax bases

04

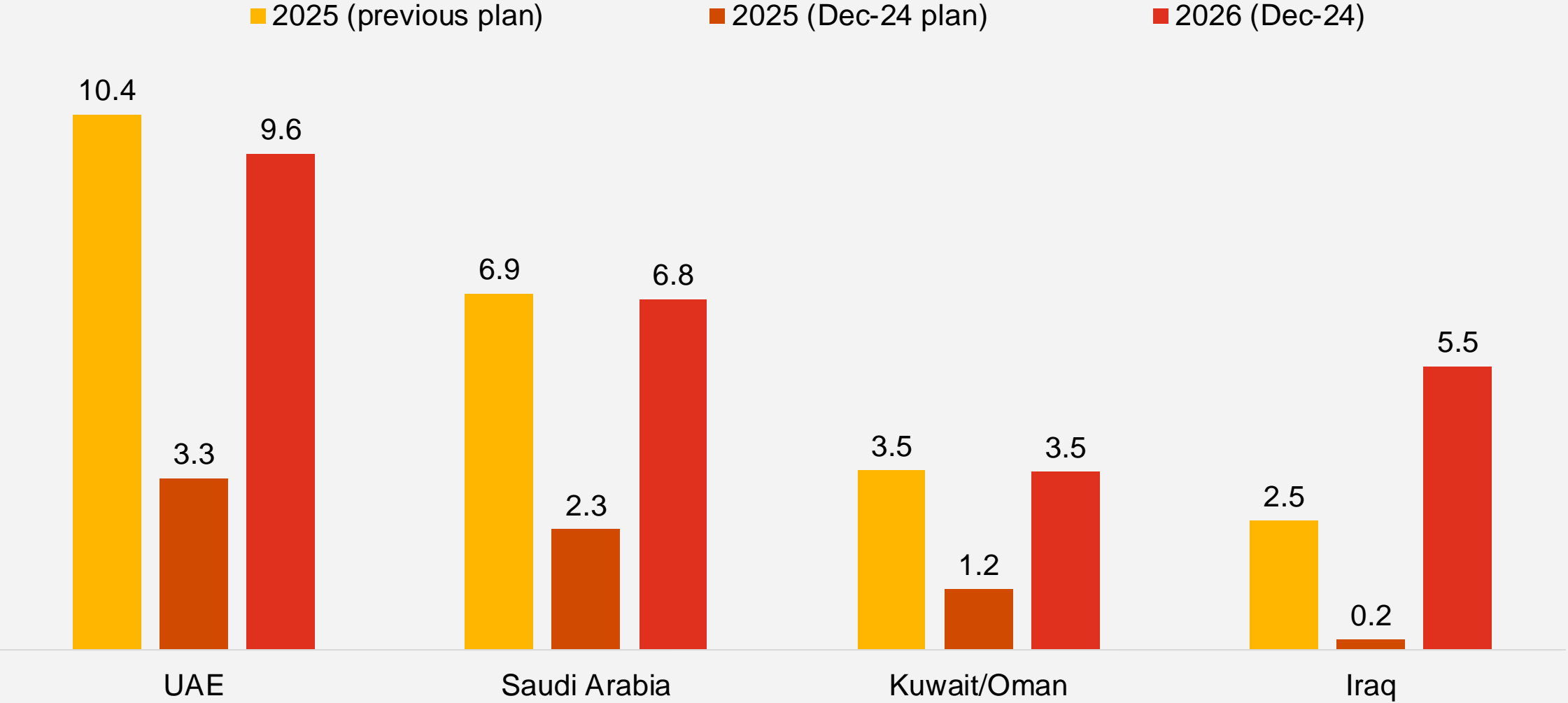
Resilient CEOs in the Middle East remain confident



Middle East Economy Watch

OPEC+’s decision to scale back its planned production increases in 2025 by about two-thirds and extend the tapering of cuts into 2026

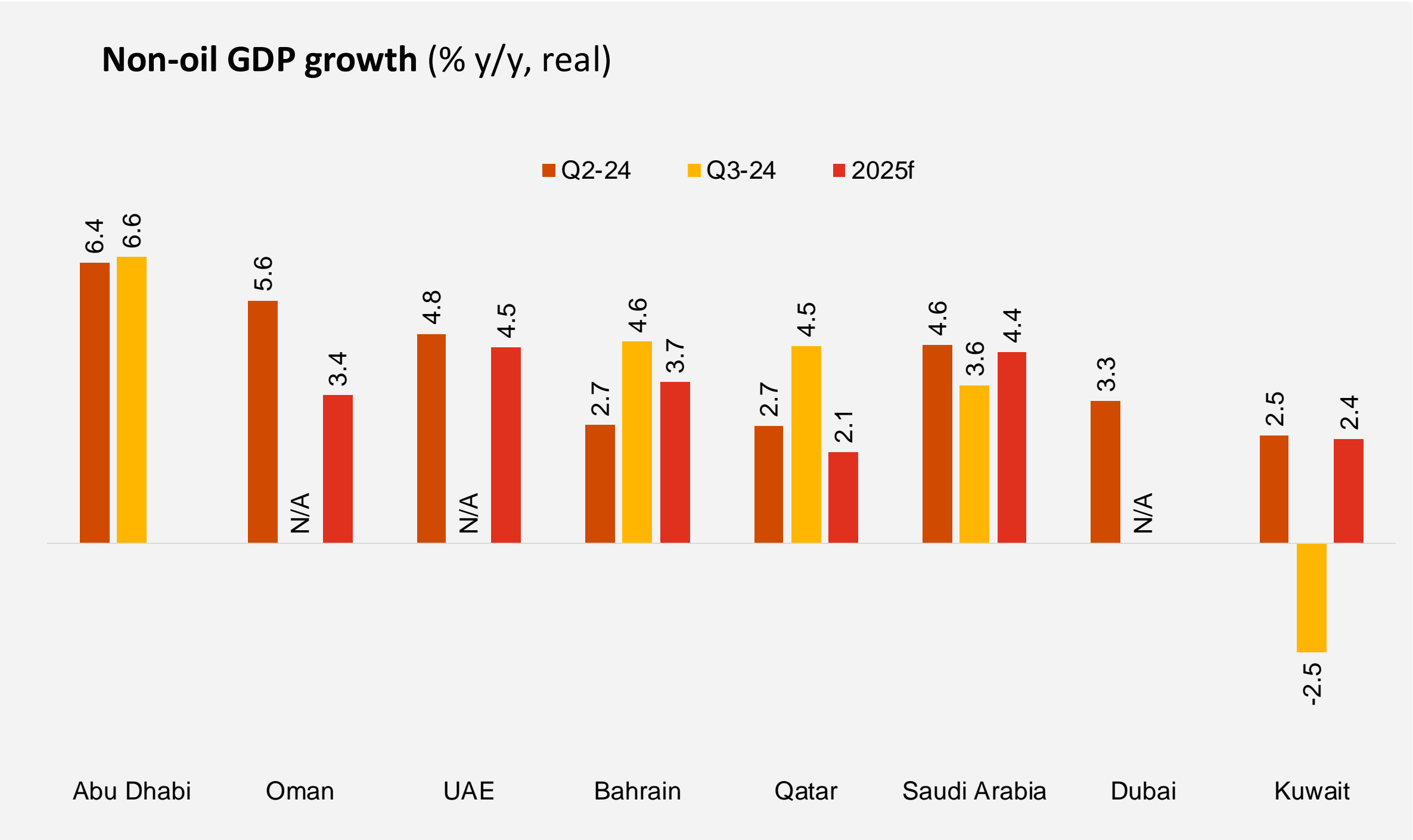
Trends in OPEC+ production allocations for Middle Eastern states (% y/y)



OPEC+’s extended production cuts aims to stabilise oil prices

Middle East Economy Watch

Despite oil market uncertainty, robust growth is expected in GCC's non-oil sectors



Non-oil sector growth remains robust in the GCC, with PMI data suggesting strong momentum going into Q1 2025

Middle East Economy Watch

Saudi Arabia's efforts to balance fiscal prudence with ambitious investment goals, as it recalibrates its priorities to strengthen the private sector, enhance tourism and advance infrastructure projects

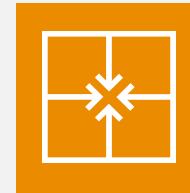


Vision 2030 execution

US\$5tn

investments in over 5,000 projects drive KSA's economic diversification

- Key projects act as strategic enablers of economic transformation, **setting the stage for KSA to become a global hub for business, tourism, and culture by 2030**



Fiscal prudence in action

Expenditure reprioritisation

pivoting towards value-based spending

- Initiatives include **strengthening the private sector, developing tourism offerings while continuing spending on giga projects**



Investments in quality of life and infrastructure

US\$1.3tn

infrastructure investments expand residential, commercial and hospitality developments

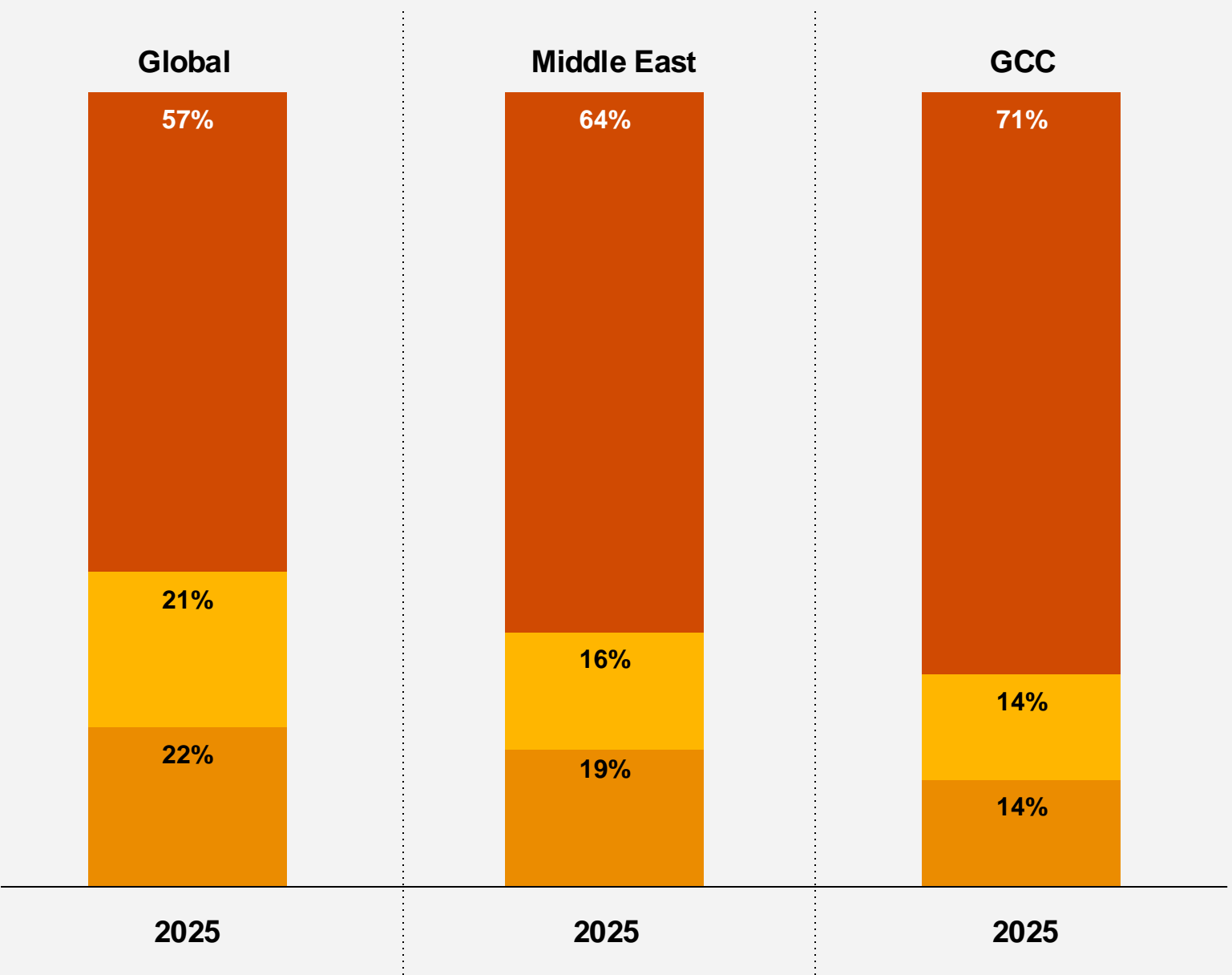
- Key projects in Riyadh are reshaping the city and will enable it to **host major global events**, including the **2034 FIFA World Cup**

Middle East Economy Watch

CEOs in the Middle East's remain confident about growth in 2025

Q. How do you believe economic growth (i.e. gross domestic product) will change, if at all, over the next 12 months in your territory?

- Improve
- Stay the same
- Decline



90%
of CEOs in GCC optimistic about revenue growth in 2025

71%
of regional CEOs indicate optimism about their own territory's economic growth



GCC IPO Watch

Muhammad
Hassan

Capital Markets Leader
PwC Middle East

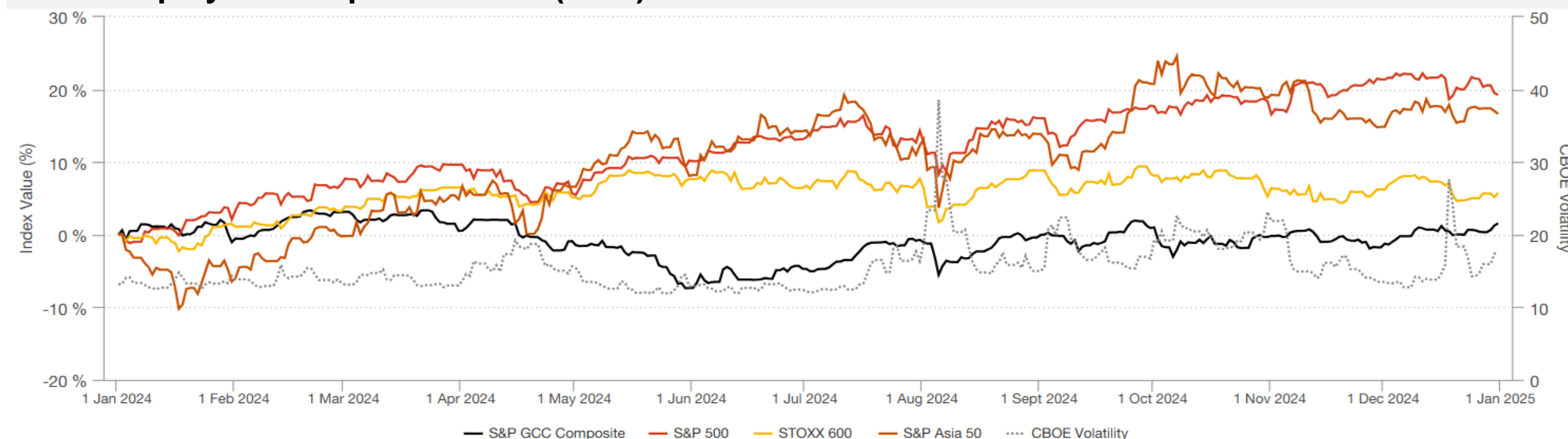
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GCC IPO Watch

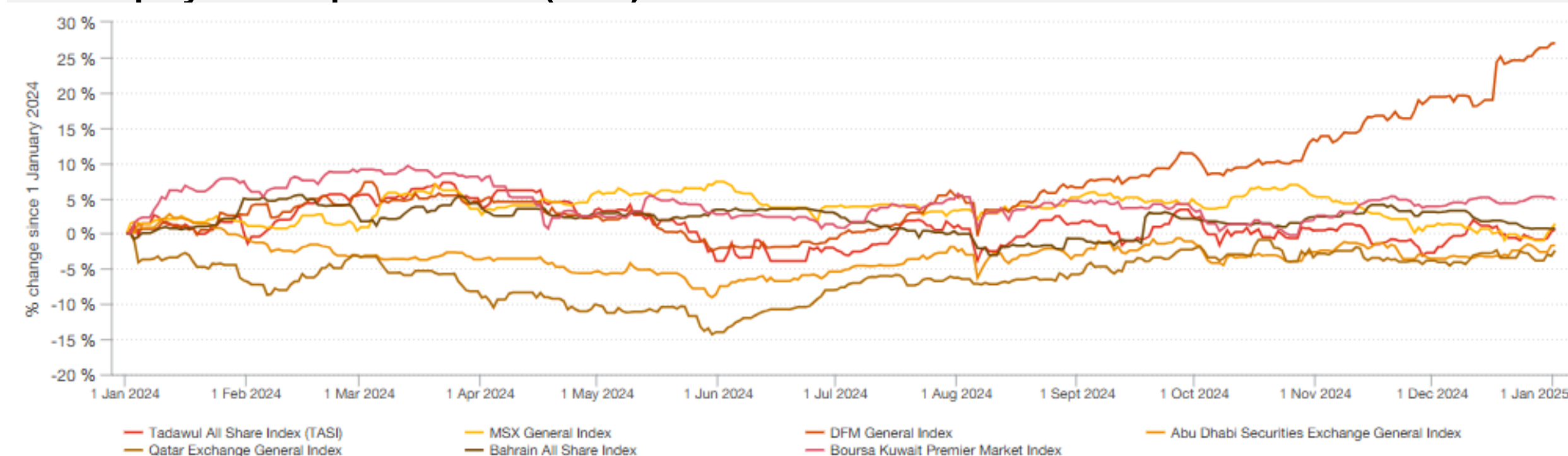
Muted GCC equity market performance in 2024 beyond DFM

Global equity market performance (2024)



US, Asia and Europe equity markets **outperformed** **GCC exchanges** in 2024

GCC equity market performance (2024)



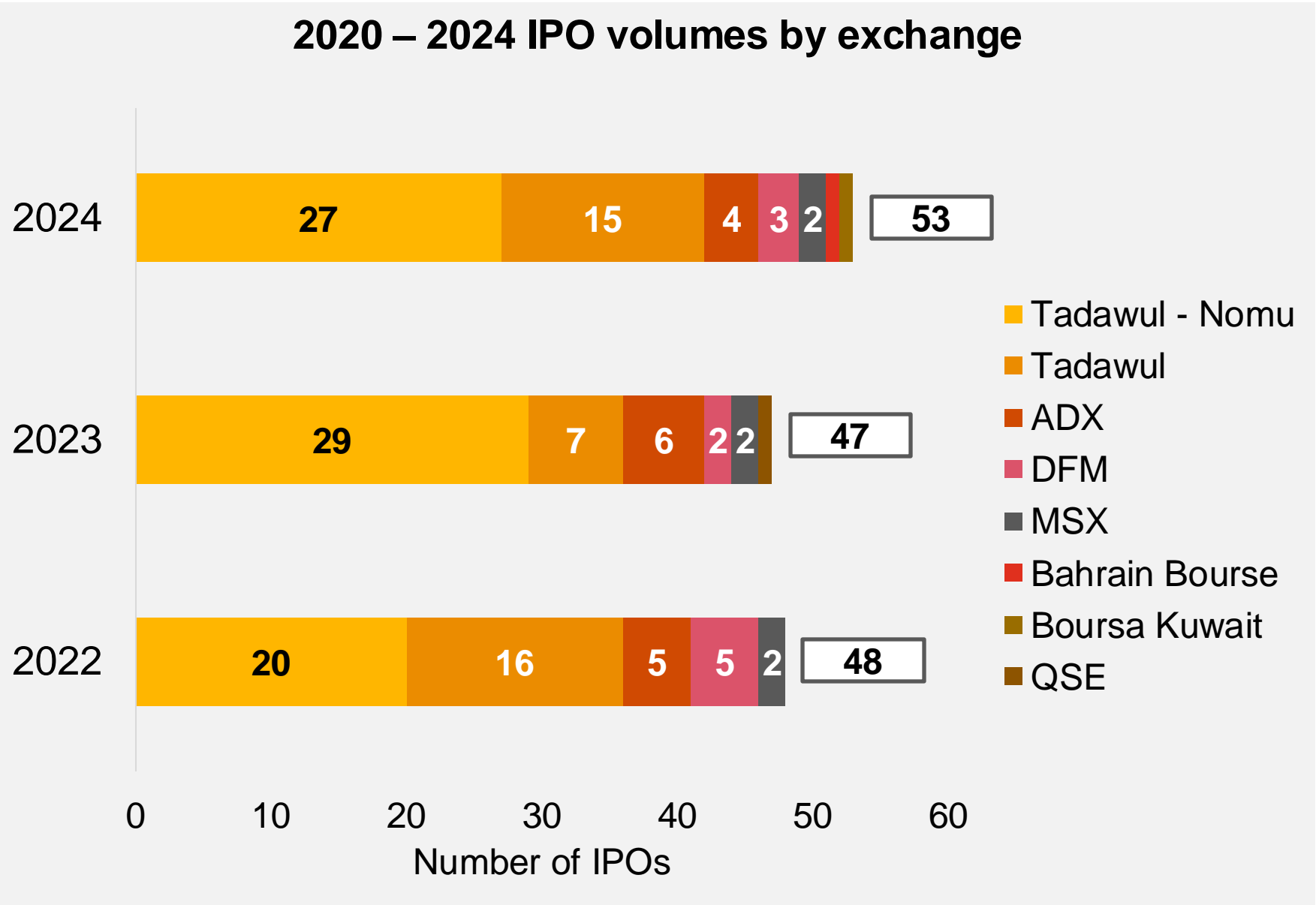
Mixture of **modest gains and marginal losses** across most GCC indices

Stand out performance by Dubai Financial Market

- Ended the year 27% up
- Growth across most sectors
- Real Estate sector key driver

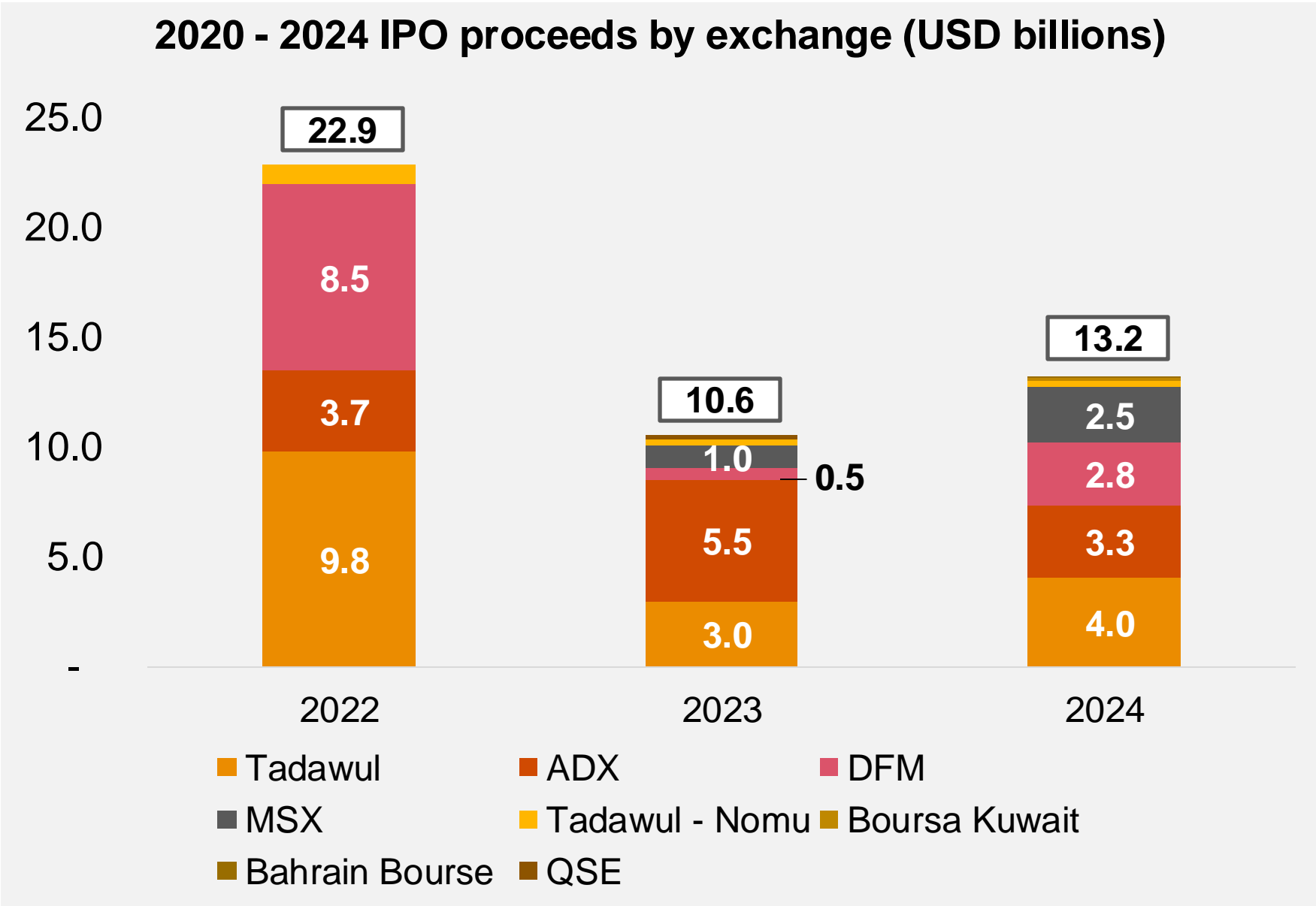
GCC IPO Watch

Highest GCC IPO volumes on record with 53 listings across the region



Tadawul led the region in terms of volumes with 15 Main Market and 27 Nomu listings

Buoyant activity in the UAE also with 3 DFM (Dubai) and 4 ADX (Abu Dhabi) listings



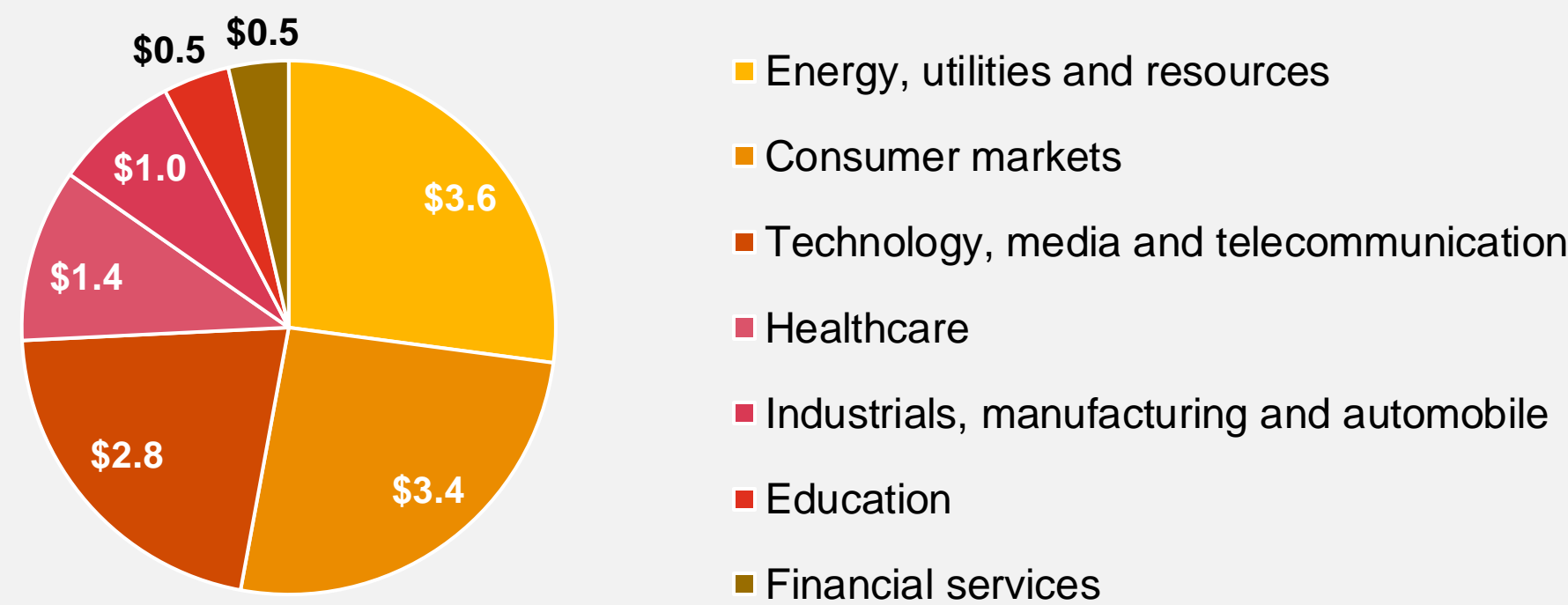
\$13.2bn raised across GCC exchanges in 2024 (2023: \$10.6bn)

\$6.2bn raised on **UAE exchanges**, almost 50% of total GCC proceeds

GCC IPO Watch

Diverse range of businesses across multiple sectors came to market in 2024

2024 IPO proceeds by sector (USD billions)



73% of GCC IPO proceeds from **non energy, utilities and resources sector**

5 largest GCC IPOs in 2024

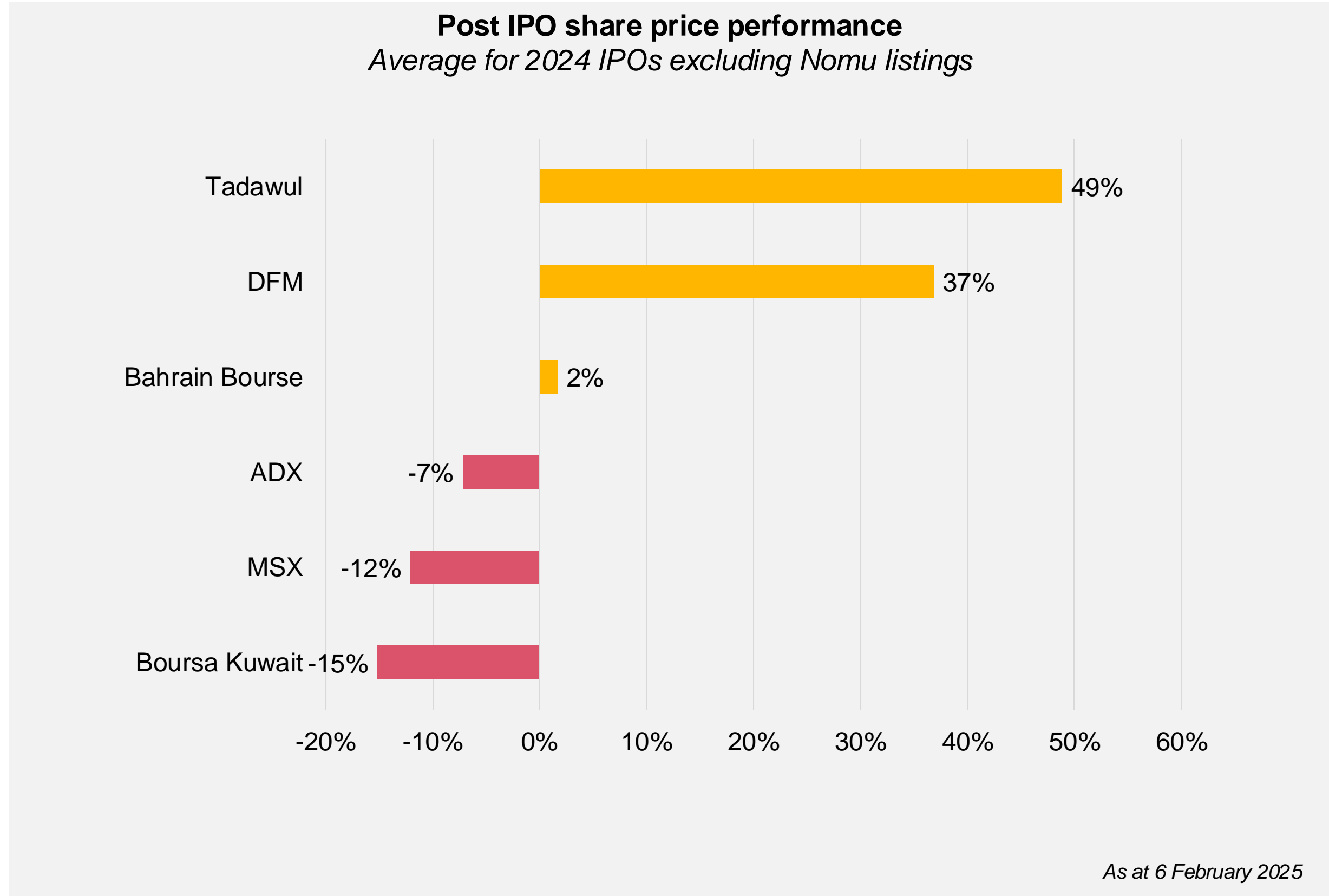
<div>Talabat Holding PLC</div> <div>Exchange: DFM Listing date: 10 December 2024 Money raised:</div> <div>\$2.0bn</div>	<div>OQ Exploration And Production</div> <div>Exchange: MSX Listing date: 28 October 2024 Money raised:</div> <div>\$2.0bn</div>	<div>Lulu Retail Holdings PLC</div> <div>Exchange: ADX Listing date: 14 November 2024 Money raised:</div> <div>\$1.7bn</div>	<div>NMDC Energy P.J.S.C</div> <div>Exchange: ADX Listing date: 11 September 2024 Money raised:</div> <div>\$0.9bn</div>	<div>DR. Soliman Abdel Kader Fakeeh Hospital Company</div> <div>Exchange: Tadawul Listing date: 5 June 2024 Money raised:</div> <div>\$0.8bn</div>
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Diverse range of market entrants in 2024:

- **Privatisations**
- **Large corporates**
- **Family businesses**

GCC IPO Watch

Mixed after market performance across the GCC



Tadawul - 12 of 15 IPOs currently trading ahead of offer price

DFM – All 3 IPOs now trading ahead of offer price

ADX – 3 of 4 IPOs trading below offer price



Q&A



Thank you