

The New Equation

Transforming our region

Webcast series

Tuesday 21 March 2023



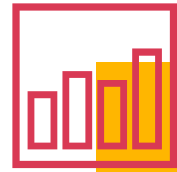
Agenda



Welcome

Stephen Anderson

Strategy Leader
PwC Middle East



Economic Update

Jing Teow

Director, Economics & Sustainability
PwC Middle East



TransAct Middle East

Zubin Chiba

Corporate Finance Leader
PwC Middle East



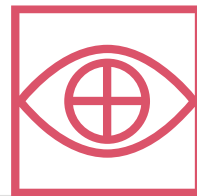
Sustainable Cities

Hazem Galal

**Partner, Cities & Local Government Global
Leader, Global Smart Mobility Co-Leader**
PwC Middle East

Welcome

Stephen Anderson
Markets Leader
PwC Middle East



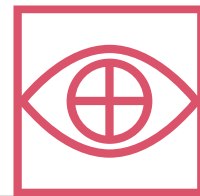
01

Economic update

Jing Teow

Director, Economics & Sustainability

PwC Middle East



02

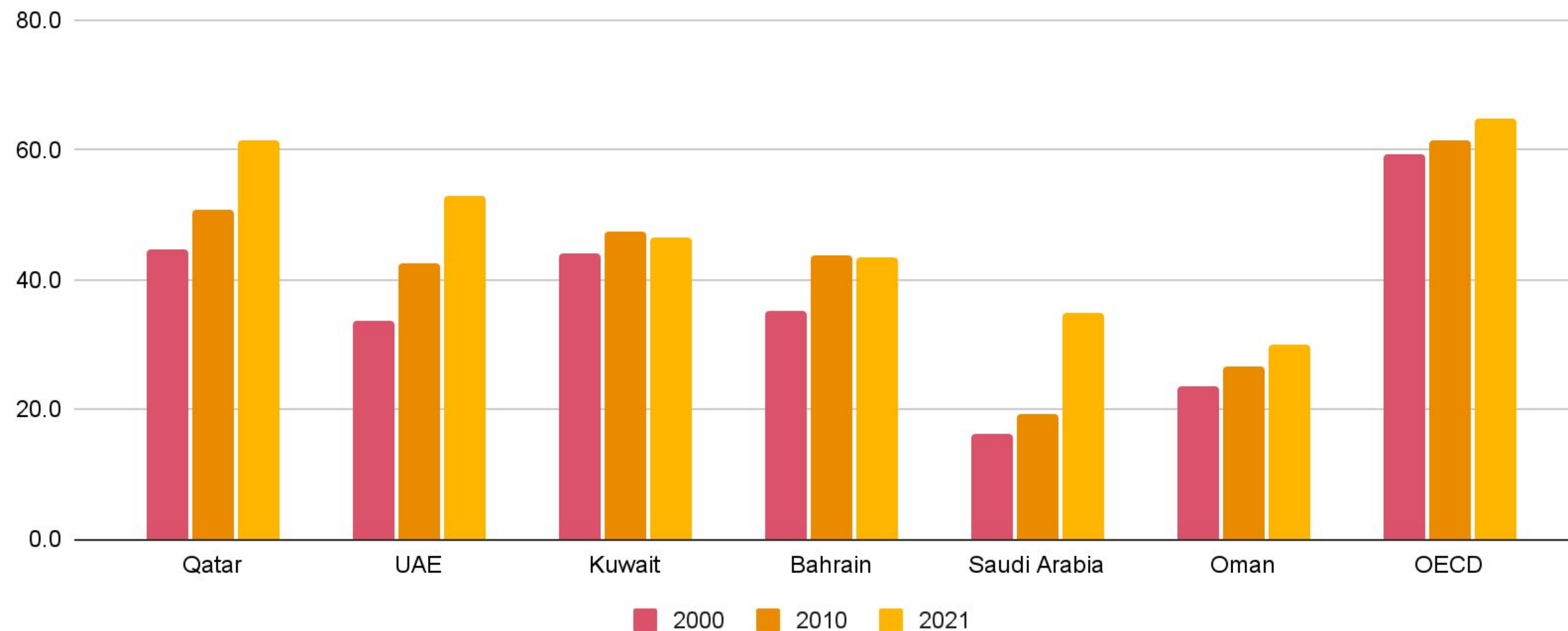


Economic Update

The GCC countries have achieved significant advances in female labour force participation

Female labour force participation rate in GCC states

(% of population aged 15+)



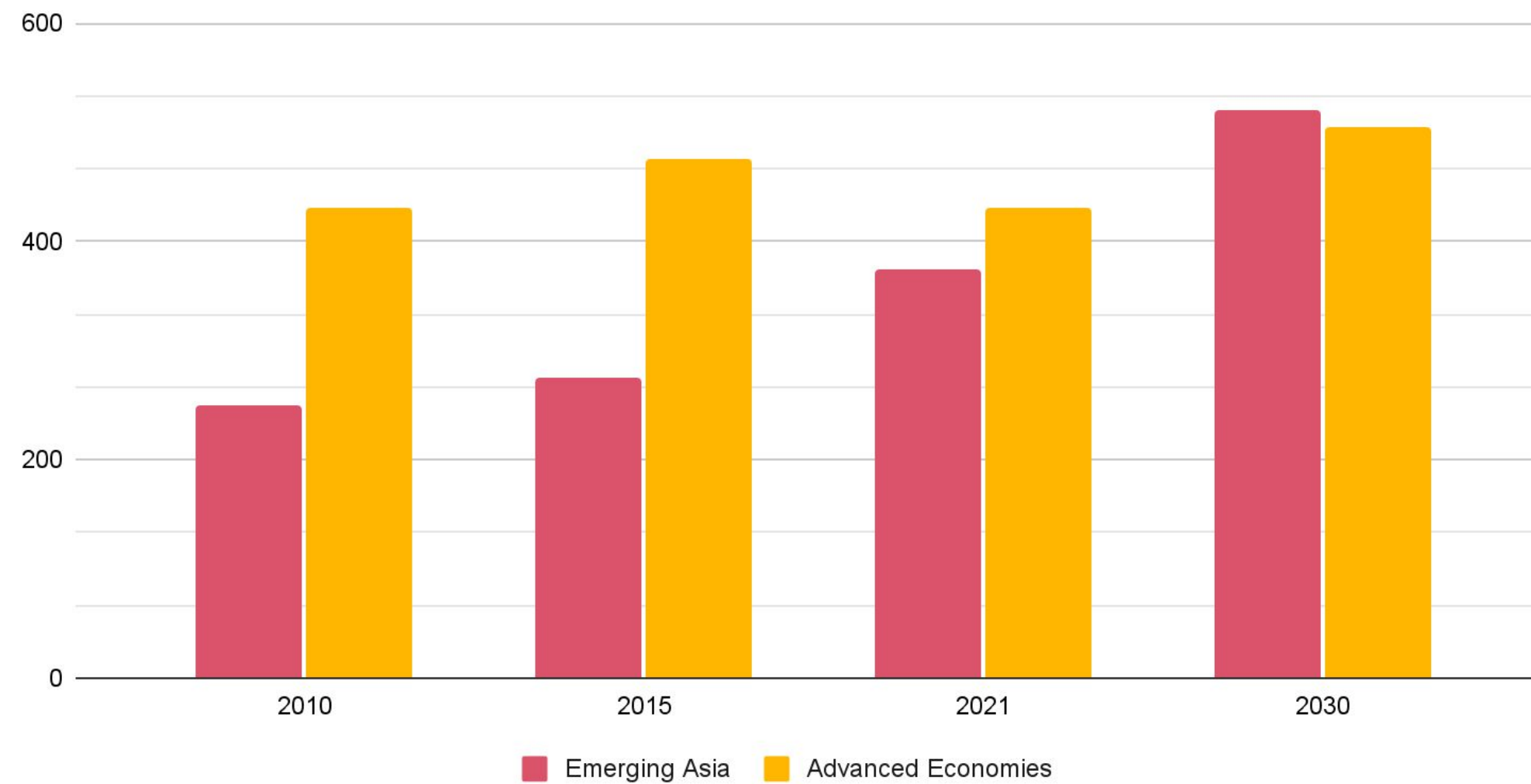
Sources: Qatar Planning and Statistics Authority (PSA); UAE Federal Competitiveness and Statistics Centre (FCSC); Saudi Arabia General Authority for Statistics (GaStat); International Labour Organization (ILO). Data for Kuwait, Bahrain and Oman for 2017-2021 is taken from ILO data as no local source data is published. Data for UAE for 2021 is taken from ILO data as there is no FCSC data available for that year. Saudi Arabia's data for 2022 is taken from Q3 2022 GaStat data. ILO data is unavailable for 2022.

Economic Update

The GCC's pivot to Asia

GCC trade with Emerging Asia is catching up with Advanced Economies

(US\$ billions)



Source: IMF Direction of Trade Statistics (DOTS)

2023 TransAct Middle East report

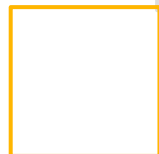
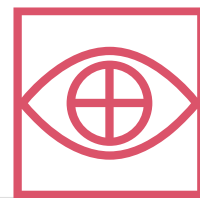


Zubin Chiba

Corporate Finance Leader
PwC Middle East

Rand Shuqair

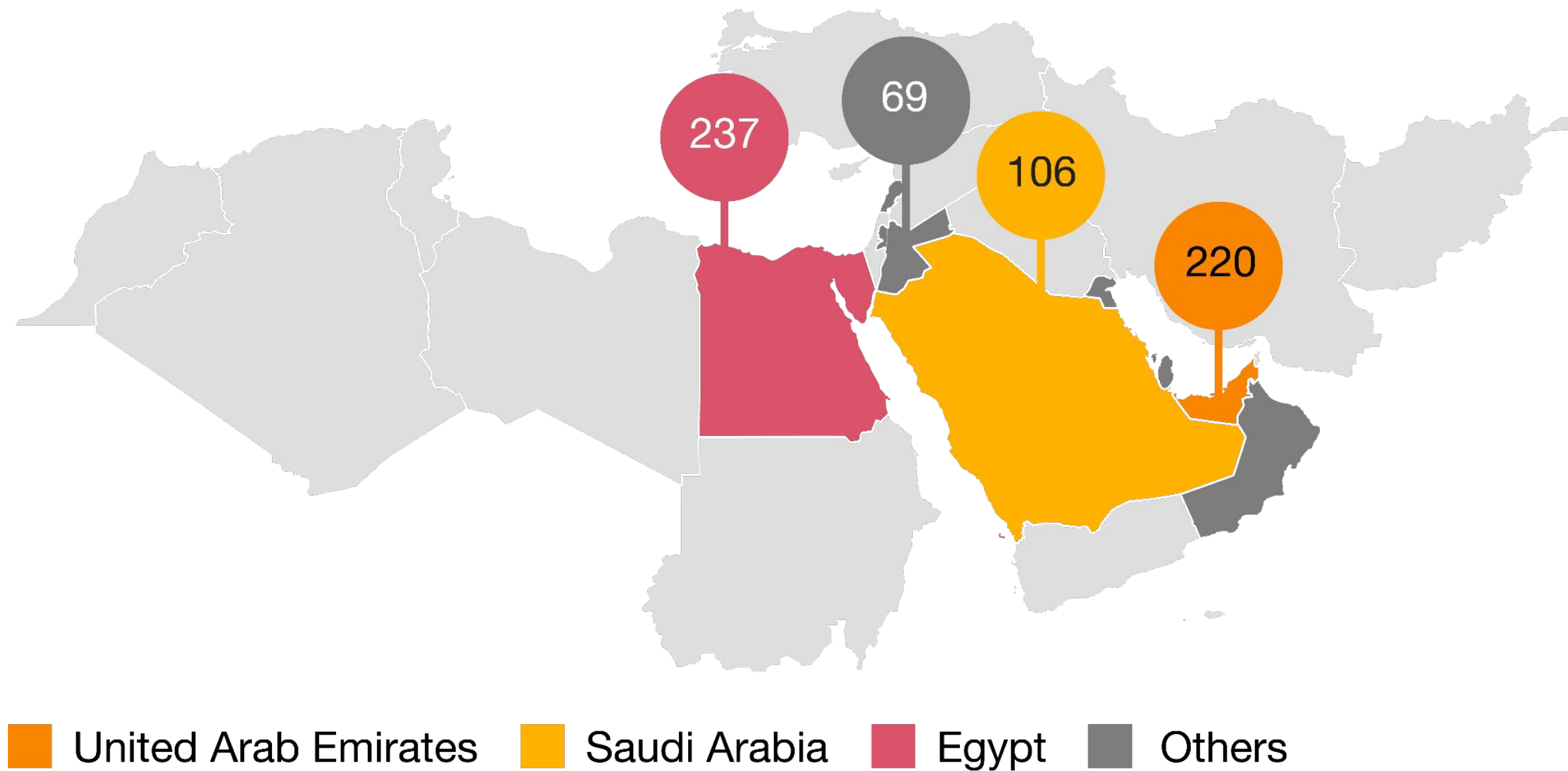
Corporate Finance Director
PwC Middle East



03

Deal Volumes by Country (2022)

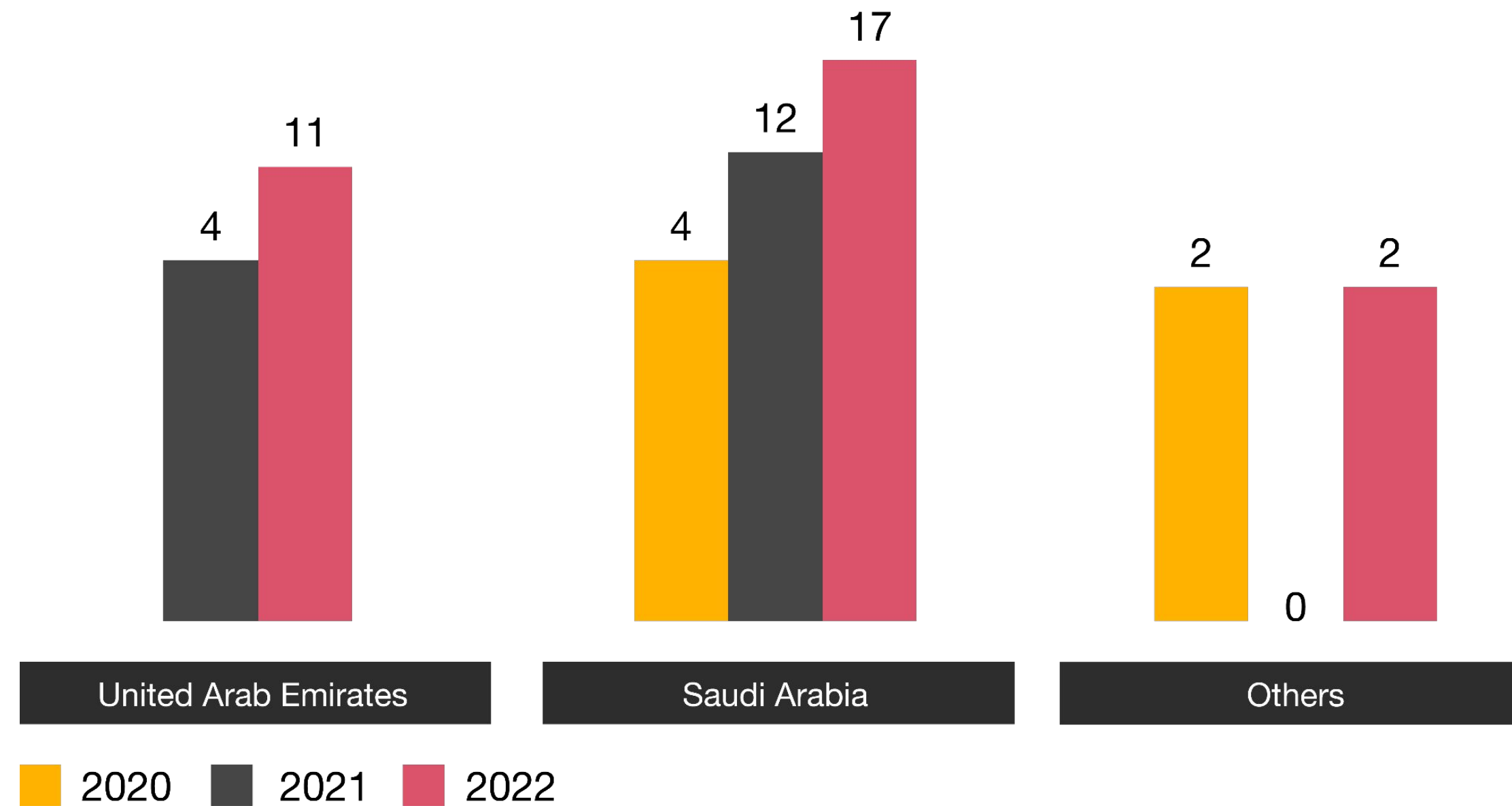
Deal Volumes by Country (2022)



Source: PwC analysis based on Refinitiv Eikon data

Number of Primary Listings per Country (2020-2022)

Number of Primary Listings by Country (2020-2022)

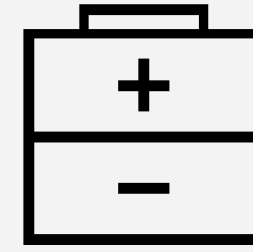


Source: PwC analysis based on S&P Capital IQ data
*Main market listing on Tadawul excluding Nomu listings

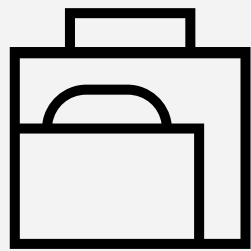
Sector Highlights



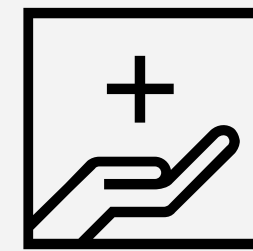
Technology, Media & Telecommunication



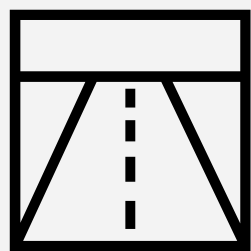
Energy & Power



Retail and Consumer Markets



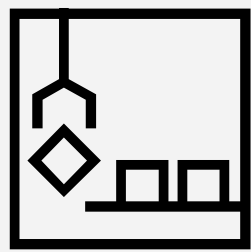
Healthcare



Real Estate & Infrastructure

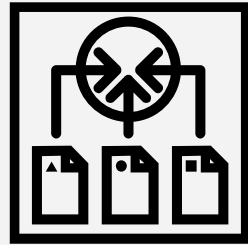


Financial Services

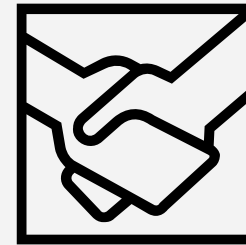


Industrial Manufacturing & Automotive

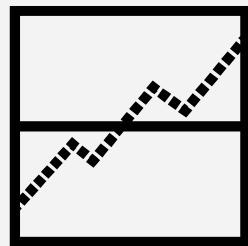
2023 Key M&A Themes



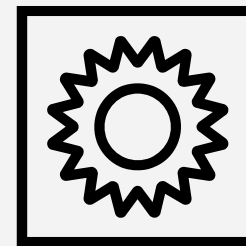
Deep resources available to support M&A investments



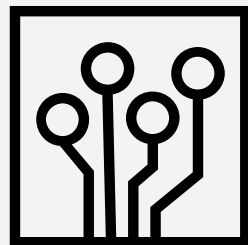
Cross-border M&A continues, building up national and regional champions



Higher interest rate environment should stimulate increased focus on value creation



The energy transition is creating new M&A opportunities

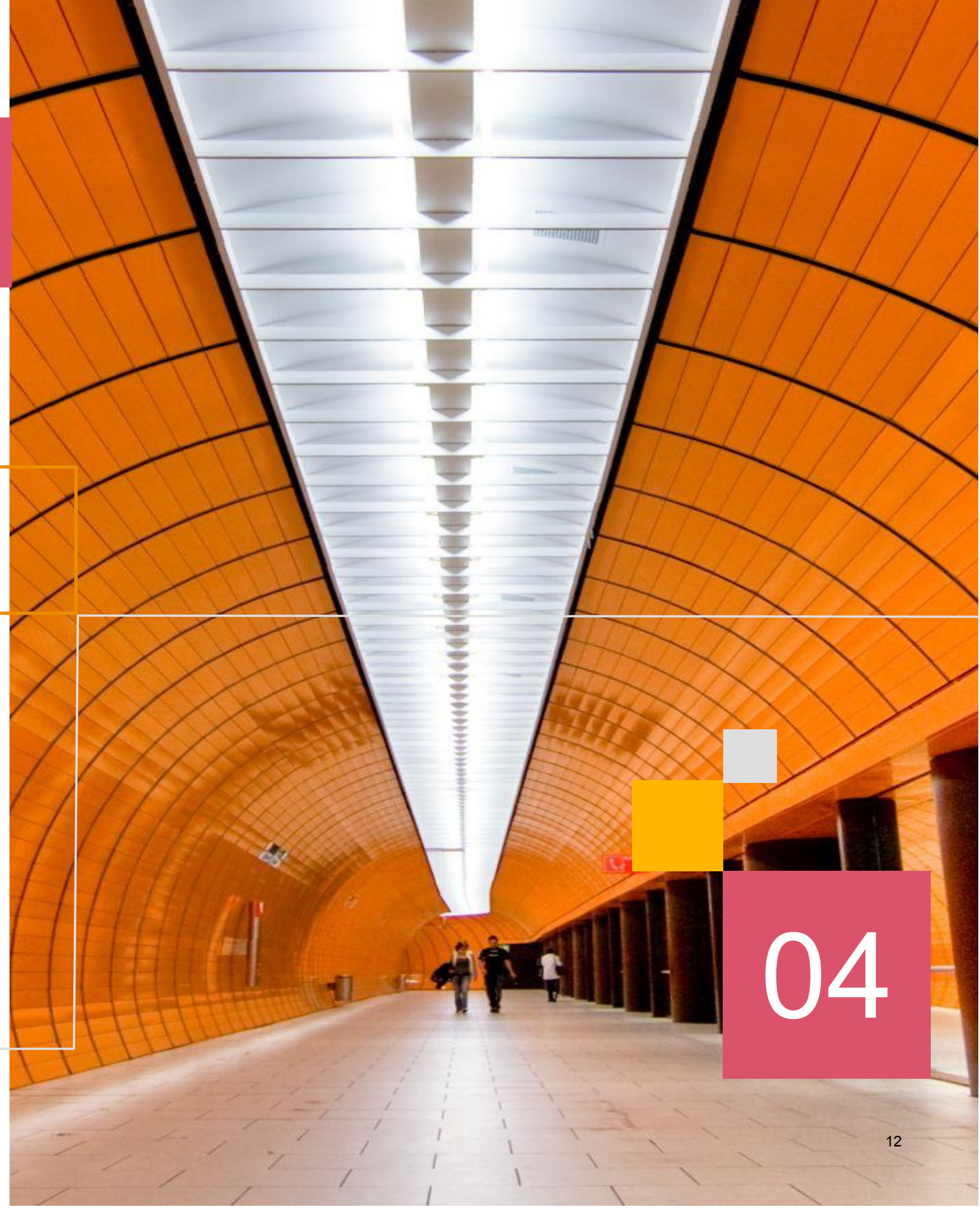
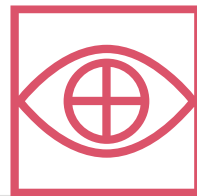


Strong focus on technology and infrastructure

Building Sustainable Cities

Hazem Galal

Partner, Cities & Local Government Global
Leader, Smart Mobility Co-Leader
PwC Middle East



Why cities are important

57%

Of the world's population live in cities

78%

of the world's energy is consumed by cities

Cities play a critical role in energy transition agendas



4 types of cities

Financial self-sufficiency

HIGH

A few example cities...

Striving

- Low levels of political autonomy in setting fiscal policies supported by the ability to use regulatory instruments
- Low levels of dependence on national-level funding for supply of energy

Self-reliant

- High levels of political autonomy in setting fiscal policies supported by the ability to use regulatory instruments
- Low levels of dependence on national-level funding for supply of energy



Striving
Lakeland



Self-reliant
Singapore



Dubai

Dependent

- Low levels of political autonomy in setting fiscal policies supported by the ability to use regulatory instruments
- High levels of dependence on national-level funding for supply of energy

Aspiring

- High levels of political autonomy in setting fiscal policies supported by the ability to use regulatory instruments
- High levels of dependence on national-level funding for supply of energy



Dependent
Mexico City



Aspiring
Helsinki

LOW

Political autonomy

Case studies: Dubai, Helsinki, Singapore



Dubai

- 325 electric vehicle green charging stations developed across the city - EV ownership has soared as a result
- Changes in consumer behaviour encouraged as one approach to achieving decarbonisation



Helsinki

- Set a bold goal to become carbon neutral by 2035
- Using creativity and expertise of their own community to tackle the challenge
- The goal is to come up with future solutions to decarbonise the city's largest carbon emitter - heating



Singapore

- Leader in adapting its urban infrastructure to meet net zero
- The first southeast Asian country to introduce a carbon tax
- Plans to connect to Australia's solar resource via a 4000 km subsea power line

Call to action

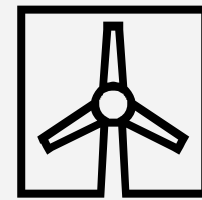
4 pathways for fueling urban futures

Modernising regulations



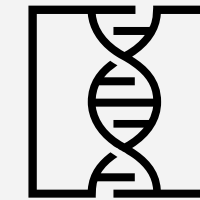
- Stay on top of advancing technologies - e.g. **EVs**, **decentralised energy systems**
- Provide incentives for the development of **clean energy sources**

Energy resilience & sustainability planning



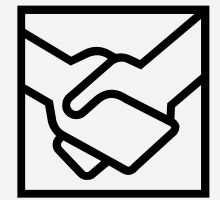
- Investing in infrastructure - e.g. **EV charging stations**
- Re-think strategies on a **national-scale** and invest in infrastructure

Investing in R&D



- Investing in emerging technologies - e.g. **AI**, **machine learning**, **blockchain**
- Launch test beds, monitor impact & potential scalability

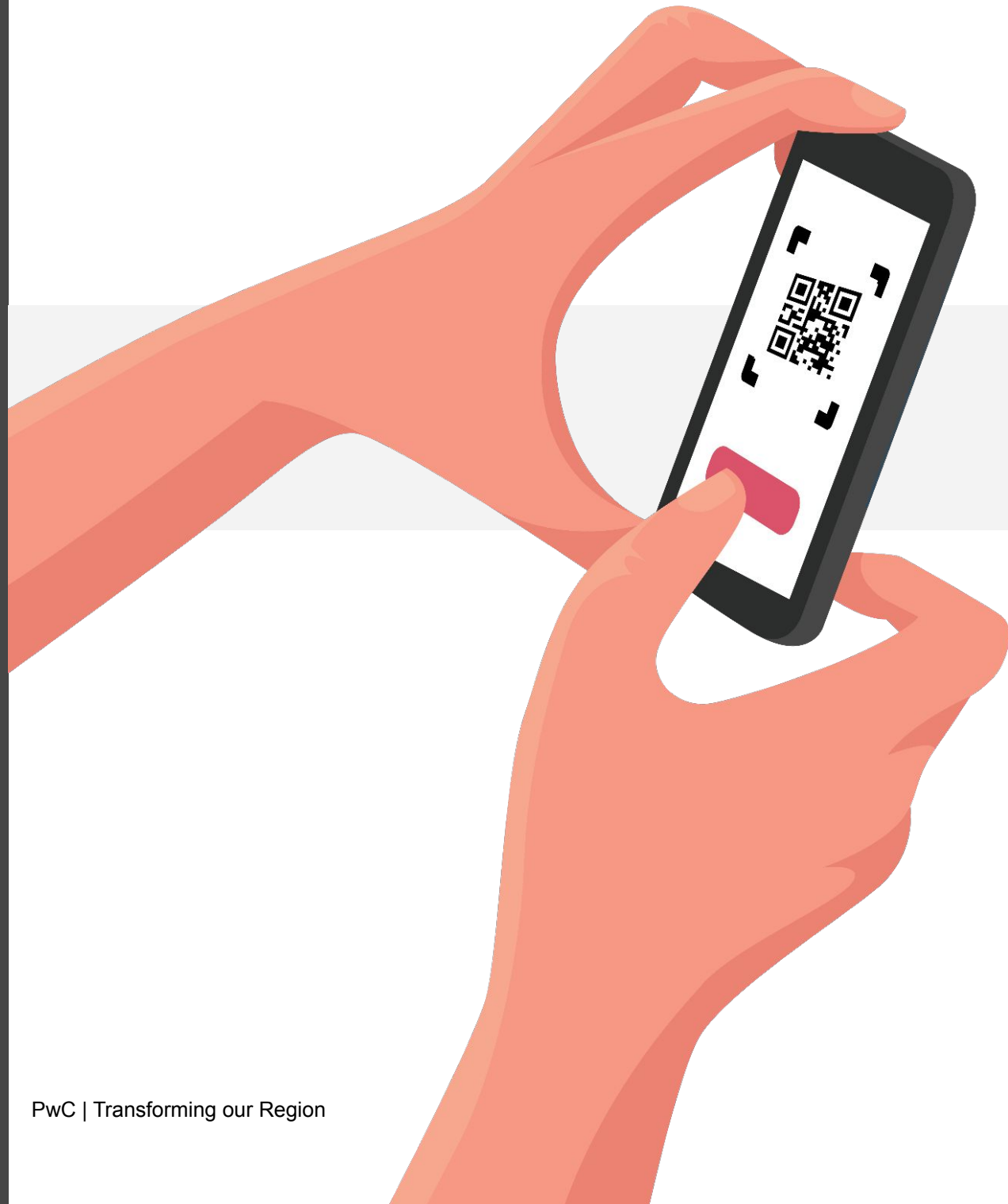
Reimagining PPPs



- Cities examine ways of **extending terms** of contracts to fit the private sector
- Consider **new business models** that support innovative solutions

Building sustainable cities

How urban infrastructure can address energy challenges and shocks



Scan to read more in our report:



Q&A



Thank You

