



Transforming our Region: Special Edition 28th CEO Survey: Middle East findings

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Welcome

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Strategy Leader

PwC Middle East

01



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Economic Updates

Jing Teow

Economics &
Sustainability | Director
PwC Middle East

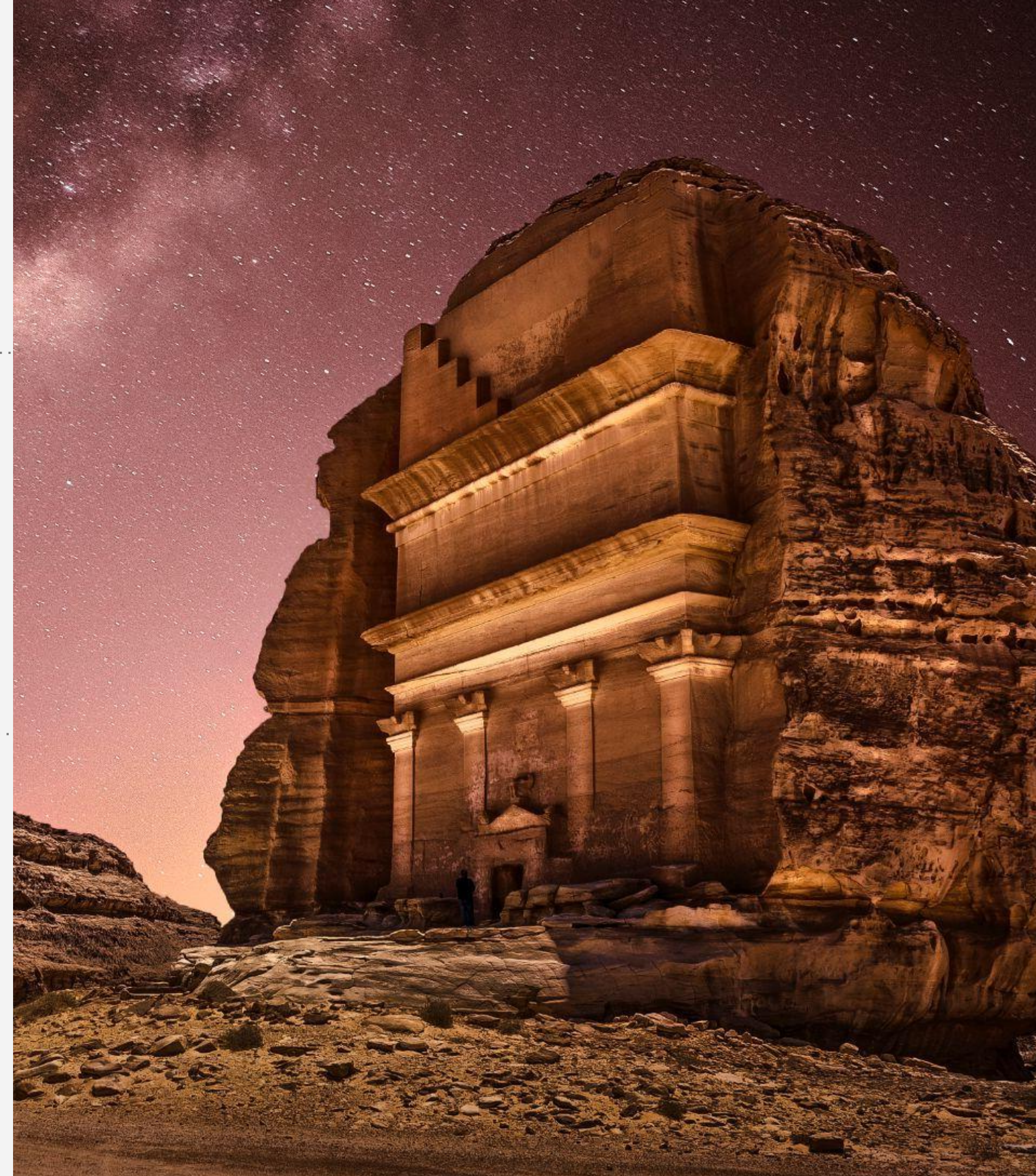
CEO Survey

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Strategy&



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Economic Updates

Out now! Five GCC economic themes to watch in 2025

Five GCC economic themes to watch in 2025



Time for prudence

Balancing prudent fiscal management with strategic sovereign borrowing



Achieving tax harmony

Aligning with the OECD Pillar 2 framework



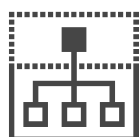
Building bridges

Navigating geoeconomic fragmentation with trade openness and strategic alliances



Urban evolution

Advancing urban developments to position the GCC as a leading talent hub



AI infrastructure boom

Leading in AI with major infrastructure investments and global partnerships



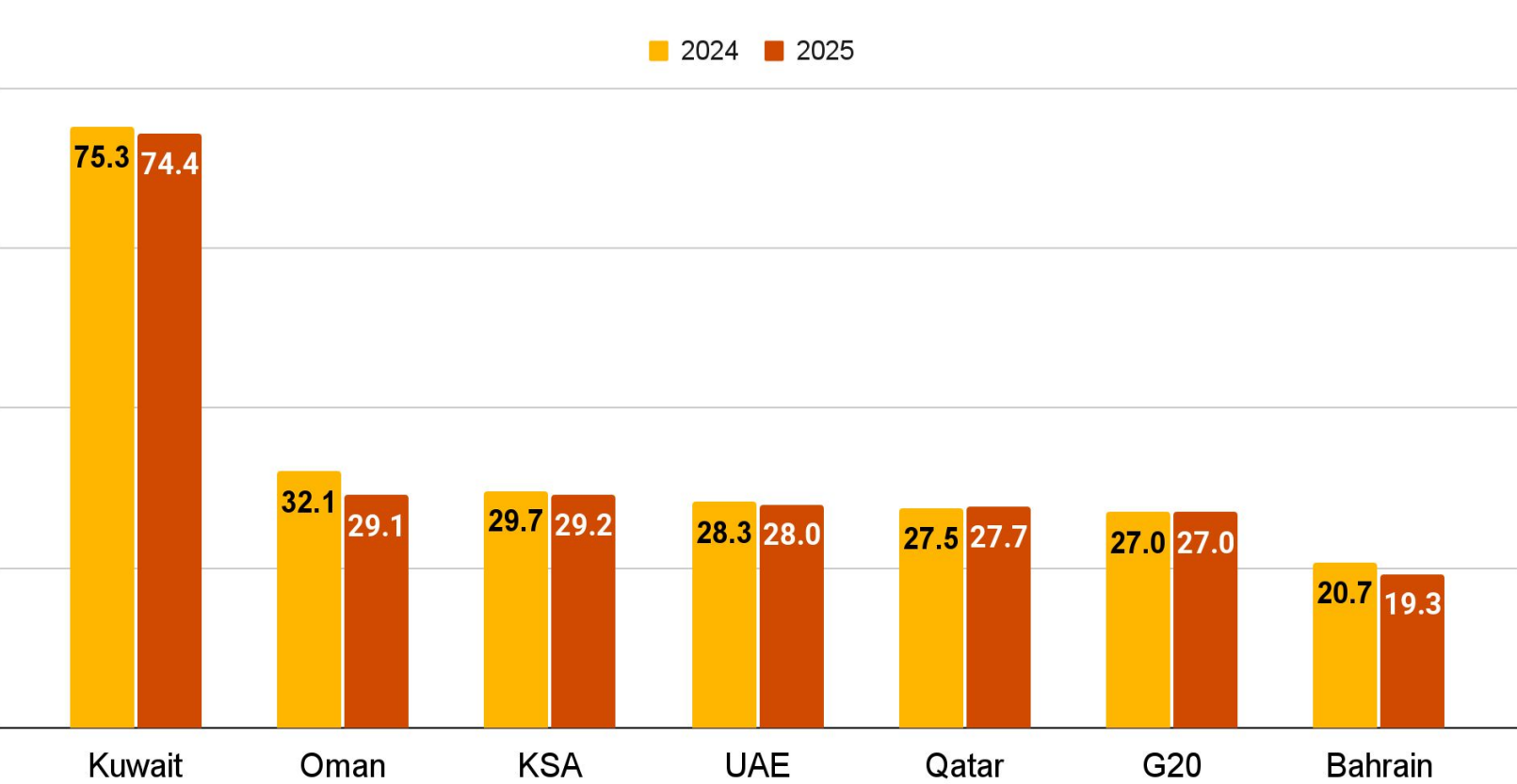
Economic Updates

Balanced prudent fiscal management and strategic borrowing are key to sustained growth



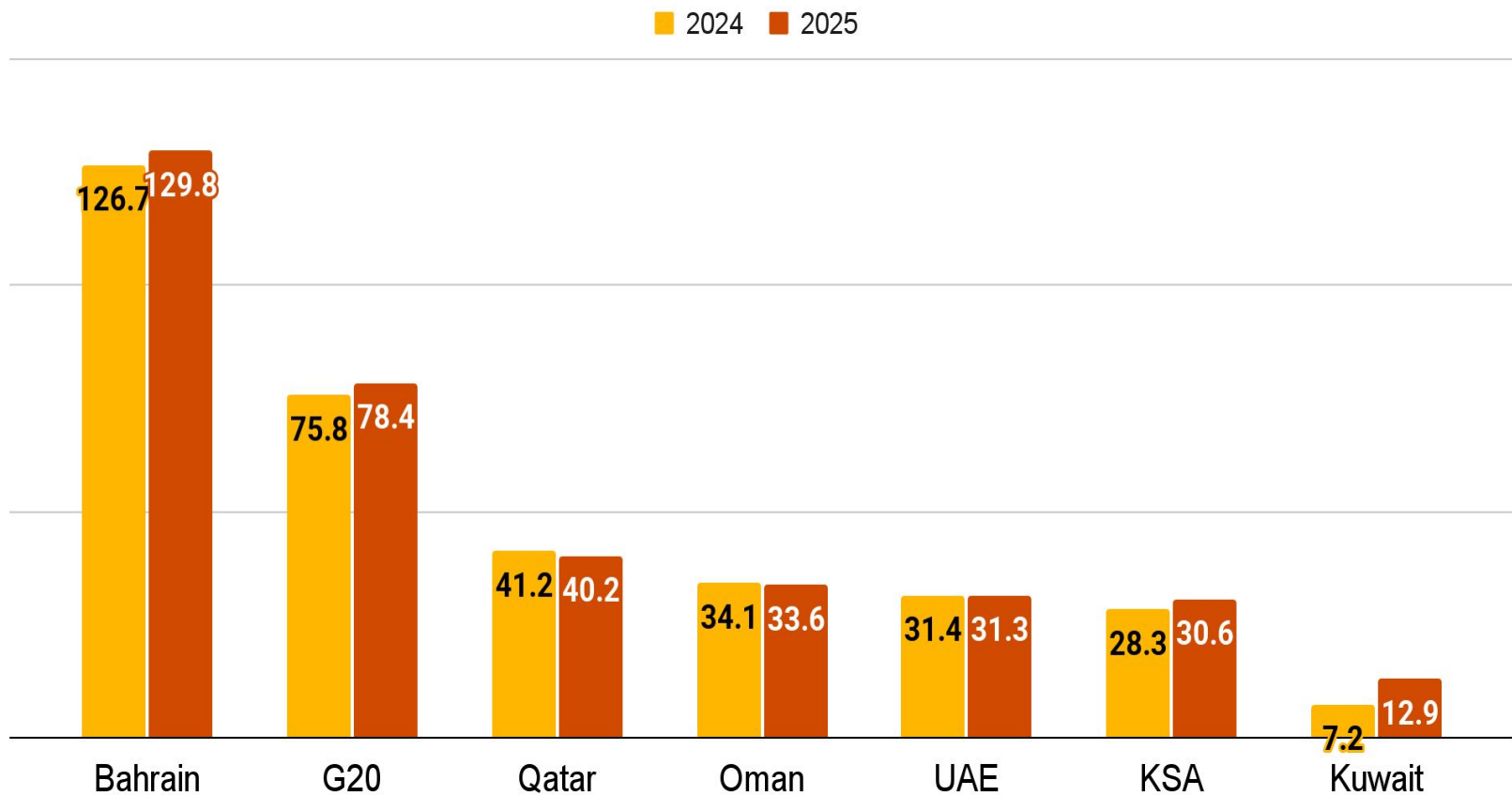
Time for prudence

General Government Revenue (% of GDP)
2024 - 2025



➤ **Fiscal consolidation becomes a top priority** behind forecasted decline in revenues driven by a reduction in oil revenues

General Government Gross Debt (% of GDP)
2024 - 2025



➤ **Debt markets will fund deficits and economic diversification goals**, aided by lower borrowing costs from improved credit ratings and monetary easing

Sources: Five GCC economic themes to watch in 2025 (PwC), IMF Fiscal Monitor (October 2024)

Economic Updates

GCC will advance tax reforms and strategic trade diplomacy

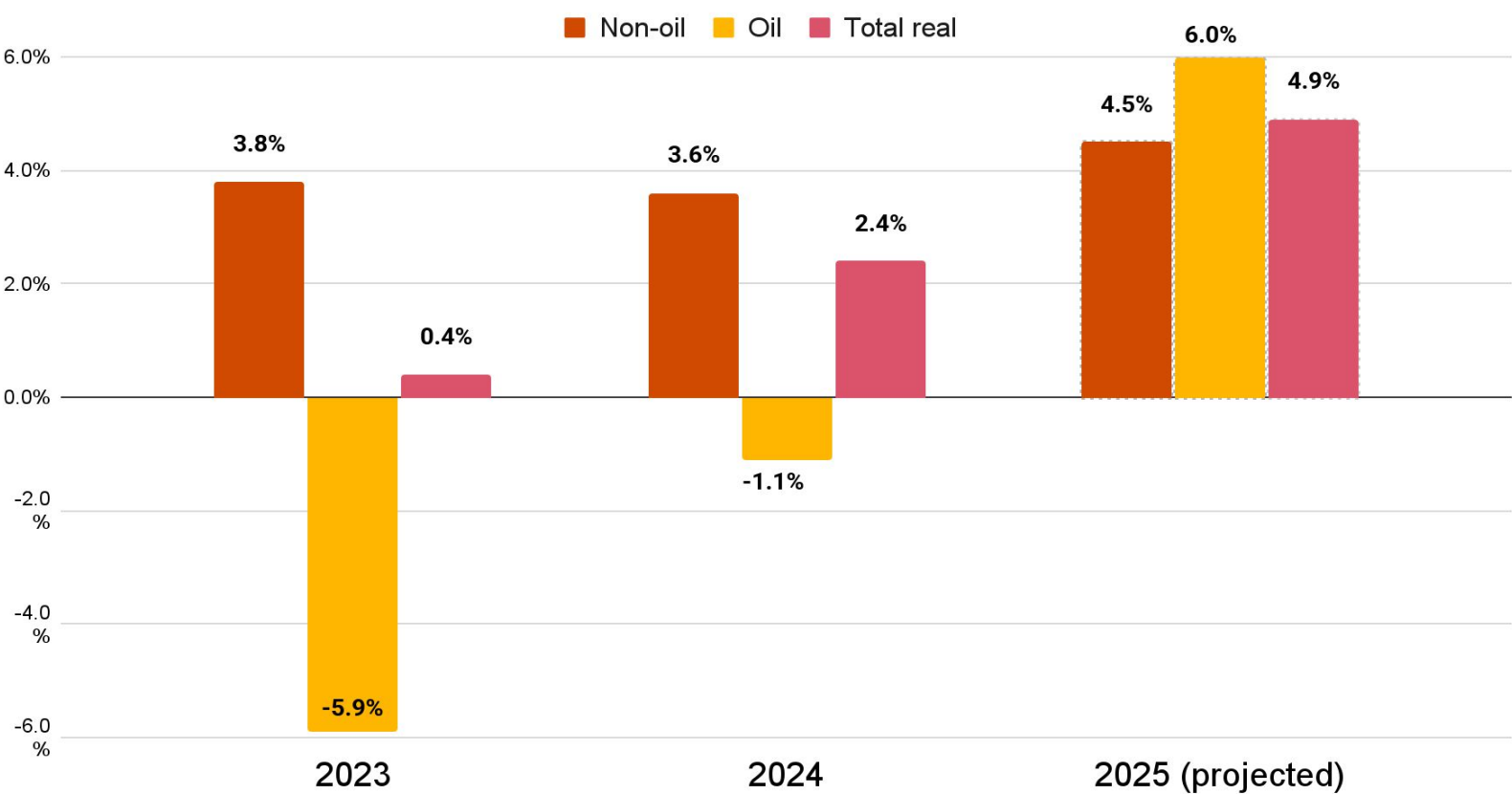


Achieving tax harmony



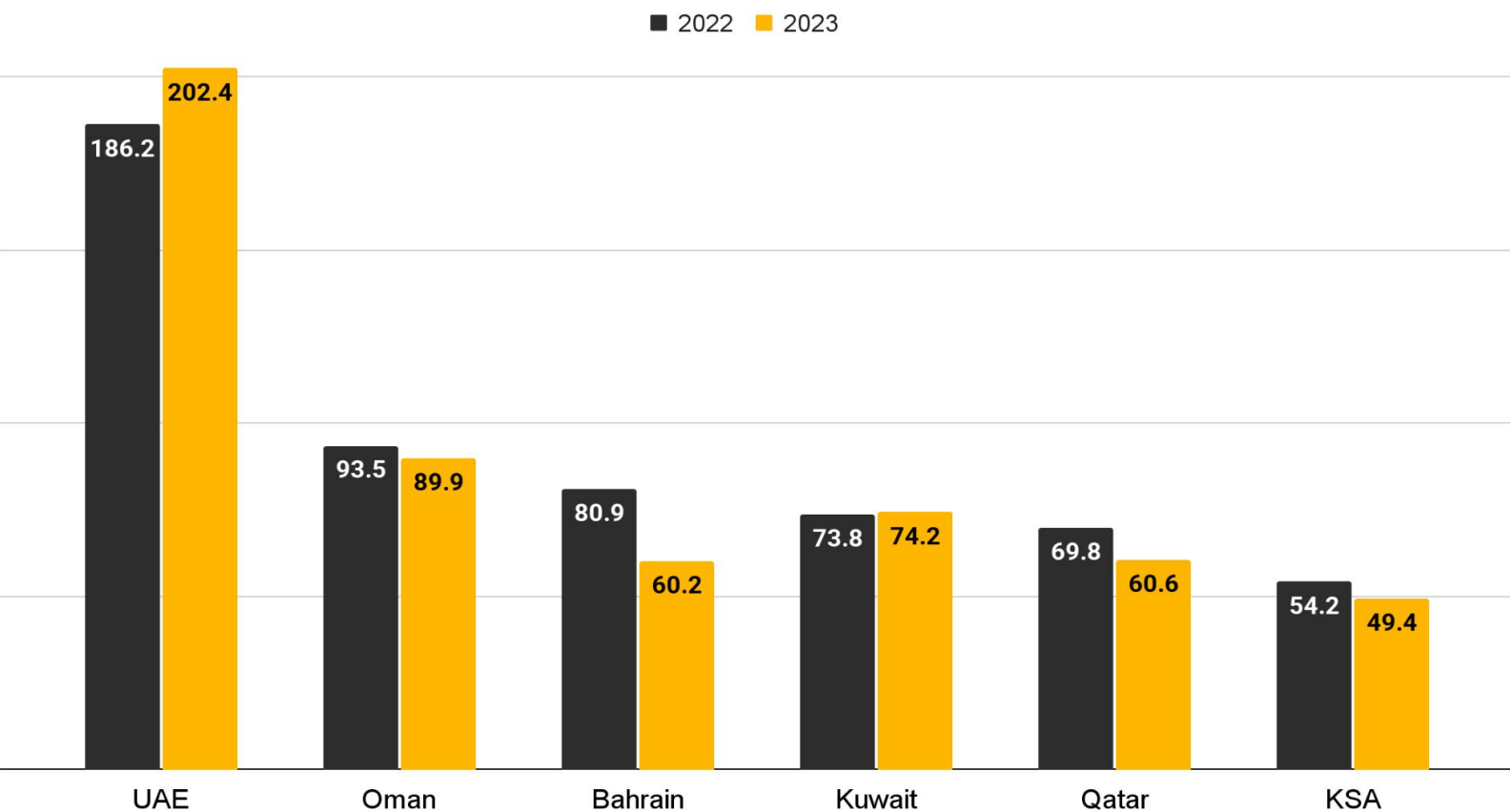
Building bridges

GCC Real oil and non-oil GDP Growth
Annual % Chg, 2023 - 2025



➤ **Corporate tax reforms will align with OECD Pillar 2**, boosting transparency and supporting revenue diversification with stable income streams

Total import and export value of goods as % of GDP
2022 - 2023



➤ As geopolitical fragmentation intensifies into 2025, the GCC is adopting a strategic, multipolar diplomacy, **strengthening alliances via FTAs and deeper ties with emerging economies**

Economic Updates

The GCC is set to expand infrastructure investments and drive AI adoption



Urban evolution



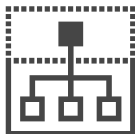
Increasing investments in urban planning and infrastructure



Enhancing talent attraction strategies to position the GCC as a leading talent hub



Expanding investments in tourism through upgraded infrastructure, transportation and world-class facilities



AI infrastructure boom



Boosting investments in scalable and advanced infrastructure due to growing demand in cloud-based services and AI-powered edge computing solutions



Expanding global partnerships as a key pillar of the GCC's AI agenda



Strengthening sophisticated data and cybersecurity regulatory frameworks



CEO SURVEY

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03

**Capturing opportunities today,
reinventing for tomorrow**

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Middle East findings

pwc



Key themes

01

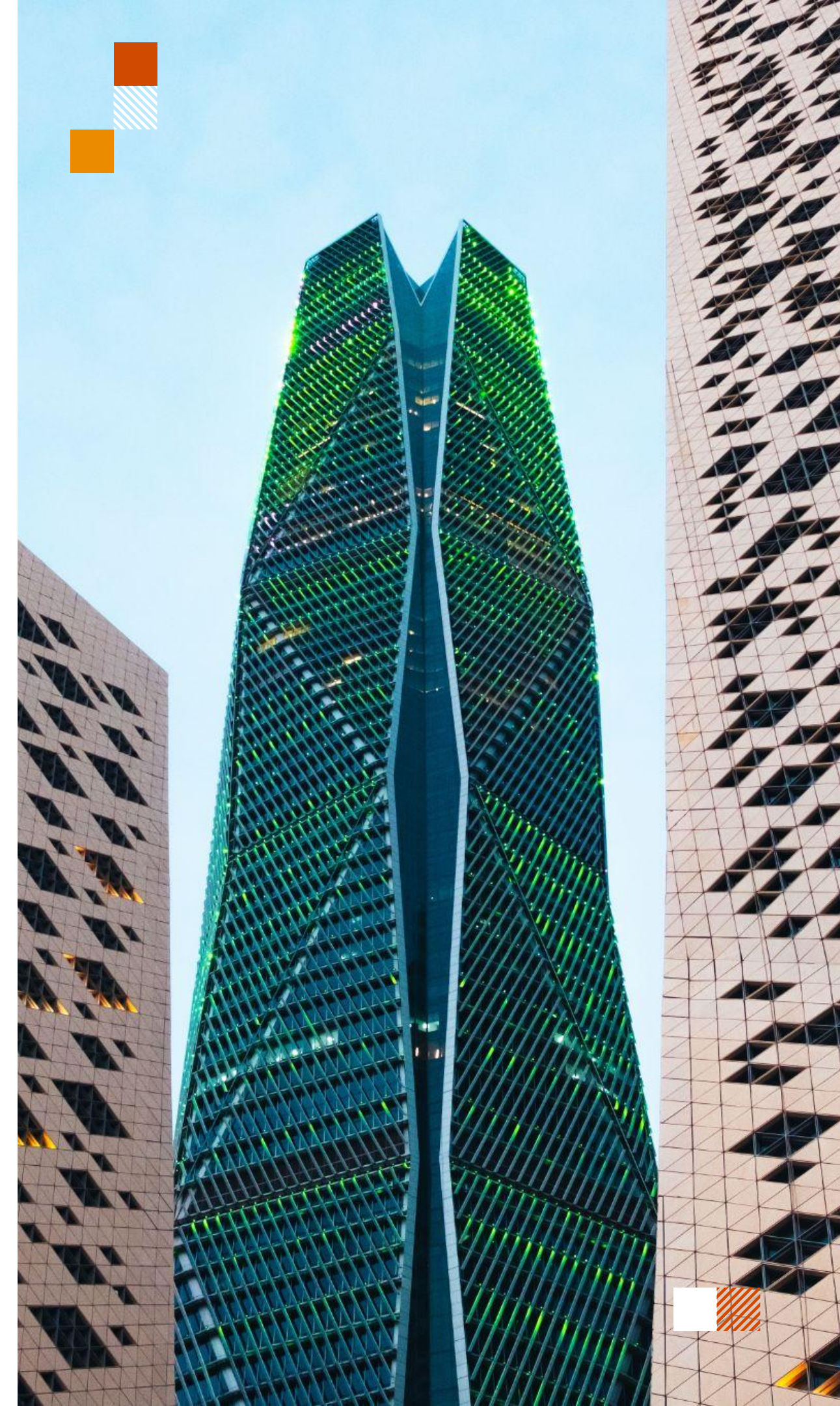
Resilient GCC economies spark optimism amid uncertainty

02

Reinvention, urgent - accelerated by AI, climate and regulation

03

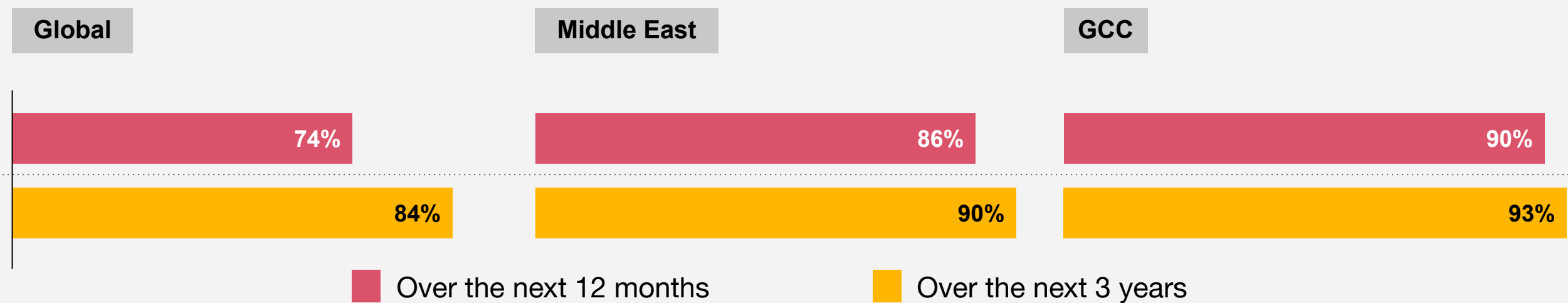
Industries converge and compete over new domains of growth



Resilient regional economies spark optimism amid uncertainty

90% of GCC CEOs are confident about growth in company revenue in 2025

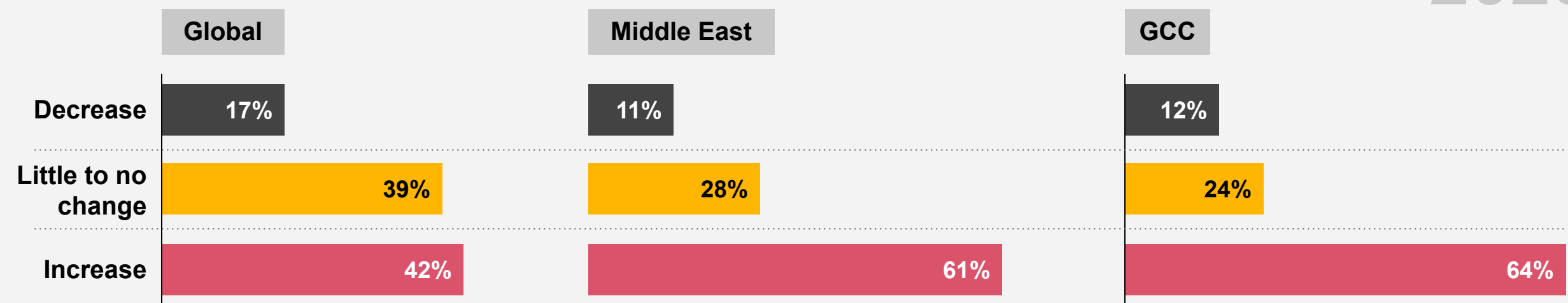
Q. How confident are you about your company's prospects for revenue growth over the next 12 months/three years?



CEOs are increasing headcount, but concerned over skill shortages

Q. To what extent will your company increase or decrease headcount in the next 12 months?

2025

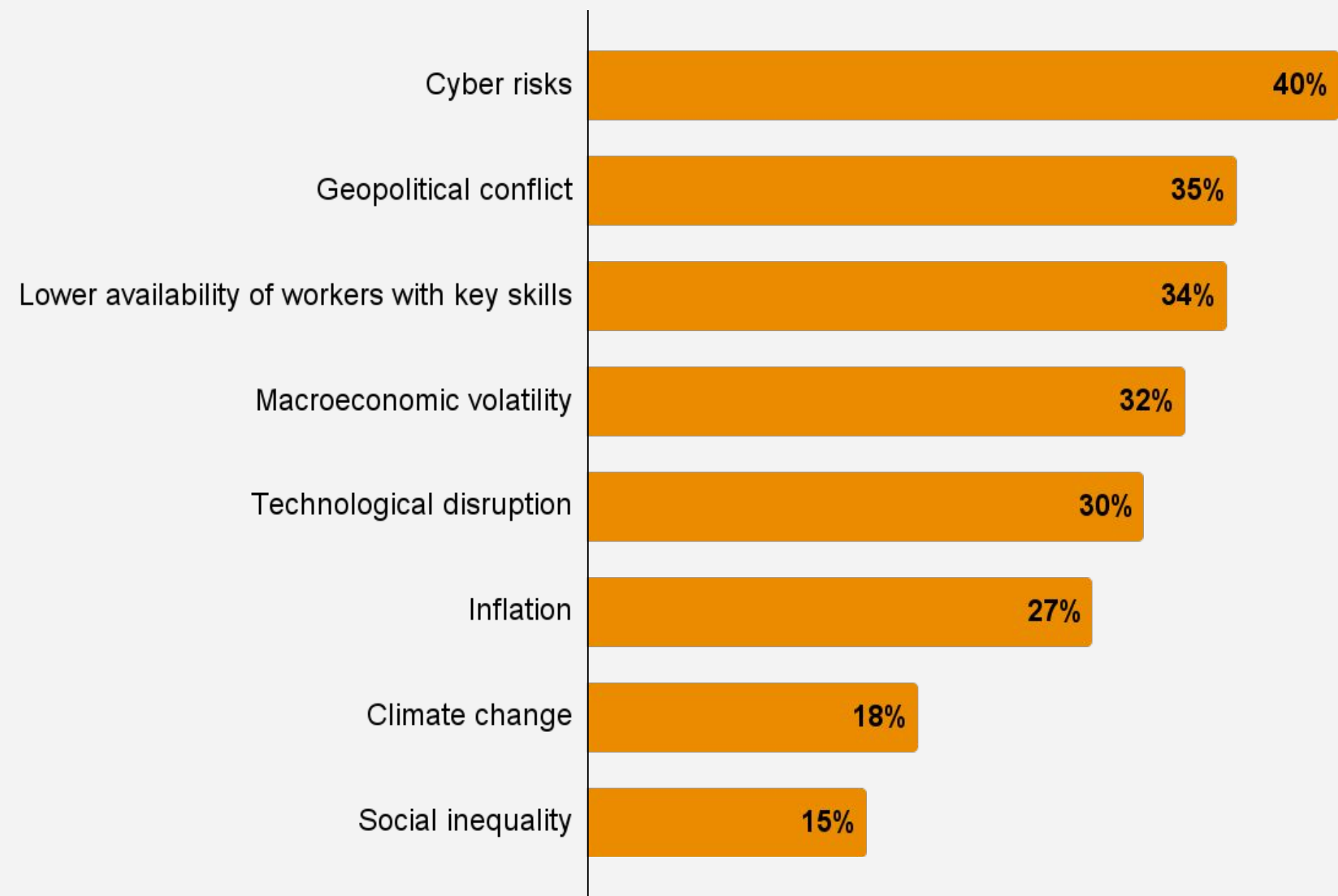


Note: Percentages may not total 100% due to rounding.

Resilient GCC economies spark optimism amid uncertainty

Cyber risks, geopolitical conflict and skills shortages top the list of concerns

Q. What are the top factors influencing GCC company's economic viability within the next 10 years?

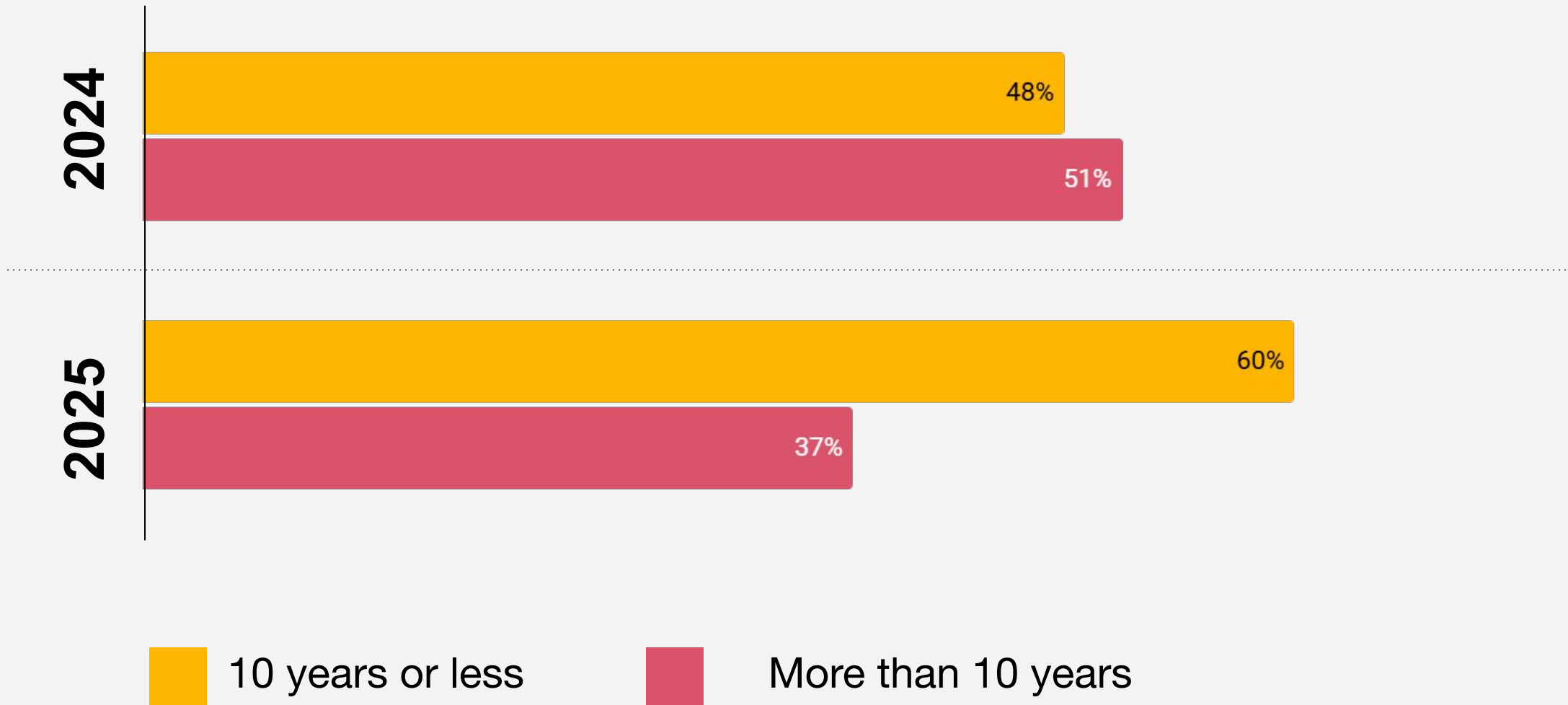


Reinvention, urgent - accelerated by AI, climate and regulation

60% of regional CEOs believe that their business will not be viable within 10 years or less without adapting



Q. If your company continues running on its current path, for how long do you think your business will be economically viable?

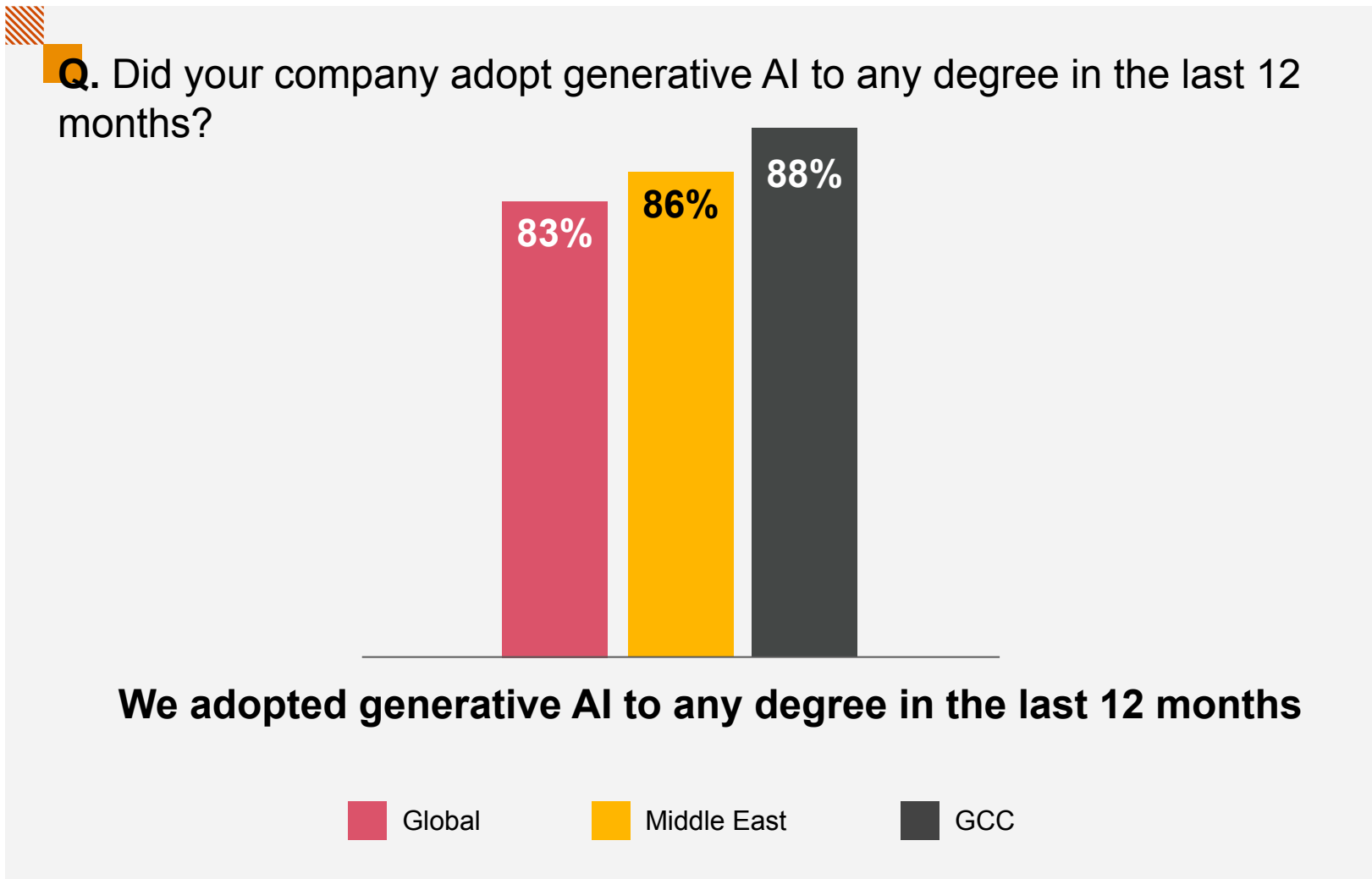


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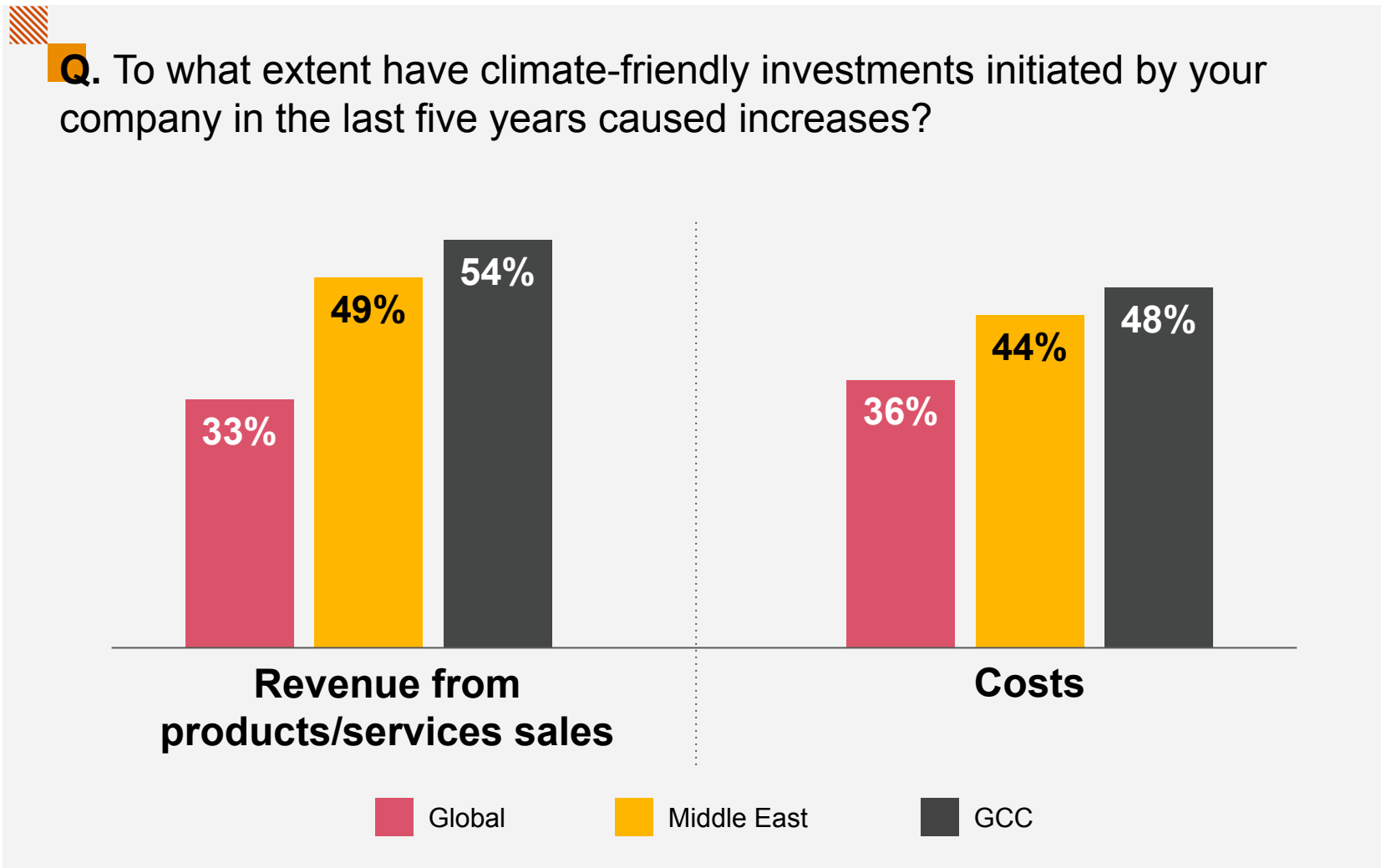


Reinvention, urgent - accelerated by AI, climate and regulation:

88% of CEOs in the GCC have adopted GenAI in the last 12 months, exceeding global averages



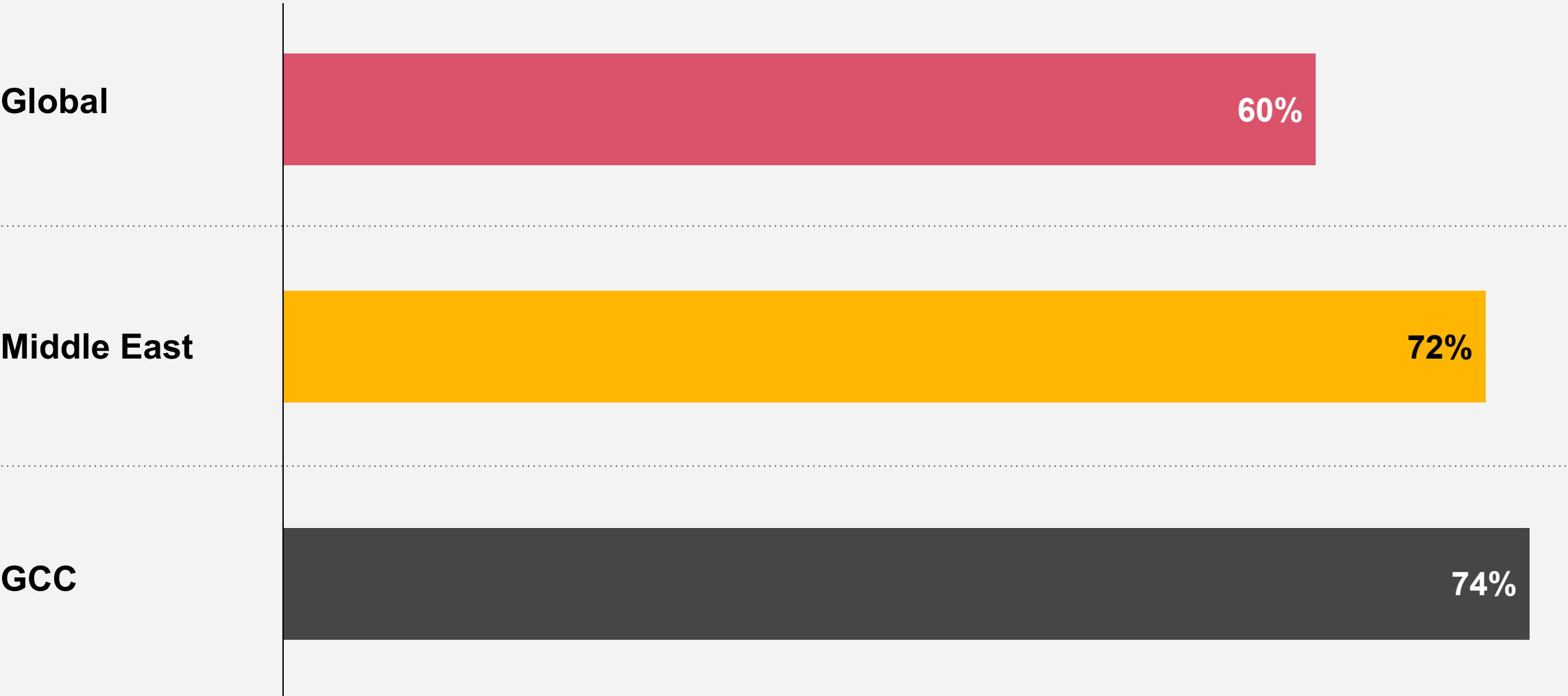
79% of regional CEOs have initiated climate-friendly investments in the last five years



Industries converge and compete over new domains of growth

72% of regional CEOs expect to deal outside of their industry or sector in the next three years

Q. Of the acquisition(s) that your company is planning to make in the next three years, what proportion of the deal value do you expect will be from sectors or industries other than your own? (Net positive)



Note: Percentages may not total 100% due to rounding.



The strategic shift for the year ahead: Recalibrating to reinvent

01

**Adapt to the
megatrends for
accelerated business
growth**

02

**Strengthen resilience
and increase agility
against evolving
threats**

03

**Create growth with a
future-ready
workforce**

04

**Seek value beyond
traditional market
boundaries**



Out Now



**Capturing opportunities today,
reinventing for tomorrow**

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The image features a woman and a man in a professional setting, looking at a document. The PwC logo is in the top right corner, and a stylized world map graphic is centered over the image.





Q&A



Thank you