

Corporate Finance update



Market snapshot and key statistics

During the first nine months of 2025, M&A activity across the Middle East and North Africa reached 649 announced transactions with an aggregate value of USD 69.1 billion. Inbound activity was particularly strong, with 160 inbound deals totalling USD 23.8 billion. Chemicals and technology were the largest value contributors, at USD 23.9 billion and USD 12.2 billion respectively.

Cross-border dynamics

Cross-border transactions continued to shape the market, driven by strategic buyers seeking scale, new routes to market and access to growth platforms. A notable feature of 2025 was the concentration of inbound value in a small number of large, strategic transactions.

What we are watching in early 2026

Early 2026 has reinforced three themes for dealmakers: expansion of regional financial centres, infrastructure monetisation transactions, and continued capital market reforms that broaden the investor base and improve liquidity.

Deal spotlight: Polyolefins consolidation

ADNOC and OMV announced the creation of a global polyolefins champion through the combination of Borouge and Borealis, alongside the acquisition of NOVA Chemicals. The transaction highlights continued appetite for scale and integration in downstream energy and chemicals, with strategic value placed on global reach, feedstock advantage and product portfolio depth.

Digital infrastructure monetisation

Technology-enabled infrastructure remained a key theme in 2025. A prominent example was e& agreeing to sell its 40 percent stake in Khazna Data Center Holdings for USD 2.2 billion, illustrating the continued willingness of strategic groups to crystallise value and recycle capital into controlled growth platforms.

M&A advisor lens

For sellers, the strongest outcomes in 2025 were achieved where the equity story was clear, the regulatory and tax position was diligence-ready, and the investment thesis was supported by credible growth levers. For buyers, disciplined integration planning and robust commercial diligence remained essential, particularly in high-growth technology and consumer categories.

High activity sectors

- Energy and chemicals: downstream consolidation and international expansion remained the largest value driver, supported by national champions and strategic partnerships.
- Technology and digital infrastructure: data centres, cloud, cybersecurity and AI-linked assets attracted strategic interest and capital recycling. Financial services: selective consolidation and capability-led acquisitions, particularly in payments, wealth and specialist lending.
- Healthcare and life sciences: continued buy-and-build strategies and expansion of scaled service platforms.
- Consumer and food: branded portfolios and resilient domestic demand continued to attract capital, with a focus on scalable distribution.

Moderate activity sectors

- Industrials and manufacturing: deals were concentrated in niche leaders with strong export positioning.
- Logistics: targeted acquisitions in last-mile and cold-chain capabilities, linked to trade corridors.
- Real estate: selective, with a preference for income-producing assets and infrastructure-like cash flows.

Thematic drivers

Across sectors, the most consistent themes were scale, digital capability, resilient cash generation and alignment with national diversification programmes.

What buyers focused on

Buyers placed a premium on assets with defensible market positions, proven unit economics and clear regulatory pathways. In technology-linked deals, buyers increasingly required evidence of data security, resilience and customer concentration risk management.

Sell-side preparation priorities

The strongest sell-side processes were characterised by high-quality management information, normalised working capital discipline, clarity over related-party arrangements and a well-prepared vendor due diligence pack, including tax and legal readiness.

Marketing messages that resonated

Winning equity stories linked growth to specific levers such as route-to-market expansion, pricing and mix improvement, operational scalability and capital-light growth, rather than relying on generic market growth narratives.

United Arab Emirates

The UAE continued to act as a regional hub for inbound capital, platform acquisitions and cross-border structuring, supported by deepening capital markets and the continued expansion of financial centre infrastructure.

Saudi Arabia

Saudi Arabia remained a key market for strategic consolidation, industrial expansion and technology investment. Continued reform of the capital market ecosystem and investor access remains an important enabler for both M&A and public market exits.

Qatar and Oman

Qatar and Oman saw selective strategic and infrastructure-led activity, with deals often anchored around national priorities, long-term contracted revenues and portfolio optimisation by state-linked groups.

Kuwait

Kuwait moved up the agenda for infrastructure monetisation, with market attention on potential transactions involving core networks and long-duration cash flows. These processes are typically structured to attract long-term capital while retaining strategic oversight.

Egypt and North Africa

Across North Africa, deal appetite was most visible where hard currency revenues, export markets and resilient domestic demand could be demonstrated. For cross-border buyers, careful focus on regulatory approvals, repatriation mechanics and capital structure planning remained critical.

Advisory implications

Country selection increasingly determined the appropriate route to market. In 2025, the most successful processes matched buyer outreach and messaging to the specific market's investor base, regulatory environment and financing conditions.

GCC IPO market in 2025

GCC IPO proceeds totalled approximately USD 5.1 billion across 40 offerings in 2025, representing a material decline compared with 2024. Saudi Arabia was the largest contributor, raising approximately USD 4.1 billion. The data points to a more selective IPO market, with investors favouring clearer profitability, defensible cash flows and strong governance.

Financing signals entering 2026

Debt markets remained open for high-quality issuers. In January 2026, Saudi Aramco returned to global bond markets with a multi-tranche issuance, reinforcing that well-rated borrowers can still secure scale financing even amid a more selective risk environment.

Implications for M&A processes

A more selective IPO window places renewed emphasis on dual-track planning. For prospective sellers, early readiness work improves optionality between a strategic sale, private capital investment or a public listing.

Structuring considerations

2025 processes increasingly used disciplined working capital mechanisms, targeted completion accounts and, where appropriate, value protection tools such as earn-outs and vendor financing. These structures helped bridge valuation expectations where near-term growth or integration risk was material.

Marketing angle

Investors responded best to narratives that combined credible growth with demonstrable operational discipline, including working capital control, margin resilience and clear capital allocation priorities.

Megadeals and strategic consolidation

Global dealmaking in late 2025 showed a clear return of megadeals, driven by well-capitalised strategic buyers and a renewed focus on industry reshaping transactions. In MENA, megadeals in energy, technology and artificial intelligence are expected to remain influential through 2026.

Infrastructure monetisation and portfolio reshaping

Early 2026 reporting highlighted continued appetite for infrastructure-style transactions and portfolio optimisation by state-linked groups, including discussions around pipeline-network monetisation. The period also saw governance and portfolio adjustments among regional sovereign investors, reinforcing the importance of understanding stakeholder dynamics on large transactions.

Digital and AI platforms

Digital infrastructure and AI-linked assets continue to attract attention as governments and corporates invest in capacity, security and sovereignty of data. This is expected to remain a core theme for both strategic partnerships and capital recycling.

What this means for clients

For owners considering an exit, 2026 may reward those who can demonstrate a differentiated strategy, visible earnings quality and a credible expansion plan. For buyers, competition is likely to remain strongest for scarce, high-quality platforms.

How to be ready

Priority actions include: preparing diligence-ready financial information, establishing a clear value bridge and synergy narrative, validating the regulatory pathway early, and designing an integration roadmap that is credible to boards and investment committees.

Common pitfalls to avoid

In 2025, processes most often lost momentum due to insufficient clarity on working capital normalisation, unresolved related-party matters, and underprepared management bandwidth during diligence. Addressing these early improves both valuation and certainty of completion.

Transaction advisory

- Sell-side and buy-side M&A execution, including preparation of marketing materials, buyer outreach strategy, transaction structuring and negotiation support.
- Valuation and financial modelling, including scenario analysis, synergy assessment and value bridge construction.
- Vendor assistance and diligence support, including working capital and net debt analysis, quality of earnings and deal readiness.

Capital solutions

Capital raising support for growth and acquisition financing, including investor materials, targeting, and support through term sheet negotiation. Support with dual-track options, including strategic sale processes alongside public market readiness where appropriate.

What clients value most

Clear positioning and an investment narrative grounded in evidence.

A disciplined process that protects value and maintains competitive tension.

Cross-border execution capability, including stakeholder management and coordination across jurisdictions.

Next steps

If you would like a tailored sector snapshot for your business, we can provide a short market scan, valuation range and buyer landscape, together with a recommended route-to-market and timeline.

Corporate Finance Team



Transaction Advisory: Eyad Farsakh, CPA

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Experience:

- With 40 years of experience in statutory audit and financial consultancy, he leads Transaction Advisory, delivering end-to-end M&A, capital raising, restructuring, and valuation services across diverse sectors.

Academic and Professional Qualifications:

- Certified Public Accountant (CPA), State of Iowa – USA, 1988.
- Master's in Accounting 1987 from the University of Iowa, USA.



Business Valuation: Amjad Alghusseini, FMVA, GRCP

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Experience:

- Over 12 years of experience in the field of Financial Consultancy, in charge of Business Valuation.

Academic and Professional Qualifications:

- Financial Modeling & Valuation Analyst FMVA, FPAP
- Certified GRC Professional (GRCP), Certified GRC Auditor (GRCA)



Financial due diligence: Akshar Patel, ACA

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Experience:

- M&A and corporate finance specialist advising SME and mid-market clients in the UK and Middle East.
- Provides strategic advice on business plans, growth strategies, and exit options, ensuring forecasts and assumptions are robust and investor-ready.

Academic and Professional Qualifications:

- ICAEW Chartered Accountant (ACA), qualified 2019, CFA Programme - Passed Level I (2021) and Audit Qualification (ICAEW)
- BSc (Hons) in Banking and International Finance - Bayes Business School, London.

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Our services

