

Kuwait Financial Centre K.P.S.C. "Markaz"

# GCC M&A Report

## Q4 2020



Asset Management | Investment Banking

# GCC M&A Report – Q4 2020

## Transactions increased by 200% compared to Q4 2019

### March 2021

#### Research Highlights:

Provides a review of M&A transactions in the GCC region.

#### Markaz Research is available on:

Bloomberg - Type "MRKZ" <Go>  
Thomson Research,  
Reuters Knowledge  
Nooz  
Zawya Investor  
ISI Emerging markets  
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Throughout Q4 2020, the GCC market closed a total of 36 M&A transactions, a substantial increase relative to both Q3 2020 and Q4 2019. Overall, UAE and Kuwaiti targets attracted the most interest from buyers, which is evident as they accounted for 42% and 31% of the total number of transactions that closed. Following them are Saudi and Bahraini targets, who accounted for the remaining transactions that closed, at 22% and 5%, respectively. It is worth noting that the Bahraini and Kuwaiti market witnessed the greatest level of growth quarter-over-quarter whereas the Omani and Qatari market recorded zero closed transactions throughout the quarter.

Moreover, GCC targets received a slightly greater level of interest from foreign buyers when compared to the previous quarter however it remains far behind the level of foreign activity that the market has become accustomed to. Overall, foreign acquirers closed four transactions throughout the quarter, which is 33% greater relative to Q3 2020 and 75% lower relative to Q4 2019.

In addition, these transactions spanned across multiple sectors, a trend that has persisted throughout the few quarters. With that being said, the sectors that witnessed the greatest level of activity throughout the quarter were the Consumer Discretionary, Education, Financials and Industrials sectors. Collectively, these sectors accounted for more than 56% of the total number of closed transactions. It is worth noting that the Financials and Industrials sectors were also among the sectors that witnessed the greatest level of activity for the past two quarters.

On another note, GCC acquirers actively invested in companies within their local markets as well as in international markets and shied away from acquiring regional companies with the exception of UAE. Throughout Q4 2020, GCC acquirers closed a total of 27 transactions within their local markets, compared to 14 transactions in Q3 2020, and ten transactions cross-border, which is slightly less than the number of cross-border transactions that closed in Q3 2020.\* It is worth noting that UAE and Bahraini buyers accounted for 50% and 20% of the cross-border activity (closed), followed by Omani, Qatari and Saudi buyers, who accounted for the remainder of the transactions. Lastly, Kuwaiti buyers didn't close any transaction cross border.

Figure: Number of Closed GCC M&A Transactions

Country	Q4 2020	Q3 2020	Q4 2019	% Change (Q3 2020)	% Change (Q4 2019)
Bahrain	2	1	1	100%	100%
Kuwait	11	6	0	83%	N/A
Oman	0	0	0	0%	0%
Qatar	0	1	0	-100%	0%
Saudi Arabia	8	5	1	60%	700%
United Arab Emirates	15	10	10	50%	50%
<b>Total</b>	<b>36</b>	<b>23</b>	<b>12</b>	<b>57%</b>	<b>200%</b>

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

Kindly note that % changes are in comparison to Q4 2020.

\*Local transactions refer to those whereby a GCC buyer acquires a target within their respective country (i.e. Kuwaiti buyer acquires Kuwaiti companies, Saudi acquirer acquires Saudi company, etc.)

GCC Merger & Acquisition Deals (Q4 2020)

*M&A Transactions within GCC*

# GCC Mergers & Acquisitions

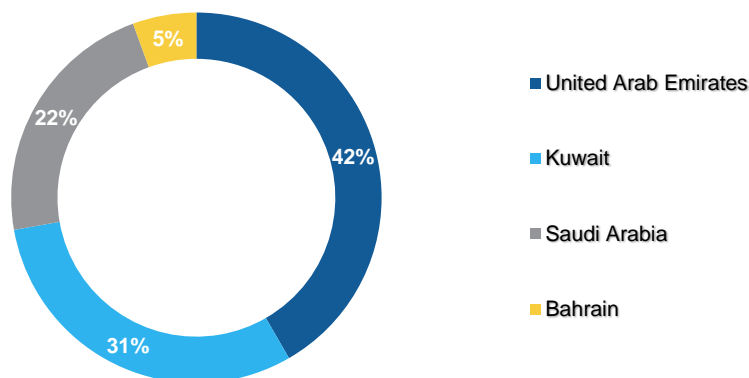
## Transaction History (Closed)

### GCC M&A Transactions – Number of Transactions

Country	Q4 2020	Q3 2020	Q4 2019	% Change (Q3 2020)	% Change (Q4 2019)
Bahrain	2	1	1	100%	100%
Kuwait	11	6	0	83%	N/A
Oman	0	0	0	0%	0%
Qatar	0	1	0	-100%	0%
Saudi Arabia	8	5	1	60%	700%
United Arab Emirates	15	10	10	50%	50%
<b>Total</b>	<b>36</b>	<b>23</b>	<b>12</b>	<b>57%</b>	<b>200%</b>

*Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis*  
*Kindly note that % changes are in comparison to Q4 2020.*

### GCC M&A Transactions – Geographical Distribution by Number of Transactions (Q4 2020)



### Key Takeaways

- Throughout Q4 2020, the GCC market closed a total of 36 transactions, which is 57% and 200% greater relative to Q3 2020 and Q4 2019. The level of M&A activity slowly picked up, starting in Q3 2020, as the total number of new COVID-19 cases started to decrease, lockdown restrictions eased and talks of the vaccines began to materialize. Collectively, these factors propelled a recovery in oil prices and spurred a revival in investor confidence.
- The positive sentiment remained strong throughout Q4 2020 as the Pfizer-BioNTech vaccine was approved, local parliamentary elections concluded, and investor confidence continued to increase.
- Moreover, UAE and Kuwaiti targets attracted the greatest level of M&A activity relative to the other GCC markets as they recorded a total of 15 and 11 transactions throughout the quarter, which equates to 42% and 31% of the total number of closed transactions.
- This is followed by Saudi and Bahraini targets, who accounted for 22% and 5% of the total level of activity, respectively. It is worth noting that the Bahraini and Kuwaiti markets witnessed the greatest level of growth, quarter of quarter, relative to its regional peers.
- There were no closed transactions during Q4 2020 involving Omani and Qatari targets.

# GCC Mergers & Acquisitions

## Announced Transactions in the Pipeline

### GCC M&A Transactions – Announced Pipeline Transactions

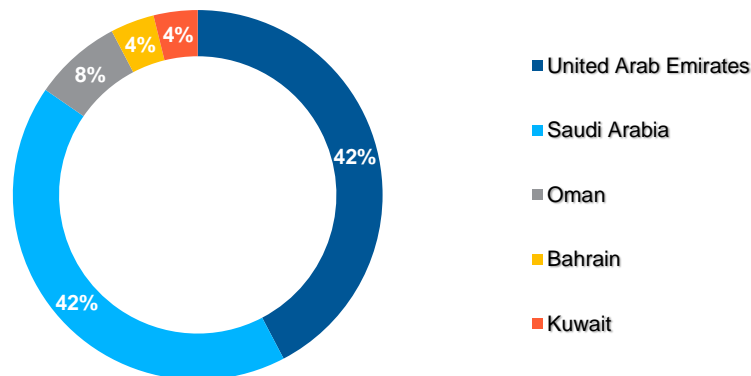
Country	Q4 2020	Q3 2020
Bahrain	1	1
Kuwait	1	2
Oman	2	1
Qatar	0	3
Saudi Arabia	11	8
United Arab Emirates	11	8
<b>Total</b>	<b>26</b>	<b>23</b>

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis.

### Key Takeaways

- Throughout Q4 2020, there were a total of 26 announced transactions within the pipeline, which is slightly higher than 23 announced transactions during Q3 2020.
- The majority of these transactions involved Saudi and UAE targets, each of whom accounted for 42% of the total number of deals announced. The remaining transactions primarily included Omani, Bahraini, and Kuwaiti targets while Qatar announced zero transactions.
- Oman, Saudi Arabia and UAE were the only markets to witness a slight growth in activity whereas the remaining market recorded zero to negative growth.

### GCC M&A Transactions – Geographical Distribution by Number of Announced Pipeline Transactions (Q4 2020)



# GCC Mergers & Acquisitions

## Top 5 Deals by Reported Value

### Targets & Buyers – Q4 2020

Target Company	Target Country	Buyer	Buyer Country	Percent Sought	Deal Value (USDmn)	Status
SIG Combibloc Obeikan	United Arab Emirates	SIG Combibloc	Switzerland	50	571*	Announced
AXA SA - Insurance Operations (Gulf Region)	United Arab Emirates	Gulf Insurance Group	Kuwait	N/A	475**	Announced
Saadiyat Cooling	United Arab Emirates	National Central Cooling Company	United Arab Emirates	100	262	Closed
Saudi Digital Payments Company	Saudi Arabia	The Western Union Company	United States	15	200	Announced
Agthia Group	United Arab Emirates	General Holding Corporation	United Arab Emirates	8	123***	Announced

**Source:** S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Reuters, Markaz Analysis. These companies were selected based on available information.

**\*Note:** Transaction will be funded through a cash consideration of USD 203 million. In addition, the seller will receive 17.5 million shares (5%) in SIG Combibloc, which is valued at USD 368 million, based on a closing share price USD 21.0/share (as of November 24, 2020).

**\*\*** Upon closing, Gulf Insurance Group will own a total of 50% in AXA Cooperative Insurance Company; 18% will be acquired directly whereas 32% is owned by AXA Gulf and as such, will be classified as an indirect investment.

**\*\*\*** The transaction value is an estimate that was calculated based on the following assumptions: 1) Upon closing, instrument will convert into 120.0 million shares and 2) Convertible share price = USD 1.021. Post conversion, Senaat would increase their total ownership share from 51% to 59% of Agthia Group's issued share capital.

### Key Takeaways

- SIG Combibloc has signed an agreement with its partner, Obeikan Investment Group, to acquire a 50% stake in its joint venture, SIG Combibloc Obeikan. Upon receiving the necessary approvals, SIG Combibloc will acquire the remaining stake for a total consideration of USD 571 million.\*
- Gulf Insurance Group has announced it will be acquiring AXA's insurance operations in the Gulf region for a total consideration of USD 475 million. As a part of this transaction, the group will acquire the following: AXA Gulf (100%), AXA Cooperative Insurance Company (50%) and AXA Green Crescent Insurance Company (28%), from AXA and Yusuf Bin Ahmed Kanoo Group.\*\*
- National Central Cooling Company has fully acquired Saadiyat Cooling LLC (majority owned by Aldar Properties), and Saadiyat District Cooling Sole Proprietorship ("Saadiyat Cooling") (wholly-owned by Aldar Investment Properties) for a total value of USD 262 million. Together, the two companies have a capacity of 88 thousand refrigerated tonnes.
- Saudi Telecom Company disclosed signing an agreement with Western Union Company to sell a 15% stake in its wholly-owned subsidiary, Saudi Digital Payments Company, for a total consideration of USD 200 million.
- Agthia Group announced that it has received an offer from General Holding Company ("Senaat") to combine its subsidiary, Al Foah Company LLC ("Al Foah"), with Agthia Group. The key terms state that Senaat will transfer Al Foah to Agthia Group in exchange for the issuance of a convertible instrument valued at USD 123 million.\*\*\*

# GCC Mergers & Acquisitions

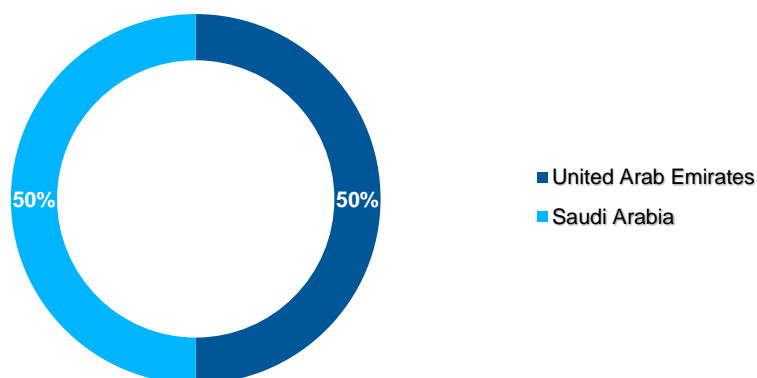
## Foreign (Non-GCC) Buyers (Closed)

### Number of Foreign Buyers' Deals in GCC

Country	Q4 2020	Q3 2020	Q4 2019
Bahrain	0	0	1
Kuwait	0	0	0
Oman	0	0	0
Qatar	0	0	0
Saudi Arabia	2	0	1
United Arab Emirates	2	3	10
<b>Total</b>	<b>4</b>	<b>3</b>	<b>12</b>

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

### GCC M&A Transactions – Geographical Distribution by Number of Transactions Involving Foreign Buyers (Q4 2020)



### Key Takeaways

- The GCC market received a slightly higher level of interest from foreign buyers in Q4 2020 relative to the previous quarter. Throughout Q4 2020, foreign buyers closed four transactions whereas in Q3 2020, they completed three transactions.
- Although there was a slight increase quarter-over-quarter, the total remains far behind the level of foreign activity recorded in Q4 2019. This is primarily driven by the uncertainty hovering around the GCC markets and the fear that was onset due to the spread of the COVID-19 virus and its underlying impact on oil prices. Given that many of the GCC economies are dependent on oil and natural gas, many foreign players were hesitant to invest in the region without any outlook as to where the oil and gas industry was headed.
- Overall, there were a total of four closed transactions which equally involved Saudi and UAE targets. The UAE continues to be one of the most attractive markets relative to its peers however this time around, Saudi Arabia proved to be a competitive market as well after ending the previous quarter with zero transactions.
- Neither of the remaining GCC countries recorded any closed foreign buyer deals throughout the quarter. It is worth noting that neither Kuwait, Oman nor Qatar have recorded any transactions throughout the past three consecutive quarters.

# GCC Mergers & Acquisitions

## Top Deals by Reported Value (Foreign)

### Targets & Foreign (Non-GCC) Buyers – Q4 2020

Target Company	Target Country	Buyer	Buyer Country	Percent Sought	Deal Value (USDmn)	Status
SIG Combibloc Obeikan	United Arab Emirates	SIG Combibloc	Switzerland	50	571*	Announced
Saudi Digital Payments Company	Saudi Arabia	The Western Union Company	United States	15	200	Announced
SAFCO Group	Saudi Arabia	Applus+ Group	Spain	100	30	Announced
NMK Group	United Arab Emirates	Midwich Group Plc	United Kingdom	80	19	Announced
MRC Systems Limited	United Arab Emirates	ADDvise Group AB	Sweden	100	8	Announced

*Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Reuters, Markaz Analysis. These companies were selected based on available information.*

*\*Note: Transaction will be funded through a cash consideration of USD 203 million. In addition, the seller will receive 17.5 million shares (5%) in SIG Combibloc, which is valued at USD 368 million, based on a closing share price USD 21.0/share (as of November 24, 2020).*

### Key Takeaways

- SIG Combibloc has signed an agreement with its partner, Obeikan Investment Group, to acquire a 50% stake in its joint venture, SIG Combibloc Obeikan. Upon receiving the necessary approvals, SIG Combibloc will acquire the remaining stake for a total consideration of USD 571 million.\*
- Saudi Telecom Company disclosed that it has signed an agreement with Western Union Company to sell a 15% stake in its wholly-owned subsidiary, Saudi Digital Payments Company, for a total consideration of USD 200 million.
- Applus+ Group announced the acquisition of Soil & Foundation Company Limited and Geotechnical & Environmental Company ("SAFCO Group") for an initial consideration of USD 30 million. SAFCO Group is one of the largest inspection and testing companies within the geotechnical field in Saudi Arabia.
- Midwich Group Plc has entered into an agreement to acquire an 80% stake in NMK Electronics Enterprise, NMK Middle East FZE and Edge Electronics Trading LLC ("NMK Group") for a total consideration of USD 19 million. This payment includes an initial cash consideration of USD 13 million and an additional USD 6 million that is to be paid six months after closing. NMK Group distributes various audio & visual products manufactured by global brands (ex. Bose, Shure).
- ADDvise Group AB has signed a letter of intent to acquire 100% of MRC Systems Limited for a total consideration of USD 8 million, which is comprised of an initial payment worth USD 5 million and two additional payments, subject to meeting preidentified milestones. Moreover, MRC Systems Limited designs and develops a range of cleanroom partition systems and accessories that are used across multiple sectors.



# GCC Mergers & Acquisitions

## By Sector (Closed)

### Sector-wise Classification of Deals – Q4 2020

Sector	GCC Acquirers	Foreign Acquirers	Other*	Grand Total	%**
Consumer Discretionary	5	1	1	7	19
Industrials	4	0	1	5	14
Financials	4	0	0	4	11
Education	4	0	0	4	11
Information Technology	1	2	0	3	8
Utilities	2	1	0	3	8
Healthcare	2	0	0	2	6
Real Estate	1	0	1	2	6
Insurance	2	0	0	2	6
Consumer Staples	2	0	0	2	6
Energy	1	0	0	1	3
Media	1	0	0	1	3
<b>Total</b>	<b>29</b>	<b>4</b>	<b>3</b>	<b>36</b>	<b>100%</b>

### Sector-wise Classification of Deals – Q3 2020

Sector	GCC Acquirers	Foreign Acquirers	Other*	Grand Total	%**
Financials	4	0	1	5	22
Industrials	3	0	0	3	13
Information Technology	1	2	0	3	13
Consumer Discretionary	1	0	1	2	9
Consumer Staples	2	0	0	2	9
Logistics	2	0	0	2	9
Healthcare	0	1	1	2	9
Energy	1	0	0	1	4
Insurance	0	0	1	1	4
Media	1	0	0	1	4
Real Estate	0	0	1	1	4
<b>Grand Total</b>	<b>15</b>	<b>3</b>	<b>5</b>	<b>23</b>	<b>100</b>

### Key Takeaways

- The majority of closed transactions throughout Q4 and Q3 2020 were carried out by GCC acquirers. During Q4 2020, GCC acquirers accounted for 81% of the total number of transactions while foreign acquirers accounted for 11%. The remaining 8% is comprised of closed transactions for which the buyer information is not available.
- During Q3 2020, GCC acquirers accounted for 65% of the total number of transactions while foreign acquirers accounted for 13%. The remaining 22% is comprised of closed transactions for which the buyer information is not available.
- Moreover, the closed transactions throughout Q4 2020 spanned across multiple sectors which was also observed in Q3 2020.
- With that being said, the sectors that witnessed the greatest level of activity throughout Q4 2020 were Consumer Discretionary, Education, Financials and Industrials sectors. Collectively, these four sectors accounted for 55% of the transactions that closed during the quarter.

**Source:** S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

\* Other refers to deals where buyer information is not available.

\*\* Totals may exceed 100% due to rounding

*M&A Transactions by GCC Acquirers*

# Merger & Acquisition Watch

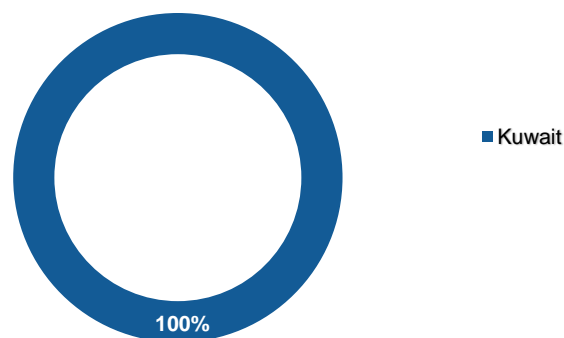
## By Kuwaiti Acquirers

### Targets & Buyers – Q4 2020

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
AXA SA - Insurance Operations (Gulf Region)	United Arab Emirates	Gulf Insurance Group	N/A	475*	Announced
Al-Shifa Pharmaceutical	Kuwait	Kuwait Saudi Pharmaceutical Industries Company	51	14**	Closed
First Investment Company	Kuwait	Al Khair National Group	7	6	Closed
United Foodstuff Industries Group Company	Kuwait	Kuwait Business Town Real Estate Company	22	6	Closed
BATEK Industry Company	Kuwait	Kinan Real Estate Company	99	6	Closed

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

### Target Companies – Geographical Distribution by Number of Transactions (Closed) (Q4 2020)



### Key Takeaways

- Gulf Insurance Group has announced its intention to acquire AXA's insurance operations in the Gulf region for a total consideration of USD 475 million. As a part of this transaction, the group will acquire the following: AXA Gulf (100%), AXA Cooperative Insurance Company (50%) and AXA Green Crescent Insurance Company (28%), from AXA and Yusuf Bin Ahmed Kanoo Group.\*
- Mezzan Holding Company has indirectly acquired a 51% stake in Al-Shifa Pharmaceutical Trading and Industries Company ("Al-Shifa Pharmaceutical") for a total consideration of USD 14 million. The company acquired this stake through its subsidiary, Kuwait Saudi Pharmaceutical Industries Company.\*\*
- Al Khair National for Stocks Real Estate Company and Group ("Al Khair National Group") has acquired an additional 7% stake in First Investment Company for a total value of USD 6 million. As such, the company has increased its total holdings to 15%.
- Kuwait Business Town Real Estate Company has raised its ownership in its associate, United Foodstuff Industries Group Company, by acquiring a 22% stake for a total consideration of USD 6 million. Note that this transaction was completed through one of the company's subsidiaries.
- Mubarrad Holding Company has sold its entire stake in BATEK Industry Company, amounting to a stake of 99%, for a total consideration of USD 6 million.

\*Note: Upon closing, Gulf Insurance Group will own a total of 50% in AXA Cooperative Insurance Company; 18% will be acquired directly whereas 32% is owned by AXA Gulf and as such, will be classified as an indirect investment.

\*\* The purchase price will be paid after deducting the amounts due from the sellers to Kuwait Saudi Pharmaceutical Industries Company ("KSPICO") and will be paid in two installments. The first payment (50%) will be made upon transferring ownership of the shares to relevant governmental authorities, and the second payment (50%) upon issuance of final licenses for KSPICO's subsidiary.

# Merger & Acquisition Watch

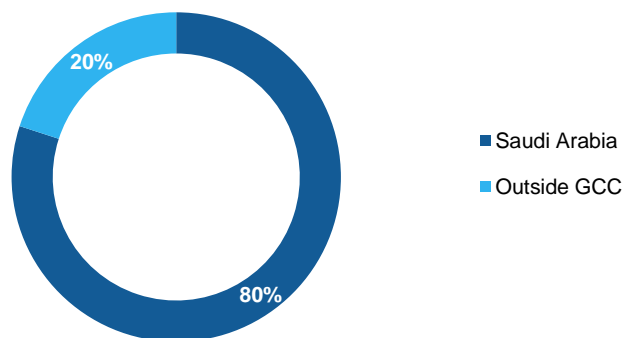
## By KSA Acquirers

### Targets & Buyers – Q4 2020

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
SNK Corporation	Japan	Mohammad bin Salman Foundation	33	217	Announced
Jazel Investments Limited	Saudi Arabia	Jazan Energy & Development Company	100	109	Announced
Care Shield Holding Company	Saudi Arabia	Dallah Healthcare Company	59	87*	Closed
German Saudi Industrial Company	Saudi Arabia	National Building & Marketing Company	50	53	Announced
Ajeej Steel Manufacturing Company	Saudi Arabia	National Building & Marketing Company	100	48	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

### Target Companies – Geographical Distribution by Number of Transactions (Closed) (Q4 2020)



### Key Takeaways

- The Mohammad Bin Salman Foundation announced a strategic investment of USD 217 million towards acquiring a 33% stake in SNK Corporation. The foundation will acquire a stake in the Japanese gaming company through its subsidiary, Electronic Gaming Development Company.
- Jazan Energy and Development Company inked a binding agreement to acquire 100% of Jazel Investment Limited for a total value of USD 109 million. The company will complete the acquisition through a capital increase whereby it will raise its capital share by 66%, from USD 133 million to USD 221 million.
- Dallah Healthcare Company has successfully acquired a 59% stake in Care Shield Holding Company for a total consideration of USD 87 million.\*
- National Building and Marketing Company ("NMBC") announced signing a memorandum of understanding for the acquisition of a 50% stake in German Saudi Industrial Company for a total consideration of USD 53 million. Shortly after this, the company announced that it has entered into a binding agreement to fully acquire Ajeej Steel Manufacturing Company for a value of USD 48 million.

\*Note: The transaction value is comprised of the following components: 1) A cash consideration of USD 80 million in exchange for a ~55% stake, to be acquired from Kingdom Investment and Development Company and 2) a cash consideration of USD 7 million in exchange for a 4% stake, to be acquired from the target's minority shareholders.

# Merger & Acquisition Watch

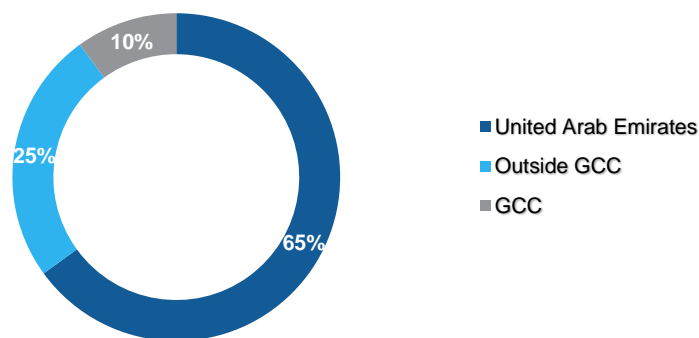
## By UAE Acquirers

### Targets & Buyers – Q4 2020

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Saadiyat Cooling	United Arab Emirates	National Central Cooling Company	100	262	Closed
Agthia Group	United Arab Emirates	General Holding Corporation	8	123*	Announced
SHUAA Capital	United Arab Emirates	Jassim Alseddiqi	21	88**	Closed
DXB Entertainments	United Arab Emirates	Meraas Leisure & Entertainment	48	83	Announced
Orient UNB Takaful	United Arab Emirates	Orient Insurance	49	21	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

### Target Companies – Geographical Distribution by Number of Transactions (Closed) (Q4 2020)



### Key Takeaways

- National Central Cooling Company has fully acquired Saadiyat Cooling LLC (majority owned by Aldar Properties), and Saadiyat District Cooling Sole Proprietorship ("Saadiyat Cooling") (wholly-owned by Aldar Investment Properties) for a total value of USD 262 million. Together, the two companies have a capacity of 88 thousand refrigerated tonnes.
- Agthia Group announced that it has received an offer from General Holding Company ("Senaat") to combine its subsidiary, Al Foah Company LLC ("Al Foah"), with Agthia Group. The key terms state Senaat will transfer Al Foah to Agthia Group in exchange for the issuance of a convertible instrument valued at USD 123 million.\*
- SHUAA Capital's CEO, Jassim Alseddiqi, has acquired 537 million shares in the company through a special deal valued at an estimate of USD 88 million. As such, Alseddiqi has raised his total ownership share to 28%.\*\*
- Meraas Leisure and Entertainment announced it's intention to acquire a majority stake in DXB Entertainments for a total consideration of USD 83 million. If completed, the company would increase its total holding from 52% to 100%.
- Orient Insurance is set to acquire a 49% stake in Orient UNB Takaful from Abu Dhabi Commercial Bank Group for a total consideration of USD 21 million. It is worth mentioning the group is selling these shares on behalf of UNB & Al Wifaq Financing.

*\*Note: The transaction value is an estimate that was calculated based on the following assumptions: 1) Upon closing, instrument will convert into 120 million shares and 2) Convertible share price = USD 1.021. Post conversion, Senaat would increase their total ownership share from 51% to 59% of Agthia Group's issued share capital.*

*\*\* The transaction value is an estimate that was calculated based on the following assumptions: 1) Number of shares acquired = 537.4 million, 2) Closing share price (as of November 11, 2020) = USD 0.163*

# Merger & Acquisition Watch

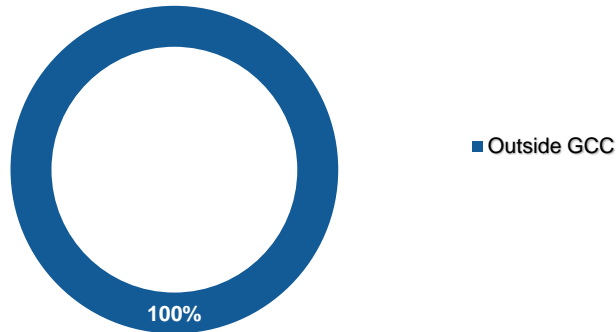
## By Qatari Acquirers

### Targets & Buyers – Q4 2020

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Borsa Istanbul A.S.	Turkey	Qatar Investment Authority	10	200	Closed
Ortadogu Antalya Liman Isletmeleri	Turkey	QTerminals	100	140	Announced

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

### Target Companies – Geographical Distribution by Number of Transactions (Closed) (Q4 2020)



### Key Takeaways

- Qatar Investment Authority has acquired a 10% stake in the main Turkish stock exchange, Borsa Istanbul A.S. for a total consideration of USD 200 million. It is worth noting Turkey Wealth Fund remains the largest shareholder in Borsa Istanbul A.S. with a total ownership of approximately 81%.
- QTerminals has signed a sale and purchase agreement with Global Ports Holding Plc to acquire Ortadogu Antalya Liman Isletmeleri ("Port Akdeniz"), for a total consideration of USD 140 million. Port Akdeniz is one of Global Port Holding's largest commercial port concessions operating out of Port Akdeniz in Antalya, Turkey. The concession agreement expires in August 2028.

# Merger & Acquisition Watch

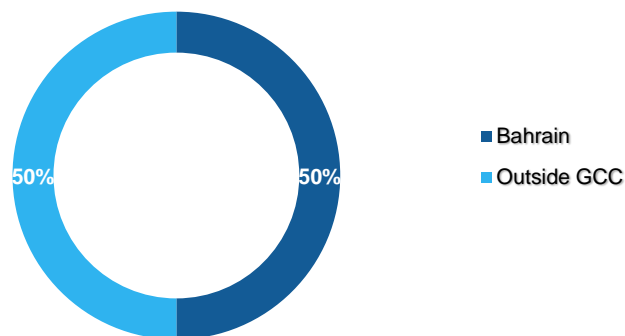
## By Bahraini Acquirers

### Targets & Buyers – Q4 2020

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
BLOM Bank - Egypt	Egypt	Arab Banking Corporation	99	424	Announced
Roebuck Asset Management	United Kingdom	GFH Financial Group	N/A	N/A	Closed
Sanos Group	Denmark	Investcorp Holdings	100	N/A	Closed
T'azur Bahrain	Bahrain	Solidarity Bahrain	100	N/A	Announced
Viz Branz Holdings	Singapore	Investcorp Holdings	N/A	N/A	Closed

Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis

### Target Companies – Geographical Distribution by Number of Transactions (Closed) (Q4 2020)



### Key Takeaways

- Arab Banking Corporation announced entering into an agreement with Blom Bank – Lebanon to acquire 99% of Blom Bank Egypt for an estimated value of USD 424 million. The acquisition is expected to closed in Q2 2021, subject to regulatory approvals in Bahrain, Egypt and Lebanon.
- GFH Financial Group acquired a majority stake in Roebuck Asset Management for an undisclosed amount. The target is a UK-based real estate asset manager specialized in acquiring and managing logistics assets throughout the UK and the wider European region.
- Investcorp successfully acquired Sanos Group, a leading provider of specialized clinical trial services, for an undisclosed amount. Sanos Group is based in Denmark however, it has built a worldwide reputation for its scientific expertise and ability to recruit patients.
- Solidarity Bahrain issued a letter of intent to T'azur Bahrain expressing its interest in merging the two entities. Under the proposed terms, T'azur Bahrain would transfer all assets and operations to Solidarity Bahrain in exchange for the issuance of ordinary shares in the latter company (at a mutually agreed share swap ratio).
- Investcorp has entered into a definitive agreement to acquire a majority stake in Viz Branz Holding Private Limited ("Viz Brand Holding") from its existing shareholders for an undisclosed amount. Viz Brand Holding is a leading, family-owned manufacturer and distributor of cereal and beverage brands across Southeast Asia.

# Merger & Acquisition Watch

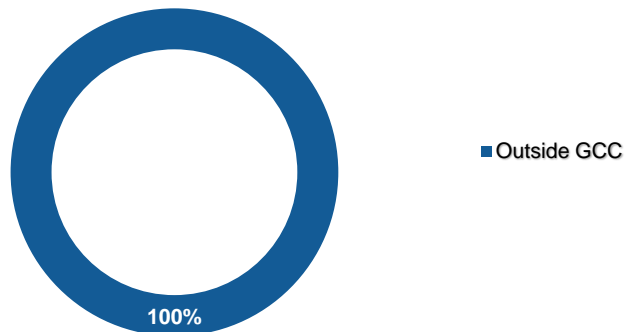
## By Omani Acquirers

### Targets & Buyers – Q4 2020

Target Company	Target Country	Buyer	Percent Sought	Deal Value (USDmn)	Status
Lafarge Holcim Maldives Limited	Maldives	Raysut Cement Company	75	8	Closed
Gulf Investment Services Holding Company	Oman	Oman Investment & Finance Company	100	N/A	Announced

*Source: S&P Capital IQ, GCC Stock Exchanges, Local Newspapers, Markaz Analysis*

### Target Companies – Geographical Distribution by Number of Transactions (Closed) (Q4 2020)



### Key Takeaways

- Raysut Cement Company has successfully acquired a 75% stake in Lafarge Holcim Maldives Limited for a total consideration of USD 8 million. The target is a cement terminal located in Thilafushi Island, Maldives.
- Gulf Investment Service Holding Company is considering a potential merger with Oman Investment and Finance Company whereby the latter company will be the merging company. The transaction is subject to due diligence and regulatory approvals from the respective shareholders of each of companies. No further details have been provided.



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