

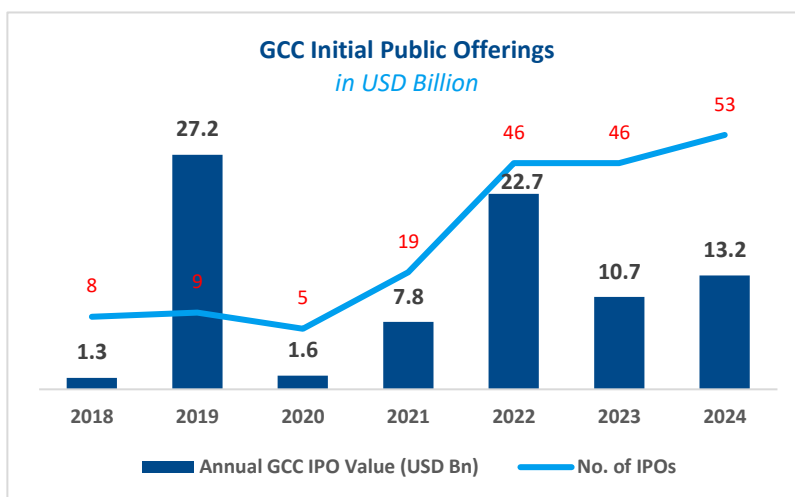
January 2025:
GCC IPO Research

GCC Initial Public Offerings FY2024 Highlights

GCC Initial Public Offerings

Initial Public Offerings (“IPO”) in the Gulf Cooperation Council Countries (“GCC”) raised total proceeds of USD 13.2 billion through 53 offerings during the year 2024, marking an increase of 23% by value compared to the previous year, where issuers raised USD 10.7 billion through 46 offerings. GCC issuers have offered on an average 23% stake and received significant demand from investors resulting in the oversubscription of all offerings.

Corporate IPOs raised USD 8.9 billion, or 67% of the total GCC IPO proceeds during the year, through 48 offerings. While IPOs offered by government related entities only accounted for 33%, amounting to USD 4.3 billion through 5 offerings.



Sources: Bloomberg, Capital IQ, Zawya and daily newspapers

Geographical Allocation

United Arab Emirates

The UAE led the region in terms of IPO proceeds for the third year in a row, raising a total of USD 6.4 billion which constituted 49% of the total GCC IPO proceeds during the year. The Emirates saw 7 IPOs during the year where Abu Dhabi Securities Exchange (ADX) raised USD 3.6 billion hosting 4 IPOs led by NMDC Energy and Lulu Retail Holdings. On the other hand, Dubai Financial Market (DFM) raised a total of USD 2.8 billion from Talabat, Parkin Company and Spinneys IPOs.

Kingdom of Saudi Arabia

Saudi Arabia followed, raising a total of USD 4.1 billion, or 31% of the total GCC IPO proceeds, with 42 offerings. Saudi Exchange (Tadawul) saw 14 IPOs on its Main Market amounting to a total of USD 3.8 billion and 28 IPOs on its Parallel Market (Nomu) raising a total of USD 297 million. Dr. Soliman Fakeeh Hospital, Almoosa Health Group and Nice One IPOs were the largest offerings listed on Tadawul this year.

Sultanate of Oman

Oman raised USD 2.5 billion during the year, or 19% of the total GCC IPO proceeds, witnessing two IPOs on Muscat Securities Market (MSX).

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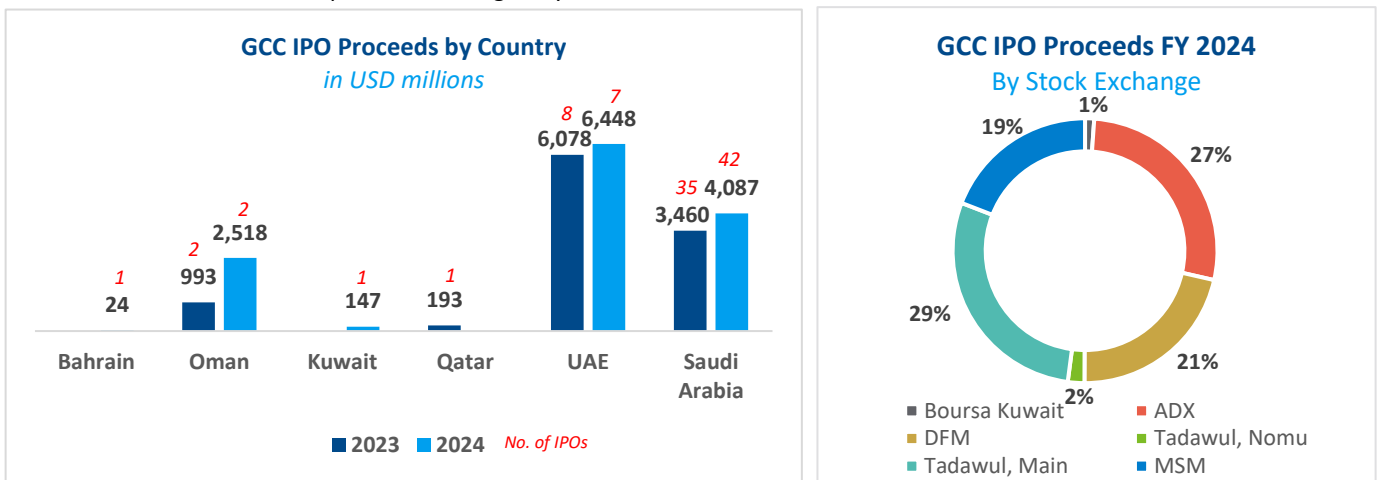
Offerings by OQ Exploration and Production (OQEP) and OQ Base Industries (OQBI) were held during the last quarter of the year, in alignment with the Oman Investment Authority’s strategy to divest certain government assets. It is worth noting that OQEP is the largest IPO in Oman’s history raising a total of USD 2.0 billion for a 25% stake.

State of Kuwait

Kuwait has seen its first IPO since 2022, with Boursa Kuwait hosting the IPO of Beyout Investment Group Holding during the second quarter of the year. The offering raised a total of USD 147 million constituting 1% of the total GCC IPO proceeds raised during the year.

Kingdom of Bahrain

Bahrain have placed one IPO during the year raising a total of USD 24 million. Bahrain Bourse (BHB) welcomed the IPO of Al Abraaj Restaurants Group marking Bahrain’s first IPO since 2018. The company offered 35% stake with proceeds constituting to 0.2% of the total GCC IPO proceeds during the year.

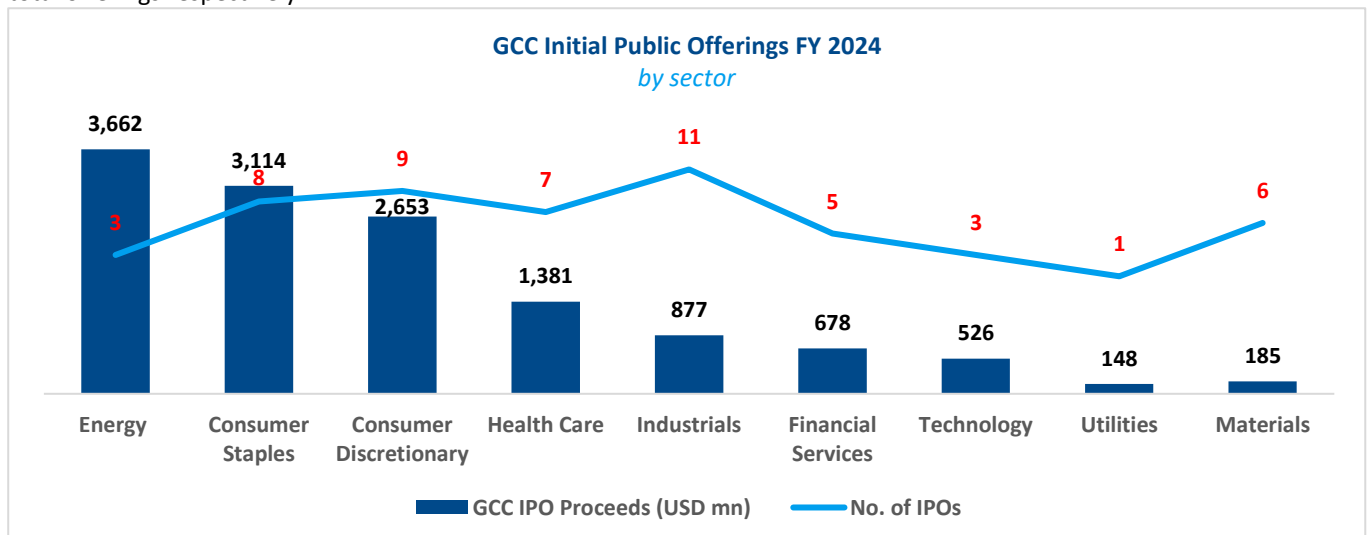


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Sector Allocation

The Energy sector raised a total of USD 3.7 billion, accounting for nearly 28% of the total proceeds during 2024 from offerings by Abu Dhabi’s NMDC Energy and Oman’s OQEP and OQBI. This was followed by the Consumer Staples sector with USD 3.1 billion, or 24% of the total proceeds, from 8 IPOs including Lulu Retail, Spinneys and Saudi Modern Mills Company. The Consumer Discretionary sector raised a total of USD 2.7 billion, constituting 20% of the total proceed, from 9 IPOs including Talabat, Nice One and Abu Dhabi National Hotels Catering.

Moreover, the Healthcare sector saw USD 1.4 billion in proceeds, constituting 10% of the total proceeds, through 7 IPOs while the Industrials sector saw USD 877 million from 11 offerings and constituting 7% of the total GCC IPO proceeds during the year. This was followed by the Financial Services sector, Technology, Utilities and Material which constituted 5%, 4%, 1% and 1% of total offerings respectively.



Sources: Bloomberg, Capital IQ, Zawya and daily newspapers

Post-Listing Performance

Top Gainers:

Saudi Arabia’s IPOs, on both the Main and Parallel markets, recorded the highest performances post-listing compared to other GCC markets. Positive market sentiments for sectors such as technology, healthcare and consumer drove the strong gains for these IPOs.

	Company Name	Sector	Market	Float %	Offer Price	Listing Date	First 30 Days Performance
1.	Miahona Company Limited	Utilities	Tadawul Main	30%	SAR 11.5	22 May 2024	147%
2.	Purity for Information Technology	Technology	Tadawul Nomu	20%	SAR 8	22 Oct 2024	118%
3.	Middle East Pharmaceutical Industries Company	Healthcare	Tadawul Main	30%	SAR 82	1 Feb 2024	94%
4.	Rasan Information Technology Company	Insurance	Tadawul Main	30%	SAR 37	30 May 2024	86%
5.	Al Taiseer Group TALCO Industrial Company	Capital Goods	Tadawul Main	30%	SAR 43	29 May 2024	66%
6.	Almajed for Oud Company	Household & Personal Products	Tadawul Main	30%	SAR 94	15 Sep 2024	64%

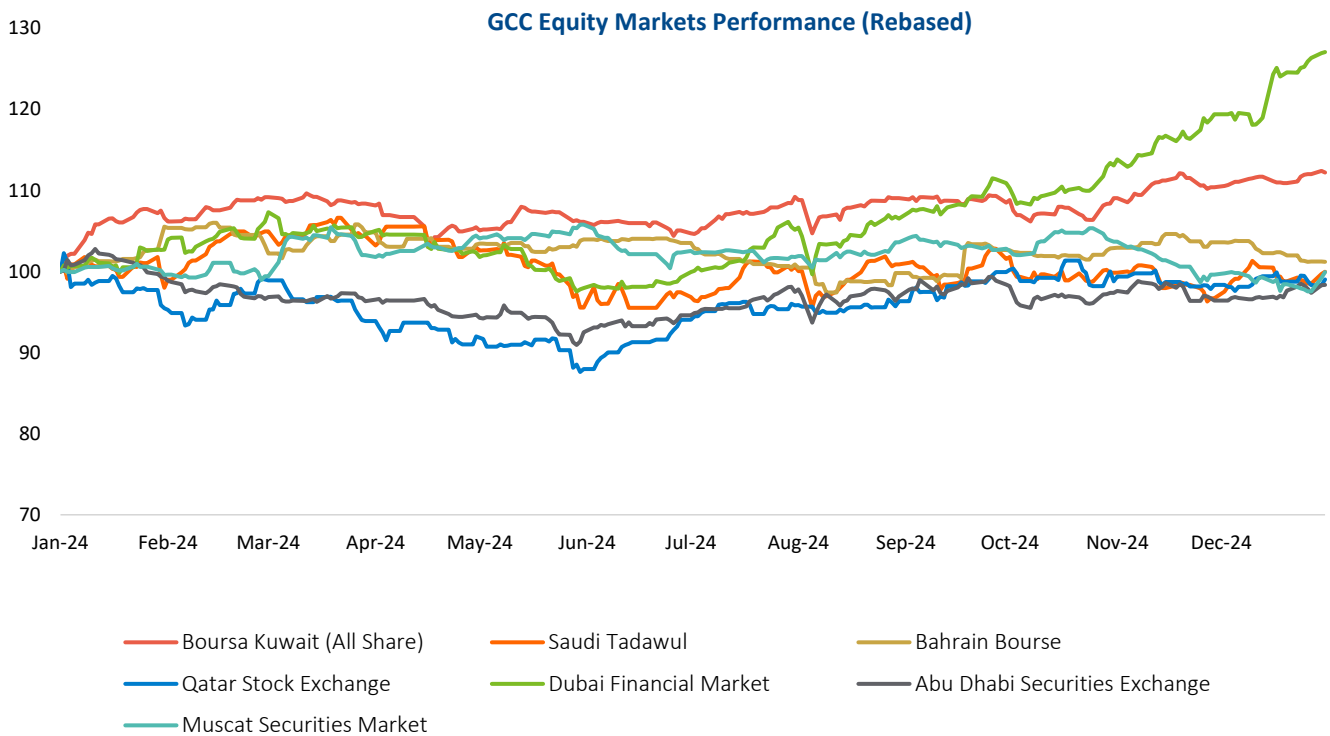
Weak Performers:

A negative trend was seen across milling companies which might be due to investors being skeptical over government’s support for this industry.

	Company Name	Sector	Market	Float %	Offer Price	Listing Date	First 30 Days Performance
1.	Pan Gulf Marketing Company	Commercial & Professional Svc	Tadawul Nomu	12%	SAR 51	18 Feb 2024	-35%
2.	Yaqeen Capital Company	Financial Services	Tadawul Nomu	20%	SAR 40	26 Jun 2024	-28%
3.	Fourth Milling Company	Food & Beverages	Tadawul Main	30%	SAR 5.3	29 Oct 2024	-21%
4.	Arabian Mills for Food Products Company	Food & Beverages	Tadawul Main	30%	SAR 66	8 Oct 2024	-18%
5.	Tharwah HR Company	Commercial & Professional Svc	Tadawul Nomu	15%	SAR 62	27 Aug 2024	-14%
6.	Taqat Mineral Trading Company	Materials	Tadawul Nomu	20%	SAR 18	28 Mar 2024	-12%

GCC Markets Performance

Most of the GCC equity market indices ended the year 2024 on the rise. Dubai Financial Market outperformed its GCC peers with a 26.9% increase followed by Boursa Kuwait with a 12.4% increase. Muscat Securities Market increased by 1.3% similarly to Bahrain Bourse which increased by 1.2%. Saudi Tadawul increased by 0.6% while Qatar Stock Exchange fell by -1% as well as Abu Dhabi Securities Exchange which fell by -1.7%.



Sources: Bloomberg

Selected GCC IPO Pipeline

Saudi Arabia is expecting more than 50 IPOs during the next two years. Seven IPOs have already gained regulatory approvals and are expected to be listed by the first quarter of 2025. The UAE, Qatar and Oman are also expecting several IPOs as local companies started appointing banks for potential offerings.

Company	Country	Market	Offering Size (Stake)	Sector
Arabian Oud Company	KSA	Tadawul	NA	Consumer
Derayah Financial Company	KSA	Tadawul	20%	Financial
United Carton Industries Company	KSA	Tadawul	30%	Industrial
Al Koot Insurance	Qatar	Qatar Stock Exchange	NA	Insurance
Arabian Company for Agricultural and Industrial Investment	KSA	Tadawul	30%	Consumer
Asyad Shipping Company	Oman	Muscat Stock Exchange	NA	Logistics
ALEC Engineering & Contracting	UAE	DFM	NA	Construction
National Unified Procurement Company	KSA	Tadawul	30%	Medical Supply
Amanat Holding Education platform	UAE	DFM	30%	Education

Sources: Bloomberg, Capital IQ, Zawya and daily newspapers

- Several sources were utilized in the drafting of this report; notable sources are Bloomberg, Capital IQ, Zawya, and daily newspapers
- Every effort has been made to include and quote the majority of data that is accessible to Markaz.
- All currencies were converted into US Dollars for easy comparison.

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