

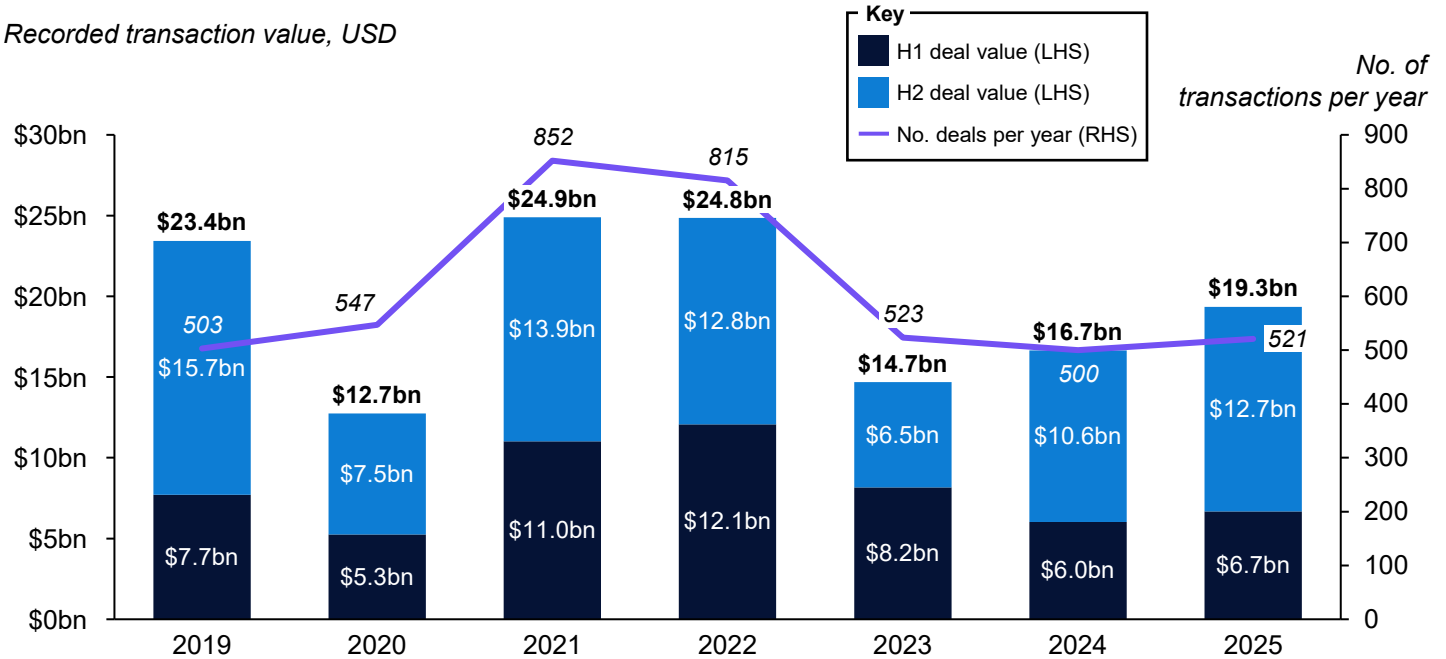
# Middle East Private Equity Activity

## H2 2025 Roundup

2025 deal flow outpaced 2024, indicating regional private equity activity is continuing to rebound

### PE and VC investments<sup>1</sup> in the Middle East, 2019-2025

Recorded transaction value, USD



Deal activity is improving, but sustained growth will likely depend on easing macro and geopolitical pressures

### Key outcomes



#### Continued Market Recovery

Investment activity is improving but remains constrained by macroeconomic and geopolitical conditions



#### Gradual Stabilization and Upside

Deal activity is expected to stabilize over the near term, with momentum gradually strengthening as market conditions normalize



#### Enhanced Value Creation Potential

Until market activity normalizes, investors are increasingly positioned to benefit from value creation opportunities

Sources: Teneo analysis, S&P Capital IQ 'Private Markets' data as of 31 December 2025

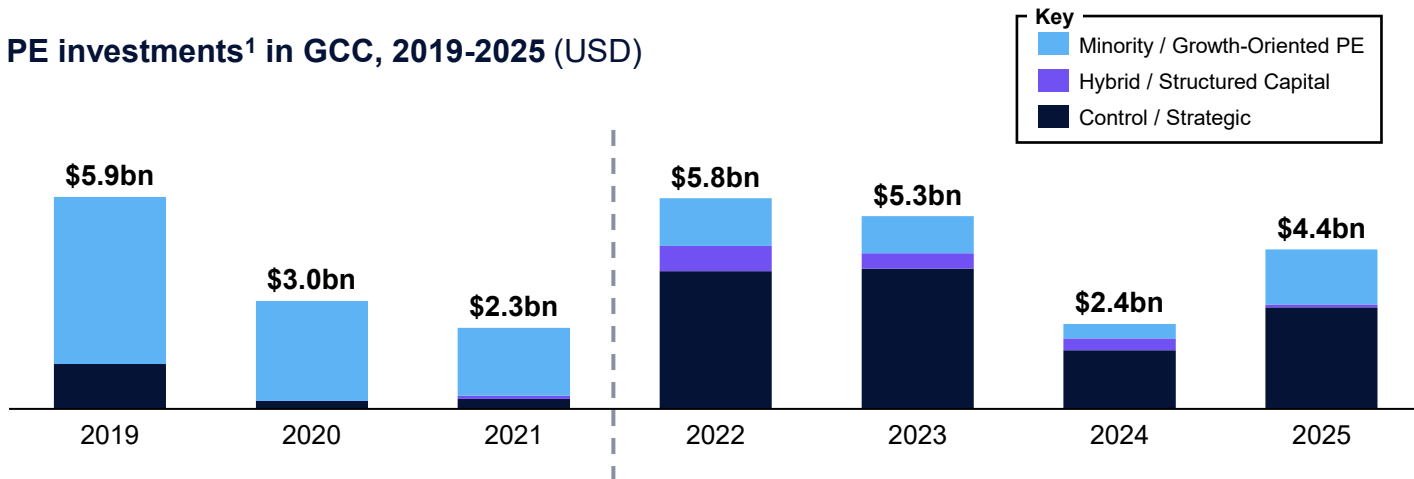
Note: 1. Private equity transactions include all M&A where either the buyer or seller is a PE or VC fund. Deals without value are excluded

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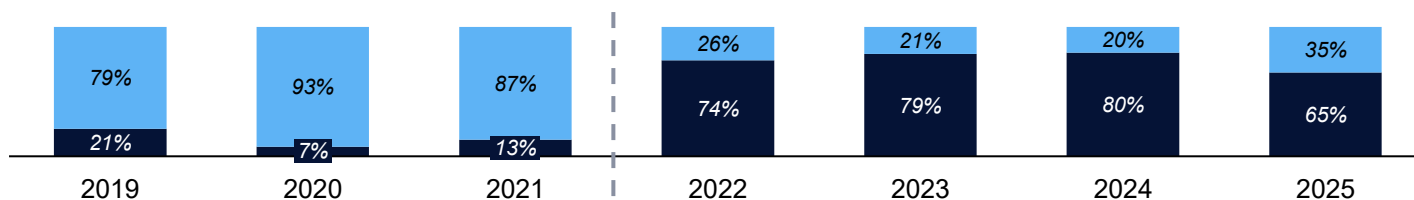
## H2 2025 Roundup

Post-2022, GCC investors are primarily taking controlling stakes (vs. pre-2021 minority positions), enhancing their ability to actively drive value creation

PE investments<sup>1</sup> in GCC, 2019-2025 (USD)



Split of minority growth versus control-oriented PE investments, 2019-2025 (%)



This shift continues to be driven by:

- Higher interest rates post-2021 reducing optionality and shifting preferences toward control
- Plateauing exit multiples increasing the relative attractiveness of full ownership
- Focus on scaling and performance improvement limiting the viability of passive strategies

### Value creation levers in this environment



#### Growth with clear Intent

- Clear investment thesis
- Growth strategy & execution
- Cost optimisation



#### Control with less Disruption

- Governance and continuity
- Stakeholder alignment
- Culture and change management



#### Exit with better Outcomes

- IPO preparation
- Equity story
- Stakeholder trust

Look out for our upcoming thought leadership article on value creation, which examines these levers across the deal lifecycle

Sources: Teneo analysis, S&P Capital IQ 'Private Markets' data as of 31 December 2025

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# Middle East Private Equity Activity

## H2 2025 Roundup

Teneo's Management Consulting team supports local and international investors throughout the asset lifecycle with a range of services

### Deal lifecycle support



### Core sectors



**Technology, software & IT services**



**Health & social care**



**Telecommunications & infrastructure**



**Business services**

### Key Contacts | Middle East Management Consulting – Private Equity Practice



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