

# The GCC Deal Corridor: Where Global Capital Meets Strategic Growth

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Cross-Border M&A in 2026

Why the GCC Is Becoming the World's  
Most Active Capital Gateway

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# Executive Summary

**884**MENA M&A  
deals in  
2025**\$106.1B**GCC deal  
value,  
2025**54%**Cross-border  
share of  
volume**\$5.9T**GCC SWF  
assets under  
management

## FIVE FACTS DEFINE THE CURRENT GCC DEAL LANDSCAPE:

**1**

**From importer to connector:** The GCC is no longer a passive recipient of global capital. It is an active dealmaker, acquiring internationally, attracting inbound investment, and structuring partnerships across multiple corridors simultaneously.

**2**

**New corridors, new opportunities:** The UK-GCC FTA (concluded May 2026), active GCC-China discussions, and deepening EU-Gulf engagement are reshaping the deal landscape in real time. Each agreement reduces friction and increases deal flow.

**3**

**Cross-border M&A is not matchmaking:** Successful transactions require disciplined valuation, structured due diligence, regulatory navigation across multiple jurisdictions, tax and ownership architecture, and post-deal integration planning. The advisory gap is as significant as the opportunity.

**4**

**Preparation is now a competitive advantage:** Businesses that have investor-ready financials, credible information memorandums, and structured transaction processes consistently achieve better terms, attract stronger counterparties, and close faster.

**5**

**Sectors in motion:** Technology, financial services, healthcare, energy transition, logistics, and consumer are leading cross-border M&A activity, with GCC sovereign and strategic capital actively targeting each.

# Why GCC, Why Now

The case for GCC-focused cross-border M&A in 2026 rests on seven structural drivers, not sentiment, not commodity prices alone, but a convergence of capital, policy, and competitive necessity.

## FROM IMPORTER TO CONNECTOR

01

Saudi Vision 2030, UAE Vision 2071, Qatar National Vision 2030, Oman Vision 2040, and Kuwait's New Kuwait 2035 are collectively deploying hundreds of billions in public and private capital to build non-oil economies. Each programme creates M&A demand, acquisitions, joint ventures, and strategic partnerships to accelerate capability building.

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## SOVEREIGN WEALTH FUND SCALE

02

GCC sovereign wealth funds collectively manage approximately \$5.9 trillion in assets, with PIF (\$1.15T), ADIA (\$1.19T), and KIA (\$1T) each exceeding the trillion-dollar threshold. In 2025, the six largest GCC SWFs deployed \$119 billion, capturing 43% of global SWF deal activity. This capital is increasingly outbound.

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## PRIVATISATION AND CAPITAL MARKET DEVELOPMENT

03

Government-owned assets across healthcare, utilities, logistics, education, and financial services are being privatised at an accelerating pace, creating both sell-side mandates and acquisition targets for regional and international investors.

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## FAMILY BUSINESS SUCCESSION AND CONSOLIDATION

04

The GCC is home to thousands of family-owned businesses, many in their second or third generation of ownership. Succession planning, professionalisation, and scale consolidation are driving a wave of minority sales, strategic partnerships, and full exits.

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## INTERNATIONAL MARKET ENTRY

05

The GCC's young demographics, high disposable income, and government-backed infrastructure spending continue to attract international businesses across consumer, healthcare, technology, and industrials, most of whom enter through acquisition or joint ventures requiring structured deal support.

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## INTERNATIONAL MARKET ENTRY

06

GCC corporates and conglomerates are increasingly acquiring abroad, seeking technology, market access, brand equity, and supply chain resilience. These outbound transactions require sophisticated cross-border advisory from origination through to post-deal integration.

# The New Deal Corridors

Five strategic corridors are shaping the cross-border M&A opportunity in 2026. Each is backed by formal trade and investment engagement, active capital flows, and growing demand for advisory services.



GCC - UK

The **UK-GCC FTA**, concluded on 20 May 2026, makes the UK the first G7 nation with a comprehensive GCC trade agreement, projected to generate up to **£3.7 billion** annually and eliminate tariffs on **93%** of UK exports to the GCC. Cross-border financial services, advanced manufacturing, healthcare, and professional services are expected to see the highest M&A and JV activity. Current bilateral trade stands at **£53 billion**.



GCC - EU

**EU-Gulf trade** engagement continues to strengthen, with renewed EU-UAE Free Trade Agreement discussions and **EU-GCC** trade-related policy work underway. The EU remains one of the GCC's largest trade partners, with active deal-making in chemicals, infrastructure, and financial services. The Borouge acquisition by Austria's OMV and Borealis (**\$16.5 billion**) was 2025's largest single MENA deal.



GCC - China

**GCC-China FTA** negotiations remain active, reinforcing a trading relationship that has grown to hundreds of billions annually. Chinese infrastructure, technology, and industrial investment into the GCC continues alongside GCC sovereign capital accessing Chinese markets. This corridor is particularly active in logistics, ports, energy, and digital infrastructure.



**ASEAN-GCC** economic cooperation is deepening through bilateral investment treaties, logistics partnerships, and ongoing **FTA**-related discussions. **GCC** sovereign capital has been actively acquiring stakes in ASEAN infrastructure, food systems, and digital platforms, while **ASEAN** manufacturers and technology firms are expanding GCC market entry strategies.



Domestic and intra-regional consolidation remains a core theme, contributing **46%** of total **MENA deal** volume in 2025. The UAE continues to lead as the preferred destination for inbound investors, while Saudi Arabia drives privatisation and sector-led deal activity. **Intra-GCC deals**, spanning healthcare networks, financial services, logistics, and consumer, benefit from a shared regulatory framework and deep capital relationships.

# What This Means for Business Owners

The GCC deal market in 2026 is not exclusively the domain of large corporates and sovereign investors. For privately held businesses and family groups, whether GCC-based or international, the current environment offers a set of concrete opportunities that were not accessible a decade ago.

## **ACCESS TO INTERNATIONAL BUYERS AND STRATEGIC INVESTORS**

Cross-border M&A activity has created a genuinely competitive market for well-prepared businesses. GCC-based companies with scalable operations, defensible market positions, and transparent financials are attracting interest from European, Asian, and North American buyers and investors who could not easily access the region previously.

## **BETTER VALUATION OPPORTUNITIES**

Heightened inbound investor interest and active sovereign capital deployment have improved valuation multiples in priority sectors. Businesses that approach the market properly prepared, with credible financial models, a clear growth story, and structured information memoranda, consistently achieve materially better terms than those that engage reactively.

## **EXPANSION THROUGH ACQUISITION OR PARTNERSHIPS**

GCC companies looking to enter international markets, access new technology, or consolidate within the region have more structured options available than at any prior point. Buy-side advisory, target identification, and cross-border deal execution support are increasingly accessible to mid-market businesses, not only large conglomerates.

## **EXIT PLANNING AND SUCCESSION SOLUTIONS**

Family business succession is one of the defining M&A themes of this decade in the GCC. Minority sales to strategic investors, partial exits to private equity, management buyouts, and generational transfers all require structured advisory to execute successfully and preserve value.

## **ACCESS TO NEW MARKETS, TECHNOLOGY, AND CAPITAL**

Strategic acquisitions and JV structures provide access to capabilities that would take years to build organically — technology platforms, distribution networks, licences, and talent. For businesses aligned with Vision 2030 mandates and sector-specific investment themes, the capital environment is actively receptive.

# What This Means for Investors

For international investors, private equity sponsors, family offices, and strategic acquirers targeting the GCC, or GCC-based capital seeking international exposure, the 2026 deal environment is materially different from five years ago. The opportunity is real. So is the complexity.

## **MARKET ENTRY AND LICENSING**

The GCC's regulatory landscape is evolving rapidly. Investors entering KSA, UAE, or Qatar for the first time require a structured understanding of foreign ownership rules, sectoral licensing requirements, MISA/ADGM/DIFC frameworks, and repatriation regulations, all of which directly affect deal structure.

## **SECTOR CONSOLIDATION PLAYS**

Technology, financial services, healthcare, logistics, and education are all fragmented and primed for consolidation. Identifying scalable platforms, businesses with demonstrated unit economics, operational infrastructure, and the ability to absorb adjacent acquisitions, remains a primary investment thesis.

## **SCALABLE REGIONAL PLATFORMS**

The GCC's integrated market structure creates a premium for businesses that operate across multiple countries simultaneously. Platform investments that can be scaled regionally through M&A are commanding higher multiples and attracting multiple bidders.

## **QUALITY OF FINANCIAL INFORMATION**

This remains the single most frequent challenge in GCC M&A due diligence. Many target businesses, particularly family-owned and founder-led companies, have not maintained IFRS-compliant financial statements, driver-based management accounts, or audited historicals. Investor-side due diligence must account for this early.

## **GOVERNANCE AND TRANSPARENCY**

As GCC capital markets mature and cross-border institutional investment increases, governance standards are rising. Investors are placing greater weight on board structure, related-party transparency, compliance infrastructure, and ESG alignment, particularly for targets in regulated sectors.

## **DEAL EXECUTION CERTAINTY**

In a market where cross-border deals involve multiple jurisdictions, regulatory approvals, and counterparties with different negotiation norms, the ability to manage execution risk from heads of terms through to legal close is as important as origination. Transaction advisory that spans all stages of the deal lifecycle is increasingly valued.

# Key Sectors to Watch in 2026

Cross-border M&A activity in the GCC is not evenly distributed across sectors. Eight areas are seeing disproportionate activity, driven by national diversification strategies, sovereign capital mandates, and genuine structural demand.



## ENERGY TRANSITION & RENEWABLES

Saudi Arabia's 50% renewable energy target by 2030 and the UAE's net-zero 2050 commitments are generating large-scale project M&A, technology partnerships, and international green energy acquisitions. GCC SWFs, including Mubadala and ADQ, have been active acquirers of renewable energy assets globally.

## HEALTHCARE & LIFE SCIENCES

Healthcare privatisation mandates across the GCC, particularly in Saudi Arabia, combined with growing patient demand and government targets for domestic capability building are driving hospital group consolidation, diagnostics acquisitions, and pharmaceutical partnerships.

## FINANCIAL SERVICES & FINTECH

Banking consolidation, insurance sector reform, capital market development, and a fast-growing fintech ecosystem across KSA, UAE, and Bahrain are creating both acquisition targets and buyer demand. Cross-border payments, digital lending, and insurance technology are particularly active.

## LOGISTICS & SUPPLY CHAIN

GCC port operators and logistics platforms, including DP World and ADNOC Logistics, are among the region's most active cross-border acquirers. The corridor's geographic position between Asia, Europe, and Africa creates a structural advantage that investors are actively monetising.

## **TECHNOLOGY & DIGITAL INFRASTRUCTURE**

Technology represented one of the two largest M&A sectors by deal volume in MENA in 2025 (alongside diversified industrials), accounting for 38% of overall activity combined. Data centres, cloud infrastructure, SaaS platforms, and AI-adjacent businesses are attracting both GCC and international strategic capital.

## **INDUSTRIALS & MANUFACTURING**

Saudi Arabia's industrial development agenda, anchored by the National Industrial Development and Logistics Programme, is driving inbound investment into manufacturing JVs and acquisitions. Industrial Products was one of the leading M&A sectors by volume in MENA in 2025.

## **CONSUMER, RETAIL & FOOD SECURITY**

GCC governments have elevated food security to a strategic priority, creating sovereign-level demand for acquisitions in agri-food, food processing, and distribution. Consumer sector deals are also accelerating, driven by young populations, e-commerce growth, and brand consolidation.

## **EDUCATION & PROFESSIONAL SERVICES**

Education privatisation and quality improvement programmes are creating acquisition and partnership opportunities across K-12, higher education, and vocational training. Professional services consolidation, including advisory, legal, and technology-enabled business services, is also a growing theme.

**Sources:** Science Direct, EY MENA M&A Insights 2025 (February 2026)

# Common Reasons Cross-Border Deals Fails or Lose Value

## UNREALISTIC VALUATION EXPECTATIONS

**01** Founders and owners frequently anchor on aspirational valuations, often derived from last funding rounds, anecdotal comparables, or emotional attachment, that diverge materially from what a disciplined buyer or investor will conclude. Misaligned expectations kill more GCC deals than any structural issue.

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## WEAK OR INCOMPLETE FINANCIAL REPORTING

**02** Many GCC target businesses lack IFRS-compliant audited financials, driver-based management accounts, or clear visibility into cost structures and margins. Investors assign significant risk premiums, or walk away, when financial information cannot be independently verified and stress-tested.

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## INSUFFICIENT DUE DILIGENCE PREPARATION

**03** Sellers who approach the market without a structured data room, clean corporate records, and clear answers to foreseeable investor questions create delays, breed doubt, and trigger renegotiations. Preparation quality directly predicts transaction outcome.

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## REGULATORY AND LICENSING COMPLEXITY

**04** Multi-jurisdiction deals involving GCC entities must navigate foreign ownership restrictions, sectoral licensing requirements, anti-trust thresholds, ZATCA compliance, GOSI certificates, and country-specific investment approval processes. Underestimating this layer adds cost, time, and execution risk.

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## TAX AND OWNERSHIP STRUCTURING GAPS

**05** The GCC's evolving tax environment, including UAE corporate income tax (9%), Saudi CIT (20% on foreign ownership share), Zakat obligations, VAT, and transfer pricing rules, requires proactive structuring before a transaction is launched. Gaps discovered in diligence are negotiating leverage for the other side.

### **CULTURAL AND NEGOTIATION MISALIGNMENT**

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Cross-border M&A in the GCC involves counterparties with materially different negotiation norms, relationship dynamics, decision-making timelines, and communication styles. Advisors who understand both sides of the table, regional and international, reduce friction and prevent avoidable breakdown.

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### **POOR POST-DEAL INTEGRATION PLANNING**

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Value creation in M&A is realised in execution, not at signing. Integration failures, including unclear governance structures, unresolved cultural friction, delayed financial consolidation, and mismanaged talent retention, account for a significant share of transactions that technically close but fail to deliver strategic objectives.

# How Insights Supports Cross-Border Transactions

Insights is a Corporate Finance and Deal Advisory practice with offices across the GCC, UK, US, and Australia. Our cross-border M&A practice operates across the full transaction lifecycle, from initial strategic readiness through to post-deal integration support.

We work with business owners, corporates, family groups, financial sponsors, and sovereign-linked investors across the GCC and internationally. Our mandate is to provide the advisory rigour of a global investment bank with the market access and cultural fluency of a regional specialist.

## OUR CROSS-BORDER TRANSACTION CAPABILITIES

M&A Strategy

Investor and Buyer Identification

Buy-Side Advisory and Target Identification

Due Diligence Support

Sell-Side Advisory and Process Management

Transaction and Deal Structuring

Valuation and Financial Modelling

Capital Raising Support

Information Memorandum Preparation

Negotiation Support

# 2026

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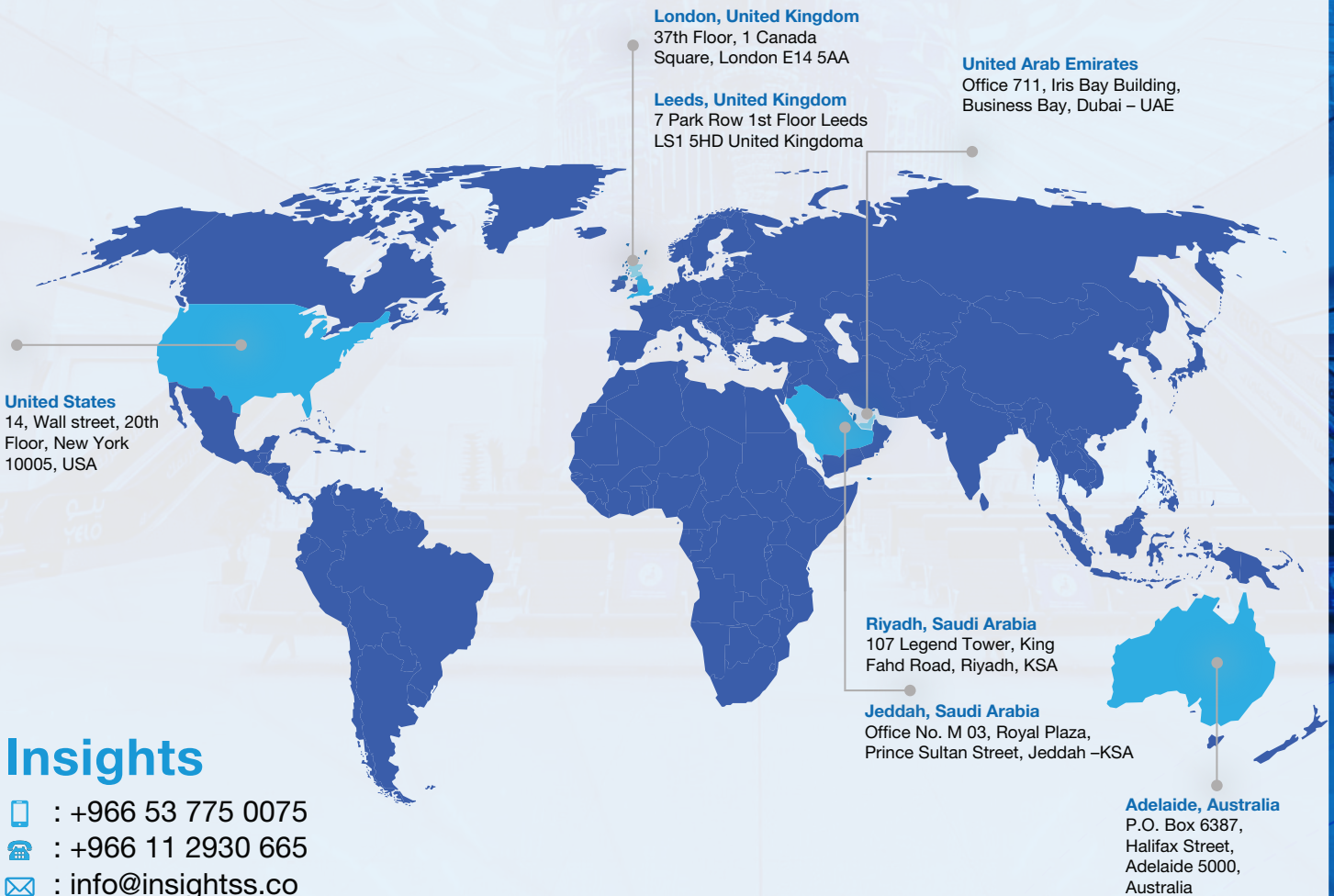
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