

Press Release

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Surge in the Number of Egypt M&A deals in 2024 compared to the previous year: Baker McKenzie Report

- Egypt's M&A deal activity increased by 27.3% in terms of deal volume and decreased by 14.2% in deal value
- Global M&A activity saw a 13.7% decline in overall deal volume and a 9.7% increase in deal value in FY 2024
- In the Middle East, deal volume decreased by 9% and deal value witnessed a slight decrease of 0.3%, throughout FY 2024
- The United Arab Emirates emerged as the leading inbound acquirer during the year, with 15 deals
- Saudi Arabia emerged as the leading non-Egyptian outbound destination during the year, with 5 deals

Cairo, Egypt, 12 February 2025 – According to the latest report by global law firm Baker McKenzie, based on LSEG data for globally announced Merger and Acquisition (M&A) transactions, Egypt's M&A activity in FY 2024 saw a 27.3% increase in deal volume but a 14.2% decrease in deal value. The growth in Egypt's overall M&A deal volume is attributed to a 31% increase in domestic deal volume and a 25% increase in cross-border deal volume.

On average, Egypt had about 15 deals per month in FY 2024, compared to 12 deals per month during the same period in 2023. The average deal value in FY 2024 was USD 20.5 million per deal, down from USD 30.4 million per deal in 2023.

The **global** M&A activity in FY 2024 experienced a 13.7% drop in deal volume, while deal values increased by 9.7%. The monthly average deal count fell to around 4,189 deals, compared to approximately 4,855 deals in the same period in 2023. Meanwhile, the average deal value per transaction in FY 2024 was USD 63.1 million, compared to USD 49.6 per transaction in FY 2023. The decline in global M&A deal volume was driven by a 13% reduction in domestic deals and a 15% decline in cross-border transactions.

In the **Middle East**, FY 2024 saw a 9% decrease in deal volume, while deal value were almost at the same level as FY 2023, totaling 1242 deals worth USD 87.2 billion. On average, the region saw about 104 deals per month in FY 2024, compared to approximately 114 deals per month in 2023. The slight decline in deal volume can be attributed to a 9% reduction in cross-border transactions. The average deal value in FY 2024 was USD 70.3 million per transaction, compared to USD 64.0 million in FY 2023.

On Egypt's M&A deals activity, **Mohamed Ghannam, Managing Partner at Helmy, Hamza & Partners, Baker McKenzie Cairo**, commented: "*In the face of the global downturn in M&A activity volume, the Middle East's presents a nuanced picture. Egypt has experienced a solid rise in deal volume, with both domestic and cross-border transactions increasing. However, there was a dip in deal value, largely due to devaluation impact, indicating that the country continues to attract interest and adapt to changing market conditions.*"

"We are optimistic about 2025 and what lies ahead," he concluded.

Total M&A Deal Activity

Includes domestic and cross-border deals

In FY 2024, the majority of M&A deals in Egypt were **cross-border**, driven by more stable financial policies, access to new markets and synergies in a globally interconnected business environment.

Throughout most months of FY 2024, **overall** deal activity in Egypt remained subdued. However, September emerged as the strongest month in terms of volume, witnessing 29 deals. Value-wise, June outperformed all other months in the year, reaching USD 961 million.

Domestic deal volume experienced a significant increase of nearly 31%, totaling 72 deals for the full year compared to the previous year's 55 deals. On the contrary, the full-year value decreased by 61%, reaching USD 727 million, compared to USD 1.8 billion in 2023.

In contrast, **cross-border** transactions saw a surge in both deal volumes and values from FY 2023. Transaction volume increased from 84 to 105, as well as values from USD 2.3 billion to USD 2.8.

Hani Nassef, Partner and Head of M&A at Helmy, Hamza & Partners, Baker McKenzie Cairo, added: *“While the M&A landscape in Egypt faced notable challenges throughout 2023, the increased deal volume coupled with a surge in total value in the second half of 2024, signals resilience and opportunities within the market.”*

“Globally and in the Middle East, the fluctuations observed emphasize the dynamic nature of the M&A environment, with varying impacts on both domestic and cross-border transactions.”

In the **Middle East**, the majority of M&A deals were **cross-border**. Despite a slight drop in deal volume, **cross-border** deals targeting the Middle East saw an increase in value. The total value of 849 cross-border deals in FY 2024 was USD 72.3 billion, a 14% increase compared to USD 63.4 billion from 936 deals in FY 2023.

Inbound Cross-Border M&A Deal Activity

Includes targets in Egypt and acquirers outside Egypt

The majority of cross-border deals in FY 2024 were **inbound**, comprising 89 deals valued at USD 2 billion, compared to only 16 outbound deals totaling USD 835 million.

Within the inbound investments, the **Materials** industry emerged as the top target sector, securing 14 deals. Following closely was **Financials** with 13 deals and **High Technology** with 10 deals.

In terms of value, the most substantial deals in FY 2024 were in the **Energy and Power** sector, totaling USD 1 billion.

The **United Arab Emirates** led as the primary inbound, non-Egypt acquirer during the year, completing 15 deals. This was followed by the United States with 10 deals and Saudi Arabia with 8 deals.

Outbound Cross-Border M&A Deal Activity

Includes acquirers from Egypt and targets outside Egypt

Outbound M&A constituted 15% of Egypt's cross-border deals in FY 2024, comprising 16 transactions totaling USD 835 million.

Saudi Arabia occurred as the primary non-Egypt outbound destination for the year, with 5 deals, followed by Jordan and the United Arab Emirates, both with 3 deals.

In the realm of leading industries, the **Financials** sector took precedence in terms of volume, hosting 5 deals and the **Real Estate** sector led in value with deals amounting to USD 828 million.

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Notes to Editor:

About Baker McKenzie

Complex business challenges require an integrated response across different markets, sectors and areas of law. Baker McKenzie's client solutions provide seamless advice, underpinned by deep practice and sector expertise, as well as first-rate local market knowledge from more than 70 offices globally. Celebrating its 75th anniversary in 2024, Baker McKenzie works alongside clients to deliver solutions for a connected world. www.bakermckenzie.com



About Helmy, Hamza & Partners, Baker McKenzie Cairo

Helmy, Hamza & Partners, Baker McKenzie Cairo, is one of the oldest established international law firms in the Egyptian legal market. Combining in-depth knowledge of local laws with the experience of a global firm, we help you navigate the legal and business landscape in Egypt and worldwide.

Baker McKenzie Cairo currently employs approximately 40 lawyers, including 5 partners and 12 of counsels and 23 associates, all of whom have an outstanding knowledge of the local legal, business, social and cultural environment. While most of us are Egyptian by training, we are all international and global in our know-how, experience and practice.

Collaborating with colleagues in other firm offices as well as with local law firms where needed, we can seamlessly guide you through the intricacies of Egypt's regulatory environment without the interface issues that can occur between international and local counsel. Working as a cohesive team means we can provide efficient, high-quality service with less duplication.

We have unrivalled international resources across 78 offices worldwide. Practicing in Egypt since 1986, our firm is deeply committed to furthering your business interests both within the Middle East and globally.



* Methodology - Cross-border M&A

The information in this press release is based on LSEG data for global announced M&A transactions with standard exclusions. We define cross-border deal-making as any M&A activity where the target is not in the same country as the acquirer ultimate parent, cross-regional (or interregional) deal-making as any M&A activity where the target and acquirer ultimate parent are based in separate regions, and domestic deal-making as any M&A activity where the target and the acquirer ultimate parent are based in the same country.

For the purpose of this report, the Middle East was defined as: Bahrain, Iran, Iraq, Jordan, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia, Syria, United Arab Emirates and Yemen. M&A activity refers to all deals ranked as of 01 January 2025. Ranks may change after publication date due to new deal submissions and other updates after the deadline.