

GCC Projects Market Update

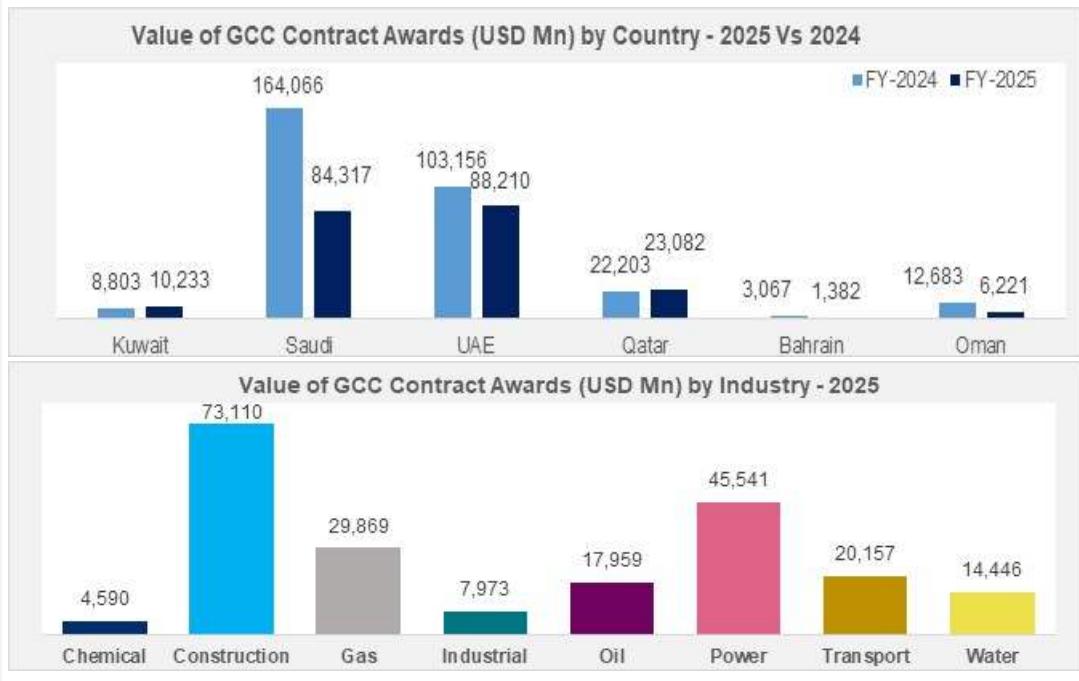
January-2026

GCC projects market witnesses broad-based slowdown in 2025...

The total value of contracts awarded across the Gulf Cooperation Council declined by 32% y-o-y in 2025, reaching USD 213.4 Bn, compared to USD 314.0 Bn in 2024. This contraction was driven largely by a substantial downturn in contract awards within Saudi Arabia and the United Arab Emirates, the two largest projects markets in the region. In contrast, only Kuwait and Qatar recorded growth in project awards during the year, while the four remaining member states experienced declines.

Subdued oil prices throughout 2025, averaging USD 63.1/bbl down from USD 74.5/bbl in 2024 impacted overall project development, despite the rescinding of OPEC+ production cuts. This sharp decline follows two consecutive years of record capital expenditure, during which the region channeled significant investment into large-scale hydrocarbon initiatives and a portfolio of mega projects valued in excess of USD 1 Tn. The contraction during the final quarter was broad-based across the region. All of the six GCC nations witnessed declines, with five recording double-digit y-o-y decreases in total awarded contract value during Q4-2025. Examining quarterly performance, total GCC project awards amounted to USD 41.8 Bn in Q4-2025, marking the lowest quarterly figure in thirteen years. Contract awards in Saudi Arabia contracted 68% y-o-y during this period, falling to USD 15.0 Bn from USD 46.9 Bn in Q4-2024. Conversely, aggregate project awards in Kuwait remained largely unchanged, posting a marginal y-o-y decline of 0.9% to reach USD 3.1 Bn, compared to USD 3.2 Bn in the prior-year quarter. Meanwhile, the United Arab Emirates saw contract awards decrease by 44.5% y-o-y in Q4-2025, reaching USD 17.4 Bn, down from USD 31.3 Bn.

Looking forward, GCC project activity is anticipated to regain momentum in 2026, supported by stabilizing cyclical oil price movements and sustained expansion within the non-oil economic sector, although the pace of recovery may be tempered if crude prices remain subdued. The outlook for the coming year remains positive for GCC projects, buoyed by anticipated regional economic expansion. According to World Bank projections, the GCC economy is forecast to grow by 4.5% in 2026, accelerating from an estimated 3.2% in 2025, driven primarily by the expected rollback of OPEC+ production restraints and robust non-oil sector growth as per the MEED Economic Activity Index, the United Arab Emirates and Qatar emerge as the project markets to monitor in 2026, with both economies receiving favorable forecasts for real GDP growth and project market expansion.



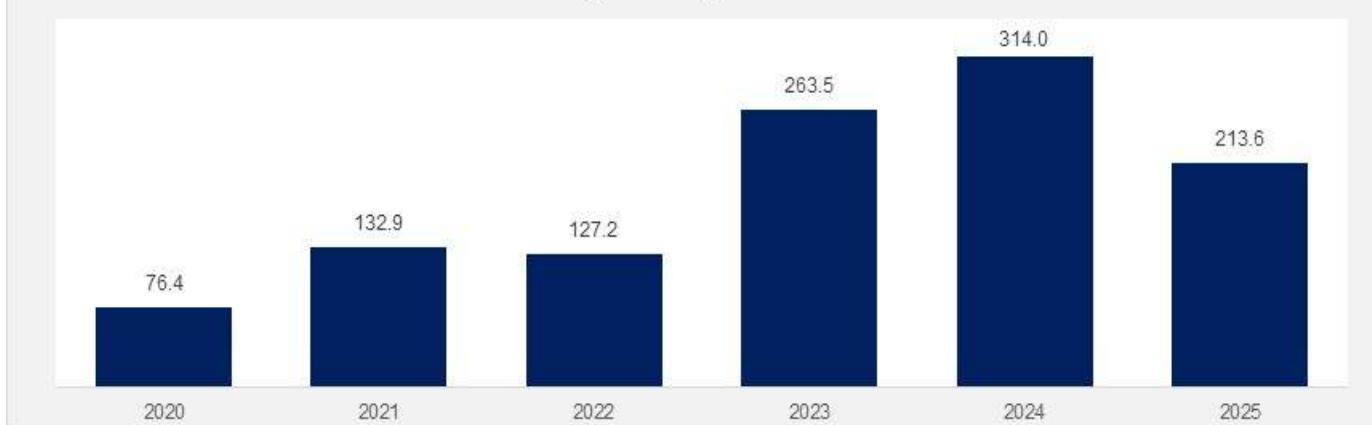
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Saudi Arabia

The total value of contracts awarded in Saudi Arabia during 2025 reached the lowest level recorded over the preceding three years, amounting to USD 84.3 Bn. This figure represents a substantial decline when compared to the USD 164.1 Bn awarded in 2024. Contract awards declined across all eight sectors within the Kingdom's projects market during the year. This broad-based downturn was led by the Chemical sector, which recorded no new contract awards throughout 2025. Consequently, Saudi Arabia's contribution to the total GCC project awards fell to 39.5% in 2025, a significant decrease from its 52.3% share in 2024. The overall decline in the Kingdom's project awards was principally driven by pronounced reductions in the Power, Construction, and Gas sectors, with no sector registering any growth in award value during the year.

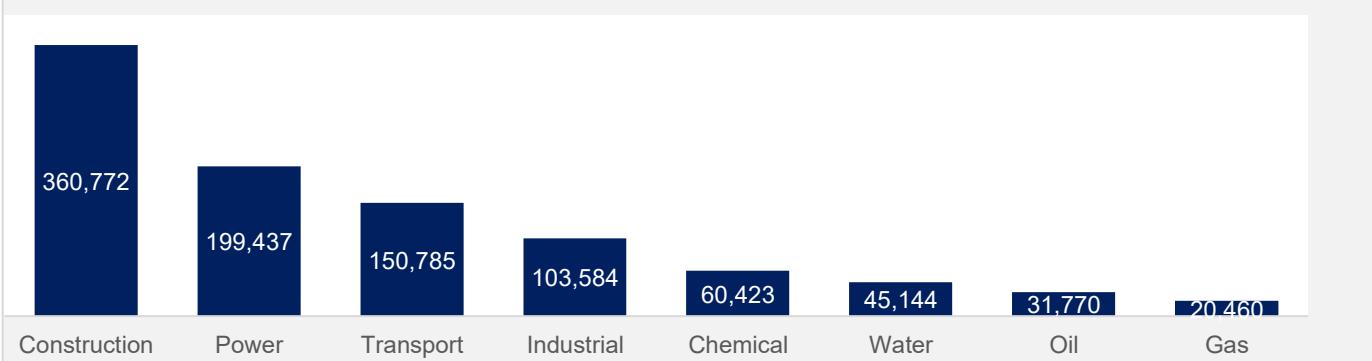
Value of Yearly GCC Project Awards - USD Bn



Sources : MEED Projects, Kamco Invest Research

In terms of sector-specific performance, the Kingdom's Power sector retained its position as the largest sector by awarded project value, continuing to lead ahead of the Construction sector. However, the total value of projects awarded within the Saudi Power sector more than halved during 2025, falling to USD 25.1 Bn against the USD 53.3 Bn recorded in 2024. Similarly, the total value of contract awards within the Kingdom's Gas sector also halved during the year, reaching USD 7.3 Bn as compared to USD 18.8 Bn in 2024. Furthermore, project awards within the Kingdom's Construction sector experienced a 44.4% y-o-y decline during 2025, decreasing to USD 22.2 Bn from USD 40.0 Bn in the previous year.

Saudi Sectoral Pre-Execution (Upcoming) Projects USD Mn



Sources : MEED Projects, Kamco Invest Research

The steep fall in giga project awards throughout 2025 constituted another major factor behind the overall decline in the total value of project awards in the Kingdom for the year. According to data from MEED Projects, the total value of giga project awards in Saudi Arabia for the first nine months of 2025 reached only USD 8.5 Bn. This stands in stark contrast to the total giga project awards for the full calendar year of 2024, which amounted to USD 29.3 Bn. The largest individual giga project awarded in Saudi Arabia during the first nine months of 2025 was the USD 1.5 Bn Diriyah Company - Diriyah Project: Diriyah 2: Boulevard Southwest: Arena Block Commercial Buildings. This was followed by the USD 1.4 Bn Diriyah Company - Diriyah Project: Diriyah 2: Boulevard Southwest: Royal Diriyah Opera House and the USD 800 Mn Qiddiya Project: City Center: Performance Arts Centre.

Other major and notable contracts awarded in the Kingdom during the year, with particular emphasis on those finalized in Q4-2025, include a USD 347 Mn agreement between the Saudi Electricity Company and Soudah Development. This agreement is for the development of electrical infrastructure to support the Kingdom's Soudah Peaks project, which itself is a component of a larger USD 7.7 Bn master development plan encompassing the construction of hotels, resorts, and residential units. The scope of this electrical infrastructure project includes the creation of a central 380/132kV transmission substation with a capacity of 500MVA, in addition to two 13.8/132kV substations.

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UAE

Total value of projects awarded in the UAE declined by 14.5% y-o-y (nearly USD 15 Bn) to reach USD 88.2 Bn in 2025 as compared to USD 103.2 Bn in 2024. The fall in the value of contracts awards was underpinned by the broad-based decline in y-o-y project awards for five out of the eight sectors during 2025 led by the Construction sector which recorded 15.4% y-o-y (USD 8.2 Bn) fall in contracts awarded to reach USD 44.9 Bn against USD 53.1 Bn in 2024. The Emirates' projects market once again overtook Saudi Arabia as the biggest projects market in the GCC during 2025 managing to increase its share of total GCC projects, from 32.9% in 2024 to 41.3% in 2025. Despite the dip in the overall aggregate of yearly project awards, there have been several robust growth in the value clean energy projects awarded in the UAE during the year. So far, the UAE represented nearly 31% of the total value of clean energy projects awarded in the GCC during the last decade of which some of the top projects currently under execution in the Emirate include the EWEC/Masdar - Abu Dhabi Solar PV IPP 5200 MW and BESS project.



Sources : MEED Projects, Kamco Invest Research

In terms of sectors, the Construction Sector once again comprised the biggest pie for new project awards in the UAE representing 50.7% of total projects in the UAE during 2025, reaching USD 44.9 Bn as compared to USD 53.1 Bn awarded in 2024. However, the Emirate's Power sector recorded 97.8% y-o-y increase of value projects awards during 2025, recording the largest absolute growth in value of contract awards during the year, reaching USD 11.1 Bn against USD 5.6 Bn in 2024. Contract awards in the Chemical sector jumped over three times y-o-y during 2025 to reach USD 4.4 Bn up from USD 1.0 Bn in 2024.

Other notable projects awarded in the UAE during 2025 especially in Q4-2025 include the USD 272 Mn Maysan residential package deal awarded to Trojan. The project, which spans an area of approximately 600,000 square meters, covers the development of the Mayar and Thoraya residential districts within the development. Another major contract awarded in the UAE during the year was the USD 2.0 Bn project to build chemicals cluster in the complex of specialty chemical plants in the Taziz Industrial Chemicals Zone at Ruwais Industrial City. The chemical facility is expected to produce 1.9 million tonnes of marketable polyvinyl chloride (PVC), ethylene dichloride (EDC), vinyl chloride monomer (VCM) and caustic soda per year.

Kuwait

Total yearly projects awarded in Kuwait during 2025 reached the highest level in nine years, rising to USD 10.2 Bn against USD 8.8 Bn in 2024. Kuwait witnessed a 16.2% y-o-y gain in the value of contracts awarded during 2025, representing the biggest y-o-y percentage growth in aggregate contracts awarded among the GCC countries for the year. Projects aligned with the economic diversification agenda of the Kuwait government, under the Kuwait Vision 2035 strategy, underpinned the overall growth of contracts in the country during the year. In addition to these diversification efforts, Kuwait also advanced initiatives to modernize its key foundational sectors, including the Energy sector (Oil & Gas) as well as the Power and Transport sectors.



Sources : MEED Projects, Kamco Invest Research

Kuwait's Power Sector received over 53% (USD 5.4 Bn) of the total value of projects awarded in the country during the year. This was followed by the Oil Sector, which witnessed over 4-fold jump in contract awards, reaching USD 1.2 Bn in 2025 compared to USD 285 Mn in 2024. Conversely, the total value of projects awarded in the Transport Sector declined by 21.7% y-o-y to reach USD 1.1 Bn, down from USD 1.4 Bn in 2024. The majority of the growth in Kuwait's projects market occurred during the second half of 2025, with nearly 70% of the total project value awarded in 2H-2025. According to MEED, Kuwait executed its highest value of awards for oil and gas projects in eight years, with most of these deals being finalized towards the end of 2025. In total, 19 contracts with a combined valuation of USD 1.9 Bn were awarded in Kuwait's energy sectors during the year.

Currently, according to MEED Projects, there are over USD 115.0 Bn worth of contracts in the pipeline for Kuwait. Of these, 37.9% are in the Study stage, followed by 21.2% in the Design Stage, while 19.6% are in the Bid Evaluation stage. In terms of upcoming contracts, the Power Sector (26.9%) and the Construction Sector (22.5%) represent the lion's share of projects in the pipeline. Regarding currently ongoing major projects in the country, the Sabah Al Ahmad City construction project, with a budget of USD 19.3 Bn, is the largest project developed by Kuwait's Public Authority for Housing and Welfare. This project, which is over 52% completed, involves the construction of 11,000 housing units, 45 schools, and 70 mosques, among other facilities. Meanwhile, in terms of the largest upcoming projects, the USD 5 Bn project for the development of the Kuwait National Railroad tops the list. This initiative includes the construction of a 111 KM single-track rail network. It is followed by the USD 4.6 Bn Subiya Urban Development (Al-Sabriya Project), which entails, among other components, the construction of 52,625 residential units.

Qatar

The total value of contracts awarded in Qatar registered a moderate y-o-y increase of 4.0%, attaining USD 23.1 Bn in 2025 against USD 22.2 Bn in 2024, as per data from MEED Projects. This expansion in contract awards was principally driven by a substantial surge in the value of projects within Qatar's Gas Sector, which recorded a twofold increase to reach USD 12.3 Bn in 2025, up from USD 6.0 Bn in 2024. The Gas Sector constituted 53.2% of the total contracts awarded in the country during the year. One of the significant gas contracts awarded in Qatar during 2025, particularly in the fourth quarter, was the USD 4 Bn EPCI (engineering, procurement, construction and installation) contract for the second phase of the North Field Production Sustainability (NFPS) project by QatarEnergy LNG. This contract was awarded to a consortium of contractors comprising Saipem (the Italian contractor) and China Offshore Oil Engineering.



Sources : MEED Projects, Kamco Invest Research

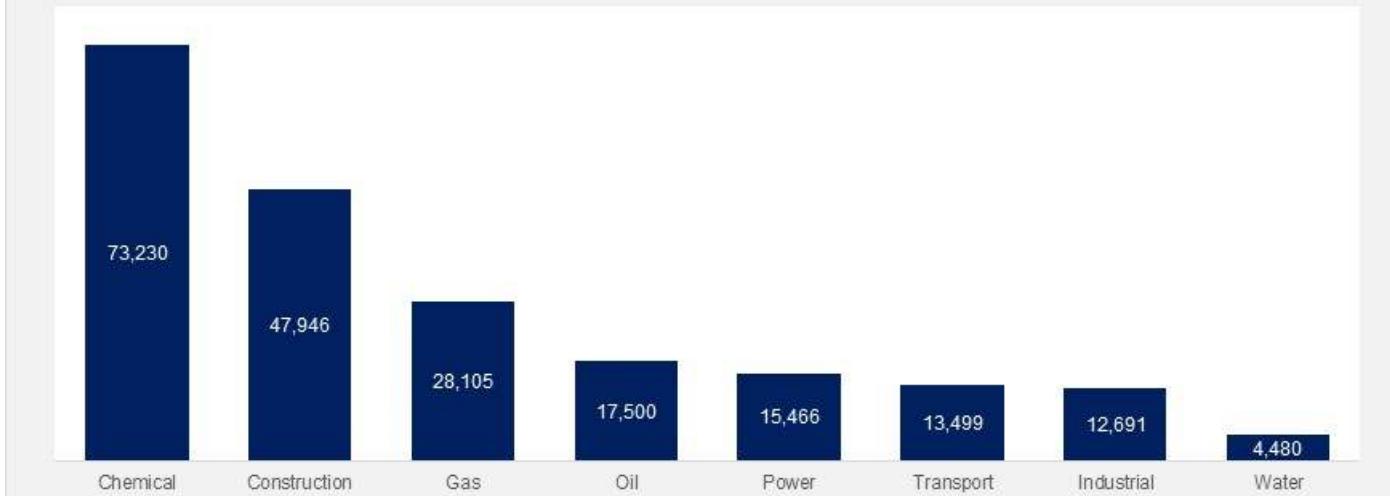
Conversely, Qatar's Oil Sector, conventionally the largest in terms of project value, experienced a 6.4% y-o-y decline, receding to USD 6.0 Bn in 2025 from USD 6.5 Bn in 2024. Meanwhile, the Power Sector encountered a substantial contraction, with the total value of contracts awarded decreasing by 11.8% y-o-y to USD 2.6 Bn compared to USD 2.9 Bn in 2024. The Power Sector received the third-highest value of contract awards in Qatar during 2025.

Among the notable projects awarded in Qatar during 2025, especially in the fourth quarter, were the USD 305 million (Mn) contracts by Qatar's Public Works Authority (Ashghal) for the construction of roads and infrastructure networks in the Izghawa and Al-Theraid areas northwest of Doha. The project scope encompasses the construction of carriageways, footpaths, parking areas, kerb lines, traffic signs and road markings, pedestrian guard rails, fencing, traffic signals, street lighting, landscaping, and irrigation systems.

Oman

The total value of contracts awarded in Oman in 2025 witnessed a 51.0% y-o-y decline to reach USD 6.2 Bn, the lowest point in three years, as compared to USD 12.7 Bn in 2024. In terms of sectoral performance, despite recording a 53.3% y-o-y fall, Oman's Transport Sector received the largest value of projects awarded in the Sultanate during 2025, which aggregated USD 1.7 Bn as compared to USD 3.6 Bn in 2024. The Sultanate's Gas Sector followed with USD 1.2 Bn in the total value of projects awarded in 2025 as compared to USD 2.2 Bn in 2024. Meanwhile, Oman's Water Sector received a total value of USD 1.0 Bn in projects during 2025 as compared to the previous year.

Oman Sectoral Pre-Execution (Upcoming) Projects USD Mn



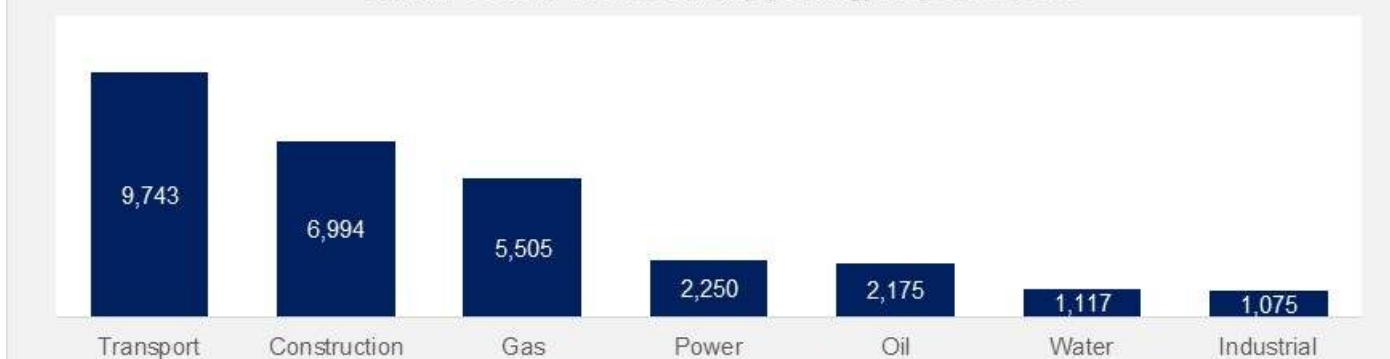
Sources : MEED Projects, Kamco Invest Research

One of the most notable projects awarded in the Sultanate during the year was the USD 683 million (Mn) gas contract that Petroleum Development Oman awarded to Kuwait-based Specto to develop an integrated natural gas facility. According to reports, the natural gas facility is expected to produce natural gas from the Budour and Tayseer fields in Oman and will be developed over the next two and a half years.

Bahrain

The total value of contracts awarded in Bahrain in 2025 witnessed a 54.9% y-o-y decline to reach USD 1.4 Bn, the lowest point in over two decades, as compared to USD 3.1 Bn in 2024. In terms of sectoral performance, the Kingdom's Power Sector topped the list with USD 500 Mn worth of projects awarded in 2025, up from USD 330 Mn in 2024. The Kingdom's Transport Sector followed as the second-largest sector in terms of the value of contracts awarded in 2025, despite suffering a 24.3% y-o-y fall to reach USD 284 Mn as compared to USD 375 Mn. According to MEED Projects, there were no recorded notable projects awarded in the Kingdom in the Chemical, Oil, and Gas sectors during the year, which played a vital role in the overall decline of total contracts in the country during the year. Some of the notable contracts awarded in the Kingdom during the year included the USD 77 Mn project to expand the Budaiya Highway. The project, which involves the construction of 6.5 kilometres of dual carriageway with three lanes in each direction on Budaiya Highway, was awarded during Q3-2025 by Bahrain's Ministry of Works.

Bahrain Sectoral Pre-Execution (Upcoming) Projects USD Mn

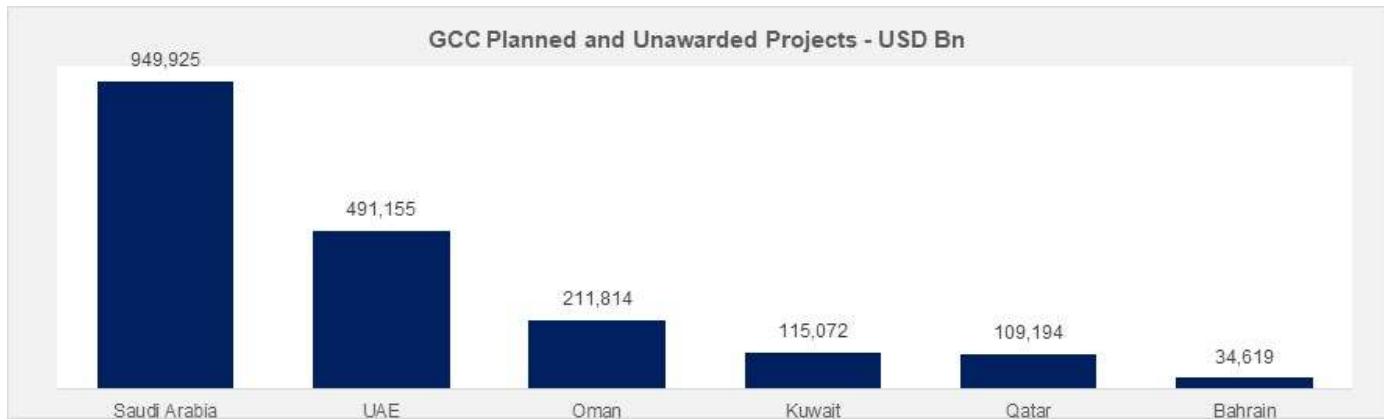


Sources : MEED Projects, Kamco Invest Research

GCC Projects Market Update

GCC Projects Market Outlook

The outlook for the GCC project market in 2026 is expected to remain strong, following a year of overall decline in awarded contract value. A number of positive factors are anticipated to support renewed project activity across the region in the coming year. These include the projected stabilization and recovery of oil prices, as higher crude revenues directly increase the capital expenditure capacity of the hydrocarbon-exporting GCC governments. Furthermore, the continued acceleration of economic diversification initiatives under various national visions is expected to contribute to an overall uptick in project awards.



Sources : MEED Projects, Kamco Invest Research

Robust investment in non-oil sectors such as Power, Construction, and Industry is forecast to continue, helping to counteract volatility in energy markets and drive sustained project flow. Across the GCC, there is an estimated USD 1.9 Tn worth of contracts in the pre-execution pipeline, with Saudi Arabia accounting for the majority at approximately 50%. A number of these projects is anticipated to be awarded within the next 6–12 months, indicating that 2026 contract award values could match or potentially exceed those of 2025, according to analysis by MEED Projects.

The largest share of these pipeline projects, roughly 36.9%, is currently in the design stage, while about 9.2% are in the bid evaluation phase. On a country-specific basis, Saudi Arabia leads with an estimated USD 949.9 Bn of projects in pre-execution, followed by the UAE (USD 491.2 Bn), Oman (USD 211.8 Bn), and Kuwait (USD 115.1 Bn). This substantial backlog of planned projects positions the region for a potential rebound in contract awards during 2026, supported by favorable economic conditions and strategic government spending.

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