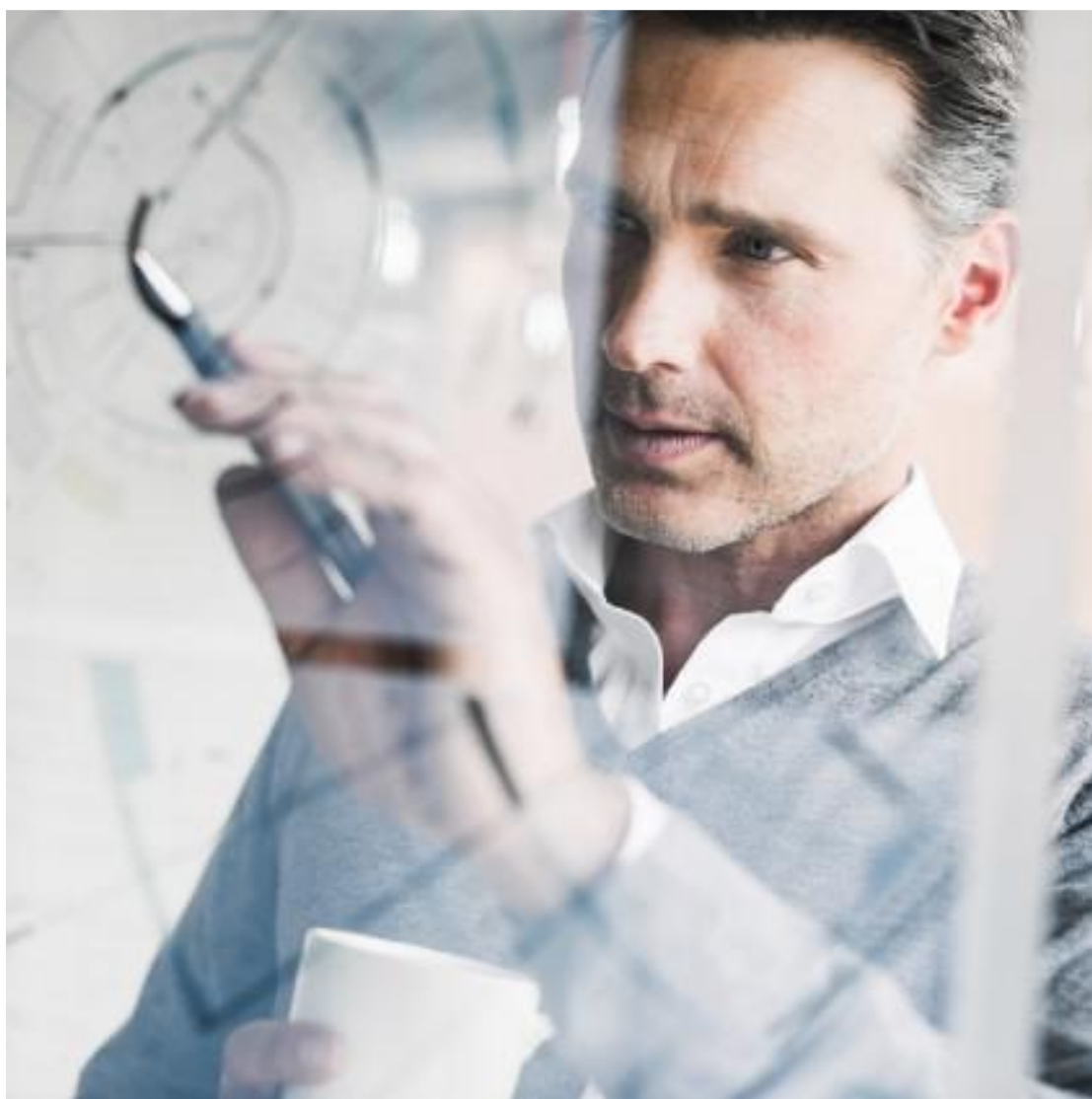




# Seizing the moment: Growth prospects for private credit in the GCC and Egypt

January 2025



# Foreword



The global private credit market has experienced substantial growth over the past decade, increasing from US\$300 billion in 2010 to US\$1.6 trillion in 2023<sup>1</sup>. This rapid expansion has been driven by strong demand for non-bank lending from small- and medium-sized enterprises (SMEs) and the tightening of bank regulations in developed countries. The GCC and Egypt private credit market is not an exception to this global trend.

This research paper aims to estimate the current size of the GCC and Egypt private credit market and assess its growth potential over the next decade. It also explores the unique private credit environment of countries within this market.

We are observing a notable rise in interest from international players, indicating a robust desire to engage with this rapidly evolving sector. The GCC and Egypt could see developments similar to those in the US and EU markets a decade ago due to the recent introduction of bankruptcy laws and the implementation of English law in established free economic zones, such as Dubai Financial International Center (DIFC).

However, we acknowledge that the GCC and Egypt private credit market has unique characteristics, integrating elements from other countries in Asia's growth trajectory with those of developed markets to create a distinct path. We look forward to engaging with new private credit participants in the near future and assisting them in this dynamic market.



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Dubai has cemented its position as a leading global hub for private wealth, with its future-forward and growth-driven approach to governance and regulation. The emirate is home to the highest concentration of private wealth across the Middle East, as it continues to offer a thriving business ecosystem and safe economic climate for high-net-worth individuals and family offices.

Dubai International Financial Centre (DIFC), with its robust legal and regulatory framework and world-class holding structures, has attracted the attention of major alternative investment management firms, global hedge funds and private credit funds who are choosing to set up a presence in the centre. While DIFC continues to deliver on its value proposition as a gateway to the Middle East, Africa and South Asia (MEASA) region, providing businesses access to the vast pools of public and private capital that exist in the region, it has also become a significant source of capital on its own.

We are delighted to partner with PwC Middle East on this impactful research project that charts the growth potential for private credit in the region. In more mature markets, private credit financiers are playing an increasingly important role in closing funding gaps for businesses with customised financing solutions. As we explore regional opportunities for private credit and navigate macroeconomic headwinds facing the sector, there are significant learnings and insights to draw from the global evolution of private credit as an asset class.

We are confident that DIFC will play a fundamental role in generating sectoral momentum as private credit goes from nascency to growth across regional markets.



**Arif Amiri**  
Chief Executive Officer,  
DIFC Authority



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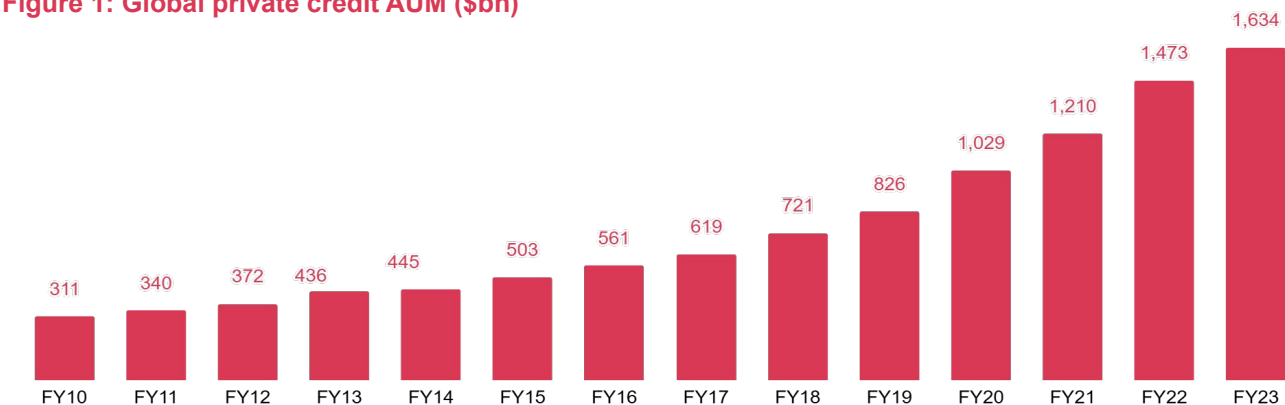
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# Executive summary

With a global market reaching up to US\$1.6tn, private credit is now both competing and partnering with traditional lenders

- Private credit (PC) is an alternative method of providing financing. Originally, it filled the gap in funding needs where conventional financial institutions would not lend. However, the market is now experiencing a shift where PC is now competing or partnering with traditional lenders across various lending products.
- PC funds can lever using a number of means:
  - Direct lending
  - Mezzanine financing
  - Distressed debt
  - Special situations financing

Figure 1: Global private credit AUM (\$bn)



Source: Preqin, PwC Middle East analysis

We estimate GCC and Egypt PC will reach US\$5bn in asset under management (AuM) by the end of 2024 as international and local investors increase their exposure in this asset class

- There has been a significant influx of capital into private credit within the GCC, with an estimated US\$1 billion in PC funds expected to be raised by the end of 2024, bringing the total available capital in the GCC and Egypt to approximately US\$5 billion.
- International investors continue to enter or expand their regional presence, with funds such as Janus Henderson (partnership with NBK Capital), SC Lowy (special situations), Davidson Kempner Capital Management (special situations) and Goldman Sachs (funding to Tamara) all deploying funds, indicating a strong and growing interest in investing within the GCC and Egypt PC market.
- GCC-based investors such as the Public Investment Fund (PIF) continue to deploy capital through diverse strategies, such as the fund-of-funds model (Jada) and direct investments (Sanabil).

Table 1: available capital (US\$m) within GCC and Egypt

Institution	Fund	Total capital
Institution 1	Fund I	250
	Fund II	200
Institution 2	Fund I	200
	Fund II	200
	Fund III	250
	Fund IV*	450
Institution 3	Fund I	1,100
	Fund II	150
Institution 4	Fund I	150
	Fund II*	450
Institution 5	Fund I*	150

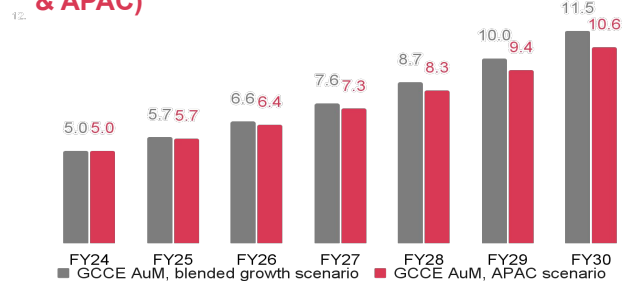
Source: Preqin, PwC Middle East analysis

# Executive summary

Over the next five to six years, the GCC and Egypt private credit market is expected to grow between 15-30% CAGR

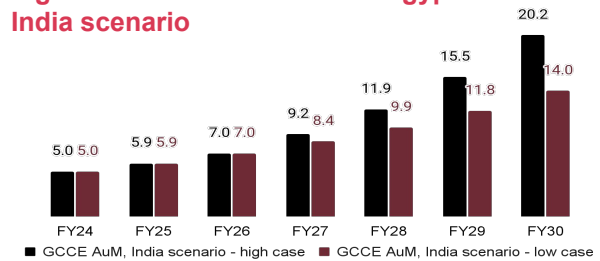
- The GCC and Egypt's private capital (PC) market shares similarities with the Asia-Pacific (APAC) sector from five years ago. This suggests the potential for comparable growth, with annual increases projected at 15-30% over the next five to six years.
- These growth rates could expand the total size of the private credit market in the GCC and Egypt to between US\$11 billion (comparable to APAC) and US\$20 billion (comparable to India) within the next six years.
- Growth rates in the GCC and Egypt PC market will be dependent largely on factors, including demand for credit from the industrial sector, particularly from small- and medium-sized (SME) companies, and a conducive regulatory and macroeconomic environment.

**Figure 2: Growth in GCC and Egypt AuM: APAC and blended growth scenarios (US, EU & APAC)**



Source: PwC Middle East

**Figure 3: Growth in GCC and Egypt AuM: India scenario**

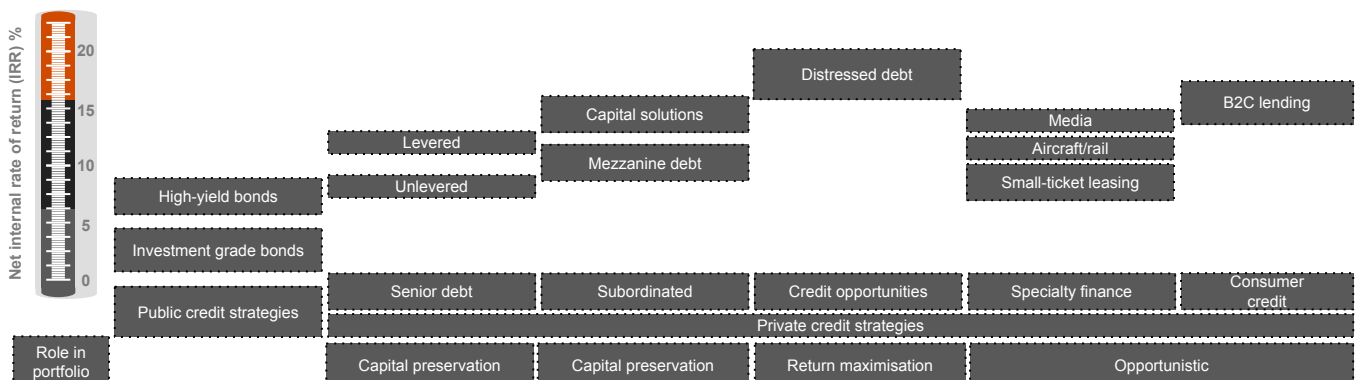


Source: PwC Middle East

## Product strategy, demand for capital and attained yields

- The emerging private credit sector within GCC and Egypt has primarily focused on senior lending (both leveraged and unleveraged) and subordinated capital, including mezzanine debt and capital appreciation vehicles.
- However, with an increase in private credit funds being raised and deployed, an influx of experienced fund managers, and a more conducive regulatory environment, the GCC and Egypt region is transitioning toward more specialised and targeted product offerings, such as special situations and distressed debt.
- The demand for private credit spans multiple sectors, including healthcare, real estate and technology. These industries have attracted substantial investment, consistently achieving yields in the low to mid-teens.
- Most of the recent growth in the region has come from Saudi Arabia and Egypt. However, funds are exploring the wider market for opportunities.

**Figure 4: Breadth of strategies**



Source: Cambridge Associates LLC

\*Note: the yield ranges provided in this matrix are estimates based on historical data and current market conditions. These ranges are not guarantees of future performance and are subject to change due to various factors including, but not limited to, economic conditions, market volatility, changes in interest rates, and company-specific events.



# 1. Global private credit overview



# The global private credit market has grown to US\$1.6tn, with direct lending being the most favourable strategy

## Overview

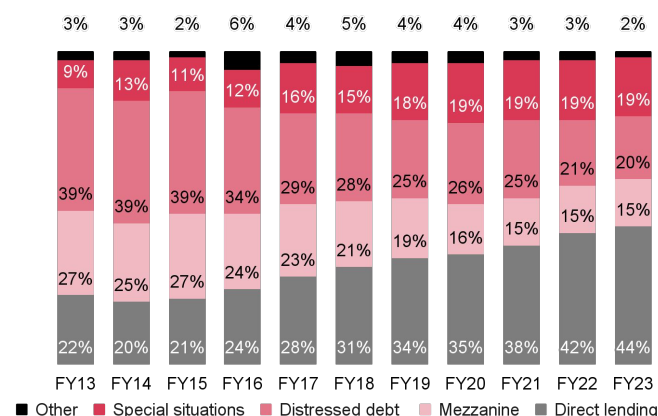
Private credit is an alternative method of providing financing. Originally, it filled the gap in funding needs where traditional lenders would not lend. However, the market is experiencing a shift where private credit is now competing or partnering with traditional lenders across various lending products.

PC funds can be leveraged using various methods:

- **Direct lending**, where non-bank lenders provide loans directly to business
- **Mezzanine financing**, which combines senior debt and equity, typically used for growth
- **Distressed debt**, where fund invests in troubled companies' debt at a discounted price
- **Special situations financing**, which arises from unique, complex or distressed scenarios

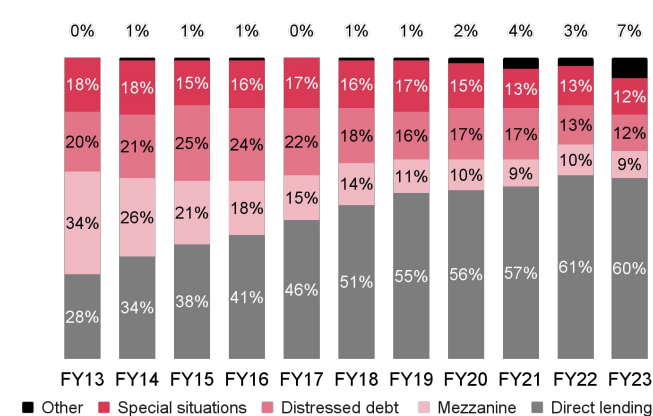
Generally, this type of lending aims to provide more flexible terms and structures that are tailored to the needs of the borrower. Over the past 13 years, the global private credit market has grown more than US\$1.6 trillion measured through Assets under Management (AuM) and annual growth rate of 13.6%.

Figure 6: Share of strategies in AuM in the US



Source: Preqin, PwC analysis

Figure 7: Share of strategies in AuM in the EU



Source: Preqin, PwC analysis



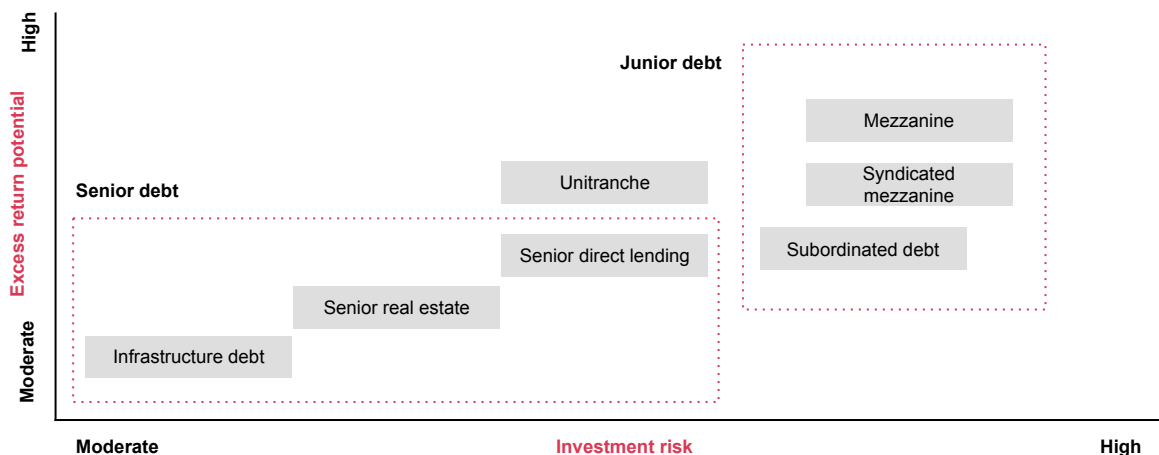
# Private credit balances investor risk and return expectations while offering funding to borrowers

## Tailored to investor expectations

The private credit market provides a range of strategies that can be customised to suit investors' risk tolerance and yield expectations. Senior direct lending strategy became the most globally accepted technique to invest in the middle market due to attractive stable returns with relatively low acceptable risks.

Usually, direct lending is characterised by a floating rate, such as LIBOR or SOFR, plus spread adjustments and four years of maturity. The high-yield end strategy represents mezzanine financing as a hybrid form of debt and equity and distressed debt financing.

**Figure 8: Investment risk/excess return potential of private credit**



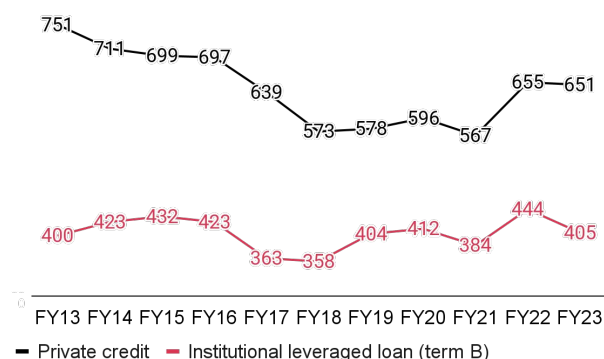
Source: IHS Markit

## High-yield opportunities and portfolio diversification

Typically private credit offers higher returns for its investors given the higher risks associated with private lending and its illiquid nature. Private credit products showed an average of 650 basis points (BP) spread over LIBOR and 240 BP over institutional term loans.

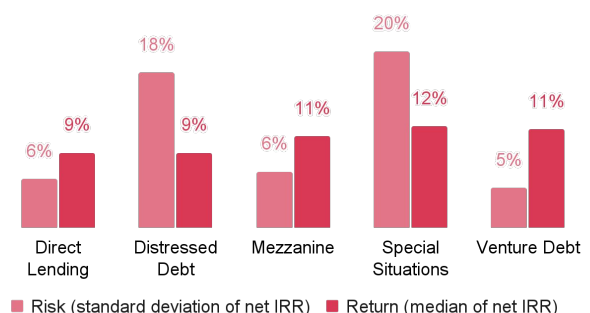
Private credit has become an important part of balanced portfolios, especially for institutional investors looking to boost their returns. Between the 2009 and 2018 financial years, direct lending funds and venture debt funds demonstrated relatively similar levels of risk and returns. However, special situations funds and distressed debt funds exhibited a standard deviation return of c.10% or even higher.

**Figure 9: Average spread in PC and institutional leveraged term loans over LIBOR (BP)**



Source: Federal Reserve  
PwC | Private credit market in the GCC and Egypt

**Figure 10: Risk and return of private credit strategies from FY09-FY18**



Source: Source: Preqin, PwC Middle East analysis

# Future of the global private credit market

**CAGR 13.6%**  
**FY10-FY23<sup>1</sup>**  
**(actual)**

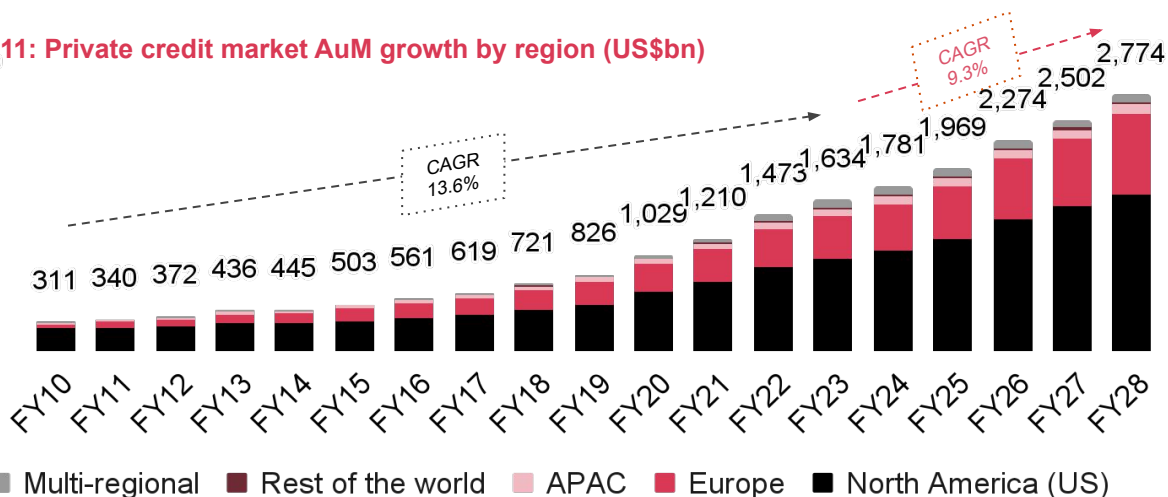
**CAGR 9.3%**  
**FY24-FY28**  
**(expected)**

## Direct lending is the most common form of global private credit

The global PC market is expected to grow from c. US\$1.6 trillion (AuM) in FY23 to almost US\$2.8 trillion by the end of FY28, with the European private credit market outpacing the growth of the overall global market.

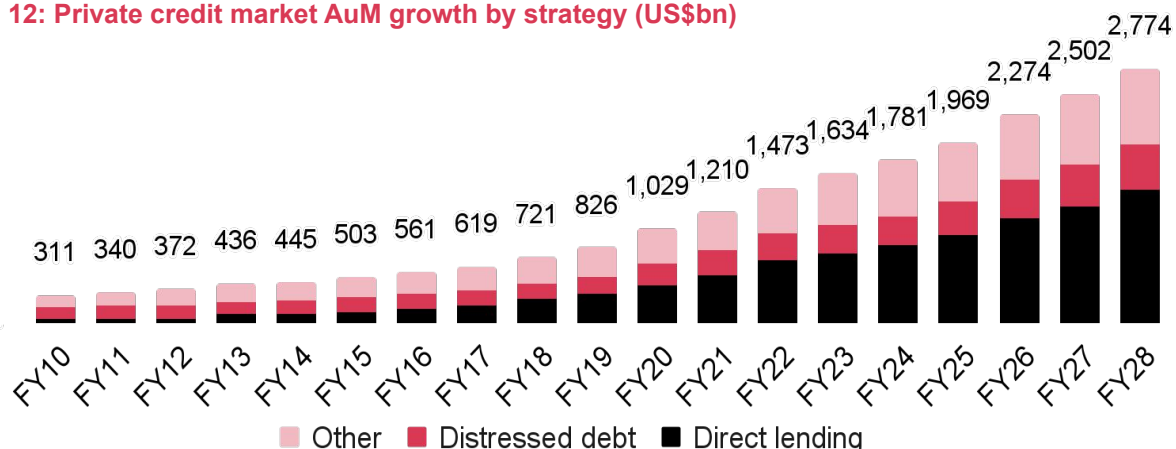
Direct lending will continue to be the predominant PC strategy due to stable and forecastable returns. However, tightening monetary policy will be a significant catalyst for distressed debt opportunities.

Figure 11: Private credit market AuM growth by region (US\$bn)



Source: Preqin, PwC Middle East analysis

Figure 12: Private credit market AuM growth by strategy (US\$bn)



Source: Preqin, PwC Middle East analysis

## 2. The GCC and Egypt private credit market



# Outlook on the GCC and Egypt private credit market

## Current size of the market

The private credit market in the GCC and Egypt is in the early stages of development but is primed for significant growth in the coming years. The current market size is estimated to be between US\$3-4 billion, reflecting the capital already deployed by international, regional and local funds as well as committed funds expected to be deployed during FY24 (See Table 1).

This burgeoning market includes strategic partnership deals where international investors have collaborated with local enterprises through dedicated lending desks.

The fund sizes in this market typically range from US\$150 million to US\$250 million, targeting a diverse array of sectors, such as real estate, technology, manufacturing and healthcare. These sectors are crucial for the region's economic diversification and development, with private credit providing the necessary financing to fuel their expansion.

By the end of FY24, we estimate the total capital raised in the GCC and Egypt is likely to reach approximately US\$5 billion, driven by the recent surge in activity from international, regional and local funds. A strengthened regulatory environment, tighter credit conditions and attractive yields have captured the attention of a wide range of investors.

It is anticipated that an increasing number of players will enter the market by either establishing their own funds or forming partnerships with existing entities, driven by the growing demand for financing in the region<sup>2</sup>.



# The GCC and Egypt: A widening credit gap

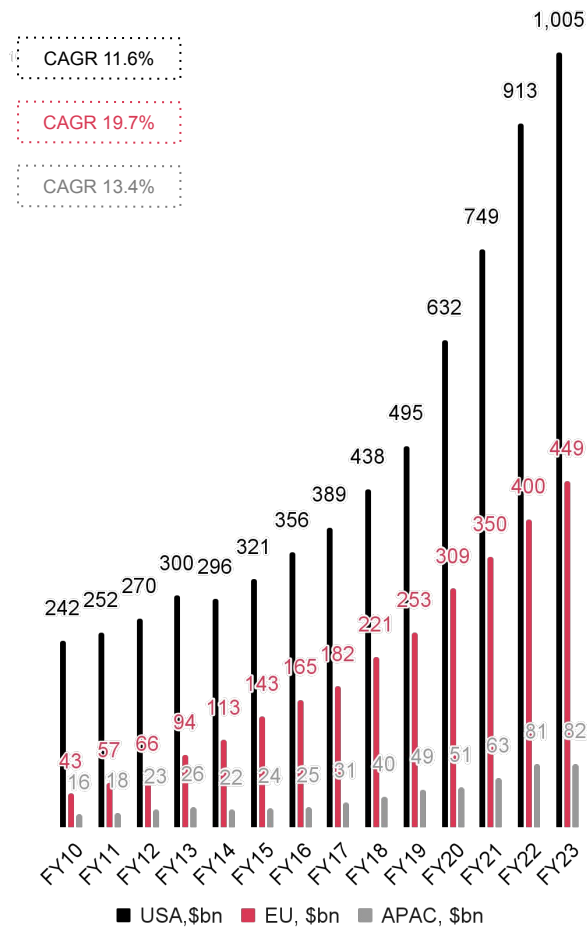
## Established markets continue to grow

The private credit markets in the US, EU and APAC regions have witnessed remarkable growth over the past decade. This expansion has been fueled by rising demand for non-bank liquidity solutions as regulatory environments have become increasingly stringent, limiting traditional bank lending.

As a result, a significant credit gap has emerged, which has been exacerbated by the substantial increase in the number of SMEs over the past ten years. These organisations, often unable to access conventional financing due to tighter credit conditions from traditional lenders, have turned to private credit as a viable alternative. The strong performance and rapid growth of private credit in these regions underscore its critical role in addressing the financing needs of a diverse and expanding range of businesses.

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Figure 13: US, EU and APAC private credit AuM growth (US\$bn)



Source: Preqin, PwC Middle East analysis

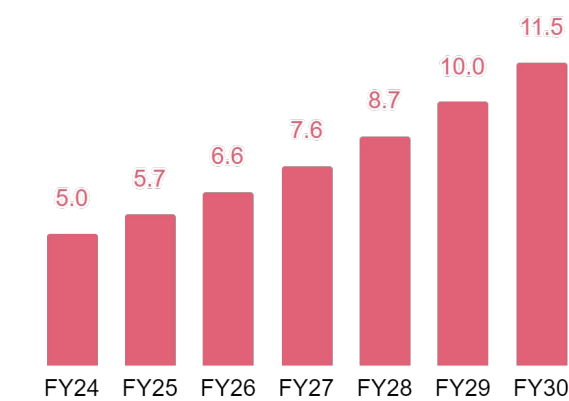
## Market scenarios

We have looked at two potential scenarios. Under Scenario 1, the market could reach US\$10.6 billion, similar to the growth seen in the APAC region.

Under Scenario 2, the medium growth projection is anticipated at a 14.9% annual increase, based on the blended average from the US, EU and APAC regions, with AuM reaching \$11.5 billion by FY30.

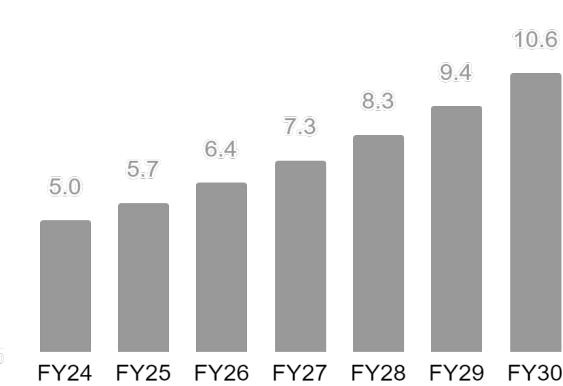
In both scenarios, growth will be attributed to the increasing activity of international private credit funds as well as local banks and funds in the GCC and Egypt credit space, on the back of tightening credit conditions, stricter bank regulations and a reduction in spare capital available to SMEs.

Figure 14: Scenario 1 GCC and Egypt PC AuM growth (US\$bn) - APAC



Source: PwC Middle East analysis and industry experts

Figure 15: Scenario 2 GCC and Egypt PC AuM growth (US\$bn) - blended (US, EU and APAC)



Source: PwC Middle East analysis and industry experts



# India's private credit story offers lessons for the GCC and Egypt

## India's private credit growth catalyst

India's Insolvency and Bankruptcy Code in 2016 unified the regulatory landscape, creating a consistent law for handling bankruptcy and insolvency. This legislation became a critical tool for international creditors and investors, slashing the average time to resolve insolvency from nearly four years to under one year.

The 2018 non-banking financial company (NBFC) crisis in India, triggered by the collapse of infrastructure leasing and financial services, significantly impacted SMEs and the middle market by curbing NBFC funding. This crisis spurred the private credit sector into action, leading the Reserve Bank of India to enforce stricter regulations on bank and NBFC investments in alternative investment funds associated with the lender's borrowers or investees. These measures aim to stabilise the private credit market and attract investors to direct lending.

## Can the GCC and Egypt follow a similar path?

In FY19, the Indian private credit market was valued at US\$8 billion, and by FY22, grew to c.US\$13.4 billion, marking a CAGR of c.19%. Projections suggest this market could reach between US\$60 billion and US\$70 billion by FY28, with an expected CAGR of c.30% (Figure 17).

The GCC and Egypt are becoming increasingly attractive to investors due to their tightening credit regulations and enhanced bankruptcy and insolvency laws.

If India's growth story can be replicated, the market could grow from an estimated US\$5 billion in FY24 to US\$14 billion in FY30 (low case scenario).

However, for this to happen, the industrial sector and in particular SMEs have to grow to enable the demand for credit to exceed the supply being offered by traditional lenders.

Figure 16: Capital deployed by PC funds in India, according to sector (US\$bn)

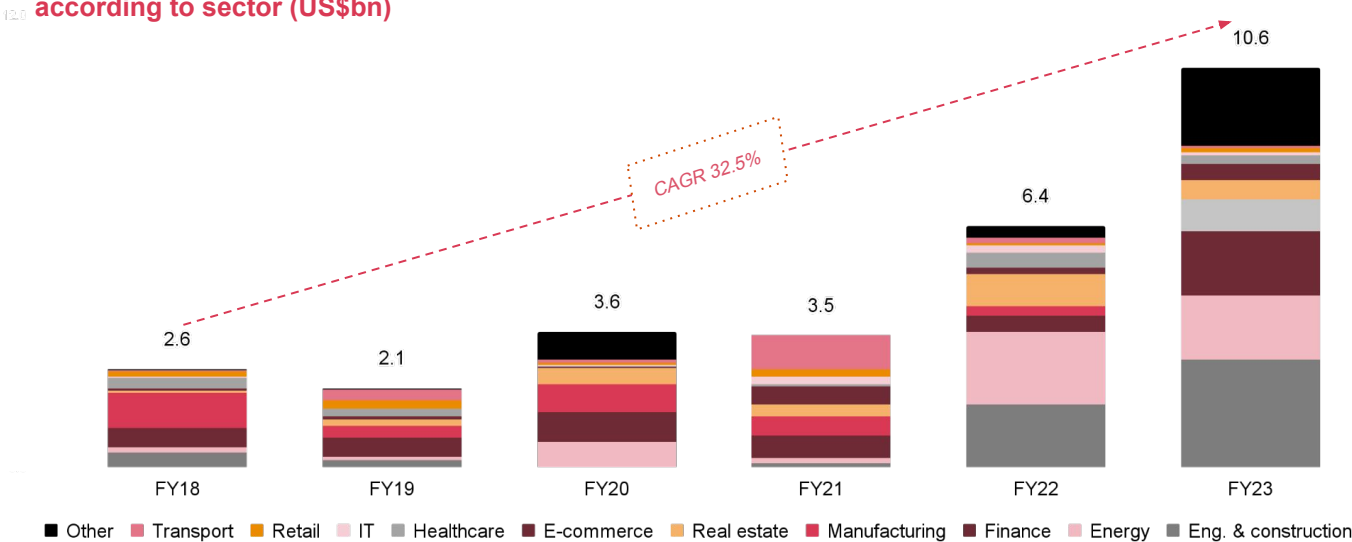
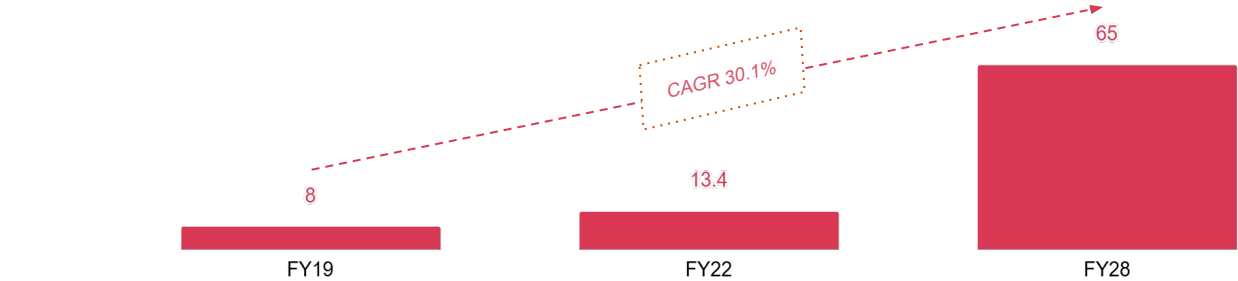


Figure 17: Private credit AuM in India (US\$bn)





# Economic growth in the GCC and Egypt could offer opportunities for private credit

## Diversification drives transformation

Saudi Arabia and Egypt are central to the Middle East's economic framework, with the GCC and Egypt generating a combined GDP of US\$2.5 trillion in 2023. Saudi Arabia, the region's largest economy with a GDP of US\$1.1 trillion in 2023 (Figure 18), has substantially invested in Vision 2030, a national transformation agenda that aims to diversify the Kingdom's economy initiatives like Vision 2030, which aims to diversify its economy. This drive for transformation has established Saudi Arabia as a frontrunner in economic reform and innovation across the Middle East.

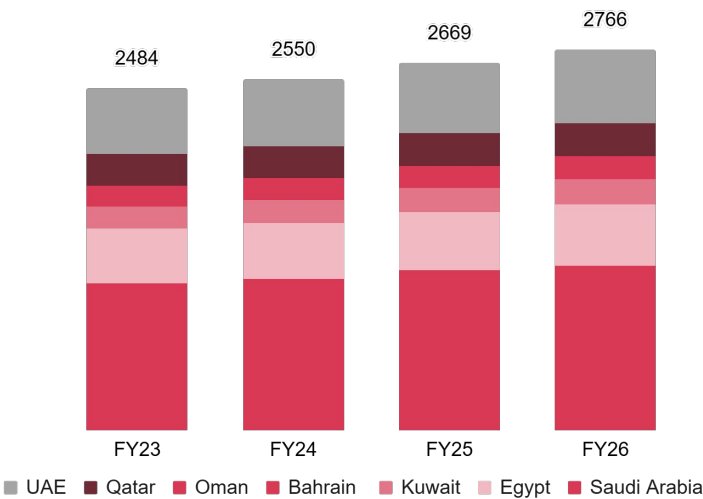
## Regional economic overview

Saudi Arabia's projected GDP growth of 2.5% in 2024 is largely driven by the diversification efforts under Vision 2030, which aims to decrease its oil dependency and enhance sectors including healthcare, education, infrastructure, tourism, entertainment, technology, and renewable energy, projecting increased private sector contributions.

Qatar and the UAE are projected to witness growth of more than 4% in FY25, fueled by strong capital inflows from international investments and substantial plans for the construction industry.

Egypt's expected GDP growth of 3.2% in 2024 is driven by government spending<sup>3</sup>. IMF-backed<sup>5</sup> reforms have stabilised the economy, which is aimed at improving fiscal conditions and attracting foreign investment.

Figure 18: GCC and Egypt GDP growth trajectory (US\$bn)



Source: World Bank, PwC Middle East analysis

Table 3: GCC and Egypt GDP growth projections

Country	FY21	FY22	FY23	FY24	FY25	FY26
Saudi Arabia	4.3%	8.7%	-0.9%	2.5%	5.9%	3.2%
UAE	4.4%	7.9%	3.1%	3.9%	4.1%	4.0%
Egypt	3.3%	6.6%	3.8%	3.2%	3.4%	3.7%
Kuwait	1.3%	7.9%	-0.1%	2.8%	3.1%	2.1%
Bahrain	2.6%	4.9%	2.6%	3.5%	3.3%	3.4%
Oman	3.1%	4.3%	1.4%	1.5%	2.8%	3.2%
Qatar	1.6%	4.2%	1.8%	2.1%	4.2%	4.7%

Source: World Bank, PwC Middle East analysis

# 3. Snapshots of specific regions



# Factors driving the growth of private credit assets

1

## Tightening credit conditions



Banks in certain regions already have a high Loan-to-Deposit Ratios (LDRs), limiting their ability to continue to lend at the same pace as was historically the case.

In addition, increasing demand for financing to support large-scale infrastructure and energy transition projects are driving up the pricing for credit, making it conducive for private credit funding to participate in the wider ecosystem.

2

## Growing interest from family offices



Private credit accounts for just 2% of Middle East family office portfolios, compared to the US and EU, where family offices allocate 4% and 3%, respectively.

Family offices have actively begun to include private credit assets in their portfolios. Since 2021, the share of private credit assets has increased from 0% to 2%<sup>4</sup>.

Allocation to the private credit asset class could change significantly due to the introduction of bankruptcy laws and changes in the regulatory environment in DIFC.

3

## Institutional investors growing demand



ADIA and Mubadala have actively started to participate in the private credit market. By the end of FY23, both funds had collectively invested more than US\$10 billion globally into the PC space, and continue to grow their share through strategic collaboration with well-established international players such as KKR and Blue Owl Capital.

The deployment of government-backed funds into the private capital market in the UAE is expected to accelerate significantly due to the growing interest in private lending and a widening credit demand and supply gap.

4

## UAE Vision 2030 and SMEs



A critical component of UAE Vision 2030 is fostering a sustainable, knowledge-based economy that relies not only on large corporations but also on the dynamic growth of small- and medium-sized enterprises (SMEs).

As the government prioritises supporting SMEs as a key driver of economic diversification and job creation, private credit becomes an essential source of financing for these organisations, helping to fuel their growth.

5

## Nascent capital market



The UAE capital market is considered to be in its early stage of development compared to the US and EU markets. This naturally imposes constraints on the ability of SMEs to seek additional funds outside the banking industry.

Private credit will fulfill the constantly growing demand gap for SMEs. It is likely that the ability to borrow funds outside the banking industry will become a primary growth catalyst.

6

## Adaptation of innovative platforms



The UAE has made significant strides in adopting fintech solutions. As a result, the private credit market has become more accessible to a broader range of investors through digital platforms.

These platforms enable greater transparency, ease of investment and access to previously illiquid or opaque markets. For example, the Dubai Financial Market recently launched Arena, a private credit-oriented platform that provides a regulated alternative to conventional financing.

# In the UAE, private credit funds are encouraged by a creditor-friendly environment

## Snapshot on the UAE

The UAE has enhanced its legal and regulatory framework, making it familiar and attractive to both international and regional investors entering the private credit market. Some key highlights include:

- **Creditor-friendly terms:** The UAE’s finance market offers extensive maintenance covenants, all-asset security, minimal EBITDA adjustments and strong non-call protections, favouring creditors.
- **Conventional and Shariah compliance:** Both financing types are available, with quick and straightforward structuring for Shariah-compliant transactions such as commodity Murabaha.
- **Robust holding structures:** As a free zone, DIFC provides reliable frameworks familiar to international investors, allowing for effective security enforcement.
- **Comprehensive security packages:** Recent legal updates allow robust security over shares and movable assets, enhancing creditor protection.
- **Supportive regulatory environment:** New rules in DIFC support the operation of private credit funds, reflecting the UAE’s recognition of private credit’s significance.
- **Improved insolvency proceedings:** The New Bankruptcy Law (effective May 2024) and the establishment of a Bankruptcy Court provide clearer, more protective frameworks for creditors, fostering a more secure investment environment.

As the region continues to evolve, opportunities for private credit are expected to expand, positioning the UAE as a key player in the global private credit market, with other regional markets likely to follow suit. Additionally, the growth of SMEs in the country will fuel this expansion, as these businesses often require alternative financing solutions, driving demand for private credit.

Table 4: DIFC particulars

Particulars	DIFC
Regulatory body	Dubai Financial Services Authority (DFSA)
Legal framework and regulations	Based on English Common Law and the DFSA regulatory framework
Licensing requirements	Specific licenses required for financial services including lending
Scope of regulation	Covers all aspects of financial services, including private credit, structured finance and distressed assets
Consumer protection	Strong emphasis on consumer protection and transparency
Compliance requirements	Detailed compliance requirements for risk management, KYC and AML policies
Innovation and technology	Encourages fintech and innovation through supportive regulations
Dispute resolution	DIFC Courts and Arbitration Centre handle disputes

Source: DIFC, PwC Middle East

# Government sponsored programmes are spurring private credit demand among the region's SMEs

## Snapshot on Saudi Arabia

The Public Investment Fund, Saudi Arabia's sovereign wealth fund, has outlined 13 strategic sectors – including construction, utilities, real estate and aerospace – for capital deployment, which will play a crucial role for SMEs across various industries.

The growth of the Kingdom's population, coupled with its resilient, growing economy, will further accelerate governmental fund deployment. This is likely to have a multiplier effect on overall SME growth and will be the main catalyst for increasing demand for private credit.

Saudi Vision 2030 also includes 11 key initiatives that directly benefit SMEs by ensuring the sustainability of the financial system, enhancing educational standards and diversifying the industrial base of the Kingdom.

**Table 5: Saudi Vision 2030: Programmes and main targets**

Programme	Main targets
Financial Sector Development	<ul style="list-style-type: none"><li>• Modernisation of financial landscape laws and regulations</li><li>• Promotion of income diversification and sustainability of financial system</li></ul>
Fiscal Sustainability Programme	<ul style="list-style-type: none"><li>• Implementation of structured financial reforms</li></ul>
Health Sector Transformation Programme	<ul style="list-style-type: none"><li>• Improving access to healthcare through adoption of new technology</li></ul>
Housing Programme	<ul style="list-style-type: none"><li>• Family support for buying a new house</li></ul>
Human Capability Development Programme	<ul style="list-style-type: none"><li>• Focus on improving the overall educational level</li></ul>
National Industrial Development and Logistic Programme	<ul style="list-style-type: none"><li>• Developing KSA's industrial base</li></ul>
National Transformation Programme	<ul style="list-style-type: none"><li>• Creating new job opportunities and establishing partnerships</li></ul>
Pilgrim Experience Programme	<ul style="list-style-type: none"><li>• Increasing cultural and faith integration</li></ul>
Privatisation Programme	<ul style="list-style-type: none"><li>• Unlocking the private sector and increasing its share of GDP</li></ul>
Public Investment Fund Programme	<ul style="list-style-type: none"><li>• Accelerate innovation across the economy</li></ul>

Source: Saudi Vision 2030

# Government sponsored programmes are spurring private credit demand among the region's SMEs

## Snapshot on Egypt

The government has identified three main dimensions of sustainable development – economic, social and environmental – that will help drive demand for private credit among SMEs as the country transforms.

- **Economic:** Encompasses land development projects, support for heavy industry – including the development of industrial zones in the Suez Canal region – and regional economic development initiatives.
- **Social:** Focuses on implementing social justice programmes, healthcare initiatives and educational reforms.
- **Environmental:** Involves developing legislative frameworks for water resource management and fiscal policies to promote sustainable consumption, among other initiatives.

**Table 6: Egypt Vision 2030 selected programmes**

Dimension	Programme
Economic	<ul style="list-style-type: none"> <li>• Land development</li> <li>• Heavy industry supporting</li> <li>• Regional economic development</li> <li>• Sovereign wealth fund</li> <li>• Establishing technological zones</li> <li>• Trade and domestic market empowerment</li> </ul>
Social	<ul style="list-style-type: none"> <li>• Social justice</li> <li>• Health</li> <li>• Educational and training</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>• Strengthening legislation structure of water resource management</li> <li>• Development a system for disposal of hazardous wastes</li> <li>• Expanding infrastructure for supporting a sustainable water system</li> </ul>

Source: Egypt Vision 2030



# Looking forward

The private credit market in the GCC and Egypt will create significant opportunities for both new and existing investors in 2025. This growth will be fueled by organic demand from SMEs, supported by substantial government programs in the region, along with tightening financial regulations for banks, which will widen the credit demand gap. As traditional bank lending becomes more constrained due to stricter regulations, alternative financing options such as private credit will become increasingly attractive.

Moreover, the attractiveness of these investments will continue to rise for portfolio managers in international funds, who will seek higher returns in an environment of declining interest rates. The private credit market's appeal will be enhanced by the strong potential for capital appreciation, particularly in sectors that are seeing rapid expansion, such as technology, infrastructure, and renewable energy.

As regional economies continue to diversify, private credit will play a crucial role in supporting the growth of innovative startups, infrastructure projects, and other key industries. The UAE, in particular, with its progressive economic policies and strategic location, will be at the forefront of this trend, drawing both regional and global investors. With increasing investor confidence and a robust regulatory framework, the GCC and Egypt market is becoming a key player in the global private credit space.

# 4. Glossary



# Glossary

Term	Definition
<b>ADIA</b>	Abu Dhabi Investment Authority
<b>AML</b>	Anti-Money Laundering
<b>APAC</b>	Asia-Pacific
<b>AUM</b>	Assets under management
<b>bn</b>	Billion
<b>bp</b>	Basis points
<b>c.</b>	Circa
<b>CAGR</b>	Compound annual growth rate
<b>DFSA</b>	Dubai Financial Services Authority
<b>DIFC</b>	Dubai International Finance Centre
<b>EBITDA</b>	Earnings Before Interest, Taxes, Depreciation, and Amortization
<b>EU</b>	European Union
<b>FY</b>	Fiscal Year
<b>GDP</b>	Gross domestic product
<b>IMF</b>	International Monetary Fund
<b>IRR</b>	Internal rate of return
<b>IT</b>	Internet Technology
<b>KKR</b>	Kohlberg Kravis Roberts & Co.

Term	Definition
<b>KSA</b>	Kingdom of Saudi Arabia
<b>KYC</b>	Know Your Customer
<b>LIBOR</b>	London Interbank Offered Rate
<b>m</b>	Million
<b>NBFC</b>	Non-banking financial company
<b>NBK</b>	National Bank of Kuwait
<b>PC</b>	Private Credit
<b>PIF</b>	Public Investment Fund
<b>RBI</b>	Reserve Bank of India
<b>SME</b>	Small and medium-sized enterprises
<b>SOFR</b>	Secured Overnight Financing Rate
<b>SWF</b>	Sovereign Wealth Funds
<b>tn</b>	Trillion
<b>UAE</b>	United Arab Emirates
<b>UK</b>	United Kingdom
<b>US</b>	United States
<b>\$</b>	US dollar

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