



Uber and Careem Acquisition approved by Minister of Economy in UAE

June 25th, 2019

The UAE is currently the first country in the relevant markets to grant approval of Uber's acquisition of Careem, and both ridesharing companies continue to work with the relevant antitrust authorities to obtain the remaining approvals across the Middle East, North Africa & Pakistan region.

Sultan bin Saeed Al Mansouri, Minister of Economy, has issued a ministerial decision approving the upcoming acquisition in the UAE, commenting: *"The public transport sectors across the world are witnessing fierce competition especially in light of the progressive development of modern technologies and advanced services in mass transit and passenger transport services. This includes the emergence of many alternative means of non-traditional transport, including the participation of cars and self-driving techniques and many alternatives to consumers. The integration of expertise, competencies and modern technologies ultimately serve the interests of consumers and serve the progress of the transport sector in general"*.

The approval followed the review of the UAE Competition Regulation Committee of the proposed acquisition, noting that after studying the market conditions for private taxi transport services, the Committee found that the acquisition would not result in a situation of economic concentration in excess of the percentages stipulated in Competition law, and then recommended approval of the application.

"We welcome the decision by H.E. Sultan Al Mansouri, Minister of Economy of the UAE, to unconditionally approve Uber's pending acquisition of Careem. Uber and Careem joining forces will deliver exceptional outcomes for riders, drivers, and cities, in this fast-moving part of the world," commented an Uber spokesperson.

BACKGROUND POINTS ON UBER ACQUISITION OF CAREEM

Overview

- The deal brings together Uber's global leadership and technical expertise with Careem's proven ability to develop innovative local solutions. By coming together to complement each other's strengths, the companies aim to deliver even greater benefits for riders, drivers, and the broader economy.

Rider and Driver Benefits

- The deal will provide an opportunity to combine the companies' respective expertise and operational capabilities across a wide range of fields, including networks, mapping, payments, and new products like high-capacity vehicles.
- For riders, the deal will provide an opportunity to expand the variety and reliability of services offered, at a broader range of price points to serve more consumers in more communities across the United Arab Emirates. For example, combining mapping technology will provide more accurate and efficient pick-up and drop-off locations, which is especially important for the continued rollout of low-cost, high-capacity services like UberBus.
- For drivers, an increase in trip growth and improved services could provide better work opportunities as well as higher and more predictable earnings through even lower wait times and greater utilization of drivers' time on the road.

Uber

Broader Economic Impact

- The country is already seeing the economic and social benefits of rapid technology adoption in transportation. The deal will allow Uber and Careem to continue to drive economic growth and productivity by further increasing the efficiency of the overall transportation network and better connecting workers to jobs, business to customers, and citizens to public services.
- The deal represents a milestone for the region and will serve as a catalyst for the regional technology ecosystem, increasing budding Middle Eastern entrepreneurs' access to the resources of both local and global investors.
- The deal represents a large and long-term investment into the country by a leading global technology company; it is a globally visible endorsement of the country's overall investment environment, its openness to innovation, and its ability to diversify beyond traditional sources of foreign investment.

Continued Dynamism and Competition

- Uber and Careem are pursuing the deal because they believe it will allow them to deliver even greater value to both riders and drivers in a fiercely competitive market. Local transportation is a vibrant and highly competitive market with many viable alternatives—including ridesharing, taxis, personal cars, minibuses, and public transportation—which consumers can and do choose between.
- Looking ahead, the competitive landscape looks to become only more dynamic, with low barriers to entry and new expansion by aggressive and innovative competitors always on the horizon.

About Uber

Uber's mission is to create opportunity through movement. We started in 2010 to solve a simple problem: how do you get access to a ride at the touch of a button? More than 10 billion trips later, we're building products to get people closer to where they want to be. By changing how people, food, and things move through cities, Uber is a platform that opens up the world to new possibilities.

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