

# Uber to acquire Careem for \$3.1 billion

(\$1.7 billion in convertible notes and \$1.4 billion in cash)



## Transaction specifics

- Careem will become a wholly-owned subsidiary of Uber
- Careem to operate independently with Mudassir Sheikha as CEO
- Careem will have its own board, with three representatives from Uber and two from Careem
- Both companies' apps will continue to operate under separate brands
- The transaction is expected to close in Q1 2020

**Both companies will work together to benefit customers, drivers/captains, and cities, through an expanded range of integrated ridesharing, food delivery, and other platform services**

## Improving mobility



### Benefits for customers:

- Expanded variety of services covering a range of price points
- Increase in high capacity vehicles and products to suit budget and need
- Better destination matching, faster pick-up times, flexible payment options



### Benefits for drivers/captains:

- Increase in trip growth and improved services
- Better work opportunities
- Greater utilisation
- Higher and more predictable earnings



## Regional opportunity

**600** mn people

**Large market potential:** The greater Middle East region has a population of over 600 million people - similar to Southeast Asia at 655 million<sup>1</sup>

**60%** under 30

**Young, tech-savvy population:** 60% of the MENA population is under 30<sup>2</sup>. By 2020, nearly half of the population will be connected to smartphones, up from 38% in 2016<sup>3</sup>

**65%** in cities

**High urbanisation:** 65% of MENA population in cities, compared to 34% in South Asia<sup>4</sup>

**x3.5** by 2022

**Growing e-commerce market:** With an average annual growth rate of 25%, e-commerce in the region has the potential to increase 3.5 times in size by 2022<sup>5</sup>

**366** startup deals

**Fast-growing tech hub:** Startup funding in MENA is up 31% in 2018 from 2017, with a record number of 366 startup deals across the region, amounting to \$893 million of total investment<sup>7</sup>

**65%** women unbanked

**Financial inclusion opportunity:** Of unbanked women in MENA, 75% have a mobile phone, offering an avenue for expanding financial inclusion<sup>6</sup>



1. World Population Prospects, UN, 2017  
 2. Arab Human Development Report, UNDP, 2016  
 3. The Mobile Economy Middle East and North Africa, GSMA, 2017  
 4. Open Data, Urban population (% of total), World Bank, 2017  
 5. E-commerce in MENA, Bain & Company, 2019  
 6. "Financial Inclusion on the Rise, But Gaps Remain", World Bank, 2018  
 7. MENA Venture Investment Report, Magnitt, 2019