

Mergers & Acquisitions in Startups

Hosted by:



Adnan Al Shuaili
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In conversation with:



Ahmed Al Mukhaini



Ahmed Al Kindi



Hasan Akbar

Webinar Series

Key Takeaways & Questions

Webinar Overview:

Understanding the nature of mergers and acquisitions, specifically with the examples experiences by the speakers

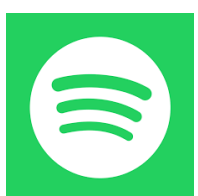
eMushrif:

A developer of smart applications that bring IoT to buses, providing high levels of safety and efficiency smart buses

eMushrif M&A:

Company	Reasons for Merger/Acquisition
My Route An application for public transportation live tracking and booking, based in Kuwait	<ul style="list-style-type: none"> • My Route wanted to expand into school transportation • Benefit from eMushrif's technology and experience in the industry • Acquisition of My Route allows first entry into an international market by eMushrif
Buscom An application that allows university students to choose transportation options across Oman	<ul style="list-style-type: none"> • Buscom had the contacts at the national bus operator Mwasalat, after incubation with them, running a bus related business also • Faced operational issues and did not have enough capital • eMushrif could help fulfill Buscom's vision
Metamorph Mobile and web software developers, based in Oman	<ul style="list-style-type: none"> • Shared the same vision & work ethic as eMushrif • eMushrif treated Metamorph as a partner in development and improvement of the app

Notable Global M&As:



Spotify: Vertical Expansion

- ✓ Wanted to expand into the podcast market
- ✓ Acquired Gimlet, a publisher of podcasts
- ✓ Acquired Anchor, a platform for podcasts to be recorded



Uber: Geographic Expansion

- ✓ Wanted to enter GCC region and take over market share
- ✓ Eliminated the main competitor by acquiring Careem

FAQs:

1. What are the drawbacks of acquisitions?

- Profits get divided over a greater number of shareholders
- Alignment of goals and visions – the target's vision may get dominated by the acquirer's

2. What are the main challenges of acquisitions?

- Due to opportunity costs, it could be difficult to decide the best time for a merger to take place. There is always a risk that a better deal could come in the future

3. When is the best time to undergo a merger or acquisition?

- Once you find a company that meets your ideal profile and fits your growth strategy

4. How can the target adapt to the new organizational culture of the merged company?

- Understand the work environment and operations of the acquirer better

5. How do acquiring companies pay for their acquisition?

- Acquisitions are financed through cash, shares, or both depending on the parties' interests. For example, financing would be through shares if the acquiree would like to be a shareholder in the acquirer's company