

Hughes Hubbard Advises Ride-Hailing App Grab on its Acquisition of Uber's Southeast Asian Operation

The sale marks the second time Uber has pulled out of a major Asian market.

By Anna Zhang

Hughes Hubbard & Reed is advising Southeast Asian ride-hailing app operator Grab on its acquisition of rival Uber Technologies Inc.'s businesses in the region.

As part of the deal, announced Monday, Singapore-based Grab will take over Uber's ride-sharing and food delivery businesses in Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. Uber will, in turn, take a 27.5 percent stake in Grab and Uber chief executive Dara Khosrowshahi will join the Southeast Asian company's board.

"After investing \$700 million in the region, we will hold a stake worth several billion dollars, and strategic ownership in what we believe will be the winner in an important global region," Khosrowshahi wrote in a letter addressing Uber staff in Southeast Asia.

Financials of the deal were not disclosed. In a press release, Grab said the deal was "the largest-ever of its kind in Southeast Asia."

The deal marks the second time Uber has decided to abandon a major Asian market. In 2016, the San Francisco-based tech company pulled out of China after operating at a loss for three years. In a deal similar to the one with Grab, Uber sold its Chinese operations to local player Didi Chuxing.

Hughes Hubbard New York partner and firm deputy chair Kenneth Lefkowitz is leading a team representing Grab on the deal. Lefkowitz is supported by partners Matthew Syrkin, Andrew Braiterman, Jerry Harrison, Charles Samuelson and Gary Simon in New York and Amy Dulin in Miami. In 2017, New York-based Hughes Hubbard also advised Grab on raising \$2.5 billion from



Uber.

Chinese peer Didi Chuxing and Japan's SoftBank Group Corp.

Uber declined to comment on its legal counsel for this deal. In 2016, Davis Polk & Wardwell acted for the company on the sale of its China businesses to Didi. The U.S. firm also advised Uber on a \$1.2 billion fundraising from Baidu Inc. in 2015. Davis Polk also declined to comment on the Grab deal.

Founded in 2012 in Malaysia's Kuala Lumpur, Grab is now valued at \$6 billion, according to Bloomberg LP. It operates in 195 cities across eight major Southeast Asian countries.

Anna Zhang is based in Hong Kong, where she writes about the business of law and legal issues in Asia and Australia.