

Retailer Noon.com opens in UAE after delays, Amazon's entry

October 1 2017



In this Jan. 4, 2010 file photo, Mohammed Alabbar speaks to journalists in Dubai, United Arab Emirates. The online retailer Noon.com has launched in the United Arab Emirates after months of delays, more than \$1 billion in pledged investments and Amazon's entry into the market. The website went live without fanfare late Saturday night. It's led by Alabbar, the CEO of the state-backed real estate developer Emaar. (AP Photo/Kamran Jebreili, File)

The online retailer Noon.com has launched in the United Arab Emirates after months of delays, more than \$1 billion in pledged investments and

Amazon's entry into the market.

The website went live without fanfare late Saturday night after Mohamed Alabbar, the chairman of the state-backed real estate developer Emaar Properties, who has led the project, earlier promised it would be online in January.

The company issued a statement quoting Alabbar as saying the website's launch was an "important first step in our journey." The company gave no explanation for its delays and made no one available to speak to The Associated Press on Sunday.

One of the biggest investors is Saudi Arabia's Public Investment Fund, a sovereign wealth fund in the kingdom, which put up \$500 million for a 50-percent equity stake in Noon and a promise its headquarters would be in Riyadh. Other investors have been described as a group of nationals from the Gulf Cooperation Council, which includes Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE.

Noon's entry into the market has been bumpy, with a series of reported layoffs before its launch.

Amazon purchased the Middle East's biggest online retailer, the Dubai-based Souq.com, in March for \$586 million, according to a June financial disclosure by the retailer. Emaar Malls PJSC, a spinoff of the developer, made an unsuccessful \$800 million bid for Souq.com just before Amazon bought it.

© 2017 The Associated Press. All rights reserved.

Citation: Retailer Noon.com opens in UAE after delays, Amazon's entry (2017, October 1) retrieved 25 April 2024 from

<https://phys.org/news/2017-10-retailer-nooncom-uae-amazon-entry.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.