Uber NL Holdings 1 B.V.
Annual report
2019

December 31, 2019

Registered with the Trade Registry of the Chamber of Commerce and Industries in Amsterdam, file number 73338893.
The financial statements were adopted by the General Meeting on December 28, 2020.

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Directors' report

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Consolidated financial statements

Consolidated statement of financial position as of December 31, 2019

In millions of US dollars	Note	December 31, 2019	December 31, 2018	January 1, 2018
Assets				
Non-current assets				
Property, plant and equipment	5	268	269	282
Investment in an associate	7	1,224	1,234	—
Financial assets	8	7,969	7,960	7,968
Deferred tax assets	20	50	31	22
		9,511	**9,494**	**8,272**
Current assets				
Trade and other receivables	9	1,204	738	1,531
Current tax assets	20	7	21	7
Prepayments		60	52	59
Cash at bank		1,185	1,090	684
Assets held for sale	24	—	406	985
		2,456	**2,307**	**3,266**
Total assets		**11,967**	**11,801**	**11,538**
Liabilities				
Non-current liabilities				
Borrowings	12	16,746	3,317	2,703
Lease liabilities	6	142	147	151
Deferred income		80	72	60
Deferred tax liabilities	20	742	742	742
		17,710	**4,278**	**3,656**
Current liabilities				
Provisions, trade and other payables	13	5,182	1,879	1,965
Current tax liabilities	20	99	88	151
Borrowings	12	979	—	—
Lease liabilities	6	38	40	40
Deferred income		30	29	22
Liabilities associated with assets held for sale	24	—	11	452
		6,328	**2,047**	**2,630**
Total liabilities		**24,038**	**6,325**	**6,286**
Equity				
Share capital	10	—	1,556	1,506
Share premium	1	5,232	843	820
Reserves		105	(86)	41
Retained earnings		*(17,408)*	3,163	2,885
Total equity		**(12,071)**	**5,476**	**5,252**
Total equity and liabilities		**11,967**	**11,801**	**11,538**

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Consolidated statement of profit or loss and comprehensive income for the year ended December 31, 2019

In millions of US dollars	**Note**	**2019**	**2018**
Continuing operations			
Revenue	14	5,837	5,081
Cost of services and materials	16	(2,235)	(1,687)
Marketing expenses		(1,852)	(1,342)
Employee benefit expenses	17	(979)	(660)
Depreciation	5	(97)	(92)
Other expenses	18	(4,001)	(1,509)
Other gains and losses	15	(28)	912
Operating (loss) / profit		**(3,355)**	**703**
Finance income	19	45	103
Finance costs	19	(1,156)	(90)
Net finance costs		**(1,111)**	**13**
Share of net profit of an associate	7	(35)	(43)
(Loss) / profit before tax		**(4,501)**	**673**
Income tax expense	20	(118)	(207)
(Loss) / profit from continuing operations		**(4,619)**	**466**
Discontinued operations			
Loss from discontinued operations, net of tax	24	(4)	(188)
(Loss) / profit for the year		**(4,623)**	**278**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss, net of tax			
Exchange rates differences on translation of foreign operations		9	(245)
Share of other comprehensive income of an associate	7	(2)	20
Other comprehensive income		**7**	**(225)**
Total comprehensive (loss) / income		**(4,616)**	**53**

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Consolidated statement of changes in equity for the year ended December 31, 2019

In millions of US dollars	Share capital	Share premium	Foreign currency translation reserve	Share-based payment reserve	Retained earnings	Total equity
				11		
Balance as of January 1, 2018	1,506	820	(5)	46	2,885	5,252
Profit for the year	—	—	—	—	278	278
Other comprehensive income	—	—	(225)	—	—	(225)
Total comprehensive income	**—**	**—**	**(225)**	**—**	**278**	**53**
Capital contributions	50	23	—	—	—	73
Share-based payments	—	—	—	98	—	98
Total transactions with owners	**50**	**23**	**—**	**98**	**—**	**171**
Balance as of December 31, 2018	**1,556**	**843**	**(230)**	**144**	**3,163**	**5,476**
Loss for the year	—	—	—	—	(4,623)	(4,623)
Other comprehensive income	—	—	7	—	—	7
Total comprehensive income	**—**	**—**	**7**	**—**	**(4,623)**	**(4,616)**
Capital contributions	*2,653*	*250*	—	—	—	*2,903*
Share-based payments	—	—	—	184	—	184
Capital reorganization	(4,209)	4,139	—	—	(15,948)	(16,018)
Total transactions with owners	**(1,556)**	**4,389**	**—**	**184**	**(15,948)**	**(12,931)**
Balance as of December 31, 2019	**—**	**5,232**	**(223)**	**328**	**(17,408)**	**(12,071)**

Consolidated statement of cash flows for the year ended December 31, 2019

In millions of US dollars	Note	2019	2018
Cash flows from operating activities			
Operating (loss)/profit from continuing operations		(3,355)	703
Operating loss from discontinued operations	24	(4)	(188)
Operating (loss) / profit		**(3,359)**	**515**
Adjustments for:			
Depreciation of property, plant and equipment		97	92
Impairment loss on remeasurement of disposal group	24	—	197
Impairment of trade receivables		115	110
Gain on divestiture	15	(2)	(954)
Loss on sale of property, plant and equipment	15	3	5
Share-based payments expense	17	184	98
Other non-cash items		—	19
Changes in working capital items:			
Trade and other receivables		(509)	843
Provisions, trade and other payables		3,303	396
Other working capital items		—	(30)
Cash generated from (used in) operating activities		**(168)**	**1,291**
Interest paid		(160)	(75)
Income taxes paid		(112)	(295)
Disposal of discontinued operation, net of cash disposed of	24	—	48
Net cash from operating activities		**(440)**	**969**
Cash flows from (used in) investing activities			
Interest received		45	103
Acquisition of property, plant and equipment		(58)	(79)
Investment in associate	24	—	(345)
Disposal of discontinued operation, net of cash disposed of	24	303	211
Other investing activities		(10)	6
Net cash from (used in) investing activities		**280**	**(104)**
Cash flows from financing activities			
Proceeds from borrowings	12	625	150
Repayment of borrowings	12	(550)	(120)
Capital contribution	10	250	50
Payment of principal portion of lease liabilities	6	(60)	(46)
Disposal of discontinued operation, net of cash disposed of	24	—	(411)
Net cash from financing activities		**265**	**(377)**
Net increase/decrease in cash and cash equivalents		105	488
Cash and cash equivalents at the beginning of the year		1,090	684
Effects of exchange rate changes on cash and cash equivalents		(10)	(82)
Cash and cash equivalents at the end of the year		**1,185**	**1,090**

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Supplemental disclosures of cash flow information

In millions of US dollars	Note	2019	2018
Movement in trade and other receivables			
Increase/(decrease) in balance per statement of financial position		466	(794)
Working capital change as per cash flow statement		(509)	843
Non-cash movement		**(43)**	**49**
Non cash movements comprise the following items:			
Impairment of trade and other receivables		(115)	(109)
Loss on disposal of property, plant and equipment		28	—
Non-cash loan advanced	12	—	1,104
Settlement of related party loans	12	—	(996)
Other		44	50
		(43)	**49**
Movement in provisions, trade and other payables			
Increase/(decrease) in current balance as per statement of financial position		(3,303)	86
Working capital change as per cash flow statement		3,303	396
Non-cash movement		**—**	**482**
Non cash movements comprise the following items:			
Foreign currency translation		—	78
Non-cash loan advanced	12	—	404
		—	**482**

The consolidated statement of cash flows presents an analysis of all cash flows including both continuing and discontinued operations; amounts related to discontinued operations by operating, investing and financing activities are disclosed in note 24.

Information on non-cash investing and financing activities are disclosed in other notes as follows:

- disposals of property, plant and equipment (note 5),
- acquisition of right-of-use assets (note 6),
- group loans converted into equity (note 12),
- group loans received as part of the group reorganization (notes 1.3 and 12),
- disposals of non-current assets and liabilities held for sale (note 24).

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Notes to the consolidated financial statements
1. General information

1.1. Corporate information

Uber NL Holdings 1 B.V. (the 'Company') is a private limited liability company incorporated under Dutch law on December 11, 2018 and registered at Mr. Treublaan 7, 1097 DP Amsterdam, the Netherlands. The Company's number in the Trade Register at the Chamber of Commerce is 73338893. The Company is a holding company.

Uber Singapore Technology Pte. Ltd holds 100% of the Company's shares. The ultimate parent of the Company is Uber Technologies, Inc. ('UTI') which is incorporated in Delaware, USA and listed on the New York Stock Exchange under 'UBER' as of May 10, 2019.

1.2. Business activities

These consolidated financial statements comprise the Company and its subsidiaries, associates and entities it exercises control ether through the nominee structure or the management board (the 'Group'). The main activities of the Group are to operate and support its technology platform that uses a massive network, leading technology, operational excellence and product expertise to power movement from point A to point B.

The Group operates proprietary technology applications supporting a variety of offerings on its platform ("platform(s)" or "Platform(s)"). The Group connects consumers ("Rider(s)") with independent providers of ride services ("Rides Driver(s)") for ridesharing services, and connects consumers ("Eater(s)") with restaurants ("Restaurant(s)") and food delivery service providers ("Delivery People") for meal preparation and delivery services. Riders and Eaters are collectively referred to as "end-user(s)" or "consumer(s)." Rides Drivers and Delivery People are collectively referred to as "Driver(s)". The Group also leases vehicles to third-parties who may use them for rides or meal delivery services.

The activities of the Group are carried out in most countries across the world excluding the United States of America and Mainland China. The full list of subsidiaries is provided in note 27.

1.3. Continuation of business

The Company acquired 100% of Uber International C.V. ('UICV'), the immediate parent entity of Uber International B.V. ("UIBV") on April 4, 2019. UIBV previously published Dutch GAAP financial statements.

A series of transactions resulted in changes to our international legal structure, including a re-domiciliation of UICV to the Netherlands and a transfer of certain intellectual property rights among our wholly-owned subsidiaries, primarily to align our structure to our evolving operations (the 'capital reorganization').

The capital reorganization, and ultimately the acquisition of UICV, was financed by the Company through a net loan of USD 16 billion, obtained from the immediate parent (refer to note 12). As part of the capital reorganization, share capital of USD 4.2 billion and share premium of 0.8 billion were transferred to retained earnings and USD 5 billion was recognized as share premium. Overall, the capital reorganization resulted in a negative amount of USD 15.9 billion recognized against the Group's retained earnings, which has been presented in the statement of changes in equity in the capital reorganization line.

Through these transactions, the activities of UICV were integrated into, and continued by, the Company. Thus, from the perspective of UTI, the ultimate shareholder, this transaction was a capital reorganization and the Company is a continuation of UICV's business. As such, the full year's operations of UICV have been included in the financial statements for each of the year's ended December 31, 2018 and December 31, 2019.

1.4. Going concern

Management prepared these consolidated financial statements on the going concern basis.

The Group incurred a net loss of USD 4,623 million for the year ended December 31, 2019 and as of that date the Group had negative net assets of USD 12,071 million. Management believes that the application of going concern basis is appropriate as the net loss and negative net assets were mainly driven by capital reorganization (refer to note 1.3) which is considered a non-recurring event.

On March 11, 2020, the World Health Organization declared the outbreak of the novel coronavirus disease ("COVID–19") a pandemic. COVID–19 has rapidly impacted market and economic conditions globally. In an attempt to limit the spread of the virus, various governmental restrictions have been implemented, including business activities and travel restrictions, and "shelter–at–home" orders, that started to have, and may continue to have, an adverse impact on the Group's business and operations by reducing, in particular, the demand for Rides and New Mobility offerings globally.

In light of the evolving nature of COVID–19 and the uncertainty it has produced around the world, it is not possible to predict the COVID–19 pandemic's cumulative and ultimate impact on the Group's future business operations, results of operations, financial position, liquidity, and cash flows. The extent of the impact of the pandemic on the Group's business and financial results will depend largely on future developments, including the duration of the spread of the outbreak, the impact on capital, foreign currencies exchange and financial markets, and governmental or regulatory orders that impact the Group's business, all of which are highly uncertain and cannot be predicted.

However, the Group has historically been funded by its ultimate parent and the COVID-19 pandemic does not change this; the Group will continue to receive its support for at least the next twelve months from the date of issuance of these financial statements, if needed.

2. Preparation basis

2.1. Accounting basis

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS') and with Section 2:362(9) of the Netherlands Civil Code.

This is the first set of the Group's annual financial statements in which IFRS have been applied. Adoption of IFRS for the first time is described in note 25.

The consolidated financial statements have been prepared on the historical cost basis unless otherwise indicated.

The consolidated financial statements were authorized for issue by the Board of Directors on December 23, 2020.

2.2. Functional and presentation currency

These consolidated financial statements are presented in US dollars ($ or USD), which is the Company's functional currency. All amounts have been rounded to the nearest million, unless otherwise indicated.

2.3. Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions, which affect the reported amounts in these consolidated financial statements. Estimates are based on historical experience, where applicable, and other assumptions which management believes are reasonable under the circumstances. On an ongoing basis, the Group evaluates its estimates, including those related to the incremental borrowing rate ('IBR') applied to lease accounting, fair value of investments, stock-based compensation, income taxes and non-income tax reserves, certain deferred tax assets and tax liabilities and other contingent liabilities. These estimates are inherently subject to judgement and actual results could differ from those estimates. Revisions to accounting estimates are recognized prospectively.

Information about significant judgements and assumptions used are included in the relevant notes to the financial statements.

3. Significant accounting policies

The Group has applied its accounting policies consistently to all periods presented in these consolidated financial statements.

3.1. Consolidation and equity accounting

3.1.1. Subsidiaries

Subsidiaries are entities (including variable interest entities, or structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated as soon as control ceases.

All intercompany balances, transactions, income and expenses and profits and losses resulting from transactions between Group companies are eliminated. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

3.1.2. Associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ('OCI') of equity-accounted investees, until the date on which significant influence ceases. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment. Where the Group's share of losses in associates equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of associates is tested for impairment in accordance with the policy described in note 3.7.

3.2. Business combination under common control

Business combinations between entities under common control with no economic substance are recorded using the predecessor value method. Under this method:

- the acquired assets and liabilities are recorded at their existing carrying values rather than at fair value;
- no goodwill is recognized;
- the difference between the consideration given and the aggregate carrying value of the assets and the liabilities of the acquired entity as of the date of the transaction is recorded as an adjustment to equity;
- the comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

Business combinations between entities under common control with economic substance are recorded using the acquisition method.

3.3. Foreign currency

3.3.1. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are recognized in profit or loss and presented within other gain and losses.

3.3.2. Foreign operations

The assets and liabilities of foreign operations are translated into the US dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated into the US dollars at the average exchange rates. Foreign currency differences are recognized in OCI and accumulated in the foreign currency translation reserve in equity. When a foreign operation is disposed of in its entirety or partially, the cumulative amount in the foreign currency translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

3.4. Assets held for sale and discontinued operations

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on remeasurement are recognized in profit or loss. Once classified as held for sale, property, plant and equipment are no longer depreciated and investments in associates is no longer equity accounted.

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

3.5. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Depreciation is calculated using the straight-line method over the estimated useful lives of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss. The useful lives of assets are as follows:

Assets	**Depreciation rates**
Leasehold improvements	6-20%
Other fixed assets	10-33%
Buildings	Refer to note 3.6.1

3.6. Leases

A lease contract conveys the right to control the use of an identified asset for a specified period of time in exchange for consideration.

3.6.1. Group as a lessee

For its leases, the Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The Group has elected to account for the lease and non-lease components as a single lease component.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received. The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date over the lease term. The Group assesses right-of-use assets for impairment when such indicators exist.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the incremental borrowing rate ('IBR'), being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. The Group applies a single IBR to a portfolio of leases with reasonably similar characteristics. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets (USD 5,000) and short-term leases (12 months or less). The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.7. Impairment of non-financial assets

Assets subject to depreciation are reviewed for impairment whenever events and changes in circumstances indicate that the carrying amount may not be recoverable. For the purposes of impairment assessment, assets are grouped into cash-generating units. An impairment loss is recognized in profit or loss when the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non-financial assets are reviewed for possible reversal of the impairment at the end of each reporting period.

3.8. Financial instruments

3.8.1. Recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when the financial asset with substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

3.8.2. Classification and initial measurement of financial assets

Except for the trade receivables that are measured at the transaction price, all financial assets are initially measured at fair value adjusted for transaction costs where applicable. Financial assets are classified as either:

- amortized cost (including cash and cash equivalents, deposits, trade and most of other receivables fall into this category); or
- fair value through profit or loss (FVTPL) (including equity investments).

The classification is determined by considering both:

- the entity's business model for managing the financial asset;
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within finance income and costs, except for impairment of trade receivables which is presented within cost of services and materials.

3.8.3. Subsequent measurement of financial assets

Financial assets at amortized cost

After initial recognition, the assets are measured at amortized cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss.

Cash and cash equivalents include bank balances payable on demand and term deposits with original maturities of three months or less. Cash includes amounts collected on behalf of, but not yet remitted to Drivers and Restaurants. Overdrafts are recognized as part of borrowings under current liabilities.

Financial assets at fair value through profit or loss (FVTPL)

Assets in this category are measured at fair value with gains or losses, including any interest and dividend income, recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

3.8.4. Recoverability of trade receivables

The Group uses the simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses ('ECL'). The ECL are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Group uses a provision matrix to calculate the expected credit losses based on its historical experience, external indicators and forward-looking information where applicable. Trade receivables are assessed for impairment on a collective basis grouped by business line and geographic location, given that they possess shared credit risk characteristics. The Group considers the allowance for expected credit losses to be direct and incremental costs to revenue earned and, therefore, the expenses are included within cost of services and materials.

The Group writes off trade receivables whenever the debtor is in severe financial difficulty and there is no realistic prospect of recovery, which credit card trade receivables is determined primarily as being those debts aged 60 days past due.

3.8.5. Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings and trade and other payables. Financial liabilities are initially measured at fair value and are adjusted for transaction costs where applicable. Subsequently, financial liabilities are measured at amortized cost using the effective interest method. All interest-related charges are recognized within finance costs in profit or loss.

3.8.6. Offsetting

Financial assets and financial liabilities are offset with the net amount reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and the Group intends to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.9. Equity

Share capital represents the nominal (par) value of issued shares.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Foreign currency translation reserve comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign operations.

Share-based payment reserve is used to recognize the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Retained earnings includes all current and prior period retained profits.

3.10. Share based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is recognized as an expense with a corresponding increase in equity in share-based payment reserve over the vesting period of the awards. An accumulative expense is recognized for equity-settled share-based payments at each reporting date over the duration of the vesting period. This continues until the vesting period has expired and upon expiration, the Group's best estimate of the number of equity instruments that will ultimately vest is reflected.

Service conditions and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

Non-vesting conditions are reflected in the fair value of awards.

Group share-based payment awards in which the Group receives awards from another entity within the same group (as the ultimate parent of the Group) without any obligation to settle the transactions are classified as equity-settled share-based payments.

3.11. Provisions and contingent liabilities

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain. Provisions are discounted to their present values, where the time value of money is material. The unwinding of the discount is recognized as finance cost.

No liability is recognized if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

When the Group is virtually certain to receive reimbursement relating to a recognized provision it is recognized as a separate asset.

3.12. Revenue

The Group recognizes revenue when or as it satisfies its obligation. The Group derives its revenues primarily from Drivers and Restaurants' use of the Group's platform and related service which includes on-demand lead generation, and related activities, including facilitating payments from end-users, that enable Drivers and Restaurants to seek, receive and fulfill on-demand requests from end-users seeking Rides services and Eats services (the "Uber Service"). The Group periodically reassesses its revenue recognition policies as new offering become materials, and business models and other factors evolve.

3.12.1. Master Services Agreements

The Group enters into Master Services Agreements ("MSA") with Drivers and Restaurants to use the platform. The MSA defines the service fee the Group charges Drivers and Restaurants for each transaction. Upon acceptance of a transaction, the Drivers and Restaurants agree to perform the Rides or Eats services as requested by an end-user. The acceptance of a transaction request combined with the MSA establishes enforceable rights and obligations for each transaction. A contract exists between the Group and the Drivers and Restaurants after the Drivers and Restaurants accept a transaction request and the Drivers' and Restaurants' ability to cancel the transaction lapses. End-users access the Platform for free and the Group has no performance obligation to end-users. As a result, end-users are not the Group's customers.

The Uber Service activities are performed to satisfy the Group's sole performance obligation in the transaction, which is to connect Drivers and Restaurants with end-users to facilitate the completion of a successful transaction.

Judgement is required in determining whether the Group is the principal or agent in transactions with Drivers and Restaurants and end-users. The Group evaluates the presentation of revenue on a gross or net basis based on whether it controls the service provided to the end-user and is the principal (i.e. "gross"), or the Group arranges for other parties to provide the service to the end-user and is an agent (i.e. "net"). This determination also impacts the presentation of incentives provided to Drivers and discounts and promotions offered to end-users. For Rides and Eats transactions, the Group's role is to provide the service to Drivers and Restaurants to facilitate a successful trip or Eats service to end-users. The Group concluded it does not control the good or service provided by Drivers and Restaurants to end-users as (i) the Group does not pre-purchase or otherwise obtain control of the Drivers' and Restaurants' goods or services prior to its transfer to the end-user; (ii) the Group does not direct Drivers and Restaurants to perform the service on the Group's behalf, and Drivers and Restaurants have the sole ability to decline a transaction request and (iii) the Group does not integrate services provided by Drivers and Restaurants with its other services and then provide them to end-users. As part of the Group's evaluation of control, the Group reviews other specific indicators to assist in the principal versus agent conclusions. The Group is not primarily responsible for Rides and Eats services provided to end-users, nor does it have inventory risk related to these services. While the Group facilitates setting the price for Rides and Eats services, the Drivers and Restaurants and end-users have the ultimate discretion in accepting the transaction price and this indicator alone does not result in the Group controlling the services provided to end-users.

Drivers and Restaurants are the Group's customers and pay the Group a service fee for each successfully completed transaction with end-users. The Group's obligation in the transaction is satisfied upon completion by Drivers and Restaurants of a transaction. In the vast majority of transactions with end- users, the Group acts as an agent by connecting end-users seeking Rides and Eats services with Drivers and Restaurants looking to provide these services. Accordingly, the Group recognizes revenue on a net basis, representing the fee the Group expects to receive in exchange for the Group providing the service to Drivers and Restaurants. The Group records refunds to end-users that it recovers from Drivers and Restaurants as a reduction to revenue. Refunds to end-users due to end-user dissatisfaction with the Platform are recorded as marketing expenses and reduce the accounts receivable amount associated with the corresponding transaction.

3.12.2. Rides

The Group derives its Rides revenue primarily from service fees paid by Rides Drivers for use of the platform and related service to connect with Riders and successfully complete a trip via the Platform. The Group recognizes revenue when a trip is complete.

Depending on the market where the trip is completed, the service fee is either a fixed percentage of the end-user fare or the difference between the amount paid by an end-user and the amount earned by Rides Drivers. In markets where the Group earns the difference between the amount paid by an end-user and the amount earned by Rides Drivers, end-users are quoted a fixed upfront price for rides while the Group pays Rides Drivers based on actual time and distance for the services provided. Therefore, the Group can earn a variable amount and may realize a loss on the transaction. The Group typically receives the service fee within a short period of time following the completion of a trip.

In addition, end-users in certain markets have the option to pay cash for trips. On such trips, cash is paid by end-users to Rides Drivers. The Group generally collects its service fee from Rides Drivers for these trips by offsetting against any other amounts due to Rides Drivers, including Rides Drivers incentives. As the Group currently has limited means to collect its service fee for cash trips and cannot control whether Rides Drivers will generate future amounts owed to them for offset, it concluded collectability of such amounts is not probable until collected. As such, uncollected service fees for cash trips are not recognized in the consolidated financial statements until collected from Rides Drivers.

3.12.3. Eats

The Group derives its Eats revenue primarily from service fees paid by Delivery People and Restaurants for use of the platform and related service to successfully complete a meal delivery service via the Platform. The Group recognizes revenue when an Eats transaction is complete.

The service fee paid by Restaurants is a fixed percentage of the meal price. The service fee paid by Delivery People is the difference between the delivery fee amount paid by the end-user and the amount earned by the Delivery People. End-users are quoted a fixed price for the meal delivery while the Group pays Delivery People based on time and distance for the delivery. Therefore, the Group earns a variable amount on a transaction and may realize a loss on the transaction. The Group typically receives the service fee within a short period of time following the completion of a delivery.

3.12.4. Vehicle Solutions

The Group leases vehicles to third parties who could use the vehicles to provide ridesharing services. The Group recognizes revenue from these arrangements on a straight-line basis over the term of the lease. The Group disposed of its primary leased vehicle activities in 2018 and in the first quarter of 2019. Refer to note 6 for details surrounding this transaction.

3.12.5. Other

Other revenue consists primarily of financial partnerships and service fees charged to its Uber for Business ('U4B') and other immaterial revenue streams.

3.12.6. Incentives, discounts, promotions and refunds

Incentives provided to Drivers, who are the Company's customers, are recorded as a reduction of revenue if the Company does not receive a distinct good or service or cannot reasonably estimate fair value of the good or service received. Incentives to Drivers that are not for a distinct good or service are evaluated as variable consideration in the most likely amount to be earned by the Drivers, at the time or as they are earned by the Drivers, depending on the type of incentive. Since incentives are earned over a short period of time, there is limited uncertainty when estimating variable consideration.

Incentives earned by drivers for referring new drivers are paid in exchange for a distinct service and are accounted for as customer acquisition costs in marketing expenses. The Group uses the practical expedient under IFRS 15 and expenses the customer acquisition costs as incurred because the amortization period would be one year or less.

Market-wide promotions are in the form of discounts that reduce the price charged by Drivers and Restaurants to end-users for all or substantially all rides or meal deliveries in a specific market. The Group records the cost of these promotions as a reduction of revenue at the time the trip is completed.

Targeted end-user discounts and promotions are not provided to the entire market and recorded as marketing expenses at the time they are redeemed by the end-user.

End-user referrals are recognized as marketing expenses at the time the referral is earned by the referring end-user.

Refunds due to end-users are recorded as marketing expenses and reduce the accounts receivable amount associated with the corresponding transaction.

3.13. Research and development costs

Research costs are expensed as incurred and recognized within other expenses. When the Group cannot distinguish the research phase from the development phase, all costs are treated as incurred in the research phase only.

3.14. Operating profits

Operating profit is the result generated from the continuing principal revenue producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity accounted investees and income taxes.

3.15. Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL;
- unwinding of the discount on provisions;
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognized using the effective interest method.

3.16. Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in OCI.

3.16.1. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria are met.

3.16.2. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset only if certain criteria are met.

3.17. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

4. Standards issued but not yet effective

The amended standards that are issued but are not yet effective for December 31, 2019 are listed below:

- Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform effective for reporting periods beginning on or after January 1, 2020.
- Amendments to IAS 1 and IAS 8: Definition of Material effective for reporting periods beginning on or after January 1, 2020.

- Amendments to References to the Conceptual Framework in IFRS Standards effective for reporting periods beginning on or after January 1, 2020.
- Amendments to IFRS 3 Business Combinations effective for reporting periods beginning on or after January 1, 2020.

The Group will adopt these amended standards when they become effective. The amended standards are not expected to have a material impact on the Group's financial statements.

5. Property, plant and equipment

In millions of US dollars	Buildings	Leasehold improve-ments	Other fixed assets	Under construc-tion	Total
At January 1, 2018					
Cost	172	66	110	2	350
Accumulated depreciation	—	(25)	(43)	—	(68)
Closing balance, net	**172**	**41**	**67**	**2**	**282**
Year ended December 31, 2018					
Opening balance, net	172	41	67	2	282
Additions	40	27	16	17	100
Disposals	—	(29)	(12)	1	(40)
Depreciation	(39)	(1)	(25)	—	(65)
Exchange rates differences	—	(3)	(5)	—	(8)
Transfers	—	8	—	(8)	—
Closing balance, net	**173**	**43**	**41**	**12**	**269**
At December 31, 2018					
Cost	212	69	109	12	402
Accumulated depreciation	(39)	(26)	(68)	—	(133)
Closing balance, net	**173**	**43**	**41**	**12**	**269**
Year ended December 31, 2019					
Opening balance, net	173	43	41	12	269
Additions	38	2	11	51	102
Disposals	—	(4)	(13)	—	(17)
Depreciation	(51)	(18)	(16)	—	(85)
Exchange rates differences	—	(1)	—	—	(1)
Transfers	—	37	12	(49)	—
Closing balance, net	**160**	**59**	**35**	**14**	**268**
At December 31, 2019					
Cost	250	103	119	14	486
Accumulated depreciation	(90)	(44)	(84)	—	(218)
Closing balance, net	**160**	**59**	**35**	**14**	**268**

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6. Leases

Right-of-use assets

The Group has lease contracts for real estate office space only. The carrying amount of right-of-use assets related to leased buildings are included in property, plant and equipment (note 5) in the buildings category; all assets in this category relate to right-of-use assets related to leased buildings.

As at December 31, 2019 the range of remaining lease term was (in months) 1-121 (December 31, 2018: 11-131, January 1, 2018: 23-143).

Lease liabilities

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is determined as the sum of a reference rate, credit risk premium and country risk premium. The calculation of IBR considers the currency of the lease contract, the lease term, type of leased assets, the region of the lessee and the credit rating of the lessee. The IBR's are determined on a region by region basis with a distinction between the currency of the lease contract, as well as lease term. A single IBR is applied to a portfolio of leases, which are similar in nature and in lease term within a region. The weighted average IBR applied to lease liabilities was 8.67% (December 31, 2018: 8.73%).

The carrying amount of lease liabilities and the related movements during the period are as follows:

In millions of US dollars	**2019**	**2018**
Opening balance	187	191
Opening balance adjustment	(7)	—
Additions	44	40
Accrued interest	17	15
Payments	(60)	(46)
Exchange rate differences	(1)	(13)
Closing balance	**180**	**187**
Non-current	142	147
Current	38	40

Amounts recognized in the statement of profit and loss

In millions of US dollars	**2019**	**2018**
Depreciation	52	39
Interest expenses (included in finance costs)	17	15
Expense related to short-term leases (included in other expenses)	16	1
Variable lease payments (included in other expenses)	2	5
Exchange rate differences	(1)	(13)

The following provides information on the Group's lease payments:

In millions of US dollars	**2019**	**2018**
Fixed rent	60	46
Variable rent only	2	5
	62	**51**

7. Investment in an associate

The Group holds an interest of approximately 38% in MLU B.V., a private limited liability company incorporated under Dutch law. The interest was acquired in February 2018, refer to note 24 for further details of the transaction. MLU B.V. is involved in operating ride-sharing and food delivery services under brands of Yandex, Uber and Yango in Russia and other 17 countries in Eastern Europe, Africa and Middle East. MLU B.V. is not listed at any public exchange.

The following table summarizes the financial information of MLU B.V. as included in its own financial statements, and amended to reflect adjustments made by the Group when using the equity method, in order to reconcile the information to the carrying amount of the Group's interest in MLU B.V.

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Non-current assets	856	819	—
Current assets	456	444	—
Non-current liabilities	(45)	(23)	—
Current liabilities	(126)	(87)	—
Net assets	1,141	1,153	—
Group's share of net assets (approx. 38%)	427	432	—
Goodwill	801	786	—
Intangible assets, net of accumulated amortization	118	140	—
Deferred tax liabilities	(30)	(35)	—
Cumulative currency translation adjustments	(92)	(89)	—
Carrying amount of interest in associate	**1,224**	**1,234**	—

In millions of US dollars	**2019**	**2018**
Revenue	504	182
Profit before tax	(12)	(70)
Profit for the year	(42)	(66)
Profit for the year (38%)	(16)	(25)
Fair value adjustment	(19)	(18)
Group's share of net profit (38%)	**(35)**	(43)
Other comprehensive income	(4)	54
Group's share of OCI (38%)	**(2)**	**20**

8. Financial assets

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Financial assets at fair value through profit or loss			
Equity investment	7,954	7,954	7,954
Financial assets at amortized cost			
Deposits	14	6	12
Other financial assets	1	—	2
	7,969	**7,960**	**7,968**

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Equity investment

On August 1, 2016, the Group completed the sale of the Company's interest in Uber China to Didi and received approximately 52 million shares of Didi's Series B-1 preferred stock as consideration. As of December 31, 2019 the Group holds approximately 15.03% of Didi (December 31, 2018: 15.4%, January 1, 2018: 18.8%), a non-listed entity that operates a mobile transportation platform, offering a full range of commuting options.

The fair value of the shares is based on non-market unobservable information for similar shares of Didi in a transaction with third-party investors and is classified as level 3 in the fair value hierarchy. A common stock equivalent method is used to determine the fair value of the preference shares. The Group compared the characteristics of the similar shares to the B-1 preferred stock held, with the conversion ratio being the only difference to incorporate. The Didi shares are also traded on a secondary market in China which is not considered an orderly transaction and not used to determine the fair value of the shares held.

9. Trade and other receivables

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Trade receivables	825	546	520
Amounts due from related parties	318	149	1,028
Statutory receivables	162	82	62
Other receivables	74	38	15
Allowance for expected credit losses	(175)	(77)	(94)
	1,204	**738**	**1,531**

Trade receivables consist of uncollected payments from end-users for completed transactions where (i) the payment method is credit card and includes (a) end-user fare amounts not yet settled with payment service providers, and (b) end-user fare amounts settled by payment service providers but not yet remitted to the Group. The portion of the receivable due to be remitted to Drivers is included in trade and other payables (note 13). Management believes that the concentration risk with respect to trade receivables was low due to the large geographical spread of customers across over one hundred countries.

Trade receivables are non-interest bearing. The net carrying value of trade and other receivables is considered a reasonable approximation of fair value.

Amounts due from related parties are unsecured, interest free and repayable on demand.

Although the Company pre-authorizes forms of payment to mitigate its exposure, the Company bears the cost of any trade receivable losses. The Group records an allowance for expected credit losses for completed transactions that may never settle or be collected, as well as for credit card chargebacks including fraudulent credit card transactions.

10. Share capital

As disclosed in note 1.3, the Company is considered the continuation of the business of Uber International C.V. As of December 31, 2019, the authorized share capital of Uber NL Holdings 1 B.V. comprised 100 ordinary shares with a par value of EUR 0.01 per share in total amount of EUR 1 (December 31, 2018: EUR 1). All shares were issued and fully paid up.

During the year ended of December 31, 2019, capital contributions of USD 2,903 million (December 31, 2018: USD 73 million) included the conversion to equity of the outstanding amount of the Group's loan with UTI in the amount of USD 2,653 million (refer to note 12) and the receipt of a USD 250 million cash contribution from the Parent.

11. Share-based payments

The Group's ultimate parent UTI maintains three equity incentive plans: the 2019 Equity Incentive Plan ("2019 Plan"), the 2013 Equity Incentive Plan ('2013 Plan') and the 2010 Stock Plan ('2010 Plan'), collectively (the 'plans').

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The 2013 Plan serves as the successor to the 2010 Plan and provides for the issuance of incentive stock options (ISOs) and non-qualified share options (NSOs), stock appreciation rights (SARs), restricted stock awards (RSAs) and *restricted stock units (RSUs) to employees, consultants and advisors of the Group.*

In March 2019, UTI's board of directors adopted the 2019 Plan. The 2019 Plan was approved in April 2019 with 130 million shares of common stock reserved for future issuance. The 2019 Plan became effective on May 9, 2019 the date of the underwriting agreement between UTI and the underwriters for the IPO. The 2019 Plan is the successor to the 2013 Plan. The number of shares of UTI's common stock available for issuance under the 2019 Plan automatically increases on January 1 of each year, for a period of not more than ten years, commencing on January 1, 2020 and ending on (and including) January 1, 2029 by the lesser of (a) 5% of the total number of the shares of common stock outstanding on December 31 of the immediately preceding calendar year, and (b) such number of shares determined by UTI's board of directors. Pursuant to the automatic increase feature of the 2019 Plan, UTI's board of directors approved an increase of 86 million shares reserved for issuance effective January 1, 2020. The 2019 Plan provides for the grant of ISOs, NSOs, SARs, RSAs, RSUs and performance-based awards, and other awards (that are based in whole or in part by reference to UTI's common stock) (collectively, "awards"). ISOs may be granted only to employees, including the employees of any subsidiary of UTI. All other awards may be granted to the Company's employees, including the Company's officers, the Company's non-employee directors and consultants, and the employees and consultants of the Company's affiliates.

Share options: equity-settled

UTI granted share options to certain employees of the Group. These awards vest upon the satisfaction of both the service and non-vesting conditions. The service condition is generally satisfied over four years. The non-vesting condition is satisfied upon the occurrence of the qualifying event, which is defined as the earlier of the closing of certain specified liquidation transactions or an initial public offering ('IPO'); this condition was satisfied on May 10, 2019, the date the IPO occurred. Under the terms of these awards, the employee is not required to be employed at the date of the qualifying event; however, the liquidation event needs to occur before expiration of the award (ten years from grant date). On exercise, options convert to one ordinary share in UTI at the agreed exercise price of the option.

The number and weighted average exercise prices ('WAEP') of share option are as follows:

Share options	**Number**	**WAEP**
	'000	**USD**
Balance at January 1, 2018	**10,950**	**6.35**
Granted	1,227	34.50
Forfeited	(297)	26.24
Exercised	(2,639)	2.93
Transfers	(359)	6.72
Expired / Cancelled	(63)	13.92
Balance at December 31, 2018	**8,819**	**10.47**
Granted	250	42.52
Forfeited	(101)	34.91
Exercised	(1,505)	3.26
Transfers	(883)	6.63
Expired / Cancelled	(40)	28.10
Balance at December 31, 2019	**6,540**	**13.25**
Exercisable at December 31, 2019	5,833	10.19
Exercisable at December 31, 2018	7,688	6.98

The options outstanding at December 31, 2019 are presented in the table below based on their exercise price, they had a weighted-average contractual life of 5.34 years (December 31, 2018: 6.01 years):

Exercise price range	**December 31, 2019**	**December 31, 2018**
$0-$12	4,487,020	6,712,574
$12-$22	—	—
$22-$34	1,314,387	1,523,077
$34-$46	738,617	583,365
	6,540,024	**8,819,016**

Restricted stock units (RSUs): equity-settled

UTI granted RSUs to certain employees of the Group. These awards vest upon the satisfaction of both the service and non-vesting conditions. The service condition is generally satisfied over four years and awards begin to vest following the employees one-year employment anniversary. The non-vesting condition is satisfied upon the occurrence of the qualifying event, which is defined as the earlier of the closing of certain specified liquidation transactions or IPO; this condition was satisfied on May 10, 2019, the date the IPO occurred. Under the terms of these awards, the employee is not required to be employed at the date of the qualifying event. On exercise, RSUs convert to one ordinary share in UTI at no cost to the employee.

As from January 1, 2018, Management considered that the qualifying event was probable and as such share-based compensation was recognized as an expense for grants from that date.

The number of RSUs granted during the period was 6,904,339 (December 31, 2018: 7,625,546) with a weighted average fair value of USD 43.97 (December 31, 2018: USD 36.89). The fair value is determined on grant date with reference to either the 409a valuation, for awards issued prior to IPO, or the UTI share price on grant date for awards issued after the IPO. The number of RSUs unvested and outstanding at December 31, 2019 was 8,840,286 (December 31, 2018: 14,005,669).

Share-based payment expense

As of December 31, 2019 the Group recognized an expense of USD 184 million (December 31, 2018: USD 98 million). The expense is based on the grant date fair value of the awards, measured using:

- the fair value of UTI's ordinary share on the grant date for RSUs;
- Black-Scholes model for share options, taking into account the terms and conditions of the awards.

The fair value is adjusted for the number of awards expected to vest. The weighted average fair value of share options granted during the year is USD 16.6 (December 31, 2018: USD 12.64) and RSUs is USD 43.97 (December 31, 2018: USD 36,89).

Net settlement feature for withholding tax obligations

Under country specific tax law, the Group must withhold an amount for an employee's tax obligation associated with a share-based payment and transfer that amount in cash to the tax authority on the employee's behalf. The RSUs granted under the equity-settled plans contain a net settlement feature under which the Group withholds shares in order to settle the employee's tax obligations. UTI will settle RSUs on a net basis by withholding the number of shares with a fair value equal to the monetary value of the employee's tax obligation and only issuing the remaining shares on completion of the vesting period. This reduces the dilutive impact of the RSUs. For the year ended December 31, 2019 2,882,782 shares (December 31, 2018: 0) were withheld on behalf of employees for their tax obligations 2019 will have withholding.

12. Borrowings

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Unsecured			
Loans from related parties	16,746	3,317	2,703
Non-current borrowings	**16,746**	**3,317**	**2,703**
Accrued interest on loans from related parties	979	—	—
Current borrowings	**979**	**—**	**—**
Total borrowings	**17,725**	**3,317**	**2,703**

The fair value of the borrowings is not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

The Group entered into a loan agreement with UTI on September 1, 2015. The loan bears interest made up of Applicable Federal Rates (AFR) Mid-Term Rate published by the US Internal Revenue Service at the first business day of the current month plus a surcharge, which is at arm's length. As of December 31, 2019 the total principal amount of the loan was USD 1,000 million (December 31, 2018: USD 4,300 million) while the total outstanding amount was USD 675 million December 31, 2018: 3,245 million). During the year, and prior to the capital *reorganization (as described in note 1.3), the outstanding amount on the loan of USD 2,653 million was converted to* equity via a capital contribution (refer to note 10). As of December 31, 2019, accrued interest of USD 2 million was outstanding on the loan.

In relation with the group reorganization, as described in note 1.3, the Group entered into a loan agreement of USD 16,000 million with Uber Singapore Technology Pte. Ltd in April 2019. The maturity date of the loan, including any unpaid interest is December 31, 2039, subject to material adverse changes. The loan bears interest at an arm's length rate, which is based on the 3-month LIBOR plus a 6% surcharge. The Group can repay the principal amount in parts or in whole before the maturity date without premium or penalty. During the period, no repayments were made. As of December 31, 2019, accrued interest of USD 977 million was outstanding on the loan.

The detail of the movements in borrowings, split between cash and non-cash movements is presented in the following table:

In millions of US dollars	2019	2018
Opening balance	**3,317**	**2,703**
Cash movements		
Proceeds	625	150
Repayment	(550)	(120)
Non-cash movements		
Net settlement of related party loans against related party receivable	—	(996)
Non-cash loan advanced	16,000	1,580
Conversion into equity	(2,646)	—
Interest accrued	979	—
Closing balance	**17,725**	**3,317**

13. Provisions, trade and other payables

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Amounts due to related parties	3,426	968	1,227
Provisions	797	188	125
Accrued drivers and restaurants liability	186	218	182
Employee benefit accruals	115	65	46
Trade payables	103	73	87
Government and airport fees payable	65	41	6
Marketing accruals	62	68	56
Other accruals and payables	428	258	236
	5,182	**1,879**	**1,965**

The carrying values of trade and other payables are considered to be a reasonable approximation of fair value. Amounts due to related parties are unsecured, interest free and repayable on demand.

For information on the amounts due to related parties, please refer to note 23.

Provisions consists of various claims, non-income tax audits and litigation the Group may be a party in the normal course of business, for a description of items please refer to note 21. Movements are set out below:

In millions of US dollars	2019	2018
Opening balance	**188**	**125**
Arising during the year	636	146
Utilized	(23)	(8)
Reversed	(23)	(74)
Exchange rate differences	19	(1)
Closing balance	**797**	**188**

14. Revenue

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets and major service lines.

In millions of US dollars	2019	2018
Primary geographical markets		
Europe, Middle East and Africa	2,086	1,759
Latin America	1,924	1,995
Asia Pacific	1,243	908
North America	584	419
	5,837	**5,081**
Major service lines		
Rides	4,370	4,301
Eats	1,424	741
Vehicle Solutions	16	14
Other	27	25
	5,837	**5,081**

There were no unsatisfied performance obligations as of December 31, 2019.

15. Other gains and losses

In millions of US dollars	2019	2018
Gain on divestiture	2	954
Loss on sale of property, plant and equipment	(3)	(5)
Net foreign currency loss	(27)	(37)
	(28)	**912**

16. Cost of services and materials

In millions of US dollars	2019	2018
Driver incentives	938	632
Payment processing costs	500	410
Driver insurance	254	256
Technical infrastructure	245	128
Chargebacks and credit card losses	115	110
Mobile costs	115	92
Other	68	59
	2,235	**1,687**

17. Employee benefit expenses

In millions of US dollars	Note	2019	2018
Salaries and wages		565	386
Share-based payment expense	11	184	98
Other short-term benefits		129	106
Social security contributions		75	52
Paid leave		26	18
		979	**660**

During 2019 12,988 (2018: 9,057) employees were employed on a full-time basis. Of these employees, 12,064 (2018: 8,467) were employed outside the Netherlands. For the details on the remuneration of directors refer to note 23.

	2019	2018
Administrative	1,807	1,193
Operations	11,181	7,864
Total number of employees	**12,988**	**9,057**

18. Other expenses

In millions of US dollars	Note	2019	2018
Fees to related parties	23	2,482	790
Other regulatory reserves and settlements		597	114
Professional services		541	438
Travel and entertainment costs		71	67
Insurance costs		16	16
Other		294	84
		4,001	**1,509**

Auditor's fees

Other expenses include, among others, auditor's fees. PricewaterhouseCoopers Accountants N.V. served as the independent public accountants for the fiscal year ended December 31, 2019. The following table presents the aggregate fees rendered by PricewaterhouseCoopers Accountants N.V. and its member firms:

	Pricewaterhouse Coopers Accountants N.V.	Other PwC member firms	**2019**
	$'000	$'000	$'000
Audit of the financial statements	741	–	741
Other audit services	1,031	2,594	3,625
Tax services	–	35	35
Other non-audit services	–	104	104
	1,772	**2,733**	**4,505**

	Pricewaterhouse Coopers Accountants N.V.	Other PwC member firms	**2018**
	$'000	$'000	$'000
Audit of the financial statements	643	–	643
Other audit services	481	985	1,466
Tax services	–	237	237
Other non-audit services	–	295	295
	1,124	**1,517**	**2,641**

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19. Net finance costs

In millions of US dollars	Note	2019	2018
Interest income on related party transactions	23	—	21
Interest income on financial assets		45	82
Finance income		**45**	**103**
Interest expense on related party borrowings	23	1,129	71
Interest expense on leases		17	15
Bank fees and charges		9	1
Other		1	3
Finance costs		**1,156**	**90**
Net finance costs		**1,111**	**(13)**

20. Income taxes

Major components of income tax expense are as follows:

In millions of US dollars	2019	2018
Current year	123	215
Changes in estimates related to prior years	13	5
Current tax expense	**136**	**220**
Decrease/(increase) in deferred tax assets	(35)	(13)
Decrease/(increase) in deferred tax liabilities	17	—
Deferred tax expense	**(18)**	**(13)**
Income tax expense reported in the statement of profit or loss	**118**	**207**
Income tax expense is attributable to:		
Profit from continuing operations	118	207
Profit from discontinued operations	—	—
	118	207

20.1 Changes in tax rates

On December 17, 2019 a gradual change in the Dutch corporate tax rates was enacted. The standard rate of 25% will be reduced to 21.7% in 2021. As a result, the relevant deferred tax balances were remeasured at the reporting date. Deferred tax expected to reverse in the year ended December 31, 2019 and December 31, 2020 was measured using the tax rate of 25%. Deferred tax expected to reverse in the year ended December 31, 2021 and thereafter was measured using the new tax rate of 21.7%. The impact of the change in tax rate was not recognized in tax expense in profit or loss as it relates to unrecognized deferred tax assets.

20.2 Reconciliation of income tax expenses

In millions of US dollars	2019	2018
Profit/(loss) before tax	(4,501)	673
Tax using the Company's tax rate of 25%	(1,125)	168
Foreign tax rate differential	421	(31)
Changes in estimates related to prior years	5	2
Non-deductible expenses	99	1
Share-based payments	46	31
Other	4	(11)
Entity restructuring	(6,785)	—
Change in unrecognized tax benefits	7,356	52
Tax credits	(7)	(5)
Non-deductible interest expense	104	—
Income tax expense at effective tax rate	**118**	**207**
Effective tax rate	(3)%	31 %

The 2019 rate impact for "entity restructuring" is related to a series of transactions resulting in changes to the Group's international legal structure, including a redomiciliation of a subsidiary to the Netherlands and a transfer of certain intellectual property rights among wholly owned subsidiaries, primarily to align its evolving operations. The redomiciliation resulted in a step-up in the tax basis of intellectual property rights and a correlated increase in foreign deferred tax assets in an amount of $6.7 billion, net of a reserve for uncertain tax positions of $1.1 billion (refer to the 2019 rate impact for "Change in unrecognized tax benefits"). Based on available objective evidence, management believes it is not more-likely-than-not that these additional foreign deferred tax assets will be realizable as of December 31, 2019 and, therefore no deferred tax asset is recognized, refer note 20.4.

20.3 Deferred tax assets and liabilities

Movement in deferred tax asset balances

In millions of US dollars	Net balance at December 31, 2018	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net balance at December 31, 2019
Carry forward tax losses	—	1	—	—	1
Property, plant and equipment	8	4	—	—	12
Lease liabilities	33	(3)	—	—	30
Provisions, trade and other payables	22	10	—	—	32
Share-based payments	1	—	—	—	1
Other items	—	3	—	—	3
Total deferred tax assets	**64**	**15**	**—**	**—**	**79**
Set off of tax	(33)	4	—	—	(29)
	31	**19**	**—**	**—**	**50**

Movement in deferred tax liability balances

In millions of US dollars	Net balance at December 31, 2018	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net balance at December 31, 2019
Indefinite lived deferred tax liability	(742)	—	—	—	(742)
Right-of-use asset	(33)	4	—	—	(29)
Total deferred tax liabilities	**(775)**	**4**	**—**	**—**	**(771)**
Set off of tax	33	(4)	—	—	29
	(742)	**—**	**—**	**—**	**(742)**
Net deferred tax assets/(liabilities)	**(711)**	**19**	**—**	**—**	**(692)**

Movement in deferred tax asset

In millions of US dollars	Net balance at January 1, 2018	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net balance at December 31, 2018
Carry forward tax losses	—	—	—	—	—
Property, plant and equipment	1	7	—	—	8
Lease liabilities	—	—	—	33	33
Provisions, trade and other payables	21	4	—	(3)	22
Share-based payments	—	1	—	—	1
Total deferred tax assets	**22**	**12**	**—**	**30**	**64**
Set off of tax	—	—	—	(33)	(33)
	22	**12**	**—**	**(3)**	**31**

Movement in deferred tax liability balances

In millions of US dollars	Net balance at January 1, 2018	Recognized in profit or loss	Recognized in OCI	Recognized directly in equity	Net balance at December 31, 2018
Indefinite lived deferred tax liability	(742)	—	—	—	(742)
Right-of-use assets	—	—	—	(33)	-33
Total deferred tax liabilities	**(742)**	**—**	**—**	**(33)**	**(775)**
Set off of tax	—	—	—	33	33
	(742)	**—**	**—**	**—**	**(742)**
Net deferred tax assets/(liabilities)	**(720)**	**12**	**—**	**(3)**	**(711)**

20.4 Unrecognized deferred tax assets

Deferred tax assets have not been recognized in respect of the following items, as it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom:

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Tax losses	533	7	—
Tax credits	16	9	3
Provisions, trade and other payables	2	(2)	—
Property, plant and equipment	(27)	52	12
Intangible fixed assets	6,522	—	—
Interest deduction	171	—	—
Other deferred taxes	—	—	1
Unrecognized deferred tax assets	**7,217**	**66**	**16**
Expire	7,123	11	3
Never expire	94	55	13

20.5 Uncertainty over income tax treatments

Uncertain tax positions are reflected at the amount likely to be paid to the taxation authorities. A liability is recognized in connection with each item that is not probable of being sustained on examination by taxing authority. Thus, the provision would be the aggregate liability in connection with all uncertain tax positions. As of December 31, 2019, an amount of $1.3 billion primarily in relation to the entity restructuring described above has not been identified as an unrecognized deferred tax asset due to uncertainty over its treatment.

20.6 Unremitted earnings

Deferred tax liabilities have not been established for withholding tax and other taxes that would be payable upon the remittance of earnings of subsidiaries if paid out as dividends. The Group is able to control the timing of the distributions and it is not expected to distribute these earnings in the foreseeable future.

21. Contingencies

From time to time, the Group may be a party to various claims, non-income tax audits and litigation in the normal course of business. As of December 31, 2019, the Group recorded provisions of USD 797 million (December 31, 2018: USD 188 million) for all of its legal, regulatory and non-income tax matters that were probable and reasonably estimable. Where providing information on the amounts or the nature of certain items would prejudice the Group in its proceedings, such details are not disclosed.

i) Items recognized in provisions (refer note 13) and presented within the line 'provisions, trade and other payables' in the statement of financial position.

Taiwan Regulatory Fines

Prior to the Group adjusting and re-launching its operating model in April 2017 to a model where government-approved rental companies provide transport services to Riders, Drivers in Taiwan and the local Uber entity have been fined by Taiwan's Ministry of Transportation and Communications in significant numbers across Taiwan. On January 6, 2017, a new Highways Act came into effect in Taiwan which increased maximum fines from New Taiwan Dollar ("NTD") 150,000 to NTD 25 million per offense. The Group suspended its service in Taiwan from February 10, 2017 to April 12, 2017, but a number of these fines were issued to the local Uber entity in connection with rides that took place in January and February 2017 prior to the suspension. These fines have remained outstanding while Uber appeals the tickets through the courts. Beginning in July 2018, the Taiwan Supreme Court issued a number of positive rulings in which it rejected the government's approach of issuing one ticket per ride. The Taiwan government has appealed these rulings to the Supreme Court.

Copenhagen Criminal Prosecution

In May 2017, the Danish police announced that they would use tax data about Drivers obtained from the Dutch tax authorities to prosecute Drivers for unlicensed taxi traffic. The tax data covers calendar years 2015 and prior. The prosecutor indicted four Drivers as test cases which have been heard by the Copenhagen City Court, the Appeal Court and finally the Supreme Court. In addition, on October 6, 2017, the Group was preliminary charged with aiding and abetting illegal taxi traffic in 2015. In September 2018, the Danish Supreme Court ruled on these test cases that the Drivers were carrying out illegal taxi operations and fined them in the total amount of their earnings from performing ridesharing services. The Court also confirmed that the use of the relevant tax data obtained from the Dutch tax authorities was validly used as evidence in the prosecutions and was used to assess the fines payable.

In January 2018, the Group received another request from the Danish tax authorities through the Dutch tax authorities to disclose tax data about Drivers for years 2016 and 2017. Such tax data for years 2016 to 2017 has subsequently been provided by the Group to the Danish tax authorities. On May 29, 2018, the Group received another set of indictment papers from the Danish prosecutor. On February 19, 2019, the Group was informed by the Danish prosecutor that it has issued a request for legal aid to the Danish prosecutor to serve additional indictment papers, relating to the Group's activity in Denmark in 2016 and 2017. On May 13, 2019, the Group was notified by the Dutch tax authorities that data related to the Group's activity in Denmark in 2016 and 2017 could not be used by Danish authorities for the purpose of attempting to establish fraud in connection with taxi licenses. The Group has not operated these services in Denmark since 2017 and currently does not have operations in Denmark.

Non-Income Tax Matters

The Group recorded an estimated liability for contingencies related to non-income tax matters and is under audit by various domestic and foreign tax authorities with regard to such matters. The subject matter of these contingent liabilities and non-income tax audits primarily arises from the Group's transactions with its Drivers, as well as the tax treatment of certain employee benefits and related employment taxes. In jurisdictions with disputes connected to transactions with Drivers, disputes involve the applicability of transactional taxes (such as sales, value added and similar taxes) to services provided, as well as the applicability of withholding tax on payments made to such Drivers. For example, the Group is involved in a proceeding in the UK involving HMRC, the tax regulator in the UK, which is seeking to classify the Group as a transportation provider. Being classified as a transportation provider would result in a VAT (20%) on Gross Bookings or on the service fee that the Group charges Drivers, both retroactively and prospectively. Further, if Drivers are determined to be workers, they may be entitled to additional benefits and

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payments, and the Group may be subject to penalties, back taxes, and fines. The Group believes that the position of HMRC and the regulators in similar disputes and audits is without merit and is defending itself vigorously. The Group's estimated liability is inherently subjective due to the complexity and uncertainty of these matters and the judicial processes in certain jurisdictions, therefore, the final outcome could be different from the estimated liability recorded.

Swiss Social Security Reclassification

Several Swiss government bodies currently classify Drivers as employees of Uber Switzerland, Rasier Operations B.V. or of Uber B.V. for social security or regulatory purposes. A number of such decisions have been made by these governmental bodies. The Group is challenging each of them. The Cantonal Court of Zurich issued a ruling with regard to certain test cases on July 20, 2018. The court canceled the decisions on the grounds that certain decisions were made against the Group's Swiss local entity without proof that there is a contractual relationship between the Group's Swiss local entity and the Drivers (who actually contract with Uber B.V.). This ruling was not appealed and the Swiss governmental bodies continue to investigate the identity of the employer. On July 5, 2019, the Swiss governmental bodies issued four decisions by which they reclassified four drivers as Uber B.V. and Rasier Operations B.V. employees and consider that Uber Switzerland should pay social security contributions. The Group has appealed those decisions. On August 19, 2019, Uber B.V. and Rasier Operations B.V. were notified of SVA Zurich's decision to reclassify Drivers in 2014 as employees of these entities. The authorities rejected the Group's internal appeal, so the Group plans to appeal before the Social Security Tribunal. Further, another Swiss governmental body ruled on October 30, 2019 that Uber B.V. should be qualified as a transportation company based on the view that Uber B.V. is the employer of Drivers. The Group appealed this decision. In April 2020, a ruling was made on a separate matter in Switzerland which reclassified a Driver as an employee. The Group plans to appeal this decision. The Group's chances of success on the merits are uncertain.

ii) Items disclosed as contingent liabilities and not recognized in 'provisions, trade and other payables':

Aslam, Farrar, Hoy and Mithu v. Uber B.V., Uber Britannia Ltd. and Uber London Ltd.

On October 28, 2015, a claim by 25 Drivers, including Mr. Y. Aslam and Mr. J. Farrar, was brought in the UK Employment Tribunal against the Group asserting that they should be classified as "workers" (a separate category between independent contractors and employees) in the UK rather than independent contractors. The tribunal ruled on October 28, 2016 that Drivers are workers whenever our app is switched on and they are ready and able to take trips. The Court of Appeal heard the case on October 31, 2018 and November 1, 2018 and rejected the Group's appeal in a majority decision on December 19, 2018. The Group has been granted permission to appeal to the Supreme Court. A hearing at the Supreme Court is expected to take place in July 2020 with a decision in the fall of 2020. The plaintiffs have not quantified their claim and if they are successful in establishing "worker" status, any damages will be considered at a future hearing. The amount of compensation sought by the plaintiffs in the case is not currently known. If Drivers are determined to be workers, they may be entitled to additional benefits and payments, and we may be subject to penalties, back taxes, and fines. Any possible loss or range of loss cannot be estimated.

Other Legal and Regulatory Matters

The Group has been subject to various government inquiries and investigations surrounding the legality of certain of the Group's business practices, compliance with antitrust and other global regulatory requirements, labor laws, data protection and privacy laws, the adequacy of disclosures to investors and other shareholders, and the infringement of certain intellectual property rights. The Group has investigated many of these matters and is implementing a number of recommendations to its managerial, operational and compliance practices, as well as seeking to strengthen its overall governance structure. In many cases, the Group is unable to predict the outcomes and implications of these inquiries and investigations on the Group's business which could be time consuming, costly to investigate and require significant management attention. Furthermore, the outcome of these inquiries and investigations could negatively impact the Group's business, reputation, financial condition and operating results, including possible fines and penalties and requiring changes to operational activities and procedures.

Indemnifications

In the ordinary course of business, the Group often includes standard indemnification provisions in its arrangements with third parties. Pursuant to these provisions, the Group may be obligated to indemnify such parties for losses or claims suffered or incurred in connection with its activities or non-compliance with certain representations and warranties made by the Group. In addition, the Group has entered into indemnification agreements with its officers, directors, and certain current and former employees, and its certificate of incorporation and bylaws contain certain indemnification obligations. It is not possible to determine the maximum potential loss under these indemnification provisions / obligations because of the unique facts and circumstances involved in each particular situation.

22. Fair value measurement

IFRS 13 establishes a hierarchy that categorizes into three levels the inputs used to measure fair value by giving the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs). In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy at the lowest level input that is significant to the entire measurement.

Levels used in the hierarchy are as follows:

Level 1: fair values are based on quoted prices in active markets.

Level 2: fair values are determined on the basis of valuation techniques which use inputs that are based on observable market data.

Level 3: fair values that are determined on the basis of valuation techniques which use inputs that are not based on observable market data.

Financial instruments at fair value through profit or loss

Equity investment in Didi (note 8) is carried at fair value in the statement of financial position. The fair value of Didi investment represents Level 3 of fair value hierarchy and is determined based on non-market unobservable information for similar shares of Didi in a transaction with third-party investors. Transactions for similar shares with third-party investors occurred during 2018 and 2019 and were concluded on prices that yielded similar fair values. The common stock equivalent method is used to determine the fair value. The Didi shares are also traded on a secondary market in China which is not considered an orderly transaction and not used to determine the fair value of the shares held.

The Group is exposed to fluctuations in the fair value of the Didi investment in the event of future transactions by Didi with third-party investors at different prices to those currently established and used. The maximum exposure at the end of the reporting period is the carrying amount of the investment (USD 7,953 million, 2018 – USD 7,953 million). The Group monitors Didi's regulatory, market and industry conditions for any changes that may impact the fair value and found no significant changes.

There were no transfers between fair value hierarchy levels during 2018 or 2019.

Financial instruments at amortized cost

The majority of the Group financial assets and liabilities are carried at amortized cost using the effective interest method. The fair values of these instruments are not materially different from their carrying values, since the instruments are either short-term in nature or the interest rates are on market terms.

23. Related parties

The related parties of the Group are entities and individuals capable of exercising control, joint control or significant influence over the Group, companies belonging to the UTI group and the Group's associate. In addition, members of the Board of Directors, executives with strategic responsibilities and their close family members are also considered related parties. The Group carries out transactions with its related parties on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved.

Key management personnel ('KMP') remuneration

KMP consists of three directors and three top executives (December 31, 2018: three). Remuneration of the Group's KMP includes salaries, bonuses, non-cash benefits, pension costs and share-based payments.

In millions of US dollars	**2019**	**2018**
Short-term employee benefits	1	—
Share-based payment expense	2	—
Remuneration of directors	**3**	**—**
Short-term employee benefits	1	1
Share-based payment expense	6	—
Remuneration of top executives	**7**	**1**
Total remuneration	**10**	**1**

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Other related party transactions

The tables below outline the related party transactions and balances during the period, followed by a description of the nature of the items included.

In millions of US dollars	Note	December 31, 2019	December 31, 2018	January 1, 2018
Trade and other receivables	9			
UTI		181	13	20
Entities under common control of UTI		137	136	1,008
Associate		—	3	—
		318	**152**	**1,028**
Trade and other payables	13			
UTI		3,345	558	1,101
Entities under common control of UTI		81	410	126
Associate		—	—	—
		3,426	**968**	**1,227**
Borrowings	12			
UTI		748	3,317	2,697
Entities under common control of UTI		16,977	—	6
Associate		—	—	—
		17,725	**3,317**	**2,703**

In millions of US dollars	Note	2019	2018
Purchase of services			
UTI		2,658	912
Entities under common control of UTI		78	22
Associate		—	—
		2,736	**934**
Interest expense/(income)	19		
UTI		23	71
Entities under common control of UTI		1,106	(21)
Associate		—	—
		1,129	**50**
Income from related parties			
UTI		—	—
Entities under common control of UTI		—	(141)
Associate		—	(14)
		—	**(155)**

The following are the key items that comprise the Groups related party transactions:

- **Purchase of services** include costs shared by UTI with the Group under an agreement whereby expenses incurred by UTI, primarily related to research and development, were allocated to companies within the Group as they benefit from such expenditure ($2.0 billion, 2018: $0.7 billion), and management fees charged by UTI to the Group, whereby UTI receives a fee for the provision of its personnel, expertise and facilities to support entities within the Group ($0.7 billion, 2018: $0.2 billion).
- **Interest expenses** related to inter-company loan agreements, which bear interest at arm's length rates, refer to note 12 for further details of these items, ($1.1 billion, 2018: $0.1 billion), as presented in note 12.

The trade receivables and payables largely relate to the unsettled amounts in respect of the above items.

Related parties transactions are presented in the following notes of financial statements:

- technical infrastructure and other costs of services and materials (note 16);
- other short-term benefits (note 17);
- fees to related parties and other expenses (note 18);
- interest expenses on related party borrowings (note 19).

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24. Divestitures

During the periods presented, the Group had the following disposal groups:

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Russia and the Commonwealth of Independent States	—	—	20
Lion City Rentals Pte. Ltd	—	406	965
Assets held for sale	**—**	**406**	**985**
Russia and the Commonwealth of Independent States	—	—	15
Lion City Rentals Pte. Ltd	—	11	437
Liabilities associated with assets held for sale	**—**	**11**	**452**

Russia and the Commonwealth of Independent States

As of January 1, 2018, the Group had entered into an agreement to contribute the net assets of its Russia and the Commonwealth of Independent States operations to MLU B.V., a newly formed limited liability company, with Yandex and the Company holding ownership interests in MLU B.V. The Company contributed USD 345 million of cash, contracts in the region (including Rider, Driver, and Eater contracts), and certain employees in the region to MLU B.V. As a result, the Group presented the assets and liabilities of this business as a disposal group held for sale as of December 31, 2017. The transaction closed on February 7, 2018. The transaction did not represent a major strategic shift and as accordingly did not qualify for presentation as a discontinued operation. In exchange for consideration contributed, the Company received a seat on MLU B.V.'s board and a 38% equity ownership interest consisting of common stock in MLU B.V., refer to Note 7 for further information over the investment in associate. As the result of loss of control the Group recognized a gain of USD 954 million in other income in 2018.

Lion City Rentals Pte. Ltd

Lion City Rentals had the following classes of assets and liabilities held for sale:

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Assets held for sale			
Property, plant and equipment	—	322	794
Cash at bank	—	34	123
Trade and other receivables	—	20	3
Prepayments and other current assets	—	30	45
	—	**406**	**965**
Liabilities held for sale			
Provisions, trade and other payables	—	2	1
Other current liabilities	—	9	17
Borrowings	—	—	419
	—	**11**	**437**
Net assets held for sale	**—**	**395**	**528**

In December 2017, the Group started exploring strategic options for the sale of Lion City Rentals Pte. Ltd. ('LCR'), a wholly-owned vehicle solution subsidiary of the Group, based in Singapore. The Group entered into a definitive agreement with ComfortDelGro ('Comfort') and initiated all other actions to complete the plan to sell the business as of December 31, 2017, and classified LCR as a disposal group held for sale. In May 2018, the agreement with Comfort was terminated without penalty. The Group remained committed in its plan to sell LCR and continued to present the disposal group as held for sale as of December 31, 2018. In January 2019, an agreement was executed with Waydrive holdings Pte Ltd ('Waydrive') for the sale of the disposal group. Impairment losses of USD 197 million were recognized in 2018 to reduce the carrying amount of vehicles within the disposal group to their fair value, less costs to sell. Fair value less costs to sale was determined with reference to the binding terms of the sale-purchase agreement.

As of January 1, 2018 the Group had drawn credit facilities in Singapore totaling SGD 561 million (approximately USD 419 million). Amounts drawn under the facility accrue interest at the three-month Singapore swap offer rate ('SOR') plus 3% during the two year revolving period and the Singapore SOR rate plus 3.75% during the amortization period, which is payable monthly in arrears. During 2018 the Group repaid the outstanding balance and terminated the facility.

The Group determined that the sale of LCR met the requirements for presentation as discontinued operation in 2018. The following table provides information on the amounts presented as results from discontinued operations in the income statement, and the impact of the sale on the Group's income statement on the closing of the sale on January 25, 2019.

In millions of US dollars	**2019**	**2018**
Revenue	6	118
Cost of services and materials	(4)	(12)
Employee benefit expenses	(1)	(4)
Depreciation	—	(1)
Impairment loss on remeasurement of disposal group	—	(197)
Other expenses	(8)	(75)
Operating loss	**(7)**	**(171)**
Finance income	3	—
Finance costs	—	(13)
Net finance costs	**3**	**(13)**
Loss before tax	**(4)**	**(184)**
Income tax expense	—	(4)
Loss from discontinued operations, net of tax	**(4)**	**(188)**
Gain on sale of the subsidiary, net of tax	—	—
Profit (loss) from discontinued operations, net of tax	**(4)**	**(188)**
Exchange rates differences on translation of discontinued operations	—	—
Other comprehensive income from discontinued operations	**(4)**	**(188)**

The net cash inflow (outflow) of LCR were:

In millions of US dollars	**2019**	**2018**
Operating activities	—	48
Investment activities	303	211
Financing activities	—	(411)
Net cash inflow (outflow)	**303**	**(152)**

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The effect of disposal on the financial position of the Group was as follow:

In millions of US dollars	**January 25, 2019**
Consideration received in cash	310
Fair value of contingent consideration receivable	33
Total consideration	**343**
Property, plant and equipment	288
Trade and other receivables	16
Other	32
Cash and cash equivalents	16
Trade and other payables	(9)
Net assets disposed of	**343**
Gain on sale of the subsidiary before tax and reclassification of exchange rates differences on translation	**—**
Consideration received in cash	310
Contingent consideration received	9
Cash and cash equivalents disposed of	(16)
Net cash inflow	**303**

The contingent consideration consists of non-income tax receivables and receivables from certain commercial counterparties.

25. First-time adoption of IFRS

As mentioned in section 1.3, the activities of UICV were integrated into, and continued by, the Company. For reporting purposes, the Company is a continuation of the existing business of UICV. As the Company was incorporated during the reporting period, the Company did not previously prepare financial statements; however, given the continuation of business of UICV, these consolidated financial statements of the Group include the comparative information of UICV and its subsidiaries and controlled entities (the UICV Group), as if the Company had always existed. The comparative information of the UICV Group was prepared under Dutch GAAP.

The Group is considered a first-time IFRS adopter for the year ended December 31, 2019 and these consolidated financial statements comply with IFRS applicable as of that date (refer to note 3 for applicable accounting policies).

This note provides reconciliations between Dutch GAAP and IFRS regarding the Group's equity as of January 1, 2018 and December 31, 2018; and its profit and loss and other comprehensive income for the year ended as of December 31, 2018. The Dutch GAAP figures have been reclassified to conform to IFRS presentation requirements.

25.1. Exemptions applied

IFRS 1 First-time Adoption of International Financial Reporting Standards ('IFRS 1') allows some exemptions from the retrospective application of certain requirements under IFRS.

25.1.1. Leases

At the date of transition to IFRS the Group measured lease liabilities at the present value of the remaining lease payments, discounted using the incremental borrowing rate; measured right of use assets on a lease-by-lease basis at an amount equal to the lease liability adjusted for prepaid and accrued amounts; and assessed for the impairment the right-of-use assets.

25.2. Estimates

The estimates at January 1, 2018 and December 31, 2018 are consistent with those made for the same dates in accordance with Dutch GAAP (after adjustments to reflect any differences in accounting policies), apart from share based payments, which are recognized for the first time under IFRS. The estimates used by the Group to present these amounts in accordance with IFRS reflect conditions at January 1, 2018 and December 31, 2018.

25.3. Reconciliation between Dutch GAAP and IFRS

25.3.1. Group reconciliation of equity as of January 1, 2018, date of transition to IFRS

In millions of US dollars	Note	Dutch GAAP January 1, 2018	Remeasure-ments	IFRS January 1, 2018
Assets				
Non-current assets				
Property, plant and equipment	5	905	(623)	282
Financial assets	8	7,968	—	7,968
Deferred tax assets		22	—	22
		8,895	**(623)**	**8,272**
Current assets				
Trade and other receivables		1,578	(47)	1,531
Current tax assets		7	—	7
Prepayments		70	(11)	59
Cash at bank		814	(130)	684
Assets held for sale		—	985	985
		2,469	**797**	**3,266**
Total assets		**11,364**	**174**	**11,538**
Liabilities				
Non-current liabilities				
Borrowings		3,122	(419)	2,703
Lease liabilities	6	—	151	151
Deferred income		65	(5)	60
Deferred tax liabilities		742	—	742
		3,929	**(273)**	**3,656**
Current liabilities				
Provisions, trade and other payables	13	1,997	(32)	1,965
Current tax liabilities		150	1	151
Lease liabilities	6	—	40	40
Deferred income		22	—	22
Liabilities associated with assets held for sale		—	452	452
		2,169	**461**	**2,630**
Total liabilities		**6,098**	**188**	**6,286**
Equity				
Share capital		1,506	—	1,506
Share premium		820	—	820
Reserves		(5)	46	41
Retained earnings		2,945	(60)	2,885
Total equity		**5,266**	**(14)**	**5,252**
Total equity and liabilities		**11,364**	**174**	**11,538**

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25.3.2. Group reconciliation of equity as of December 31, 2018

In millions of US dollars	Note	Dutch GAAP December 31, 2018	Remeasure-ments	IFRS December 31, 2018
Assets				
Non-current assets				
Property, plant and equipment	5	417	(148)	269
Investment in an associate		1,234	—	1,234
Financial assets	8	7,960	—	7,960
Deferred tax assets	20	31	—	31
		9,642	**(148)**	**9,494**
Current assets				
Trade and other receivables		783	(45)	738
Current tax assets		21	—	21
Prepayments		58	(6)	52
Cash at bank		1,124	(34)	1,090
Assets held for sale		—	406	406
		1,986	**321**	**2,307**
Total assets		**11,628**	**173**	**11,801**
Liabilities				
Non-current liabilities				
Borrowings		3,318	(1)	3,317
Lease liabilities	6	—	147	147
Deferred income		86	(14)	72
Deferred tax liabilities	27	742	—	742
		4,146	**132**	**4,278**
Current liabilities				
Provisions, trade and other payables	13	1,885	(6)	1,879
Current tax liabilities		93	(5)	88
Lease liabilities	6	—	40	40
Deferred income		29	—	29
Liabilities associated with assets held for sale		—	11	11
		2,007	**40**	**2,047**
Total liabilities		**6,153**	**172**	**6,325**
Equity				
Share capital		1,556	—	1,556
Share premium		843	—	843
Reserves		(230)	144	(86)
Retained earnings		3,306	(143)	3,163
Total equity		**5,475**	**1**	**5,476**
Total equity and liabilities		**11,628**	**173**	**11,801**

25.3.3. Group reconciliation of profit and loss and other comprehensive income for the year ended December 31, 2018

In millions of US dollars	Note	Dutch GAAP 2018	Remeasure-ments	IFRS 2018
Continuing operations				
Revenue		5,199	(118)	5,081
Other gains and losses		872	40	912
Cost of services and materials		(1,699)	12	(1,687)
Marketing expenses		(1,342)	–	(1,342)
Employee benefit expenses	17	(566)	(94)	(660)
Depreciation	5	(129)	37	(92)
Other expenses	18	(1,734)	225	(1,509)
Operating profit		**601**	**102**	**703**
Finance income	19	103	–	103
Finance costs	19	(88)	(2)	(90)
Net finance costs		**15**	**(2)**	**13**
Share of net profit of an associate		(43)	–	(43)
Profit before tax		**573**	**100**	**673**
Income tax expense	20	(211)	4	(207)
Profit from continuing operations		**362**	**104**	**466**
Discontinued operations				
Profit (loss) from discontinued operations, net of tax		–	(188)	(188)
Profit for the year		**362**	**(84)**	**278**
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss, net of tax				
Exchange rates differences on translation of foreign operations		(245)	–	(245)
Share of other comprehensive income of an associate		20	–	20
Other comprehensive income		**(225)**	**–**	**(225)**
Total comprehensive income		**137**	**(84)**	**53**

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25.3.4. Notes to the reconciliation of equity as of January 1, 2018 and December 31, 2018 and profit and loss and other comprehensive income for the year ended December 31, 2018

A. Leases

At the date of transition to IFRS the Group applied a single recognition and measurement approach for all leases except for short-term leases. As of January 1, 2018:

- right-of-use of USD 172 million were recognized and presented within property, plant and equipment (December 31, 2018: USD 174 million);
- additional lease liabilities of USD 191 million were recognized (December 31, 2018: USD 187 million);
- the weighted average incremental borrowing rate applied to lease liabilities was 8.46% (December 31, 2018: 8.73%).

The impact on the consolidated profit and loss statement for the year ending December 31, 2018 was additional depreciation expenses of USD 39 million, additional interest expenses of USD 15 million, and reduced rental expenses within other expenses of USD 54 million.

B. Non-current assets, and associated liabilities, held for sale

Under Dutch GAAP the concept of assets held for sale does not exist, and therefore the assets and liabilities of disposal groups were classified according to the financial statement line item to which they related. Under IFRS, those disposal groups were reclassified and presented in aggregate in the lines assets held for sale and liabilities associated with assets held for sale.

C. Deferred tax

The various transitional adjustments lead to different temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

D. Provisions

Under Dutch GAAP the Group did not account for the time value of money by discounting provisions. The adjustments due to transition to IFRS were a decrease in provision balance by USD 20 million as of January 1, 2018 (December 31, 2018: USD 31 million); and additional expenses of USD 3 million presented within net finance costs related to the unwinding of discount on provisions for the year ending December 31, 2018.

E. Share based payments

Under Dutch GAAP the Group did not recognize its Group share-based payment transactions as there was no requirement to recognize transactions that are settled by an entity that is not part of the Group. At the transition date a share-based payment reserve of USD 46 million (December 31, 2018: USD 144 million) was recognized and expenses of USD 98 million were recorded in the year ended December 31, 2018.

26. Capital and financial risk management

26.1 Capital management

For the purpose of the Group's capital management, capital includes share capital, share premium and all other equity reserves as disclosed in the consolidated statement of changes in equity. The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns and benefits to stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt. The primary source of the Group's liquidity is cash generated from operations. These funds are generally used to fund capital expenditures and pay interest and taxes.

26.2 Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

Risk	Exposure arising from	Measurement	Management
Market risk – foreign currency exchange	Financial assets and liabilities not denominated in USD.	Sensitivity analysis	Part of the daily business management
Market risk – interest rate	Non-current borrowings at variable rates	Sensitivity analysis	Part of the daily business management
Credit risk	Cash and cash equivalents, trade and other receivables	Credit ratings	Diversification of bank accounts. Part of the daily business management
Liquidity risk	Borrowings, lease liabilities, trade and other payables	Maturity analysis	Availability of committed credit lines and borrowing facilities

The Group does not have a formal financial risk management policy program. Instead the susceptibility of the Group to financial risks is monitored as a part of its daily management of the business.

26.2.1 Foreign currency exchange risk

The functional currency of the Company is the US dollar. The Group faces currency risks related to the transactions carried out in the currencies other than the functional currency. The Group has not entered into transactions designed to hedge against the foreign currency risks.

In millions of US dollars	Brazilian real	Indian rupees	Mexican peso	Canadian dollar	Singapore dollar	Australian dollar	Euro	Pound sterling
December 31, 2019								
Financial assets	691	224	168	91	1	36	129	156
Financial liabilities	(86)	(50)	(48)	(63)	(1)	(54)	(196)	(231)
Exposure	**605**	**174**	**120**	**28**	**–**	**(18)**	**(67)**	**(75)**

In millions of US dollars	Brazilian real	Indian rupees	Mexican peso	Canadian dollar	Singapore dollar	Australian dollar	Euro	Pound sterling
December 31, 2018								
Financial assets	572	135	89	32	69	63	71	116
Financial liabilities	(34)	(27)	(37)	(56)	4	(61)	(55)	(73)
Exposure	**538**	**108**	**52**	**(24)**	**73**	**2**	**16**	**43**
January 1, 2018								
Financial assets	443	58	39	51	169	91	52	69
Financial liabilities	(25)	(18)	(24)	(33)	(450)	(41)	(43)	(46)
Exposure	**418**	**40**	**15**	**18**	**(281)**	**50**	**9**	23

Sensitivity analysis

A possible strengthening (weakening) of the foreign currencies by +/- 10% against the USD at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. The analysis assumes that all other variables remain constant and ignores any impact of forecast sales and purchases.

In millions of US dollars	Brazilian real	Indian rupees	Mexican peso	Canadian dollar	Singapore dollar	Australian dollar	Euro	Pound sterling
December 31, 2019								
Currency strengthening by 10%	61	17	12	3	—	(2)	(7)	(8)
Currency weakening by 10%	(61)	(17)	(12)	(3)	—	2	7	8
December 31, 2018								
Currency strengthening by 10%	54	11	5	(2)	7	—	2	4
Currency weakening by 10%	(54)	(11)	(5)	2	(7)	—	(2)	(4)

26.2.2 Interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Sensitivity analysis for variable-rate borrowings

The following table illustrates the sensitivity of profit before tax and equity to a reasonably possible change in interest rates of +/- 1%. All other variables are held constant.

In millions of US dollars	Profit after tax	
	1%	-1%
December 31, 2019	(142)	142
December 31, 2018	(29)	29

26.2.3 Credit risk

Credit risk arises from cash at bank, deposits (note 8), and trade and other receivables (note 9) and is considered to be minimal.

Cash at bank and deposits are held with high credit quality financial institutions with a credit rating A or higher. The Group has not incurred any losses to date related to these balances.

With respect to trade and other receivables, the Group's credit risk largely lies in receivables from payment service providers for the collections from end-users. These receivables are extremely short term in nature. The Group relies on a limited number of third parties to provide payment processing services ('payment service providers') to collect amounts due from end-users. Payment service providers are financial institutions or credit card companies that the Group believes are of high credit quality with credit ratings of A or higher. In addition, the Group's other receivables primarily consist of funds withheld by well-established insurance companies with high credit quality that may be used to cover future settlement of reserved insurance claims.

In millions of US dollars	December 31, 2019	December 31, 2018	January 1, 2018
Trade and other receivables	1,204	738	1,531
Cash at bank	1,185	1,090	684
Exposure	**2,389**	**1,828**	**2,215**

26.2.4 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The liquidity risk management implies maintaining sufficient cash and committed credit facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Concentrations arise when a number of counterparties are engaged in similar business activities or activities in the same geographical region or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Group maintenances a diversified portfolio of revenue streams. The Group evaluates the concentration risk as low.

The table below analyses the Group's financial liabilities by their remaining period to maturity based on the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows (these amounts may not reconcile to the amounts disclosed on the statement of financial position for borrowings, lease liabilities, trade and other payables).

In millions of US dollars	Within next 12 months	Between 1 and 5 years	Beyond 5 years	Total
December 31, 2019				
Trade and other payables	4,385	—	—	4,385
Lease liabilities	128	35	56	219
Borrowings	—	746	16,000	16,746
Exposure (excluding interest on borrowings)	4,513	781	16,056	21,350
Interest on borrowings	2,335	5,349	20,037	27,721
December 31, 2018				
Trade and other payables	1,691	—	—	1,691
Lease liabilities	118	50	48	216
Borrowings	—	3,317	—	3,317
Exposure (excluding interest on borrowings)	1,809	3,367	48	5,224
Interest on borrowings	79	105	—	184
January 1, 2018				
Trade and other payables	1,955	—	—	1,955
Lease liabilities	44	111	67	222
Borrowings	—	2,703	—	2,703
Exposure (excluding interest on borrowings)	1,999	2,814	67	4,880
Interest on borrowings	51	118	—	169

27. List of subsidiaries

Entity name	Registered office	December 31, 2019	December 31, 2018	January 1, 2018
Abhol Transport GmbH	Vienna	100	100	-
Above and Beyond Technologies PSC	Amman	100	-	-
AllesCar GmbH	Vienna	100	100	-
Alp Abhol Mietwagen GmbH	Vienna	100	100	-
Alp Car Transport GmbH	Vienna	100	100	-
Alpen Cars GmbH	Vienna	100	100	-
Alpkogel Mietwagen GmbH	Vienna	100	100	100
AlpTransfer GmbH	Vienna	100	100	-
Anna Rental Cars GmbH	Vienna	100	100	-
Annapurna Transport GmbH	Vienna	100	100	100
Arama Mietwagen GmbH	Vienna	100	100	-
AutoRide Transport GmbH	Vienna	100	100	-
Avy Rental Car GmbH	Vienna	100	100	-
Besitz B.V.	Amsterdam	100	100	100
Besitz Ein B.V.	Amsterdam	100	100	100
Besitz Holding B.V. (formerly: Uber International Services Holding B.V.)	Amsterdam	100	100	100
Besitz Hong Kong Limited	Hong Kong	100	100	100
Besitz TTO Ltd.	Trinidad & Tobago	100	100	100
Club de Colaboración para la Autosatisfacción de Necesidades de Movilidad en Común, S.A.	Puntarenas	100	100	100
Fast Driver SARL	Boulogne-Billancourt	100	100	100
Geo Consulting S.A.	Buenos Aires	100	100	100
Hinter Bolivia S.R.L.	Santa Cruz de la Sierra	100	100	100
Hinter Chile SpA	Santiago	100	-	-
Hinter El Salvador, S.A. de C.V.	Antigua Cuscatlán	100	100	100
Hinter France SAS	Paris	100	100	100
Hinter Honduras, S.A.	Tegucigalpa	100	100	100
Hinter Jamaica Limited	Jamaica	100	100	100
Hinter Nicaragua S.A.	Managua	100	100	100
Hinter Paraguay S.A.	Asunción	100	100	100
Hinter Servicios De Soporte, S.A. DE C.V.	Mexico City	100	100	100
Hinter Technology Support Services CR S.R.L.	Puntarenas	100	100	100
Hinter-Italy S.R.L.	Roma	-	100	100
HINTERTRAVEL, Agência de Viagens, Unipessoal, Lda.	Lisbon	-	-	100

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Entity name	Registered office	December 31, 2019	December 31, 2018	January 1, 2018
Uber Eats France SAS (formerly: Kitchen Collective France SAS)	Paris	100	100	-
LCRF Pte. Ltd.	Singapore	-	100	100
Limo Royal GmbH	Berlin	-	100	100
Lion City Automobiles Pte. Ltd. (formerly: Apparate Singapore Development Pte. Ltd.)	Singapore	-	100	100
Lion City Holdings Pte. Ltd.	Singapore	100	100	100
Lion City Rentals Pte. Ltd.	Singapore	-	100	100
Mieten B.V.	Amsterdam	100	100	100
Mieten Limited	London	-	100	100
Poland Center of Excellence Sp. z o.o.	Warsaw	100	100	100
Portier Eats Spain, S.L.	Madrid	100	-	-
Portier New Zealand Limited	Christchurch	100	100	-
Portier Pacific Pty Ltd	Sydney	100	100	100
Portier Pacific V.O.F.	Amsterdam	100	100	100
PT Uber Indonesia Technology	Jakarta	100	100	100
Rasier New Zealand Limited	Christchurch	100	100	-
Rasier Operations B.V.	Amsterdam	100	100	100
Rasier Pacific Pty Ltd	Sydney	100	100	100
Rasier Pacific V.O.F.	Amsterdam	100	100	100
SafeDriver ennoo GmbH	Berlin	100	-	-
Taiwan Yubo Co., Ltd. (formerly: Uber Taiwan Co., Ltd.)	Taipei City	100	100	100
Technology Support Services Argentina S.A.	Tandil	100	100	100
Technology Support Services Guatemala, Limitada	Guatemala	100	100	100
Uber (Asia) Limited	Hong Kong	100	100	100
Uber (Shanghai) Network Technology Service Co., Ltd. (Yu Jia - phonetic translation of Uber)	Shanghai	100	100	100
Uber 4 Business B.V. (formerly: Uber Personnel Services B.V.)	Amsterdam	100	100	100
Uber Australia Holdings Pty Ltd	Sydney	100	100	100
Uber Australia Pty Ltd	Victoria	100	100	100
Uber Austria GmbH	Vienna	100	100	100
Uber Azerbaijan LLC	Baku	-	-	100
Uber B.V.	Amsterdam	100	100	100
Uber Bangladesh Limited	Dhaka	100	100	100
Uber Belgium BVBA	Brussels	100	100	100
Uber Britannia Limited	London	100	100	100
Uber Bulgaria EOOD	Sofia	100	100	100
Uber Canada Inc.	Toronto	100	100	100
Uber Chile SpA	Santiago	100	100	100

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Entity name	Registered office	December 31, 2019	December 31, 2018	January 1, 2018
Uber COE Brasil Serviços de Atendimento Digital Ltda.	Sao Paolo	-	-	100
UBER COLOMBIA CENTER OF EXCELLENCE COE S.A.S. (COE)	Bogota	100	-	-
Uber Colombia SAS	Bogota	100	100	100
Uber Costa Rica Center of Excellence (COE), S.R.L.	San Jose	100	100	100
Uber Costa Rica, S.R.L.	Playas de Coco	-	-	100
Uber Côte d'Ivoire	Abidjan	100	100	100
Uber Croatia d.o.o.	Zagreb	100	100	100
Uber Czech Republic Technology s.r.o.	Prague	100	100	100
Uber Denmark ApS	Copenhagen	100	100	100
Uber Do Brasil Tecnologia LTDA	Sao Paolo	100	100	100
Uber Doha LLC	Doha	100	100	100
Uber Eats Italy S.r.l.	Milan	100	-	-
Uber Eats S.A.S.	Mendoza	100	100	-
Uber Eats UK Limited (formerly: Mieten Limited)	London	100	-	-
Uber Egypt LLC	Cairo	100	100	100
Uber Estonia OÜ	Tallinn	100	100	100
Uber Finland Oy	Helsinki	100	100	100
Uber France SAS	Paris	100	100	100
Uber France Software & Development SAS	Paris	100	100	-
Uber Germany GmbH	Berlin	100	100	100
Uber HCV B.V.	Amsterdam	100	-	-
UBER Hellas Provision of Support and Marketing Services Single- Partner Limited Liability Company	Athens	100	100	-
Uber Hellas Provision of Support LLC	Athens	-	-	100
Uber Hungary Korlátolt Felelösségü Táraság	Budapest	-	-	100
Uber India Research and Development Private Limited (formerly: Uber India Support Center Private Limited)	Hyderabad	100	100	-
Uber India Support Center Private Limited	Telangana	-	-	100
Uber India Systems Private Limited	Mumbai	100	100	100
Uber India Technology Private Limited	New Delhi	100	100	100
Uber International B.V.	Amsterdam	100	100	100
Uber International C.V. (refer note 1.3)	Amsterdam	100	100	-
Uber International Holding B.V.	Amsterdam	100	100	100
Uber International Holding B.V. / Jordan - Development Zone	Amman	100	100	100
Uber Ireland Center of Excellence Limited	Limerick	100	100	100
Uber Ireland Technologies Limited	Dublin	100	100	100
Uber Italy S.R.L.	Milan	100	100	100
Uber Japan Co., Ltd.	Tokyo	100	100	100

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Entity name	Registered office	December 31, 2019	December 31, 2018	January 1, 2018
Uber Kazakhstan LLP	Almaty City	-	-	100
Uber Kenya Limited	Nairobi	100	100	100
Uber Korea Holdings LLC	Seoul	100	100	100
Uber Korea Technology LLC	Seoul	100	100	100
Uber Lanka (Private) Limited	Colombo	100	100	100
Uber Latin America S.A.	Panama city	100	100	-
Uber Latvia SIA	Riga	100	100	100
Uber Lebanon SARL	Beirut	99.998	99.998	99.998
Uber Limo Operator Mitte GmbH	Munich	-	-	100
Uber Limo Operator Nord GmbH	Munich	-	-	100
Uber Limo Operator Ost GmbH	Munich	-	-	100
Uber Limo Operator Sud GmbH	Munich	-	-	100
Uber Limo Operator West GmbH	Munich	-	-	100
Uber Lithuania UAB	Vilnius	100	100	100
Uber London Limited	London	100	100	100
Uber Macau Limited	Macau	-	-	100
Uber Malaysia SDN. BHD.	Kuala Lumpur	100	100	100
Uber Management B.V.	Amsterdam	100	-	-
Uber MENA B.V.	Amsterdam	100	-	-
Uber Mexico Technology & Software S.A. de C.V.	Mexico City	100	100	100
Uber Middle East FZ-LLC	Dubai	100	100	100
Uber Misr Community Operations Center LLC	Cairo	100	100	100
Uber ML B.V.	Amsterdam	-	-	100
Uber ML Holdco B.V.	Amsterdam	-	-	100
Uber ML Acquisition B.V.	Amsterdam	-	-	100
Uber Motorbike B.V.	Amsterdam	100	100	100
Uber Myanmar Limited	Yangon	100	100	100
Uber Nepal Private Limited	Kathmandu	100	100	100
Uber Netherlands B.V.	Amsterdam	100	100	100
Uber New Zealand Technologies Limited	Auckland	100	100	100
Uber NIR Limited	London	100	100	100
Uber NL Holdings 1 B.V.	Amsterdam	100	100	-
Uber NL Holdings 2 B.V.	Amsterdam	100	100	-
Uber Norway AS	Oslo	100	100	100
Uber Pacific Holdings B.V.	Amsterdam	100	100	100
Uber Pacific Holdings Pty Ltd	Sydney	100	100	100
Uber Pacific Pty Ltd	Sydney	100	100	100
Uber Pacific V.O.F.	Amsterdam	100	100	100
Uber Panama Technology Inc.	Panama city	100	100	100
Uber Partner Support France SAS	Paris	100	100	100

Entity name	Registered office	December 31, 2019	December 31, 2018	January 1, 2018
Uber Payments B.V.	Amsterdam	-	100	-
Uber Payments Holdco B.V.	Amsterdam	-	100	-
Uber Peru S.A.	Lima	100	100	100
Uber Philippines B.V.	Amsterdam	100	100	100
Uber Philippines Centre of Excellence LLC	Taguig City	100	100	100
Uber Poland sp. zo.o.	Warsaw	100	100	100
Uber Portier 2 B.V.	Amsterdam	-	100	-
Uber Portier B.V.	Amsterdam	100	100	100
Uber Portier Japan, Inc.	Tokyo	100	-	-
Uber Portier Mexico S. de R.L. de C.V.	Mexico City	100	-	-
Uber Portugal Center of Excellence, Unipessoal LDA	Lisbon	100	100	100
Uber Portugal LDA	Lisbon	100	100	100
Uber Rwanda Limited	Kigali	100	100	100
Uber Saudi Arabia Ltd.	Riyadh	100	100	100
Uber Scot Limited	Edinburgh	100	100	100
Uber Senegal SARL	Dakar	100	-	-
Uber Singapore Technology Pte. Ltd.	Singapore	-	100	100
Uber Slovakia s.r.o.	Bratislava	100	100	100
Uber South Africa Technology Proprietary Limited	Johannesburg	100	100	-
Uber South Africa Technology Proprietary Ltd.	Johannesburg	-	-	100
Uber Sweden AB	Stockholm	100	100	100
Uber Switzerland GmbH	Zurich	100	100	100
Uber Systems Bel LLC	Minsk	-	-	100
Uber Systems Morocco	Casablanca	100	100	100
Uber Systems Romania SRL	Bucharest	100	100	100
Uber Systems Spain, Sociedad Limitada	Madrid	100	100	100
Uber Systems, Inc.	Makati city	99.994	99.994	99.994
Uber Tanzania Limited	Dar Es Salaam	100	100	100
Uber Technologies Egypt LLC	Cairo	100	-	-
Uber Technologies System Nigeria Limited	Lagos	100	100	100
Uber Technologies Systems (Mauritius) Limited	Port Louis	100	100	100
Uber Technologies Systems Ghana Limited	Accra	100	100	100
Uber Technologies Systems Israel Ltd	Tel Aviv	100	100	100
Uber Technologies Systems Uganda Limited	Kampala	100	100	100
Uber Technologies Uruguay S.A.	Montevideo	100	100	100
Uber Technology (Cambodia) Company Limited	Phnom Penh	100	100	100
Uber Technology Center of Excellence Limited Liability Company	Moscow	-	-	100
Uber Technology LLC	Moscow	-	-	100

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Entity name	Registered office	December 31, 2019	December 31, 2018	January 1, 2018
Uber Technology Systems Pakistan (Private) Limited	Lahore	99.98	99.98	99.98
Uber Turkey Yazilim ve Teknoloji Hizmetleri Limited Sirketi	Istanbul	100	100	100
Uber Ukraine LLC	Kiev	100	100	100
Uber Vietnam Limited	Ho Chi Minh City	100	100	100
UTI Argentina S.A.S.	Mendoza	100	100	-
UTIDR, S.R.L.	Santa Domingo	100	100	100
VTC SYSTEMS SPAIN COMMUNICATIONS, S.L	Madrid	100	-	-
Wang Fa Company Limited	Wan Chai	100	100	100
Xchange Leasing India Private Limited	Mumbai	100	100	100
Xuberance Limited	London	100	100	100

The Group does not have a direct interest in the equity of the below listed entities, however it exercises control either through the nominee structure or the management board:

Entity name	December 31, 2019	December 31, 2018	January 1, 2018
Pusakuy S.A.	Controlled	Controlled	Controlled
Stichting Custodian Uber Payments	-	Controlled	-
Stichting Uber Clean Air Fund	Controlled	Controlled	-
Tenalax S.A.	Controlled	Controlled	Controlled
Viet Car Rental Company Limited	Controlled	Controlled	Controlled
Viet Car Rental Holdco Company Limited	Controlled	Controlled	Controlled

For the year ended December 31, 2019, the Company has provided a guarantee over the liabilities of the following British and Dutch subsidiaries.

The below British subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of section 479A of the Companies Act 2006.

Legal Entity Name	Registration number
Uber Eats UK Limited (formerly: Mieten Limited)	10078453
Uber Britannia Ltd.	8823469
Uber NIR Limited	9783280
Uber Scot Limited	SC531141
Xuberance Limited	10443611

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The below listed Dutch subsidiaries are exempt from the requirements of filing individual accounts by virtue of section Section 403 of Book 2 of the Netherlands Civil Code.

Legal Entity Name	Registration number
Besitz B.V.	66090571
Besitz Ein B.V.	66696550
Besitz Holding B.V.	60470232
Mieten B.V.	59168072
Rasier Operations B.V.	59888261
Uber B.V.	56317441
Uber International B.V.	55808646
Uber International C.V.	58046143
Uber International Holding B.V.	55976255
Uber Management B.V.	64518981
Uber MENA B.V.	76630048
Uber Motorbike B.V.	65074289
Uber Netherlands B.V.	56193386
Uber NL Holdings 2 B.V.	73666475
Uber Pacific Holdings B.V.	64685578
Uber 4 Business B.V.	58823778
Uber Philippines B.V.	63717913
Uber Portier B.V.	65851307
Uber Portier 2 B.V.	71366180

28. Subsequent events

Acquisition of Careem

On January 2, 2020 (the "initial closing"), UTI completed the previously announced acquisition of substantially all of the assets of Careem Inc. and its subsidiaries (collectively "Careem") in jurisdictions where the Group received regulatory approval or did not require regulatory approval ("transferred assets"). Dubai-based Careem was founded in 2012, provides ridesharing, meal delivery, and payments services to millions of users in cities across the Middle East, North Africa, and Pakistan. This acquisition advances the Group's strategy of having a leading ridesharing category position in every major region of the world in which the Group operates. The only countries in which Careem operates and regulatory approval has not yet been obtained are Qatar and Morocco ("deferred assets"). The Group will continue to seek regulatory approval for the deferred assets. While regulatory approval in Pakistan was obtained in February 2020, Pakistan together with the deferred assets has not yet been transferred to the Group. Pakistan and the deferred assets countries will be subject to a delayed closing pending timing of regulatory approval at each of the three, six, and nine-month anniversaries of the initial closing or at other time as mutually agreed between the Group and Careem. If regulatory approval is not obtained with respect to any deferred assets by the nine-month anniversary of the initial closing, the Group and Careem may mutually agree to divest any remaining deferred assets. The maximum aggregate purchase price is approximately USD 3.1 billion.

Divestiture of Uber Eats India

On January 21, 2020 the Group entered into a definitive agreement and completed the divestiture of Uber's food delivery operations in India ("Uber Eats India") to Zomato Media Private Limited ("Zomato") in exchange for (i) compulsorily convertible cumulative preference shares of Zomato convertible into ordinary shares representing, when converted, 9.99% of the total voting capital of Zomato and (ii) approximately USD 35 million in cash for reimbursement by Zomato of goods and services tax. The estimated fair value of the consideration received is USD 206 million, which includes the investment valued at USD 171 million and USD 35 million of reimbursement of goods and services tax receivable from Zomato. The divestiture of Uber Eats India does not represent a strategic shift that will have a major effect on the Group's operations and financial results and does therefore not qualify for reporting as a discontinued operation. As of December 31, 2019 the carrying values of the assets and liabilities of the Group's Uber Eats India operations were not material to be separately reported as held for sale on the consolidated statement of financial position.

COVID-19

As described in note 1.4, the COVID-19 outbreak and resulting measures taken by the governments to contain the virus have affected the Group's operations since the middle of March 2020.

In an attempt to limit the spread of the virus, various governmental restrictions, including the declaration of a federal National Emergency, multiple cities' and states' declarations of states of emergency, school and business closings, quarantines, "shelter at home" orders, restrictions on travel, limitations on social or public gatherings, and other social distancing measures have, and may continue to have, an adverse impact on our business and operations, including, for example, by reducing the demand for our Rides offerings globally, and affecting travel behavior and demand. Furthermore, to support social distancing, we have temporarily suspended UberPOOL, our shared Rides offering, globally.

In addition, the Group announced and implemented several COVID-related initiatives during the first quarter of 2020, including a financial assistance program for Drivers, as well as a commitment to provide free rides and food deliveries to healthcare workers, seniors, and others in need.

The COVID-19 pandemic has adversely affected the Group's near-term financial results and may adversely impact our long-term financial results, which has required and may continue to require significant actions in response, including but not limited to, additional reductions in force and certain changes to pricing models of our offerings, all in an effort to mitigate such impacts.

As a result of the deterioration in economic and market conditions arising from COVID-19, the Group determined that the fair value of its investment in Didi had decreased compared to December 31, 2019. A new fair value assessment was performed and resulted in a decrease in the fair value of Didi in the amount of USD 1.7 billion.

Discontinuation of Uber Eats in Certain Markets

On May 4 2020, the Company announced the discontinuation of Uber Eats operations in certain markets by June 4, 2020. The operations in these markets are not material.

Reduction of Workforce

On May 6, 2020 and May 18, 2020, UTI announced plans to reduce its global operating expenses in response to the economic challenges and uncertainty resulting from the COVID-19 pandemic and its impact on Uber's business. The Group was impacted by the announcement, with a reduction to a broad range of teams by approximately 4,300 full-time employee roles. Related severance and other termination benefits costs were not material.

Company financial statements

Company statement of financial position as of December 31, 2019

Before profit appropriation

In millions of US dollars	**Note**	**December 31, 2019**
Fixed assets		
Financial fixed assets	31	—
Total assets		**—**
Shareholders' equity		
Issued share capital		—
Share premium		5,540
Current year result		(129)
Retained earnings		(5,540)
Total shareholders' equity	32	**(129)**
Current liabilities	33	129
Total equity and liabilities		**—**

Company income statement for the year ended December 31, 2019

In millions of US dollars		**2019**
Other income and expenses, after taxation	34	(129)
Net result		**(129)**

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Notes to the company financial statements

29. General

The Company financial statements are part of the 2019 consolidated financial statements of Uber NL Holdings 1 B.V. The information on the principal activities of the Company is included in note 1 of the consolidated financial statements. Since the income statement of the Company is included in the consolidated financial statements, an abridged income statement has been disclosed in these company financial statements in accordance with Section 402, Book 2 of the Dutch Civil Code.

29.1. Acquisition of business activities

As identified in note 1.3 in the consolidated financial statements, the Company acquired 100% of UICV, the immediate parent entity of UIBV on April 4, 2019, one of a series of transactions that resulted in changes to our international legal structure. The acquisition of UICV was financed by the Company through a (net) loan of USD 16 billion, obtained from the immediate parent. This loan was settled in the financial year with a distribution received from its participating interest of USD 16 billion. Based on the its accounting policies, as described in note 30, the Company has not recognized any dividends received beyond the carrying value of its investment, nor recognized any accumulated losses of subsidiaries. Note 32 contains the reconciliation of the Company's equity and results compared to those presented in the consolidated financial statements.

30. Basis of preparation

The Company financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The Company makes use of the option provided in section 2:362 (8) of the Netherlands Civil Code that allows companies that apply IFRS as endorsed by the European Union in their consolidated financial statements to use the same measurement principles in their Company financial statements. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result of the financial statements of the Company are the same as those applied in the consolidated financial statements. In case no other principles are mentioned, refer to the accounting principles as described in the consolidated financial statements. For an appropriate interpretation of these financial statements, the Company financial statements shall be read in conjunction with the consolidated financial statements.

All amounts in the Company financial statements are presented in millions of US dollar, unless stated otherwise.

30.1. Reporting period

The Company's articles of association state that the first financial year shall end on December 31, 2019. Therefore, the first financial period in the Company financial statements is from December 11, 2018 (its date of incorporation) to December 31, 2019.

30.2. Participating interests

The initial recognition of participating interests in Group companies occurs as and when the Company acquires control over such interest. The interest in these participations are initially measured at their net asset value, derived from the accounting principles applied in the consolidated financial statements.

Results from participations thereafter are based on the same principles; no results from participations are recorded against the value of the participating interests if the participation interest value is nil. Results are only recorded to the extent that the Company has an obligation (legal or constructive) for debts incurred by the participating interests.

Distributions from participating interests to the Company are recorded against the carrying value of the participations. In the event that dividends are received by the Company that would otherwise result in a negative participation value, the Company has elected to record the excess portion of the distribution directly in equity as part of the retained earnings. As the dividend received does not represent income earned based on the applied net asset value, the Company believes that this accounting policy provides the most relevant and reliable information to the users of the financial statements, where such dividend received is also distributed to the Company's parent. The recognition of a provision requires that there is a probable outflow of resources to settle a debt that arose from an obligating event, and that it can be reliably measured. Given the facts and circumstances, the Company has assessed that the obligation for the Company does not meet the probability threshold to recognize a provision.

30.3. Share of result of participating interests

The share in the result of participating interests consists of the share of the Company in the result of these participating interests. Results on transactions involving the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves are eliminated to the extent that they can be considered as not realized. The Company makes use of the option under the Dutch Accounting Standard 100.107A to eliminate intra-group expected credit losses against the book value of loans and receivables from the Company to participating interests, instead of elimination against the equity value / net asset value of the participating interests.

30.4. Corporate income tax

The Company is the head of the fiscal unity. The Company recognizes the portion of corporate income tax that it would owe as an independent tax payer, taking into account the allocation of the advantages of the fiscal unity. Settlement within the fiscal unity between the Company and its subsidiaries takes place through current account positions.

31. Financial fixed assets

The Company has direct investments in the following entities: Uber International C.V. (99% investment as of March 28, 2019), and Uber NL Holdings 2 B.V. (100% investment as of January 11, 2019).

In millions of US dollars	**December 31, 2019**
Balance at December 11, 2018	**—**
Additions due to transaction under common control	7,706
Dividends from participating interests	(7,706)
Balance at December 31, 2019	**—**

32. Shareholders' equity

In millions of US dollars	**Share capital**	**Share premium**	**Retained earnings**	**Total equity**
Balance as of December 11, 2018	**—**	**—**	**—**	**—**
Capital reorganization	—	5,540	2,773	8,313
Loss for the year	—	—	(129)	(129)
Excess dividend	—	—	(8,313)	(8,313)
Balance as of December 31, 2019	**—**	**5,540**	**(5,669)**	**(129)**

The difference in net loss and total equity for the Company, as compared to the consolidated financial statements, are outlined in the tables below:

Reconciliation of comprehensive loss to consolidated financial statements	**2019**
Consolidated comprehensive loss	(4,623)
Reconciling items	
Results of participations not recognized	4,105
Result of participation prior to acquisition	389
Stand-alone comprehensive loss	**(129)**

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Reconciliation of total equity to consolidated financial statements	**December 31, 2019**
Consolidated equity position	(12,071)
Reconciling items	
Excess dividend	8,313
Losses of participation not recognized	4,105
Capital contribution not recognized	(250)
Other reserves not recognized	(226)
Total stand-alone equity position	**(129)**

32.1. Proposal for profit / (loss) appropriation

The Board of Directors proposes to the General Meeting to appropriate the loss after tax for 2019 to retained earnings.

33. Liabilities with related parties

Current liabilities of USD 129 million relate to the interest incurred by the Company on long-term loans of USD 5 billion that were held for a portion of the year, as part of the Group's capital reorganization. The interest was paid by another group entity, and the Company is yet to repay that group entity.

34. Other income and expenses, after taxation

As per note 33, the interest expense of USD 129 million relates to the interest incurred by the Company the loan that was held temporarily as part of the Group's capital reorganization.

35. Off-balance sheet assets and liabilities

Together with its subsidiaries Uber NL Holdings 2 B.V., Uber International C.V., Uber International B.V., Uber International Holding B.V., Uber Netherlands B.V., Uber 4 Business B.V., Rasier Operations B.V., Uber Motorbike B.V., Uber B.V., Uber Portier B.V., Uber MENA B.V. the Company forms a fiscal unity for corporate income tax purposes; the standard conditions stipulate that each of the companies is liable for the tax payable by all companies belonging to the fiscal unity. The Company is not registered for value-added tax purposes.

36. Personnel

During the reporting period the Company had no employees.

37. Remuneration Directors

There was no remuneration paid to the directors by the Company during the year. The directors are employed by other entities within the Group, details of the remuneration received by directors is included in note 23 in the consolidated financial statements.

38. Subsequent events

Subsequent events are disclosed in note 28 of the consolidated financial statements.

Signatories to the Financial Statements

Amsterdam, December 23, 2020

____
Anderson, Nathaniel David
Director

____
Dupont, Sebastien Serge
Director

____
Van Noort, Pein (Willem-Hein)
Director

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Other information

Articles of Association provisions governing loss appropriation

Loss is appropriated in accordance with Article 4 of the Articles of Association, which states that the Board of Management shall determine, the portion of the loss to be added to reserves. The Board of Management proposes to add the result to retained earnings. This has been recognized in the financial statements.

Other information notice regarding the exemption for group companies

Under Section 403 Book 2 of the Dutch Civil Code, the Dutch subsidiaries of Uber NL Holdings 1 B.V. are exempt from usual disclosure and publication of Financial Statements and are allowed to prepare only abridged balance sheet and profit and loss accounts. For the list of subsidiaries please refer to the note 27.

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Independent auditor's report

To: the general meeting of Uber NL Holdings 1 B.V.

Report on the financial statements 2019

Our opinion

In our opinion:

- the consolidated financial statements of Uber NL Holdings 1 B.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 December 2019 and of its result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements of Uber NL Holdings 1 B.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 December 2019 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2019 of Uber NL Holdings 1 B.V., Amsterdam. The financial statements include the consolidated financial statements of the Group and the company financial statements.

The financial statements comprise of:

- consolidated financial statements;
- notes to the consolidated financial statements; and
- company financial statements.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independence

We are independent of Uber NL Holdings 1 B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

Emphasis of matter - uncertainty related to the effects of the coronavirus (COVID-19)

We draw attention to note 28 in the financial statements in which the board of directors has described the possible impact and consequences of the coronavirus (COVID-19) on the company and the environment in which the company operates as well as the measures taken and planned to deal with these events or circumstances. This note also indicates that uncertainties remain and that currently it is not reasonably possible to estimate the future impact. Our opinion is not modified in respect of this matter.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- directors' report;
- other information.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information that is required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code.

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Responsibilities for the financial statements and the audit

Responsibilities of the board of directors

The board of directors is responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code; and for
- such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the board of directors should prepare the financial statements using the going-concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The board of directors should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Utrecht, 24 December 2020
PricewaterhouseCoopers Accountants N.V.

Original has been signed by drs. J.W. Middelweerd RA

Appendix to our auditor's report on the financial statements 2019 of Uber NL Holdings 1 B.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Concluding on the appropriateness of the board of directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
  Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.