



Summary

I believe Uber is a money snowball that will continue to roll over its competition and expand its operations over the many years to come growing revenues and increasing share holder value. This thesis outlines a long-term upside opportunity on one of the worlds most exciting and innovative businesses.

Business Overview

Uber is the worlds largest ride sharing, delivery, and freight platform that offers users private delivery for food and on-demand ride sharing. Uber employs over 30,000 people and is headquartered in San Francisco, CA. Uber was founded in 2009 and now operates all over the globe including the United States, Canada, Latin America, Europe, The Middle East, Africa, and the Asia Pacific.

Investment Rationale

Uber is not just the world's largest ride sharing platform but they also are consistently and growing bookings q/q and y/y, meaning they have not even come close to reaching their max TAM. Along with more room to grow their existing businesses Uber has also ventured into new markets via investments into companies like \$GRAB and \$JOBY which will grow to fortify their company even further. Uber has also been increasing their profit margins y/y signaling good management decisions and even more future profits. Ubers balance sheet is very strong and moderately leveraged. They carry over 16 billion in cash with an interest expense decreasing y/y as a total % of net profit.

Risks

While Uber is a fantastic company, every investment has its own unique risks such as some competitors or slowing economic conditions. Uber lives in a very resilient sector that is a cross between tech and the real world. I personally don't see Uber's ride sharing platform going anywhere because of the immense utility it brings, but other companies such as Lyft, Door Dash, and Grubhub are taking market share from some of Ubers biggest operations. While Lyft has been a small competitor of Ubers for a while there is no saying how long until they are taking significant market share from Uber. And as for Door Dash and other food

delivery platforms, Uber is just one of the many big fish in the tank and constantly have to keep their marketing centered towards swaying people from other companies to theirs.

Conclusion & Target

I am confident Uber is in a safe position with great room for growth and minimal chance of downside. When it comes to a target price I'd like to see continuous growth in their company and retained expectations of future shareholder value being generated. As for most things I don't have a specific target price but I will watch the company's earnings and future growth to decide the best time to take my winnings or cut my losses.