GRAB gideon lens

Grab Holdings Limited (GRAB) - Gideon-Lens Equity Research

Date: 2026-05-29. Analyst: Codex. Price: $3.54. Market cap: $14.03 billion. Fiscal year end: December 31. The user explicitly overrode the initial Stage 1 stop, so this production report was completed even though the persistent-ROIC gate was red. The override permits analysis; it does not clear the gate.

VERDICT BLOCK

Verdict: PASS

Scorecard:

Gate	Result	Notes
Management	FAIL	Founder voting control intensified; buybacks offset dilution; ROIIC not proven
Moat	YELLOW	Mobility moat real; 2046 test remains unresolved
P/E <= 15 on confident EPS at TTM + 5 calendar years	YELLOW	Base clears by only 0.7%; bear and probability-weighted cases fail
Compounder Score	Audited 42 / 100	Reject classification; diagnostic only, not an ER2 gate
Business Quality Score	Audited 40 / 80	Promising segments, but not dream-business evidence
20% Return UW Score	Audited 2 / 20	Current price does not underwrite 20% returns

One-line thesis (or reason to pass): Grab is an improving Southeast Asian platform, but it is not yet a Gideon-quality compounder because governance fails, ROIC is unproven, the moat is unresolved at company level, and the valuation cushion is only 0.7%.

Kill / trigger criteria:

- BUY trigger: no BUY trigger while management remains FAIL; after governance and ROIC improve, valuation-only reconsideration below $2.85, roughly a 20% discount to the base P/E 15 value of about $3.57.
- PASS triggers: Financial Services misses H2 2026 breakeven; diluted shares stay above 4.60 billion after buybacks; TTM official operating cash flow remains negative while adjusted free cash flow stays positive.
- Upgrade to BUY conditions: Management upgraded at least to YELLOW, moat upgraded to PASS, ROIC moves toward mid-teens on official operating profit, and base EPS clears P/E 15 with a wide cushion rather than rounding-level clearance.

Position sizing if bought: 0% of equity book today. A future position should remain capped until minority governance, share count, official owner earnings, and Financial Services credit quality are proven.

Stage 0 - Time Anchor

Today is 2026-05-29. Grab's fiscal year ends December 31. The most recently reported quarter is Q1 2026, ended March 31, 2026, announced on May 5, 2026. The TTM anchor is Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026, ending March 31, 2026. The forward horizon is exactly five calendar years after that anchor, March 31, 2031. All FY+5 language in this report means that TTM+5y date, not FY 2025 plus five fiscal years.

Stage 1 - Disqualifier Sweep

The seven checks were deliberately preserved after the override. Persistent ROIC is red: FY 2025 calculated ROIC is about 3.5%, far below the 15% Gideon threshold, and Grab has no multi-year high-ROIC record. FCF conversion is yellow: adjusted free cash flow was $489 million on a TTM basis, but official TTM operating cash flow was negative $53 million because the Financial Services balance sheet matters. Net debt is green: Q1 2026 official net cash liquidity was about $5.0 billion. End-markets are green: Q1 2026 revenue grew 24% and 2026 guidance calls for $4.04 billion to $4.10 billion of revenue.

Governance is red after the March 2026 increase in Class B voting rights to 90 votes per share. AI disruption is yellow to green: AI can improve matching and support, but AI interfaces and autonomous supply could eventually compress take rates. Pricing power is yellow: Mobility is strong, Deliveries remains incentive and multi-home exposed, and Financial Services is not yet through-cycle proven.

Management

Management is a FAIL, and this is the decisive qualitative gate. The operating team deserves credit for real execution: Grab moved from deep losses to FY 2025 net profit, Q1 2026 adjusted EBITDA was $154 million, and guidance credibility has improved. The company also has a large liquidity buffer, has announced buybacks, and has provided a visible 2028 framework. The problem is not basic competence. The problem is minority-owner alignment and capital allocation discipline under a dual-class structure that worsened in March 2026. The management appendix concludes that founder voting control, the 90-vote Class B change, material SBC, buybacks that partly offset dilution rather than clearly shrink the share count, and broad capital allocation into credit, grocery, M&A, AI/AV initiatives, and adjacent assets fail the Gideon management standard. A future upgrade would require clean diluted-share reduction, better minority protections, Financial Services breakeven without credit surprises, and consolidated ROIC moving toward mid-teens.

Moat

The moat is YELLOW, and the 2046 test is also YELLOW. Grab has real assets: Mobility marketplace density, brand and trust, high-frequency local use cases, driver and merchant supply, Deliveries scale, advertising surfaces, and a financial-services distribution wedge. Mobility is the strongest moat evidence because it has durable segment economics and local density. Deliveries is more mixed because food and grocery can be multi-home, affordability-led, and margin-sensitive. Financial Services could become powerful if Grab can use ecosystem data to underwrite profitably, but the segment has not yet proven credit quality through a full cycle at its current scale. The 2046 version of Grab can be imagined as a Southeast Asian operating layer for mobility, local commerce, ads, payments, and embedded finance. That is not the same as a clean PASS. Regulation, AI-agent demand routing, autonomous vehicle supply, credit losses, and merchant/driver bargaining power all remain open enough that company-level durability is not yet a dream-business conclusion.

Stage 5 Synthesis

The synthesis builds from reviewed segment appendices only. TTM revenue is $3.553 billion: Deliveries $1.895 billion, Mobility $1.274 billion, Financial Services $0.380 billion, and Others $0.004 billion. Base FY+5 revenue is $6.655 billion. Base operating income is $1.149 billion, base net income is $1.053 billion, and base EPS is $0.238 on a diluted share-count bridge of about 4.43 billion shares. At the live FMP price of $3.54, the required March 31, 2031 EPS for a 15x P/E is $0.236. The base case clears by only $0.002 per share, or 0.7%. The bear case fails at $0.121 EPS, and the bull case clears at $0.370 EPS. Probability-weighted EPS is $0.229, below the required $0.236. All 11 synthesis tie-out checks passed arithmetically, but the underwriting result is fragile.

Case	Revenue	Operating Income	Net Income	EPS	P/E 15 Value	Result
Bear	$5.315B	$0.515B	$0.536B	$0.121	$1.82	Fail
Base	$6.655B	$1.149B	$1.053B	$0.238	$3.57	Bare pass
Bull	$7.796B	$1.751B	$1.639B	$0.370	$5.55	Pass

The fragile operating bridge is clear. Mobility contributes most of the dependable profit, Deliveries must keep expanding margins without subsidy creep, and Financial Services must move from negative $96 million of TTM Segment Adjusted EBITDA to positive scale. The model also assumes corporate cost and below-adjusted-EBITDA burdens become more efficient while SBC, M&A integration, regulatory costs, credit infrastructure, and AI/AV investments do not consume the operating leverage. A small miss in Financial Services, share count, tax, or Mobility margin flips the P/E 15 test from a narrow pass to a fail.

Red Team

The red team's strongest point is that Grab can keep growing GMV and revenue while failing to produce high per-share owner returns. The bear case is not collapse; it is economic leakage to drivers, consumers, regulators, lenders, SBC, overhead, and acquisitions. The most fragile segment assumption is Financial Services: the base case requires $1.070 billion of FY+5 revenue, 18% Segment Adjusted EBITDA margin, and a 12% operating income proxy despite current negative segment EBITDA and still-unseasoned credit risk. The single exit signal is Financial Services Segment Adjusted EBITDA margin worse

than negative 5% of revenue for H2 2026, or still negative in both Q3 2026 and Q4 2026. If that happens, the weakest earnings bridge breaks before it scales.

Kill / Trigger Criteria

- Stay PASS while management remains FAIL, regardless of valuation arithmetic.
- Stay PASS if FY 2026 or FY 2027 official operating cash flow remains negative while adjusted free cash flow stays positive through exclusions tied to lending receivables and banking deposits.
- Stay PASS if Financial Services misses H2 2026 breakeven, reports rising expected credit losses, or needs regulatory capital that weakens group owner earnings.
- Revisit only if diluted shares decline below roughly 4.3 billion, official ROIC moves toward mid-teens, Mobility GMV margin remains durable, Deliveries reaches higher margins without subsidy creep, and the stock trades with a much wider P/E 15 cushion than 0.7%.

Analyst Flags

This report is a full-production override, not a clean ER2 pass-through. The original Stage 1 screen stopped at PASS because persistent ROIC was red; the user then requested full production anyway. That is why the appendices exist despite the stop gate. Foreign-issuer source control mattered: official Grab and SEC sources overrode FMP where FMP line mapping differed, including FY 2025 operating profit, operating cash flow, quarterly segmentation, and small segment details. Segment operating income is not disclosed, so synthesis uses analyst operating-income proxies derived from segment adjusted EBITDA and company-level bridges. Product-level dollar revenue below reportable segments is not disclosed. The audited compounder score is 42 / 100, Reject, with 40 / 80 business quality and 2 / 20 valuation underwriting. The final ER2 verdict is therefore PASS.

Appendix A - Company Primer

Grab Holdings Limited - Company Primer

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\appendix_A_primer.md

Stage 0 Anchor

This primer uses the Stage 0 anchor supplied by the orchestrator. Today is 2026-05-29. Grab Holdings Limited's fiscal year ends on December 31. The latest reported quarter is Q1 FY2026, the three months ended March 31, 2026, announced May 5, 2026 and furnished on Form 6-K. The trailing twelve month period is Q2 FY2025 plus Q3 FY2025 plus Q4 FY2025 plus Q1 FY2026, ending March 31, 2026. The forward horizon for downstream ER2 work is March 31, 2031.

All financial figures in this primer come from `quant_foundation.md`, which is the controlling quantitative source, alongside the QFR review for gate status and limitations. Grab is a foreign private issuer that files an annual Form 20-F and furnishes quarterly results through Form 6-K and official releases. The quantitative foundation has already reconciled FMP, SEC, and official-release evidence and explicitly overrides FMP where line mapping differs. `data_package.md` is complete and DR-cleared for Wave 2 after corrections, and this primer may reference it as a qualitative companion. Qualitative context is also drawn from same-run live raw pulls in the Grab folder, including Grab IR quarterly releases, the SEC FY2025 Form 20-F, FMP stable endpoint pulls, and FMP transcript files.

Source Set Used

Source	Local evidence	Use in primer
Quant foundation	`C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\quant_foundation.md`	Financial ground truth
QFR review	`C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\quant_foundation_review.md`	Gate status and limitations
FY2025 Form 20-F	`raw\dp_live_sec_2025_20f.htm` and `.txt`	Segment descriptions, accounting, risks, acquisitions
Q1 FY2026 release	`raw\dp_live_grab_q1_2026_results.pdf` and `.txt`	Latest quarter, guidance, liquidity
Q4 FY2025 release	`raw\dp_live_grab_q4_2025_results.pdf` and `.txt`	FY2025 operating metrics, buyback, guidance
FMP stable pulls	`raw\dp_live_fmp_*.json`	Required live endpoint evidence
FMP transcripts	`raw\dp_live_fmp_transcript_2026_q1.json` and 2025 transcript files	Management commentary

Business Overview

Grab is a Singapore-headquartered Southeast Asian technology platform built around a consumer and partner "superapp." In practical terms, it is a marketplace and transaction layer for local transportation, food delivery, grocery and parcel delivery, advertising, payments, lending, digital banking, and adjacent merchant services. The app sits between consumers who want local services, driver-partners who provide rides and delivery capacity, merchant-partners who sell food, groceries, and other goods, and financial-services customers who use Grab-linked payment, credit, deposit, insurance, and banking products.

The customer base is multi-sided. Consumers use the Grab app to book rides, order meals and groceries, send parcels, pay, borrow, and interact with loyalty products. Driver-partners use Grab's driver app to find ride and delivery demand, optimize route and earning opportunities, rent vehicles in some markets, and receive incentives or support. Merchant-partners use Grab's merchant tooling to receive orders, promote listings, run advertising, accept payments, and in some cases access working-capital products. Advertisers, including merchants and brands, buy promoted listings, banners, in-car placements, mobile billboards, and other advertising solutions. Financial-services customers include consumers, merchants, drivers, SMEs, and digital bank customers.

The problem Grab solves is local-market coordination in a region where cities are dense, consumer behavior is mobile-first, cash and bank penetration vary by market, and offline commerce remains large. A consumer does not want to separately search for a driver, negotiate fare, pay cash, find a merchant, coordinate delivery, and compare credit or payment options. A driver or merchant wants demand, payments, tools, and visibility. Grab monetizes by coordinating that activity and taking fees,

commissions, spreads, advertising revenue, interest income, rental income, and other service revenue where allowed by contract and regulation.

Most buying is self-serve inside mobile apps, but the go-to-market is not purely self-serve. Consumers download the app and transact directly. Drivers and merchants are onboarded through partner applications, local operations, incentives, compliance checks, and account management. Larger merchants, advertisers, financial-services partners, and fleet or enterprise relationships can involve direct sales, business development, and regulated subsidiary structures. This matters for margins: Grab is not a pure software subscription company with one central sales motion. It is a local operations business with software, payments, credit risk, support functions, merchant success, driver supply management, and regulatory engagement in each country.

Geographically, Grab's core disclosed footprint is Southeast Asia. FMP's live profile describes operations in Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. The 20-F risk section makes clear that Grab's markets are not homogeneous. Mobility, delivery, payments, lending, and banking rules differ by country. Local competitors and regulators can materially affect take rates, incentives, product structure, and partner economics.

Revenue Architecture

Grab reports four operating and reportable segments: Deliveries, Mobility, Financial Services, and Others. FY2025 revenue was $3,370 million. TTM revenue through March 31, 2026 was $3,553 million. Current revenue is still dominated by on-demand local commerce, with Deliveries and Mobility together representing roughly 89.6% of FY2025 revenue and 89.2% of TTM revenue.

Segment	FY2025 revenue	FY2025 share	TTM revenue	TTM share	Segment profit metric
Deliveries	$1,800m	53.4%	$1,895m	53.3%	Segment Adjusted EBITDA
Mobility	$1,219m	36.2%	$1,274m	35.9%	Segment Adjusted EBITDA
Financial Services	$347m	10.3%	$380m	10.7%	Segment Adjusted EBITDA
Others	$4m	0.1%	$4m	0.1%	Segment Adjusted EBITDA
Total	$3,370m	100.0%	$3,553m	100.0%	n/a

Deliveries is the largest segment. It connects consumers, merchant-partners, and driver-partners for ready-to-eat meals, groceries, daily necessities, and point-to-point parcel delivery. The 20-F also includes delivery services in markets where Grab is directly responsible for the delivery, physical-store operations in certain markets, and advertising revenue from promoted listings and banner advertisements. The simplest way to understand the segment is: Grab helps a consumer order from a restaurant, grocery store, convenience seller, or other merchant, then coordinates the logistics, checkout, and increasingly the merchant's ability to promote within the app. Revenue includes platform fees and, depending on whether Grab is agent or principal in a transaction, may include net fees or gross delivery fees.

Mobility is ride-hailing and related transportation. It connects consumers with driver-partners across private cars, taxis, motorcycles in certain markets, and shared mobility options. The segment also includes vehicle rental for driver-partners and advertising revenue from online and offline formats, including in-car placements and mobile billboards. A mobility transaction typically begins with a consumer opening the app, entering a destination, seeing an upfront price, and being matched with a driver. Revenue is primarily earned from fees connected to successful rides and related driver or consumer services.

Financial Services includes digital payments, lending, receivables factoring, digital banking services in certain markets, insurance distribution, and associated advertising revenue. This segment is strategically important because Grab's platform data can inform credit underwriting, merchant cash-flow products, consumer payment usage, and digital bank customer acquisition. It is also economically different from rides and delivery because it introduces credit risk, deposits, regulatory capital, loan receivables, expected credit losses, and banking compliance. In Q1 FY2026, management highlighted loan disbursals exceeding $1 billion for the first time and reiterated a target for the segment to reach adjusted EBITDA breakeven in the second half of 2026. That is commentary, not a realized result.

Others is tiny in reported revenue. The 20-F describes it as operating activities that are not individually material, including mapping services, autonomous vehicle services, and last-mile delivery infrastructure. For modeling, it should not be treated as a hidden major profit pool. Its role is mainly optionality, infrastructure, and experimentation around capabilities that may support the core marketplace.

How Revenue Is Recognized

The most important accounting point is that Grab is often an agent, not a principal. For many deliveries and mobility transactions, Grab facilitates a service delivered by driver-partners and merchant-partners to consumers. In those cases it recognizes net fees owed to Grab, not the full gross merchandise value paid by the consumer. In some delivery services, however, Grab is responsible for providing delivery services and subcontracts with driver-partners or third-party couriers. In those situations, delivery fees charged to consumers can be recognized as revenue, while payments to drivers or couriers are recognized in cost of revenue.

This principal-versus-agent distinction is why revenue is much smaller than GMV and why take rate, incentives, and gross margin can move in ways that are not obvious from consumer transaction value alone. GMV measures the total dollar value of transactions flowing across the platform. Revenue measures what Grab keeps or recognizes after the accounting treatment and incentive offsets. Consumer incentives reduce revenue. Partner incentives reduce revenue when they are tied to fees, although for certain delivery offerings where Grab is contractually responsible for delivery, incentives granted to driver-partners can appear in cost of revenue.

For Financial Services, revenue includes interest on loans and advances, interest on loan receivables and investment securities in the digital banking business, insurance distribution revenue, advertising revenue, and payment processing fees charged to merchants. This means Financial Services revenue can scale with loan balances and transaction volumes, but profitability depends heavily on funding, credit quality, expected credit losses, fraud control, regulatory costs, and operating leverage.

Unit Economics

Grab's consolidated TTM revenue was $3,553 million, gross profit was $1,547 million, operating profit was $108 million, adjusted EBITDA was $547 million, and adjusted free cash flow was $489 million. Gross margin on that TTM revenue was about 43.5%, while operating margin was about 3.0%. These are not software-only margins, because cost of revenue includes technology platform costs, payment processing, operations and support, supermarket cost of goods sold, payments to driver-partners in principal delivery arrangements, fleet-related costs, and allocated corporate costs such as right-of-use depreciation.

The segment profitability measure disclosed by Grab is Segment Adjusted EBITDA, not segment operating income. The quantitative foundation explicitly notes that Grab does not disclose segment operating income or segment cost of revenue in its quarterly releases or 20-F. The company evaluates reportable segments using revenue and Segment Adjusted EBITDA, while assets and liabilities are mostly reviewed at the consolidated level. For downstream work, do not invent segment operating income.

Segment	TTM revenue	TTM Segment Adj. EBITDA	Margin basis used by QF	Segment margin
Deliveries	$1,895m	$313m	GMV	2.1%
Mobility	$1,274m	$729m	GMV	8.8%
Financial Services	$380m	($96m)	Revenue	(25.3%)
Others	$4m	($2m)	Revenue	(50.0%)
Total segment	$3,553m	$944m	Mixed	n/a

Deliveries unit economics depend on order density, basket size, merchant commission and fees, delivery fees, consumer and driver incentives, advertising attachment, and fulfillment costs. A dollar of deliveries GMV is not a dollar of revenue. Grab earns its net platform economics from fees, advertising, and certain gross-revenue arrangements, but it must fund incentives, driver supply, operations, support, technology, and in some cases delivery costs and physical-store grocery cost of goods sold. The segment's TTM Segment Adjusted EBITDA was $313 million on $15.016 billion of deliveries GMV, a 2.1% GMV margin. On a revenue basis the margin looks much higher, but GMV margin is the better marketplace lens because it shows how much operating contribution is generated from transaction value.

Mobility has much stronger disclosed contribution economics. TTM Mobility Segment Adjusted EBITDA was $729 million on $8.321 billion of mobility GMV, an 8.8% GMV margin. Ride-hailing generally benefits from higher urgency, fewer merchant-side subsidies, stronger matching density, and revenue streams such as vehicle rental and advertising. But it is also sensitive to driver supply, fuel costs, wage or commission regulation, and local taxi or ride-hailing rules. Management's Q1 FY2026 transcript commentary said fuel price volatility led Grab to support driver-partners with targeted fuel rebates, and management expected Q1 to be the peak quarter for driver incentives if seasonal pressures normalize. That is important because driver support can defend supply and reliability but pressure near-term margins.

Financial Services is still scaling through losses at the segment adjusted EBITDA level. TTM Segment Adjusted EBITDA was negative $96 million on $380 million of revenue. The business has a different route to profitability: loan-book scale, deposit funding, credit-risk discipline, lower unit servicing cost, payment acceptance growth, and cross-sell into Grab's merchant and consumer ecosystem. Management stated on the Q1 FY2026 call that more than one-third of incremental Financial Services revenue dropped to the bottom line, while credit models and expected credit loss overlays remained active areas of risk control. The strategic idea is appealing, but the numbers still show a segment below adjusted EBITDA breakeven as of the latest TTM.

Corporate cost is the bridge between segment contribution and consolidated adjusted EBITDA. For the TTM period, total Segment Adjusted EBITDA was $944 million and regional corporate costs were $397 million, producing adjusted EBITDA of $547 million. In FY2025, total reportable Segment Adjusted EBITDA was $868 million and regional corporate costs were $368 million. The Q1 FY2026 transcript indicates that management consciously stepped up regional corporate costs for AI infrastructure, including cloud capacity and tokenization-related stack spending, and expected regional corporate costs to stabilize around Q1 levels for the rest of 2026. That claim needs to be tested in future quarters.

Current Financial Profile

Grab crossed into consolidated operating profitability on the official-source basis, but its profitability is still young. FY2025 revenue was $3,370 million, operating profit was $65 million, and profit for the year was $200 million. The TTM ending March 31, 2026 improved to $3,553 million of revenue, $108 million of operating profit, and $310 million of profit for the period. Q1 FY2026 revenue was $955 million, with $22 million of operating profit and $120 million of profit for the period.

The cash-flow picture requires care. Official TTM operating cash flow was negative $53 million, but adjusted free cash flow was positive $489 million after the company's adjustments for capital expenditures, disposal proceeds, loan receivable movements, and deposits in the banking business. FY2025 official operating cash flow was $79 million and adjusted free cash flow was $290 million. The quantitative foundation flags that FMP cash-flow values differ materially from official figures, including FY2025 official operating cash flow of $79 million versus FMP annual operating cash flow of $231 million. Official cash-flow values control.

Liquidity is strong in the latest official balance sheet. At March 31, 2026, Grab had $2.948 billion of cash and equivalents, $4.341 billion of other investments, $6.9 billion of gross cash liquidity, $1.948 billion of loans and borrowings, and $5.0 billion of net cash liquidity. This balance sheet gives the company room to fund lending growth, AI investment, M&A, and share repurchases, but it should not obscure the fact that some cash and investment balances are connected to financial-services and digital-banking activities.

Share count also matters. Q1 FY2026 basic weighted average shares were 4.093 billion and diluted weighted average shares were 4.441 billion. In February 2026, Grab authorized a $500 million Class A ordinary share repurchase program, and in March management announced an accelerated $400 million buyback mandate. The Q1 transcript stated that the accelerated repurchase was expected to more than offset stock-based compensation dilution, but only a small portion had affected Q1 share count because the program had just started.

Growth Drivers

The first growth engine is continued penetration of on-demand services in Southeast Asia. Q4 FY2025 official materials reported FY2025 On-Demand GMV of about $22.1 billion, up 21% year over year, with both deliveries and mobility growing. Q1 FY2026 management commentary said on-demand GMV growth accelerated to 24% year over year despite seasonal softness from Ramadan and Chinese New Year. The business still has room to grow if more consumers use Grab more often and if the company can increase basket size, order frequency, and matching reliability without excessive incentives.

The second driver is advertising and merchant monetization. Advertising appears inside Deliveries and Mobility revenue rather than as a separate reportable segment. In practice, it can be a high-margin layer on top of existing marketplace traffic because merchants and brands pay for visibility, promoted listings, banners, and offline formats. Management said average advertiser spend grew 44% year over year in Q1 FY2026 and linked that to merchant AI tooling and measurable return on spend. Since advertising is not separately disclosed as a segment, investors should treat it as a margin-enhancer to watch rather than as a fully visible standalone business.

The third driver is grocery and retail. The 2025 acquisition of an 80% stake in Everrise, a premium grocery operator in Malaysia, gives Grab more direct exposure to grocery supply, physical stores, and supplier networks. In the Q1 FY2026 transcript, management described GrabMart as a large opportunity, said grocery users were growing faster than food users,

and compared long-term grocery penetration with global peers. The investment case here is that grocery can raise order frequency and lifetime value. The risk is that grocery can be operationally harder than restaurant delivery because inventory, basket assembly, substitution, cold-chain, and store economics can compress margin.

The fourth driver is Financial Services. Grab acquired Validus in 2025 to expand SME lending in Singapore, and it has digital banking activities in Singapore and Malaysia. Management has pointed to a $2 billion loan-book target by the end of 2026 and a second-half 2026 adjusted EBITDA breakeven target for the segment. The strategic logic is ecosystem underwriting: Grab can use transaction, merchant, driver, and payment data to assess credit and distribute financial products. The risk is that credit cycles can overwhelm underwriting advantages if macro conditions deteriorate or if the company chases growth too aggressively.

The fifth driver is AI and marketplace optimization. On the Q1 FY2026 transcript, management framed Grab's data asset as a local-commerce record across more than 50 million users and partners and more than 20 billion transactions. Management cited AI driver tools, merchant assistant adoption, dynamic pricing, routing, affordability products, and external AI interfaces as ways to improve marketplace efficiency and top-of-funnel demand. These statements are promising but should be treated as management claims until sustained margin improvement confirms them.

Competitive Position

Grab's biggest structural advantage is density. More consumers can attract more drivers and merchants; more drivers improve availability and wait times; more merchants increase choice; more transactions improve data and payments activity. In theory, that can create a local network effect. In practice, the 20-F is clear that barriers to entry are low in many markets, users can multi-home, and competitors can compete with discounts, lower commissions, localized knowledge, better brand recognition, or regulatory support.

The competitive set differs by segment and country. In deliveries, Grab cites regional and local competitors such as Foodpanda, ShopeeFood, Gojek, Line Man Wongnai, merchant-owned ordering channels, supermarkets, convenience stores, pizza chains, and last-mile delivery providers such as Lalamove and other single-market players. In mobility, competitors include Gojek in Indonesia and Singapore, Be Group in Vietnam, Bolt in Thailand, Tada and Ryde in Singapore, Xanh SM, Maxim, InDrive, licensed taxi operators, public transport, and private vehicle ownership. In payments and financial services, competitors include cash, cards, bank transfers, banks, non-bank financial institutions, digital wallets such as ShopeePay, GoPay, Dana, Touch 'n Go, MAE, Google Pay, and digital banks.

Grab's competitive model is therefore not simply "winner take all." A rider may use Grab for airport rides but a local taxi app for short trips. A merchant may list on multiple delivery platforms. A consumer may pay with a bank card, local wallet, or cash. The investment question is whether Grab can earn attractive margins while keeping enough of the ecosystem loyal through convenience, reliability, breadth, and embedded financial tools. The early answer is mixed but improving: Mobility is already a high contribution segment, Deliveries is positive but thinner on GMV, and Financial Services is still loss-making at the segment adjusted EBITDA level.

Management, Capital Allocation, And Strategic Actions

Grab is founder-led by Anthony Tan, who is identified in FMP's profile as CEO under the name Ping Yeow Tan. The operating leadership on recent earnings materials includes President and COO Alex Hungate and CFO Peter Oey. Management's public narrative is focused on sustainable growth, AI-enabled efficiency, partner earnings, financial-services breakeven, and disciplined capital allocation.

M&A has become more relevant. In March 2025, Grab acquired 80% of Everrise for $54 million in cash to expand premium grocery in Malaysia. In April 2025, it acquired Validus and an associated SME loan portfolio for $48 million to expand digital SME lending in Singapore. In January 2026, it acquired a minority stake in Vay Technology GmbH, a remote-driving technology company, for $55 million with possible additional investment. In February 2026, it agreed to acquire Stash Financial, Inc., a U.S. digital financial services provider, with an initial 50.1% interest at an enterprise value of $425 million and the remaining interest over three years, subject to closing conditions.

The Stash transaction is unusual because it expands beyond Southeast Asia into U.S. digital financial services. It may provide product, technology, or distribution learning, but it also raises integration and strategic-focus questions. Investors should separate small capability investments that support Grab's Southeast Asian platform from acquisitions that could change the company's risk profile or distract management.

Capital return is also now part of the story. The $500 million repurchase authorization and accelerated $400 million program indicate management believes the stock was undervalued at the time of authorization. With net cash liquidity of $5.0 billion at March 31, 2026, Grab has capacity to buy shares while funding operations. The tension is that it is also investing in AI infrastructure, lending growth, acquisitions, and partner incentives. A buyback is accretive only if core economics continue to improve and repurchased shares are not offset by future dilution.

Key Risks

Regulatory risk is central. Grab operates mobility, delivery, payments, lending, insurance distribution, and banking products across multiple jurisdictions. Driver classification, commission caps, ride-hailing permits, taxi rules, consumer protection, data privacy, competition law, financial-services licensing, capital requirements, and tax assessments can all change economics. The Q1 FY2026 transcript included discussion of Indonesian commission regulation affecting two-wheel ride-hailing, with management stating that exposure was limited relative to total Mobility GMV and that engagement with regulators was ongoing. This type of issue should be expected, not treated as a one-off.

Incentive dependence is another risk. Grab's profitability depends on managing consumer, driver, and merchant incentives relative to fees, commissions, advertising, and financial-services monetization. The 20-F says incentives as a percentage of on-demand GMV were around 10% in 2023, 2024, and 2025. If competition intensifies, fuel prices rise, driver supply tightens, or consumers become more price sensitive, incentives may need to rise and margins can compress.

Credit risk is rising with Financial Services. Gross loan portfolio growth creates revenue growth, but it also creates exposure to expected credit losses, funding, underwriting error, fraud, and macro shocks. Management says underwriting models use platform behavior and historical repayment data, but the segment still lost money on an adjusted EBITDA basis through the latest TTM. This is a strategic asset only if risk-adjusted returns prove durable.

Execution risk is high because Grab is running several businesses at once. It is simultaneously a ride-hailing network, delivery marketplace, grocery and retail platform, ads platform, payments company, lender, digital bank participant, AI tooling provider, and acquirer. The superapp model can produce cross-sell and data advantages, but it can also create complexity, overhead, and regulatory surface area.

Accounting and metric risk are also material. FMP revenue ties official revenue, but FMP operating income, profit, cash-flow, and segment values can differ from official-source values. The QF found 8 of 8 reconciliation checks passed only because official Grab sources controlled where FMP mappings failed. Readers should use official-source operating profit, official cash flow, and QF segment tables, not unreviewed aggregator line items.

What A New Investor Should Remember

Grab is best understood as a Southeast Asian local-commerce and mobility operating system, not as a simple ride-hailing app. Its strongest current profit pool is Mobility, its largest revenue pool is Deliveries, its most important emerging optionality is Financial Services and advertising, and its newest strategic narrative is AI-driven marketplace efficiency. The company has moved from heavy losses toward modest official operating profit, but margins are still developing and the mix includes regulated lending and banking exposures.

The business has real scale: $3.553 billion of TTM revenue, $547 million of TTM adjusted EBITDA, $489 million of TTM adjusted free cash flow, and $5.0 billion of net cash liquidity at March 31, 2026. It also has real complexity: official TTM operating cash flow was negative $53 million, Financial Services was still adjusted EBITDA negative, segment operating income is not disclosed, and FMP line mappings require official-source overrides.

For downstream ER2 work, the primer should serve as orientation, not as a replacement for the quantitative foundation. The numbers to carry forward are simple: FY2025 revenue of $3.370 billion, TTM revenue of $3.553 billion, Q1 FY2026 revenue of $955 million, TTM operating profit of $108 million, TTM adjusted EBITDA of $547 million, and TTM segment adjusted EBITDA of $944 million before regional corporate costs. The main diligence burden is deciding whether the current improvement path can compound through March 31, 2031 without a return to subsidy-heavy competition, credit losses, regulatory margin caps, or corporate-cost creep.

Limitations

`data_package.md` is complete and DR-cleared for Wave 2 after corrections, and it may be used as a qualitative companion. The verified quantitative foundation and QFR remain controlling for all financial values, with same-run live raw evidence from Grab IR, SEC EDGAR, FMP stable endpoints, and FMP transcripts also used for qualitative context. No cached investing data

warehouse files were used. Market-size and market-share estimates were not introduced because the controlling source set did not include a verified third-party market-size source, and the primer does not need one to explain the business architecture.

Appendix M - Management Assessment

Grab Holdings Limited (GRAB) - Management Assessment Appendix

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\appendix_management.md

Stage 0 Anchor

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031.

Source Standard And Management Gate Framing

This assessment uses the run's live-pull data package, quantitative foundation, official Grab earnings releases, the FY 2025 Form 20-F, FMP live transcript pulls, and the March 24, 2026 SEC Form 6-K announcing the extraordinary general meeting result. Grab is a foreign private issuer, so the Form 20-F, furnished 6-K materials, and official quarterly releases control when FMP line mapping differs. The user explicitly overrode the Stage 1 ROIC red gate for the full production run; that override allows this appendix to be written, but it does not soften the management gate.

The management question is not whether Anthony Tan and team are competent operators. The evidence says they are. Grab has scaled a complex, multi-country platform, improved segment profitability, turned FY 2025 into the first full-year profit, and given investors a visible 2026 and 2028 framework. The Gideon question is stricter: would we follow this team as minority owners for a decade-plus while expecting high per-share compounding, disciplined capital allocation, high ROIC, transparent risk handling, and minority protection? On that bar, the management appendix must weigh operating progress against a control structure that became more concentrated in March 2026.

1. Who Is Running The Company

Anthony Tan Ping Yeow is Grab's founder, chairman, and CEO. The 2025 Form 20-F says he has served as Group CEO since Grab's founding in 2012. He therefore owns the current strategy, not only the recent profit inflection. The superapp strategy, the move into financial services, the heavy use of partner incentives, the Jaya Grocer/Everrise grocery push, the digital banking buildout, and the recent AI/AV optionality all sit under his tenure.

Alex Hungate is President and COO. He joined Grab in January 2022 and leads Mobility, Deliveries, Financial Services, country operations, marketing, and commercial/support functions. His prior roles include CEO of SATS and CEO of HSBC Singapore, which is relevant because Grab's operating model is now a hybrid of marketplace logistics, consumer internet, financial services, and regulated market access. Peter Oey has served as CFO since April 2020 and oversees finance, accounting, reporting, treasury, planning, investor relations, tax, compliance, procurement, corporate finance, and legal. He signed the March 24, 2026 Form 6-K reporting the EGM result. Suthen Paradatheth is CTO, Philipp Kandal is Chief Product Officer, and Ong Chin Yin became Chief Organisation Capability Officer effective January 1, 2026.

The board has seven directors as of the 2025 Form 20-F date: Anthony Tan, Peter Oey, John Rogers, Dara Khosrowshahi, Steven Tishman, Laura Franco, and Daniel Yun. The company disclosed that Alex Hungate would replace Peter Oey on the board effective May 1, 2026 as part of an annual management rotation. Five of seven directors were described as independent. John Rogers chairs the audit committee and qualifies as an audit committee financial expert. Daniel Yun chairs the compensation committee. The problem is not absence of capable directors; it is that director accountability is structurally subordinate to Class B control. Holders of a majority of Class B shares can nominate, appoint, and remove a majority of the board, and after the March 2026 voting-rights change, Anthony Tan's control is even more insulated.

Role	Current holder	Evidence	Assessment
Founder / CEO / Chairman	Anthony Tan	CEO since 2012; founder-chairman in 2025 Form 20-F	Deep continuity, but also concentrated executive and board control
COO / operating head	Alex Hungate	Joined January 2022; leads core businesses and country operations	Strong operator profile; answers detailed operating questions on calls
CFO	Peter Oey	CFO since April 2020; finance, treasury, IR, legal oversight	Credible capital-allocation communicator; also architect of buyback/convertible messaging
Audit chair	John Rogers	Independent director and audit committee financial expert	Useful counterweight, but limited by Class B board appointment rights
Compensation / nomination	Daniel Yun chairs comp; Anthony Tan chairs nomination	20-F committee disclosure	Governance weakness: CEO participates in committee architecture and chairs nomination

2. Tenure And Operating Track Record

Tan has had more than a decade to prove the model. The financial record is mixed but improving. Revenue grew from $0.675 billion in FY 2021 to $3.370 billion in FY 2025. Operating profit moved from deep losses to $65 million in FY 2025, while TTM operating profit ending March 31, 2026 was $108 million. Adjusted EBITDA reached $500 million in FY 2025 and $547 million on the Q2 2025 to Q1 2026 TTM base. The team deserves credit for making the platform more efficient after the post-SPAC loss period.

The first major management decision was to keep reinvesting into affordability and frequency rather than maximizing short-term segment margin. The transcript record shows consistent messaging: incentives move up and down with product launches, but management claims the objective is absolute EBITDA and free cash flow growth. The output has been real. Deliveries revenue grew to $1.800 billion in FY 2025 and $1.895 billion on a TTM basis; Mobility revenue grew to $1.219 billion in FY 2025 and $1.274 billion TTM. Segment Adjusted EBITDA is strongest in Mobility, with $690 million in FY 2025 and $729 million TTM, while Deliveries has moved to positive economics at $287 million FY 2025 and $313 million TTM.

The second major decision was building Financial Services around ecosystem data and digital banking. This is strategically coherent but not yet Gideon-quality proof. Financial Services revenue grew from $177 million in FY 2023 to $347 million in FY 2025 and $380 million TTM, but Segment Adjusted EBITDA remained negative: negative $110 million in FY 2025 and negative $96 million TTM. The company expects Financial Services to break even in the second half of 2026, and the Q1 2026 call emphasized improving credit quality. The segment is still not a clean asset-light marketplace; it uses balance sheet, expected credit loss models, deposits, regulatory capital, and loan receivables.

The third decision was capital structure and shareholder-return management. Grab authorized a $500 million share repurchase program in February 2024, completed $500 million through 2024 and 2025, authorized a new $500 million program in February 2026, and in March 2026 entered an accelerated share repurchase and contingent forward purchase for $400 million. That is shareholder-friendly on the surface, especially when the stock was weak. But the share count record is not yet clean: diluted weighted-average shares were 3,995 million in FY 2024, 4,206 million in FY 2025, and 4,441 million in Q1 2026. Peter Oey said the accelerated buyback should more than offset SBC dilution, but Q1 still showed rising basic and diluted shares. Buybacks are therefore partly a dilution-offset tool, not unambiguous excess-capital return.

Decision	Evidence of execution	Management credit	Management caveat
Scale core on-demand marketplace	FY 2025 revenue $3.370B; TTM revenue $3.553B	Strong product-led growth and operating leverage	ROIC still only about 3.5% in FY 2025
Expand Financial Services	FY 2025 Financial Services revenue $347M; TTM $380M	Ecosystem data may improve underwriting	Segment still loss-making and credit-sensitive
Return capital via buybacks	$226M repurchased in FY 2024, $274M in FY 2025, $400M in Q1 2026	Acknowledges dilution and weak stock price	Diluted share count still rising; not enough per-share proof
Use M&A selectively	Everrise, Validus, Vay, Stash, foodpanda Taiwan plan	Strategic adjacency logic exists	M&A breadth is widening before ROIC proof is mature

3. Capital Allocation Behavior

The capital allocation framework communicated by CFO Peter Oey is stable: organic growth first, high-bar M&A second, shareholder returns when excess capital exists. That consistency is a plus. The data package shows capex of $73 million in FY 2021, $58 million in FY 2022, $71 million in FY 2023, $77 million in FY 2024, and $188 million in FY 2025. R&D expense

fell as a percentage of revenue from 52.7% in FY 2021 to 12.7% in FY 2025 while absolute R&D stayed around $410 million to $465 million. That is not underinvestment; it is operating leverage.

M&A discipline is harder to underwrite. The recent deal list is broad: Everrise in Malaysia grocery, Validus SME lending, Infermove AI robotics, Vay remote-driving/AV exposure, Stash Financial, and the planned acquisition of Delivery Hero's foodpanda Delivery business in Taiwan announced in March 2026. These are not reckless in isolation, but they widen the number of execution fronts. A Gideon compounder can do bolt-on deals, but high-confidence capital allocation requires evidence that each dollar earns more than the cost of capital. Grab does not yet have that evidence at the consolidated level because the company has only just turned profitable and the FY 2025 ROIC calculation is about 3.5%.

The 2025 convertible note also complicates the story. The 20-F states that the June 2025 notes were convertible into 228.9 million Class A ordinary shares. Management paired repurchases with the convertible issuance in part to facilitate initial hedging. This is sophisticated capital markets execution, but it is not the same as simple, durable per-share compounding. It adds another instrument that can dilute ordinary holders if the stock performs.

The best reading is that Oey and Tan are thoughtful about liquidity and opportunistic buybacks, but the capital allocation record remains unproven under Gideon standards. The balance sheet is strong, with roughly $5.0 billion official net cash liquidity at Q1 2026. Yet the company is simultaneously buying back shares, pursuing financial services growth, entering adjacent M&A, and managing dual-class entrenchment. That is too many degrees of freedom for minority shareholders unless the return record is already outstanding. It is not.

4. Compensation, SBC, And Dilution

Compensation alignment is mixed. The 20-F reports only $7 million of cash compensation and benefits in kind paid to directors and executive officers as a group in 2025, but key management share-based payment was $44 million. Company-wide share-based compensation expense was $241 million in 2025, down from $279 million in 2024 and $304 million in 2023. That downward trend is positive. Still, $241 million of SBC equals about 7.2% of FY 2025 revenue and more than three times official FY 2025 operating profit of $65 million.

The equity plan capacity is material. The 2021 plan maximum was 910.6 million ordinary shares as of the 2025 annual report, including past and future issuances, and the ESPP capacity was 104.8 million Class A shares. As of January 31, 2026, outstanding service-based awards under the 2021 plan included 106.2 million Class A RSUs, 10.0 million Class B RSUs, and additional options and restricted shares. Executive officers and directors as a group held 32.2 million ordinary shares underlying service-based awards plus performance-based RSUs and options tied to Class B shares.

Anthony Tan has real founder exposure, but the relationship between economic ownership and voting control is not aligned. The 2025 Form 20-F showed him at 3.2% of total ordinary shares but 59.9% of voting power after proxies. The March 2026 EGM increased each Class B share from 45 votes to 90 votes, which the company previously said could raise Tan's voting power to about 74.9% assuming no Class B conversion. That is not ordinary "skin in the game." It is economic minority plus voting majority.

SBC is no longer the extreme loss-era problem it once was, but it remains a per-share drag. The buyback program is explicitly being used to offset dilution. A long-term compounder should show that repurchases reduce share count and increase intrinsic value per share. Grab has not yet shown this cleanly.

5. Disclosure Quality And Guidance Credibility

Management disclosure quality is better than average for a foreign private issuer but below the level of a fully transparent U.S. domestic compounder. Positives first: Grab publishes detailed quarterly releases, segment revenue, Segment Adjusted EBITDA, GMV-linked segment margins, adjusted EBITDA bridge items, adjusted free cash flow, liquidity, share count, and business outlook. It also provides prepared remarks and participates in detailed Q&A. The data package's FMP transcript checks show current call windows for Q2 2025, Q3 2025, Q4 2025, and Q1 2026, and live FMP transcripts were also checked for Q2 2024 through Q4 2024 to evaluate the last eight-quarter cadence.

Guidance credibility has been good in the recent period. Management delivered FY 2024 adjusted EBITDA at the upper end of upgraded guidance, raised FY 2025 adjusted EBITDA guidance during the year, reported FY 2025 adjusted EBITDA of $500 million, and in Q1 2026 reiterated 2026 revenue guidance of $4.04 billion to $4.10 billion and adjusted EBITDA of $700 million to $720 million. The Q4 2025 release also set a 2025-2028 framework: roughly 20% group revenue CAGR, $1.5 billion 2028 adjusted EBITDA, and 80% adjusted free cash flow conversion. That framework is explicit enough to hold management accountable.

The weakness is that management relies heavily on non-IFRS measures that exclude share-based compensation, M&A costs, D&A, restructuring, legal/regulatory provisions, and other items. Segment Adjusted EBITDA excludes regional corporate costs and SBC. Adjusted free cash flow excludes movements in Financial Services loan receivables and banking deposits. These definitions may be useful for operating analysis, but they can make a credit-sensitive, stock-compensated platform look more asset-light than it is. The official cash-flow bridge shows FY 2025 operating cash flow of only $79 million versus adjusted free cash flow of $290 million; TTM operating cash flow ending March 31, 2026 was negative $53 million while adjusted free cash flow was positive $489 million. Investors must not confuse adjusted cash generation with unencumbered owner earnings.

Question handling is generally direct. Oey answers capital allocation, buyback, SBC, guidance, and cost structure questions with numbers. Hungate answers segment margin, competition, financial services, and credit questions in operational detail. Tan is more thematic and mission-driven, especially on AI, AVs, partner welfare, and long-term Southeast Asia growth. The team does not appear evasive on normal operating questions. The bigger candor issue is structural: the company asks shareholders to accept very limited governance rights while presenting the voting concentration as a long-term benefit and regulatory necessity.

6. Strategic Coherence

Grab's strategy is coherent: build the leading Southeast Asia local-commerce and mobility platform, use affordability and reliability to expand users, use advertising and premium offerings to lift monetization, use ecosystem data to underwrite financial services, and use AI to improve marketplace efficiency. The Q1 2026 transcript emphasizes a proprietary transaction/data layer, more than 50 million users and partners, and AI as an optimization engine across driver earnings, merchant GMV, advertising, and fulfillment. The strategy maps to the investment pattern: R&D remains large, corporate costs are being leveraged, and acquisitions target grocery, SME lending, AI/robotics, remote driving, and new geography.

But strategic coherence is not the same as compounder proof. The same strategy can either become a high-ROIC platform or a sprawling, regulated, multi-country conglomerate. The Financial Services expansion is the key test. It can deepen retention and monetize data, but it imports credit losses, regulatory capital, deposit management, and local banking supervision. The 20-F explicitly warns that lending growth increases exposure to credit risk and that loan portfolio deterioration could require higher provisions. Q1 2026 management commentary sounded disciplined: ECL as a percentage of gross loan portfolio improved year over year; management applied additional overlays for macro uncertainty and tightened in some sectors; and Financial Services breakeven was reiterated for second half 2026. That is encouraging, not conclusive.

Autonomous vehicles and AI are similarly coherent but not yet capital allocation proof. Tan explicitly frames AVs as hybrid supply and not a near-term replacement for human driver partners. That is a sensible social and regulatory position in Southeast Asia. It also means AV optionality should not be used to underwrite near-term margin expansion.

7. Governance And Voting Rights

Governance is the decisive failure point. The FY 2025 20-F disclosed that each Class A share had one vote and each Class B share had 45 votes. After Key Executive Proxies and Exco Proxies, Anthony Tan controlled about 59.9% of total voting power as of January 31, 2026 despite only 3.2% beneficial economic ownership. The Form 20-F also stated that he effectively had the ability to elect and remove the entire board because of voting control and Class B director rights.

That was already a serious minority-shareholder concern. It became worse on March 24, 2026. Grab's SEC Form 6-K says shareholders approved the Third Amended and Restated Articles, increasing Class B voting power from 45 votes to 90 votes. Exhibit 99.1 reports that 85.9% of valid votes were for and 14.1% against, and the new Articles took effect on March 24, 2026. The company had previously argued this helped preserve Tan's majority voting power and satisfy MAS digital banking control requirements. Even if the regulatory rationale is real, the minority-shareholder result is simple: ordinary Class A holders have even less practical ability to influence board composition, capital allocation, M&A, compensation, or future governance changes.

Related-party disclosures add smaller but real caution. The 20-F disclosed Toyota-related transactions under a framework collaboration agreement totaling $54 million in 2025, $78 million in 2024, and $78 million in 2023. It disclosed PT Super Bank Indonesia transactions of $6.2 million in 2025, $13.0 million in 2024, and $4.2 million in 2023. It also disclosed a 2024 purchase contract for 281 vehicles from MUV Marketplace, an entity majority-owned directly and indirectly by Tan family interests, including Anthony Tan's father. These are disclosed and not large relative to Grab's scale, but they underscore why independent minority governance matters.

There was also an $80 million final settlement in May 2025 of a U.S. securities litigation matter related to alleged misstatements and omissions after the public listing process. The company did not disclose a current material internal-control failure in the evidence reviewed here, and the audit committee appears properly constituted. Still, the governance gate is not clean because voting rights, director control, related-party complexity, foreign private issuer exemptions, and limited Class A influence all point the same way.

Governance item	Evidence	Gideon read
Founder voting control	59.9% voting power in 20-F after proxies; EGM increased Class B votes to 90	Material minority-shareholder risk
Economic alignment	Tan had 3.2% ordinary-share ownership but majority voting control	Voting/economic mismatch
Board independence	Five of seven directors independent in 20-F	Positive but not controlling given Class B rights
Foreign private issuer exemptions	Not required to follow several U.S. governance rules	Less timely and less extensive protections
Related parties	Toyota, Super Bank, GOM history, MUV family-linked contract	Disclosed; not thesis-breaking alone, but adds need for stronger governance

8. Credit-Risk Discipline

Credit-risk discipline is a live management test, not a solved issue. The 20-F states that credit risk arises from trade receivables, loans and advances, payment cycle receivables, deposits, and cash. It says the group closely monitors loan credit quality from underwriting through repayment, uses internally developed risk models, considers repayment history and platform behavior, and uses delinquency trends to make and adjust credit decisions. It also reports FY 2025 impairment losses on financial assets of $140 million, including $119 million for loan receivables and commitments in Financial Services, up from $56 million in 2024 and $42 million in 2023. Gross loan exposure grew meaningfully: loan receivables at carrying amount were $1.180 billion at December 31, 2025 versus $536 million in 2024, with Singapore the largest exposure at $672 million.

Management's call commentary is credit-aware. In Q2 2024, Hungate said 90-day non-performing loans were stable around 2% and risk-adjusted returns were healthy. In Q4 2024, he explained that digital-bank loan growth required ECL provisioning and that GrabFin risk-adjusted returns were above the group's cost of capital. In Q1 2026, he said loan disbursals exceeded $1 billion, ECL as a percentage of gross loan portfolio improved year over year, and management had tightened risk appetite in selected sectors while adding overlays for macro uncertainty. These are the right words and some of the right metrics.

The issue is cycle evidence. Grab has not yet taken this lending book through a full Southeast Asian consumer/SME credit cycle at scale. COVID and fuel shocks are useful data points, but the digital bank loan portfolio is much larger now than it was then. A management PASS would require demonstrated through-cycle credit losses, stable funding, no surprise regulatory capital needs, and Financial Services breakeven without hiding risk in adjusted metrics. Today, credit-risk discipline is credible but unproven.

9. Peer Comparison

Against Uber's Dara Khosrowshahi, Tan's operational record is impressive but less proven in public-market per-share discipline. Uber has a more mature public-company governance framework and a clearer post-turnaround free-cash-flow record, while Grab has stronger founder continuity in its specific region but a more restrictive voting structure. Dara communicates with more public-company polish; Tan has deeper mission/founder embeddedness.

Against Sea Limited's Forrest Li, the comparison is more balanced. Both founders have built region-defining Southeast Asian technology platforms, both have operated through heavy losses and later cost discipline, and both use ecosystem logic across commerce and financial services. Sea's governance and capital allocation history has also had periods of investor concern, but Grab's March 2026 vote-intensification is unusually direct as a minority-shareholder negative.

Against DoorDash's Tony Xu, Tan has a broader and more complex platform, but DoorDash has shown a clearer progression toward marketplace free cash flow without balance-sheet lending risk. DoorDash's founder-led structure is also shareholder-control-sensitive, but Grab's Class B escalation to 90 votes per share and the MAS-linked control rationale make its minority-owner risk higher.

Overall, Tan ranks high on regional operating ambition and resilience, middle on capital allocation proof, and low on minority governance. The team may build a valuable company; that is different from meeting Gideon's management standard for a minority-owned compounder.

10. Management Gate Verdict

Management verdict: FAIL.

This is a hard call because the operating team is not failing operationally. Anthony Tan, Alex Hungate, and Peter Oey have executed a real profitability inflection, improved guidance credibility, built a detailed investor framework, and kept credit-risk language more disciplined than a promotional fintech management team would. If the question were only operating competence, the answer would be YELLOW trending positive.

The Gideon management gate is stricter. Grab fails because minority shareholders are structurally subordinated to founder control that intensified in March 2026, while the company still lacks a multi-year high-ROIC record, still runs high SBC relative to official operating profit, still needs buybacks partly to offset dilution, and is widening capital allocation into credit, grocery, AV/AI, Stash, Vay, Validus, Everrise, and foodpanda Taiwan before consolidated returns are proven. The dual-class change from 45 to 90 votes per Class B share is not a theoretical issue. It directly reduces outside shareholders' practical ability to discipline capital allocation, compensation, related-party governance, and board composition.

Monitoring conditions for any future upgrade to YELLOW: first, Grab must publish at least eight quarters of evidence that buybacks more than offset SBC and reduce diluted share count per dollar spent, not merely absorb issuance. Second, Financial Services must reach second-half 2026 breakeven without rising ECL surprises, regulatory capital stress, or aggressive adjusted-metric presentation. Third, management must show consolidated ROIC moving toward at least mid-teens on official operating profit and invested capital, not only adjusted EBITDA. Fourth, the board must provide a credible minority-protection mechanism after the 90-vote Class B change, such as stronger independent approval requirements for major M&A, related-party transactions, and compensation plan expansions.

Downgrade triggers are straightforward: a material credit-loss surprise, a large dilutive acquisition, continued diluted share-count growth despite the buyback, evidence that foodpanda/Stash/Vay/Validus distract from core returns, or any further governance action that increases founder voting control without proportional economic ownership. Until those conditions change, management does not meet Gideon compounder standards.

Appendix W - Moat and 2046 Durability

Grab Holdings Limited (GRAB) - Moat and 2046 Durability Appendix

Stage 0 Anchor

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031.

Important calibration: the Stage 1 ROIC red gate was overridden by user request for a full production run. This appendix therefore does not treat "large platform" or "first year of IFRS profitability" as a moat pass. Grab must be graded on observable economic protection, not on narrative scale. The core question is whether the current Southeast Asia marketplace density can persist through regulation, subsidy competition, autonomous vehicles, AI-driven customer interfaces, and financial-services credit cycles well enough to support high returns through 2046.

Primary evidence used: `data_package.md`, `quant_foundation.md`, `orchestrator_override_notes.md`, and raw live-run official/FMP pulls saved in `C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\raw`. Key controlling sources are Grab's Q1 2026 official results, the FY 2025 Form 20-F, the Q2-Q4 2025 official results, the 2026 Q1 FMP transcript pull, and the May 2026 investor update text. The segment deep-dive files were present only as stubs at time of writing, so this moat assessment integrates directly from the verified data package rather than leaning on unverified segment-agent claims.

1. Moat Taxonomy Applied

Network effects. This is Grab's real moat candidate. It is local, operational, and density based rather than purely digital. Riders want short pickup times and reliable pricing; drivers want high utilization and earnings per online hour; merchants want order flow, advertising return, payments, and a delivery network; consumers want food, grocery, mobility, payments, and loyalty in one app. The Q1 2026 transcript says Grab had over 50 million users and partners interacting across eight markets and over 20 billion historical transactions. The data package shows Q1 2026 group MTUs of 51.6 million, Q1 on-demand GMV up 24% year over year to $6.1 billion, Deliveries GMV up 25%, Mobility GMV up 23%, and active delivery merchant partners up 11%. That is evidence of a multi-sided flywheel. The limitation is that network effects are city-by-city and vertical-by-vertical. They are strongest in Mobility where wait times, driver liquidity, and route density compound. They are weaker in Deliveries because merchants multi-home, consumers compare subsidies, and restaurant delivery has more substitutes.

Switching costs. Consumer switching costs are modest. A consumer can install Foodpanda, Gojek, ShopeeFood, Be, Tada, Ryde, Xanh SM, InDrive, a bank app, or a merchant-owned channel without procedural friction. Merchant switching costs are moderate rather than high: menus, ads, payment terminals, ratings, loyalty, operating data, and order history matter, but most restaurants and retailers can multi-home if a competing platform delivers incremental orders. Driver switching costs are similarly mixed: drivers can multi-home across apps where local regulation and vehicle category allow it, but driver earnings, utilization, financing, EV support, and transparent earnings tools can tilt primary-platform choice. The strongest switching cost is not legal lock-in; it is opportunity cost. If Grab keeps superior trip density and merchant order flow, partners prefer it because idle time is expensive.

Scale economies. Grab has credible scale economies in routing, maps, fraud prevention, support tooling, AI models, brand marketing, regulatory engagement, cloud infrastructure, and fixed regional overhead. The P4 TTM bridge shows total Segment Adjusted EBITDA of $944 million less $397 million of regional corporate costs, resulting in $547 million of adjusted EBITDA. Management targets 2028 adjusted EBITDA of $1.5 billion and adjusted free cash flow conversion of 80% of adjusted EBITDA. That implies meaningful operating leverage if revenue grows near the 2025-2028 framework. The caveat is critical: consolidated operating profit was only $108 million on TTM revenue of $3.553 billion, and FY 2025 ROIC was about 3.5%. The business has scale, but high-return scale is not yet proven at the consolidated IFRS level.

Brand and trust. Brand matters in ride-hailing, food safety, payments, banking, and lending. Grab is a daily-use brand in Southeast Asia and management argues it is a system of record for local commerce. Trust becomes more valuable in Financial Services: the Q1 2026 transcript says Grab was able to gather sufficient digital-bank deposits without being the most aggressive on deposit pricing. That is a meaningful soft moat. Still, brand does not prevent price comparison. It reduces friction and fraud fear; it does not guarantee take-rate power if regulators cap commissions or competitors subsidize rides and meals.

Regulatory position. Regulation is a double-edged moat. Licenses, platform-worker compliance, payments approvals, digital-bank licenses, cross-border ride-hail permissions, and local government relationships create barriers to casual entrants. Q1 2026 notes Grab became the first platform awarded an international cross-border ride-hail service license in April 2026. But regulation can also confiscate economics. The 20-F and Q1 transcript flag gig-worker rules, fare/commission caps, platform-worker obligations, payments regulation, foreign ownership limits, and tax changes. Indonesia commission-cap discussion is the obvious current example. Regulatory experience is an advantage, but regulatory protection is not a clean moat because the same state that raises entry barriers can compress Grab's take rate.

IP, data, and AI. Grab's strongest technical asset is proprietary hyperlocal operating data, not patents. Management cites more than 20 billion transactions, multimodal local signals, hyperlocal mapping, payment terminals, routing data, and AI use cases in driver earnings optimization, merchant assistants, promotions, dynamic pricing, and routing. This is moat-reinforcing if it improves marketplace liquidity and partner economics. It is not, by itself, a software monopoly. Foundation models can replicate generic chat, merchant-copywriting, menu support, and consumer search workflows. The moat must live in closed-loop execution: demand, supply, maps, fulfillment, payments, credit data, and regulatory permissions.

High-trust procurement. This is relevant mainly for Financial Services, enterprise advertisers, grocery/merchant partners, travel partnerships, and government-facing mobility or AV pilots. It is not the dominant moat. Grab's procurement value is local operating credibility and distribution, not a long-term enterprise contract base with hard renewal mechanics.

2. Per-Segment Moat

Mobility. Mobility is the most defensible segment. TTM Mobility revenue was $1.274 billion and TTM Segment Adjusted EBITDA was $729 million. The TTM Segment Adjusted EBITDA margin was 8.8% of Mobility GMV, and Q1 2026 held at 8.9% of GMV despite seasonal and fuel pressures. The moat is dense local liquidity: driver supply, consumer demand, routing, payments, safety, support, and regulatory operating history. The five-year durability looks good if driver supply remains healthy and regulation does not cap commissions aggressively. The ten-year durability is plausible but less certain because AVs, EV fleet economics, public transport policy, and local commission rules can reset the cost stack. The earliest break signal would be Mobility GMV growth decelerating while driver incentives rise, pickup ETAs worsen, or Segment Adjusted EBITDA margin falls below historical range for more than two quarters without a clear macro reason.

Deliveries. Deliveries has a real but thinner moat. TTM Deliveries revenue was $1.895 billion and TTM Segment Adjusted EBITDA was $313 million, equal to 2.1% of GMV. Q1 2026 Segment Adjusted EBITDA margin improved to 2.3% of GMV, and merchant partners grew 11% year over year. The moat is merchant selection plus order density plus delivery-partner routing plus subscription/loyalty frequency plus retail-media monetization. It is weaker than Mobility because restaurants multi-home, consumers chase discounts, and offline dining or direct merchant channels remain viable substitutes. GrabMart and grocery can deepen frequency, but product dollars are not disclosed, and grocery can be operationally complex. The earliest break signal would be Deliveries GMV growth requiring rising consumer incentives, average delivery fees falling faster than transaction growth can offset, or advertising penetration failing to lift margin.

Financial Services. Financial Services is an option on cross-sell, not yet a proven moat. TTM revenue was $380 million and TTM Segment Adjusted EBITDA was negative $96 million; Q1 2026 revenue grew 43% year over year and the segment loss narrowed to negative $17 million. Gross loan portfolio reached $1.438 billion, up 130% year over year, and management expects second-half 2026 adjusted EBITDA breakeven. The moat claim is embedded distribution plus proprietary underwriting data from consumers, drivers, merchants, payments, and order history. That could be valuable. But lending is credit risk, funding cost, capital, regulation, expected credit losses, and cycle management. A data advantage can reduce losses; it does not repeal credit cycles. The earliest break signal would be loan growth outpacing deposit growth and risk-adjusted returns, rising expected credit losses as a percentage of gross loan portfolio, or breakeven slipping beyond 2026 while the book scales.

Others and AV/mapping. Others is strategically relevant but financially immaterial: FY 2025 revenue was $4 million, and Q1 2026 revenue was $1 million. The moat is not current profit. It is the possibility that mapping, AV partnerships, and remote-driving capabilities help Grab remain the local operating layer for future mobility. That is useful strategic insurance, not

a current moat pillar.

The blended company moat is weaker than Mobility alone. FY 2025 revenue was 53.4% Deliveries, 36.2% Mobility, 10.3% Financial Services, and 0.1% Others. The best economics sit in Mobility, while the largest revenue pool is Deliveries and the fastest growth pool is Financial Services. A shareholder owns the blend, including corporate costs, SBC, regulation, credit risk, and M&A. Therefore a Mobility PASS cannot simply be applied to Grab as a whole.

3. Margin Persistence Evidence

The margin evidence is improving but still too short to be called a proven 20-year moat. Consolidated operating margin moved from severe losses to first positive territory: -230.4% in FY 2021, -90.4% in FY 2022, -22.0% in FY 2023, -6.0% in FY 2024, and 1.9% in FY 2025. TTM operating profit through March 31, 2026 was $108 million on revenue of $3.553 billion, or about 3.0%. That improvement is genuine, but a low single-digit consolidated operating margin after years of losses is not durable moat proof.

Segment evidence is more constructive. Mobility Segment Adjusted EBITDA divided by revenue was 75.7% in FY 2021, 77.3% in FY 2022, 53.5% in FY 2023, 54.3% in FY 2024, and 56.6% in FY 2025. On company-reported GMV basis, the recent TTM margin was 8.8%, with the last four quarters clustered between 8.6% and 8.9%. That is the best observable profit-pool evidence in the file. Deliveries improved from negative Segment Adjusted EBITDA in FY 2021-FY 2022 to 6.2% of revenue in FY 2023, 13.1% in FY 2024, 15.9% in FY 2025, and 16.5% TTM by revenue, while official GMV-margin basis rose from 1.8% in Q2 2025 to 2.3% in Q1 2026. Financial Services remains unproven, improving from negative $170 million Segment Adjusted EBITDA in FY 2023 to negative $96 million TTM, but not yet positive.

The right read is "evidence of marketplace operating leverage, not yet evidence of high-return persistence." The ER2 red ROIC gate matters because it asks whether profits are earned on capital at a high rate. Grab's FY 2025 calculated ROIC of about 3.5% means the platform has not yet converted its density into a Gideon-quality return record.

4. AI Disruption Stress Test

AI is more likely to strengthen Grab's core operations than directly disintermediate them, but it creates one important channel risk. Mobility and Deliveries are not pure "prompt to output" workflows. They require physical fulfillment, driver/rider/merchant liquidity, payments, support, routing, compliance, and trust. A foundation model cannot itself move a passenger across Jakarta, deliver groceries in Kuala Lumpur, or underwrite a merchant loan without local operating pipes. This makes Grab more protected than software-only workflow businesses.

However, AI agents can change the top-of-funnel. If consumers ask a general AI assistant to "book me the cheapest ride" or "order dinner," the interface could abstract away the Grab app and route demand to the cheapest or fastest fulfillment provider. Grab's defense is to become the preferred fulfillment layer for Southeast Asia inside those AI interfaces. Management explicitly framed external AI interfaces as growth engines that should drive transactions back to Grab. That is plausible, but it reduces the app-brand moat if AI agents control consumer choice.

Mobility is the most protected segment because AI improves matching, routing, incentive spend, and driver productivity. Management cited AI-powered driver mode users seeing a 23% uplift in earnings per online hour versus non-adopters. If true and sustained, that reinforces supply loyalty and utilization. Deliveries benefits from merchant AI assistants, ads targeting, promotion recommendations, batching, and search. Management cited merchant AI assistant adoption by roughly half of active single-store merchants and a 15% GMV uplift for engaged users. That helps, but merchant tools are also easier for competitors to copy than physical network density.

Financial Services is the most AI-sensitive in both directions. Proprietary transaction data can improve underwriting, fraud detection, collections, and personalization. But digital banking and credit products are also vulnerable to low-cost competitors, open-banking data regimes, and model commoditization. If credit models converge across lenders and regulators limit data use, Grab's distribution advantage remains but the underwriting moat shrinks. The specific AI break signal is not "ChatGPT replaces Grab"; it is external AI agents and banking apps commoditizing customer acquisition while credit losses reveal that transaction data did not create superior risk selection.

5. The 2046 Test

Today is 2026-05-29. Twenty years forward is 2046-05-29. A plausible 2046 description of Grab is this: Grab is a Southeast Asian local-commerce, mobility, delivery, and embedded-finance network that coordinates human and autonomous vehicle supply, merchant demand generation, payments, digital banking, credit, advertising, grocery, and last-mile fulfillment across

the region's major urban and secondary-city markets. Consumers and AI agents use Grab because it is a reliable local fulfillment and payments rail. Drivers, fleet operators, merchants, grocers, advertisers, and financial-services customers use it because the platform delivers utilization, demand, credit, payments, and measurable returns. Mobility still exists, but the supply mix includes EV fleets, autonomous shuttles, remote-driven vehicles, taxis, and human drivers in markets where labor remains flexible. Deliveries still exists, with grocery and merchant services a larger part of the mix. Financial Services is either a profitable embedded-banking and lending layer, or it has been deliberately capped after credit-cycle lessons.

In that successful 2046 case, operating margins are higher than the 2026 TTM level because the core network has scaled, advertising has expanded, AI has reduced support/routing/incentive leakage, Financial Services is breakeven or better, and AV/EV economics reduce supply friction. The intact moat is not "superapp" as a slogan. It is local density plus fulfillment reliability plus trusted payments/credit plus proprietary operating data that improves partner economics. The company still makes money because each incremental transaction improves the value of the local network and because merchants, advertisers, consumers, and fleet operators pay for liquidity and trust.

The bear 2046 case is also credible. Regulators could treat ride-hailing and delivery as essential infrastructure and cap commissions, mandate benefits, restrict surge pricing, or force data portability. Autonomous mobility could shift bargaining power to vehicle OEMs, fleet owners, map providers, or government-controlled transit systems. AI agents could own consumer discovery and auction fulfillment to the lowest-cost provider, weakening app loyalty and compressing take rates. Financial Services could scale into a credit-cycle problem rather than a moat, especially if expected credit losses rise as the loan book grows. In that bear case, Grab is still a large regional utility-like platform in 2046, but it earns ordinary regulated margins, has limited pricing power, and cannot compound at Gideon rates.

The probability-weighted 2046 test is YELLOW, not PASS. A specific profitable 2046 business can be described, but it relies on several unresolved assumptions: regulation remains balanced, marketplace density continues to overcome multi-homing, AI agents route demand to Grab rather than commoditize it, AVs are integrated through Grab instead of around it, and Financial Services proves risk-adjusted profitability through a cycle.

6. Competitive Threat Inventory

Threat	Mechanism	Segment(s) affected	Earliest observable signal	Plausibility
Regulatory take-rate compression	Commission caps, worker benefits, fare controls, platform obligations, digital-bank rules	Mobility, Deliveries, Financial Services	Segment margins fall while GMV remains healthy; Indonesia/Singapore rules become regional templates	High
Subsidized or specialized competitors	Foodpanda, ShopeeFood, Gojek, Be, Tada, Ryde, Xanh SM, InDrive, banks, e-wallets, merchant direct channels	Deliveries, Mobility, Financial Services	Incentives rise faster than GMV; MTU growth slows; merchant growth decelerates	Medium-high
AI/AV platform shift	AI agents own demand discovery; AV fleet owners or OEMs control supply economics	Mobility, Deliveries, Ads	App-originated transactions decline; partner economics weaken; AV pilots scale outside Grab	Medium

7. Pricing Power Verification

Pricing power is observable but constrained. Mobility has the strongest evidence: Q1 2026 Mobility Segment Adjusted EBITDA was 8.9% of GMV, within the recent historical range, even with seasonal supply pressure and fuel support. Management said if elevated fuel persists, some cost may need to be passed to consumers, but it would be done judiciously to protect driver demand. That is not monopolistic pricing power; it is conditional ability to balance price, incentives, and utilization.

Deliveries pricing power is weaker. The investor update shows average delivery fee per order down 8% from 2021 to 2025 while transactions grew, which points to affordability-led volume rather than price-led margin expansion. The Deliveries margin improvement came from scale, ads, batching, product mix, and operating leverage, not clear consumer price increases. The positive angle is that advertising penetration and merchant tools can monetize merchants without simply raising delivery fees. Q1 2026 cited advertising contributions and active merchant-partner growth. But ad revenue is not separately disclosed, so the pricing-power proof remains indirect.

Financial Services has possible pricing power through trust, deposits, and embedded credit. Management said deposits were sufficient without being the most aggressive on price, which is a favorable sign. But lending economics must be measured after expected credit losses, funding costs, regulatory capital, and cycle losses. The segment is not yet adjusted EBITDA

positive, so pricing power is not verified.

The take-rate view is also mixed. Revenue divided by GMV in Q1 2026 was about 13.0% for Deliveries ($510 million revenue on $3.908 billion GMV) and 15.2% for Mobility ($337 million revenue on $2.223 billion GMV). These are healthy monetization rates, but they are not immune. The Indonesia commission-cap discussion demonstrates that nominal take rates can become political variables.

8. Monitoring Conditions

Upgrade to Moat PASS would require at least three of the following conditions to hold for several reporting periods: consolidated operating margin moves into the high single digits or better while revenue still grows high teens; ROIC moves above 15% on a clean invested-capital basis; Mobility GMV margin remains around the historical high-single-digit range despite regulation and fuel volatility; Deliveries GMV margin expands toward management's steady-state ambition without rising incentives; Financial Services reaches adjusted EBITDA breakeven in H2 2026 and then positive risk-adjusted profit without worsening ECL; and AI/ads contribution becomes visible in disclosed economics rather than commentary only.

Downgrade to Moat FAIL would be triggered by any of the following: regulatory commission caps spread across core markets and structurally reduce Mobility or Deliveries margins; incentives rise as a percentage of GMV for multiple quarters while MTU/transaction growth slows; Financial Services loan growth produces rising ECL and delayed breakeven; external AI agents or competing superapps materially reduce app-originated demand; or AV/fleet partnerships show that OEMs and governments, not Grab, capture the future mobility margin.

9. Moat Verdict

Moat gate: YELLOW. Grab has a real local marketplace moat in Mobility and a developing density/advertising/merchant-services moat in Deliveries. The evidence is concrete: high and stable Mobility Segment Adjusted EBITDA margins, improving Deliveries margins, 51.6 million Q1 2026 MTUs, 24% Q1 on-demand GMV growth, over 20 billion cited historical transactions, and improving adjusted EBITDA/free-cash-flow metrics. But the company-level moat is not a Gideon PASS because consolidated ROIC is still low, consolidated IFRS profitability is young, Deliveries is multi-home and price-sensitive, Financial Services is not yet proven profitable, and regulation can directly cap the economics.

2046 test: YELLOW. A credible 2046 Grab can be described: a Southeast Asian local-commerce and mobility operating layer with AI-optimized fulfillment, payments, ads, embedded finance, and hybrid human/AV supply. The moat that could survive is local density plus trust plus fulfillment and data loops, not the generic superapp label. The test does not pass cleanly because the 2046 profit pool depends on unresolved regulatory, AI-interface, AV-supply, and credit-cycle outcomes. Monitoring should focus on ROIC, Mobility GMV margin durability, Deliveries margin without subsidy creep, Financial Services ECL and breakeven, and evidence that AI increases rather than commoditizes Grab's take rate.

Appendix B1 - Deliveries

Grab Deliveries - Segment Deep Dive

Stage 0 Anchor

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031.

Stage 1 caveat: the Stage 1 ROIC red gate was overridden by explicit user request so the full production workflow could proceed. This appendix does not treat that override as a quality pass. Grab has reached profitability recently, but the Deliveries segment is being modeled inside a company that has not yet demonstrated a multi-year high-ROIC record. The synthesis should therefore use the segment numbers below as an operating forecast, not as proof that the ER2 compounder gate is cleared.

0. Segment Boundary And Taxonomy Note

Deliveries is one of Grab's current reportable segments. In the data package, Deliveries includes ready-to-eat meals, groceries, parcels, merchant tools, Jaya Grocer, Everrise, and advertising tied to delivery surfaces. The segment boundary is stable for the three-year official current-taxonomy history from FY 2023 through FY 2025, and the most recent TTM period is built from official quarterly releases for Q2 2025, Q3 2025, Q4 2025, and Q1 2026. Older FY 2021 and FY 2022 company history includes an old fourth bucket named Enterprise and new initiatives, but Deliveries itself is disclosed in the 2022 20-F and remains comparable enough for directional history. The anti-fabrication boundary is more important than the taxonomy boundary: Grab does not disclose product-level dollar revenue for GrabFood, GrabMart, GrabExpress, GrabAds, Jaya Grocer, or Everrise within Deliveries. This appendix therefore models the reportable Deliveries segment as the unit of account and treats sub-products as strategic and margin drivers rather than separate dollar revenue lines.

Primary historical source discipline: all Grab historical dollars, growth rates, and management excerpts below come from `data_package.md` and `quant_foundation.md`. Fresh qualitative checks used live public sources only: Grab's Q1 2026 release, Grab's Q4 2025 release and presentation, and Momentum Works' January 2026 Southeast Asia food-delivery update. No stale warehouse cache was used.

1. What This Segment Actually Is

Deliveries is Grab's local-commerce marketplace. The customer sees a single app surface for restaurant meals, grocery and convenience orders, parcel delivery, group ordering, saver products, memberships, merchant discovery, Dine Out, and promotions. Underneath that consumer surface is a three-sided network: consumers, merchants, and driver-partners. A consumer order creates GMV. Grab monetizes that GMV through delivery fees, merchant commissions, consumer fees, subscription economics, advertising and promotional tools sold to merchants and brands, and, where relevant, revenue from offline stores reported under the Deliveries segment. The Q1 2026 release defines GMV broadly as the total dollar value of transactions from Grab products and services, and notes that GMV includes offline-store sales reported under Deliveries and revenues from products and services provided to driver-partners, merchant-partners, and other customers, such as GrabAds, when those products are reported under Deliveries and/or Mobility.

The core consumer promise is convenience at acceptable price. That matters because Southeast Asia's food-delivery market is not a pure software market. It sits on dense cities, fragmented merchant bases, low-cost offline alternatives, traffic, weather, payment preferences, trust constraints, and labor regulation. Grab's job is to increase frequency while keeping the delivered price point low enough that mass-market users do not retreat to eating out, walking to nearby food stalls, or using merchant-owned channels. Management's recent commentary in the data package repeatedly emphasizes affordability products, Saver, group ordering, GrabUnlimited, GrabMore, Dine Out, and GrabMart. That is the right strategic vocabulary for this segment: growth comes less from charging every participant more and more from making the delivered basket habitual, expanding occasions, improving batching, and adding merchant-funded monetization.

Go-to-market is mostly native to Grab's installed base. The delivery product benefits from the same app, payments, identity, loyalty, driver supply, maps, routing, risk controls, and local operating teams used across the broader superapp. This does not make Deliveries costless. It does mean that incremental features can ride an existing demand surface. Grab can cross-promote deliveries to Mobility users, promote Dine Out or GrabMart to food-delivery users, sell ads to merchants seeking visibility in a high-intent app, and use payments and financial services to deepen merchant and consumer engagement. The model is therefore not just "food arrives by motorbike." It is a local-commerce operating system with delivery logistics as the visible fulfillment layer.

Pricing is multi-part. Consumers pay item prices, delivery fees, service fees, and sometimes subscription fees net of discounts. Merchants pay commissions, marketing fees, ad spend, and potentially other tools. Driver-partners are compensated through fares and incentives. Grab's reported segment revenue is not GMV; it is the net revenue after the company's revenue recognition policies. The difference matters for margin analysis. Deliveries TTM revenue of $1.895 billion sat on TTM Deliveries GMV of $15.016 billion, implying a revenue-to-GMV ratio of about 12.6%. Segment Adjusted EBITDA of $313 million equaled 2.1% of GMV and 16.5% of revenue. Management's "4% steady-state margins" comment in the data package is a GMV-margin target, not a revenue-margin target. At the current revenue-to-GMV ratio, 4% of GMV would be roughly a 32% Segment Adjusted EBITDA margin on revenue before regional corporate costs.

2. Current Economics

Deliveries is Grab's largest revenue segment. FY 2025 revenue was $1.800 billion, or 53.4% of group revenue, and FY 2025 Segment Adjusted EBITDA was $287 million. The TTM ending March 31, 2026 increased segment revenue to $1.895 billion and Segment Adjusted EBITDA to $313 million. Q1 2026 revenue was $510 million, up 23% year over year, and Q1 2026 Segment Adjusted EBITDA was $88 million, equal to 2.3% of GMV. The latest quarterly trend is important because it reduces the risk that FY 2025 was a one-quarter margin pull-forward: Q2 2025 through Q1 2026 all showed Deliveries revenue growth in an 18% to 23% range and Segment Adjusted EBITDA in a $63 million to $88 million quarterly range.

Current economics can be expressed three ways. On revenue, TTM Segment Adjusted EBITDA margin was $313 million divided by $1.895 billion, or 16.5%. On GMV, TTM Segment Adjusted EBITDA margin was $313 million divided by $15.016 billion, or 2.1%. On the revenue-to-GMV ratio, TTM revenue was 12.6% of Deliveries GMV. The company-disclosed margin convention for Deliveries is the GMV margin, so the 2.1% figure is the official-style segment margin. The revenue margin is useful for synthesis because consolidated financial statements are revenue-based and because the segment's advertising, merchant tools, and grocery mix can change reported revenue take rate.

Capital intensity is low relative to revenue but not zero. The segment uses shared technology, maps, risk, support, and local operations; the company also reports offline-store activity in Deliveries and acquired grocery assets such as Jaya Grocer historically and Everrise in 2025. The data package does not disclose segment capex. At consolidated level, FY 2025 capex for adjusted free cash flow was $188 million, or 5.6% of revenue, and TTM adjusted free cash flow was $489 million. The better interpretation is that Deliveries is operationally asset-light at the marketplace layer, but the company is not a pure asset-light software business because grocery, offline stores, lease assets, and financial-services balance-sheet movements sit inside the group.

The key sub-products are disclosed by function, not by dollar revenue. GrabFood is the prepared-meal marketplace. GrabMart and grocery are faster-growing but still minority contributors; the data package cites Q4 2025 commentary that GrabMart was about 10% of Deliveries GMV and Q1 2026 commentary that grocery MTUs were growing faster than food MTUs. GrabExpress supports parcel and point-to-point delivery. GrabAds monetizes the Deliveries and Mobility surfaces but is not separately disclosed in dollars within the segment. The absence of product-dollar disclosure is not a small footnote. It means the correct forward model should be segment-level revenue with explicit qualitative sub-driver assumptions, not a pseudo-product revenue build that gives false precision.

3. Unit Economics

The unit economics begin with order density. Every delivery order has a consumer payment, a merchant relationship, a driver-partner payout, payment and support costs, fraud/risk controls, and incentives. The economic question is whether Grab can increase frequency and advertising/merchant monetization faster than delivery costs, consumer incentives, and driver incentives. Unlike Mobility, where driver supply and route matching can produce very high revenue margins once a market reaches density, Deliveries has more basket-level cost pressure because food and grocery delivery compete with offline alternatives and because consumers are sensitive to total delivered cost.

Grab's 2025-2026 numbers show a real but still incomplete profit curve. Annual Deliveries Segment Adjusted EBITDA improved from negative $35 million in FY 2022 to positive $81 million in FY 2023, $196 million in FY 2024, and $287 million in FY 2025. On revenue, that is a move from negative 5.3% in FY 2022 to 15.9% in FY 2025. On the company's GMV convention, the TTM margin reached 2.1% and Q1 2026 reached 2.3%. The unit economics are therefore no longer a pure scale-loss story. However, management's own steady-state reference of 4%+ GMV margin implies that the segment is only about halfway to its long-term GMV-margin target.

The main margin levers are fourfold. First, density and batching reduce delivery cost per order. As order density rises within a neighborhood and time window, a driver-partner can complete more paid work with less idle time, and routing can group orders more efficiently. Second, affordability products can increase frequency and user cohorts, even if they pressure AOV. The Momentum Works January 2026 update says Southeast Asia food-delivery GMV growth in 2025 was driven by user expansion and order frequency while average order values trended down slightly because platforms pushed affordability. That is consistent with Grab's own messaging: lower-cost propositions can expand the market but are not free margin. Third, ads and merchant tools improve revenue without requiring a proportional delivery-cost increase; the data package cites advertising as a Deliveries growth and margin lever but does not provide a standalone GrabAds dollar or percentage series. Fourth, grocery and convenience expand occasions but can carry different picking, inventory, basket-size, and fulfillment economics from restaurant meals. Grocery is attractive for frequency and total addressable market, but it is not automatically higher margin.

The downside case is that incentives and regulation eat the operating leverage. If competitors subsidize users or merchants, Grab may need to defend share with consumer incentives. If driver-partner regulation raises social contribution or insurance costs, Grab may need to absorb part of the increase or risk supply degradation. If merchant commission caps or platform rules tighten, the take-rate and advertising levers can be constrained. The data package highlights gig-worker regulation, platform-worker rules, fare and commission caps, delivery licensing, digital platform laws, tax changes, and Indonesia and Singapore as concrete regulatory areas. For Deliveries, this is not abstract ESG boilerplate; it is a direct unit-cost and take-rate risk.

The base case assumes the segment reaches better density but does not reach full mature-market economics by March 31, 2031. TTM Segment Adjusted EBITDA margin on GMV is 2.1%. The base case uses 3.2% of GMV at TTM+5, equivalent to 25.0% of revenue at a slightly improved 12.8% revenue-to-GMV ratio. That leaves meaningful room below management's 4%+ steady-state comment, partly because affordability remains a competitive battleground and partly because the ROIC red-gate override requires conservative treatment of recently profitable economics.

4. Competitive Dynamics

The competitive set is regional and country-specific. The data package lists Foodpanda, ShopeeFood, Gojek, Line Man Wongnai, merchant-owned delivery, offline dining, grocers, and last-mile platforms as Deliveries competitors. In practice, Grab competes simultaneously against other apps, the merchant's own phone/WhatsApp/website ordering channel, walking to nearby food, cooking at home, convenience stores, grocery chains, and quick-commerce expectations imported from China and India. This is why the market can grow quickly without guaranteeing price power: consumers can expand usage but still churn across platforms or back to offline when fees rise.

External market data supports both the bull and bear arguments. Momentum Works reported in January 2026 that Southeast Asia food-delivery GMV grew 18% year over year to $22.7 billion in 2025, after 13% growth in 2024, and that Grab's regional share increased to about 55%. The same update says all six major markets grew double digits, affordability was the central battleground, discovery was shifting toward feed and incentives, and platforms were evolving into demand orchestrators that shape merchant promotion and discovery. That is positive for Grab because the leader can monetize discovery, ads, and merchant dependence. It is also a warning because affordability-led growth can expand the market while limiting near-term pricing power.

Foodpanda/Delivery Hero is a diminished but not irrelevant competitor. Delivery Hero's Asia performance has been uneven, and public reporting around Foodpanda has included exits and portfolio reshuffling. ShopeeFood is more strategically dangerous because Sea can cross-subsidize or bundle within an e-commerce and payments ecosystem. Gojek remains relevant in Indonesia through GoTo's broader platform, while Line Man Wongnai has local strength in Thailand. Country-level strength matters more than region-level ranking: a platform can be the regional leader and still face intense pressure in a particular market, vertical, or price tier.

Grab's pricing power is therefore conditional. It has better pricing power with merchants that depend on Grab for discovery, promotions, delivery infrastructure, and advertising reach. It has weaker pricing power with consumers when delivery fees

become visible and alternatives are nearby. It has some scale advantage with drivers because a denser demand surface can improve earnings opportunities, but driver-partner supply is multi-homing and regulation-sensitive. It has growing ad pricing power if high-intent consumer traffic makes GrabAds an efficient performance channel for merchants and brands. The strongest durable advantage is not any single fee; it is the combination of high-frequency demand, merchant dependence, logistics density, app habit, payments, and data.

Entry barriers are moderate to high at scale and low at the surface. A new app can launch quickly, but matching Grab's supply, merchant density, user habit, fraud controls, payments, routing, localized operations, and regulatory relationships across multiple Southeast Asian countries is expensive. The risk is not a clean new entrant taking the whole market from scratch. The risk is that an adjacent scaled platform, especially e-commerce or social content, attacks discovery and subsidizes food delivery as a retention tool. Momentum Works' January 2026 note says TikTok is not expected to replace food-delivery platforms soon, with monetization better through e-commerce, but the broader shift from search to feed and incentives still matters. If discovery migrates to social feeds, Grab must either own enough in-app discovery or pay more for demand.

5. Segment-Level Moat And Fragility

The Deliveries moat is real but not fully proven as a Gideon-quality moat. The positive case is density. More consumers attract more merchants and drivers; more merchants increase choice; more drivers improve speed and reliability; more order density improves batching and cost per order; better cost and reliability support more frequency; more frequency gives merchants a reason to buy ads. This is a local network effect, and it can be durable once a platform is the default surface in a city. The strongest evidence is not theory but the margin path: Deliveries moved from negative Segment Adjusted EBITDA in FY 2022 to $313 million TTM while still growing revenue above 20% in recent quarters.

The second moat element is superapp adjacency. Deliveries can borrow identity, payments, loyalty, consumer wallet, driver supply, maps, support, and data from the broader Grab ecosystem. A standalone food-delivery app has to buy every user and merchant interaction more directly. Grab can cross-sell, nudge, and bundle. GrabUnlimited, Dine Out, GrabMart, saver products, and ads all make more sense inside a high-frequency superapp than as isolated products. This does not eliminate competition, but it raises the bar for a rival's capital intensity.

The third moat element is merchant demand orchestration. If the app becomes a place where consumers decide what to eat, not just a place where they order from a restaurant they already chose, merchant advertising becomes a high-margin layer. Momentum Works highlights the shift from search to feed and incentives and the platform's increasing role in shaping merchant promotion. In that world, the delivery platform controls a valuable moment of intent. If Grab can grow merchant advertising and discovery revenue from the current undisclosed base, margins can expand without needing large increases in consumer delivery fees.

The fragility is equally clear. Deliveries is vulnerable to affordability competition, driver regulation, merchant pushback, and consumer substitution. Its moat is not like a mission-critical enterprise database with 95% gross retention and high switching costs. Consumers can switch apps. Drivers can multi-home. Merchants can resent commissions. Regulators can intervene. Low average incomes in parts of Southeast Asia make delivery fees and food inflation highly visible. The segment can be a strong business and still fail the "20+ years of >20% ROIC" ideal if competition and regulation keep reinvestment needs high.

The correct moat grade for this segment is therefore "improving but conditional." The base case assumes Grab preserves leadership, continues shifting from subsidy-led GMV to monetized discovery, and improves logistics density. It does not assume unconstrained pricing power. The bear case assumes the moat is more fragile: affordability stays intense, grocery growth is lower margin, and regulators or competitors limit the path to 4%+ GMV margin. The bull case requires evidence that ads and density convert leadership into a genuinely high-margin local-commerce network by 2031.

6. Historical Growth Rates

The table below reproduces reportable-segment data from the data package. Citations in the final column apply to all figures in that row. No product-level dollar revenue is shown because the data package explicitly says those dollars are not separately disclosed.

Product / sub-segment	FY 2022 rev	FY 2023 rev	FY 2024 rev	FY 2025 rev	FY 2022-FY 2025 CAGR	Most recent YoY	Data package cite
Deliveries segment total	$0.663B	$1.310B	$1.493B	$1.800B	39.5%	20.6% in FY 2025 and 23% in Q1 2026	2022 20-F; 2025 20-F; Q4/FY 2025 release; Q1 2026 release; data_package Sections 3, 5, and 14
GrabFood	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not meaningful	Included in Deliveries segment growth	data_package Section 4 product table
GrabMart and grocery	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not meaningful	Grocery MTUs growing faster than food MTUs; GrabMart about 10% of Deliveries GMV	data_package Section 4 KPI table; Section 6 commentary
GrabExpress	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not meaningful	Included in Deliveries segment growth	data_package Section 4 product table
GrabAds in Deliveries	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not meaningful	Advertising contribution cited but no standalone dollar or percentage series	data_package Sections 4 and 6

Arithmetic tie-out for Deliveries total: $0.663B in FY 2022 to $1.800B in FY 2025 equals a 39.5% three-year CAGR. The annual steps are also directionally consistent with disclosed YoY: $0.663B x 1.976 = $1.310B for FY 2023, $1.310B x 1.140 = $1.493B for FY 2024, and $1.493B x 1.206 = $1.800B for FY 2025. The FY 2025 to TTM bridge is $1.800B FY 2025 to $1.895B TTM because Q1 2026 replaced Q1 2025 in the four-quarter stack.

Quarterly recency is the most relevant historical fact for the forward model:

Quarter	Deliveries revenue	YoY growth	Deliveries GMV	Segment Adjusted EBITDA	Segment Adjusted EBITDA / GMV	Data package cite
Q2 2025	$0.439B	23%	$3.471B	$0.063B	1.8%	Q2 2025 release dated 2025-07-31; data_package Section 5
Q3 2025	$0.465B	23%	$3.733B	$0.078B	2.1%	Q3 2025 release dated 2025-11-04; data_package Section 5
Q4 2025	$0.481B	18%	$3.904B	$0.084B	2.2%	Q4/FY 2025 release dated 2026-02-11 U.S.; data_package Section 5
Q1 2026	$0.510B	23%	$3.908B	$0.088B	2.3%	Q1 2026 release dated 2026-05-05; data_package Section 5
TTM ending 2026-03-31	$1.895B	NM	$15.016B	$0.313B	2.1%	Official four-quarter sum; quant_foundation P2 and P4

Quarterly tie-out: $0.439B + $0.465B + $0.481B + $0.510B = $1.895B TTM revenue. Segment Adjusted EBITDA tie-out: $0.063B + $0.078B + $0.084B + $0.088B = $0.313B. GMV tie-out: $3.471B + $3.733B + $3.904B + $3.908B = $15.016B. These sums are the forward model base.

7. Management Guidance And Commentary

The data package is the controlling source for management commentary. The quotes below are intentionally short because they are used as modeling anchors rather than transcript reproduction.

Date	Speaker	Segment or topic	Verbatim excerpt	Data package cite	Modeling interpretation
2026-05-04	Anthony Tan	Group demand	"on-demand GMV growth accelerated to 24%"	data_package Section 6	Q1 demand was resilient and supports using Q1 2026 as part of the TTM base rather than treating it as an outlier.
2026-05-04	Alex Hungate	Mobility and Deliveries	"April have remained resilient"	data_package Section 6	Management did not flag a sharp post-quarter demand break, supporting the FY 2026 guide bridge.

Date	Speaker	Segment or topic	Verbatim excerpt	Data package cite	Modeling interpretation
2026-02-11	Peter Oey	2028 framework	"20% revenue CAGR growth"	data_package Section 6	Group-level 2025-2028 framework is an aspiration and includes faster Financial Services growth; Deliveries should not mechanically take 20% CAGR through 2031.
2026-02-11	Peter Oey	Capital allocation	"all organic growth"	data_package Section 6	Base model excludes Stash and other M&A from the organic Deliveries segment revenue path unless disclosed.
2025-11-03	Alex Hungate	GrabMart	"only about 10% of deliveries GMV"	data_package Section 6	Grocery is a growth runway but still a minority of Deliveries; product-level dollars remain undisclosed.
2025-07-31	Anthony Tan	Affordability	"leaning into affordability since 2023"	data_package Section 6	Growth is frequency-led and price-sensitive; base case should not assume unlimited consumer fee expansion.
2025-07-31	Alex Hungate	Deliveries margin	"4% steady-state margins"	data_package Section 6	Long-term margin target is on GMV, not revenue. The base case uses 3.2% GMV margin by TTM+5, below full steady state.

Formal group guidance also matters. The Q1 2026 release reiterated FY 2026 group revenue guidance of $4.04 billion to $4.10 billion, or 20% to 22% growth, and adjusted EBITDA guidance of $700 million to $720 million, or 40% to 44% growth. The Q4 2025 release and presentation introduced a 2025-2028 framework of 20% group revenue CAGR, $1.5 billion adjusted EBITDA in 2028, and 80% adjusted free cash flow conversion. For Deliveries, this is a ceiling check rather than a direct segment instruction. Deliveries is already the largest segment and should grow slower than Financial Services if the group mix shifts as management expects. The base case therefore uses double-digit growth with deceleration, not a straight 20% Deliveries CAGR to 2031.

8. Forward Growth Assumptions

The model starts from TTM Deliveries revenue of $1.895 billion and compounds exactly five calendar years to March 31, 2031. Because product-level dollars are not disclosed, the model has one dollar line: Deliveries segment total. Sub-products are modeled as drivers of the segment growth and margin, not as separate revenue series.

Base case: Deliveries decelerates from the recent 18% to 23% YoY range to a 12.0% five-year CAGR. This is below management's group 20% 2025-2028 framework because Deliveries is larger and more mature than Financial Services, but it remains above mature-market GDP because Southeast Asia food delivery is still expanding, Grab has share leadership, grocery is underpenetrated, and ads/merchant tools can increase monetized revenue. Momentum Works' January 2026 update showing 18% Southeast Asia food-delivery GMV growth in 2025 supports the idea that a low-teens five-year CAGR is not heroic, while its emphasis on affordability and lower AOV supports deceleration.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Deliveries segment total	39.5% from FY 2022 to FY 2025	23% in Q1 2026	No segment guide; group FY 2026 revenue guide is 20% to 22%	12.0%	Scale is larger, affordability keeps the user flywheel open, and ads/grocery help monetization, but growth decelerates as the segment matures.
GrabFood	Not separately disclosed	Included in segment	No product guide	Not separately modeled	Core food remains the frequency base, but no product dollars are disclosed.
GrabMart and grocery	Not separately disclosed	Faster MTU growth than food; about 10% of Deliveries GMV	No product guide	Not separately modeled	Grocery adds occasions and can lift segment growth, but it remains minority and should not be dollar-modeled without disclosure.
GrabExpress	Not separately disclosed	Included in segment	No product guide	Not separately modeled	Treated as part of total Deliveries revenue because no dollar series is disclosed.
GrabAds in Deliveries	Not separately disclosed	Ad contribution cited; no standalone dollar or percentage series in the data package	No product guide	Not separately modeled	Ads support revenue take rate and margin more than volume growth; no standalone revenue series is disclosed.

Bear case: Deliveries grows at a 7.2% five-year CAGR. This assumes affordability competition remains intense, competitors such as ShopeeFood and local leaders keep promotional pressure high, grocery contributes growth but dilutes margin, and regulators limit take-rate or labor-cost flexibility. The bear case still grows because the market is not structurally declining; it simply stops compounding at the current leader-growth rate.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Deliveries segment total	39.5% from FY 2022 to FY 2025	23% in Q1 2026	No segment guide; group FY 2026 revenue guide is 20% to 22%	7.2%	Growth fades quickly as incentives, regulation, and lower AOV limit monetization despite continued order frequency.
GrabFood	Not separately disclosed	Included in segment	No product guide	Not separately modeled	Core food growth slows as user penetration matures and consumer delivery fees remain price-sensitive.
GrabMart and grocery	Not separately disclosed	Faster MTU growth than food; about 10% of Deliveries GMV	No product guide	Not separately modeled	Grocery grows but requires more price investment and operational complexity.
GrabExpress	Not separately disclosed	Included in segment	No product guide	Not separately modeled	Parcel use remains ancillary and does not change the segment growth path.
GrabAds in Deliveries	Not separately disclosed	Ad contribution cited	No product guide	Not separately modeled	Merchant ad budgets are more cyclical and constrained if merchants resist platform economics.

Bull case: Deliveries grows at a 15.0% five-year CAGR. This assumes Grab's market leadership persists, grocery and convenience scale beyond minority status, ads and Dine Out deepen merchant monetization, and affordability products expand the user base without destroying unit economics. The bull case still decelerates from the recent 20%+ quarterly growth rate because the TTM base is already nearly $1.9 billion.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Deliveries segment total	39.5% from FY 2022 to FY 2025	23% in Q1 2026	No segment guide; group FY 2026 revenue guide is 20% to 22%	15.0%	Grab preserves share, grocery and ads scale, and delivery becomes a broader local-commerce demand surface.
GrabFood	Not separately disclosed	Included in segment	No product guide	Not separately modeled	Core food remains resilient through frequency gains and group orders.
GrabMart and grocery	Not separately disclosed	Faster MTU growth than food; about 10% of Deliveries GMV	No product guide	Not separately modeled	Grocery becomes a larger occasion driver without requiring a separate disclosed dollar model.
GrabExpress	Not separately disclosed	Included in segment	No product guide	Not separately modeled	Supports convenience and local-commerce use cases but remains inside segment total.
GrabAds in Deliveries	Not separately disclosed	Ad contribution cited	No product guide	Not separately modeled	Ads become a larger high-margin monetization layer as merchants depend on Grab discovery.

Year-by-year revenue bridge:

Case	TTM base	Year 1	Year 2	Year 3	Year 4	TTM+5 ending 2031-03-31	5-year CAGR
Bear	$1.895B	$2.122B	$2.313B	$2.475B	$2.599B	$2.677B	7.2%
Base	$1.895B	$2.198B	$2.506B	$2.807B	$3.088B	$3.335B	12.0%
Bull	$1.895B	$2.255B	$2.638B	$3.034B	$3.428B	$3.805B	15.0%

Base case deceleration path: 16%, 14%, 12%, 10%, and 8% annual growth. Bear path: 12%, 9%, 7%, 5%, and 3%. Bull path: 19%, 17%, 15%, 13%, and 11%. The paths make the deceleration explicit and avoid the common error of taking a 23% recent quarter and extrapolating it as if the segment were still at a sub-$1 billion scale.

9. Forward Operating Margin Assumptions

Grab does not disclose Deliveries operating income. The company discloses Segment Adjusted EBITDA, which excludes regional corporate costs and also differs from IFRS operating profit because adjusted EBITDA excludes D&A, SBC, M&A costs, restructuring, legal/tax/regulatory settlement provisions, and other items. Therefore this appendix provides two handoff measures: Segment Adjusted EBITDA, which is company-disclosed at segment level, and a segment operating income proxy, which is not company-disclosed and should be used only as a synthesis bridge.

The proxy definition is: Deliveries Segment Adjusted EBITDA less a normalized segment-level non-EBITDA burden for D&A, lease-related amortization, SBC and product/support costs attributable to the segment, before unallocated regional corporate costs. This avoids pretending that Grab has disclosed true segment operating income. The final synthesis should still build consolidated operating profit separately from total Segment Adjusted EBITDA, regional corporate costs, D&A, SBC, and other adjustments.

Case	Current TTM revenue margin	Current TTM GMV margin	TTM+5 Segment Adj. EBITDA / revenue	TTM+5 implied GMV margin	Segment OI proxy margin	Justification
Bear	16.5%	2.1%	19.5%	2.4%	14.0%	Modest density gains are partly offset by incentives, grocery complexity, and regulation.
Base	16.5%	2.1%	25.0%	3.2%	20.5%	Ads, batching, and scale improve margin but do not fully reach the 4%+ GMV steady-state target by 2031.
Bull	16.5%	2.1%	30.0%	4.0%	26.0%	Leadership, merchant ads, and logistics density allow the segment to reach management's steady-state GMV margin.

The >100 bps margin changes are driven by specific mechanisms. In the bear case, the margin improves only 300 bps on revenue because the company still benefits from density and ad mix, but it has to keep subsidizing affordability and absorb higher platform-worker or merchant compliance costs. In the base case, margin expands 850 bps on revenue as ads and merchant tools increase revenue-to-GMV, batching reduces delivery cost per order, and fixed product/support costs scale. In the bull case, margin expands 1,350 bps on revenue and reaches 4.0% of GMV because ads become a major monetization layer and the network achieves enough local density that delivery cost per order falls structurally.

The operating income proxy haircut is intentionally conservative relative to Segment Adjusted EBITDA. The model subtracts 5.5% of revenue in the bear case, 4.5% in the base case, and 4.0% in the bull case for normalized segment-level non-EBITDA burden. The rate declines with scale because a larger revenue base can absorb product, engineering, support, and local operating infrastructure more efficiently. It does not go to zero because this is not a pure software product and because the company's adjusted EBITDA definition excludes meaningful real costs.

10. Segment Rollup

The segment rollup is built from the TTM base, case-specific revenue CAGR, and case-specific margin assumptions above. Since no product-level dollars are disclosed, product-level revenue sums cannot be created. The segment total is the bottom-up unit of account.

Case	TTM+5 revenue	Segment Adj. EBITDA / revenue	Segment Adj. EBITDA	Segment OI proxy margin	Segment OI proxy	Revenue tie
Bear	$2.677B	19.5%	$0.522B	14.0%	$0.375B	$1.895B compounded along the 12%, 9%, 7%, 5%, and 3% path
Base	$3.335B	25.0%	$0.834B	20.5%	$0.684B	$1.895B compounded at 12.0% for five years
Bull	$3.805B	30.0%	$1.142B	26.0%	$0.989B	$1.895B compounded at 15.0% for five years

Arithmetic checks: bear Segment Adjusted EBITDA equals $2.677B x 19.5% = $0.522B, and bear operating income proxy equals $2.677B x 14.0% = $0.375B. Base Segment Adjusted EBITDA equals $3.335B x 25.0% = $0.834B, and base operating income proxy equals $3.335B x 20.5% = $0.684B. Bull Segment Adjusted EBITDA equals $3.805B x 30.0% = $1.142B, and bull operating income proxy equals $3.805B x 26.0% = $0.989B. Rounding differences are below 1%.

Handoff interpretation for synthesis: the base case makes Deliveries a roughly $3.3 billion revenue segment with more than $800 million of Segment Adjusted EBITDA before regional corporate costs by March 31, 2031. That is a strong operating asset, but it does not alone solve the company-level ER2 question. The consolidated model still has to account for Financial Services credit economics, regional corporate costs, SBC, D&A, taxes, share count, and the Stage 1 ROIC red-gate override.

11. Key Risks And Wildcards

Regulatory cost risk affects all cases and is most dangerous in the bear case. Platform-worker rules, driver benefits, delivery licensing, commission caps, fee transparency, tax changes, and country-specific labor classification can raise the cost per delivery or cap monetization. Singapore can become a template for other countries; Indonesia can matter disproportionately because of market size and reported commission-cap debates in the data package.

Affordability competition is the central bear risk. Momentum Works says affordability is the central battleground and that AOVs are trending down slightly. If this remains the main path to user growth, Grab can grow orders while revenue per order and margin disappoint. ShopeeFood is especially relevant because an e-commerce ecosystem can accept lower delivery profit if the product supports frequency, payments, or broader customer retention.

Merchant resistance is a base-to-bear risk. Grab's advertising and discovery ambitions depend on merchants believing the platform brings incremental demand. If merchants view ads and commissions as unavoidable taxes rather than productive spend, they may route loyal customers to direct channels, lobby regulators, or shift spend across platforms.

Grocery and quick-commerce execution is a wildcard. Grocery can expand the addressable market and drive frequency, but it can also introduce lower-margin fulfillment complexity, inventory exposure through owned or acquired grocery assets, and more demanding service-level expectations. The bull case needs grocery to scale without importing the worst economics of quick commerce.

Advertising is the highest-quality upside wildcard. If GrabAds becomes a larger merchant and brand performance channel, revenue can grow faster than delivery cost and margins can expand toward management's steady-state target. The evidence to watch is ad revenue as a percentage of Deliveries GMV, merchant adoption, and whether ad growth lifts margins without hurting consumer conversion.

Autonomous delivery and robotics are long-dated optionality rather than base-case profit. The data package notes Infermove and autonomous/robotics initiatives, but management commentary frames AV more as supply resilience and reliability than near-term labor replacement. The base model gives no meaningful margin credit for autonomous delivery by 2031.

Macro and FX are ongoing risks. Grab reports in U.S. dollars while local demand, wages, and merchant economics are Southeast Asian. Currency movements can make reported revenue and margins look better or worse without changing local competitive position. Inflation can raise merchant menu prices, driver costs, and consumer price sensitivity at the same time.

Summary Table

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Segment TTM+5y Adjusted EBITDA	Probability
Bear	$2.677B	14.0% proxy	$0.375B proxy	$0.522B	30%
Base	$3.335B	20.5% proxy	$0.684B proxy	$0.834B	50%
Bull	$3.805B	26.0% proxy	$0.989B proxy	$1.142B	20%

Source Notes And Unresolved Flags

Primary source files read for historicals: `data_package.md` and `quant_foundation.md` in `C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab`. Live qualitative/source checks: Grab Q1 2026 release at https://s205.q4cdn.com/179588156/files/doc_financials/2026/q1/Grab-Reports-Q1-2026-Results.pdf, Grab Q4 2025 release at https://s205.q4cdn.com/179588156/files/doc_financials/2025/q4/Grab-Q4-2025-Earnings-Release.pdf, Grab Q4 2025 presentation at https://s205.q4cdn.com/179588156/files/doc_financials/2025/q4/Grab-Q4-2025-Earnings-Presentation.pdf, and Momentum Works January 2026 food-delivery update at https://thelowdown.momentum.asia/new-report-southeast-asia-food-delivery-gmv-grew-18-to-hit-us22-7b-in-2025/.

Unresolved flags: product-level dollar revenue is not disclosed; segment operating income is not disclosed; Deliveries margin guidance is on GMV rather than revenue; the operating income proxy is an analyst bridge, not a company-reported metric; Grab's Stage 1 ROIC red gate remains overridden rather than cleared; FMP quarterly segmentation was empty and official

source replacements control; future M&A such as Stash is excluded from Deliveries unless explicitly disclosed as segment revenue.

Appendix B2 - Mobility

Grab Mobility - Segment Deep Dive

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\appendix_B_mobility.md

Stage 0 Anchor

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031.

Important override note: the Stage 1 ROIC red gate was overridden by user request. This appendix is therefore a production segment model, not a quality-gate clearance. Grab has reached profitability, but the company has not yet demonstrated a multi-year record of 15% plus ROIC. Mobility is the strongest disclosed profit pool in the business, yet even a strong Mobility result cannot erase the group-level caveat.

0. Segment Boundary And Taxonomy Note

Mobility is Grab's reportable ride-hailing and transport marketplace segment. The current annual segment taxonomy is Deliveries, Mobility, Financial Services, and Others. The data package flags a taxonomy boundary in the fourth segment, where older FY 2021-FY 2022 history used Enterprise and new initiatives before the current Others bucket, but Mobility itself is stable across the relevant disclosed history. For Mobility, the usable historical revenue series is FY 2021 through FY 2025 from the 2022 Form 20-F, 2025 Form 20-F, and FY 2025 release, with TTM built from Q2 2025, Q3 2025, Q4 2025, and Q1 2026 official quarterly releases. Grab does not disclose product-level dollar revenue inside Mobility for GrabCar, JustGrab, taxis, GrabBike, rentals, airport trips, mobility advertising, or related ride products. This appendix therefore models the reportable Mobility segment directly and does not invent sub-product dollar series.

Primary historical source: `data_package.md`, especially Section 3 Segment Historicals, Section 4 Product And Sub-Segment Historicals, Section 5 Most Recent Quarterly Trend, Section 6 Management Commentary And Guidance, Section 12 Key Risks, and Section 14 Downstream Modeling Handoff. Fresh qualitative checks used the live-run source pack and current official pages: Grab Q1 2026 SEC exhibit at https://www.sec.gov/Archives/edgar/data/1855612/000185561226000077/a42026q1-earningspressrele.htm, Grab 2025 Form 20-F at https://www.sec.gov/Archives/edgar/data/1855612/000185561226000020/ck0001855612-20251231.htm, Singapore Ministry of Manpower Platform Workers Act page at https://www.mom.gov.sg/employment-practices/platform-workers-act/what-it-covers, and Singapore CPF platform-operator obligations at https://www.cpf.gov.sg/employer/platform-operators/obligations/how-much-cpf-contributions-to-pay-platform-workers.

1. What This Segment Actually Is

Mobility is Grab's multi-country, multi-modal transportation marketplace. The customer side is a rider base using the Grab app to book private car rides, taxi rides, motorcycle rides where locally available, airport rides, rental or shared mobility products, and other transport variants. The supply side is a distributed network of driver-partners, taxi operators, fleet owners, rental partners, and in some markets motorcycle or other vehicle operators. The economic function is not simply "cars on an app." Grab intermediates local transport demand, driver supply, price discovery, routing, safety, payments, identity, promotions, loyalty, and support across Southeast Asian cities with different traffic density, regulation, labor markets, payment preferences, and tourism mix.

The pricing model is marketplace based. Riders pay a fare that is influenced by distance, time, local fare rules, demand-supply balance, product tier, promotions, and taxes or fees. Drivers receive the majority of the fare after platform commissions, incentives, and other adjustments. Grab recognizes Mobility revenue primarily from fees and commissions for mobility services rather than the full gross fare. That is why Mobility revenue is much smaller than Mobility GMV and why the

official segment margin that Grab highlights is Segment Adjusted EBITDA as a percentage of GMV, not as a percentage of revenue. In Q1 2026, for example, Mobility revenue was $337 million and Mobility Segment Adjusted EBITDA was $198 million, while Mobility Segment Adjusted EBITDA margin was disclosed as 8.9% of GMV. On a revenue basis, the segment looks extraordinarily high margin because revenue is a net platform fee, but the marketplace still depends on driver incentives, consumer incentives, insurance, support, payments, fraud control, regulatory compliance, and local operations.

Go-to-market is dense and local. Grab wins supply by giving drivers access to large pools of demand, higher utilization, financing or rental support, payments, maps, navigation, safety features, and sometimes adjacent income sources from deliveries or advertising campaigns. It wins demand by offering availability, predictable estimated time of arrival, ride options at different price points, app reliability, consumer promotions, subscription or loyalty benefits, and cross-use with Deliveries and Financial Services. The Mobility segment also benefits from travel corridors, airports, nightlife, commuting, and tourism, but the exact demand mix differs sharply between Singapore, Malaysia, Indonesia, Thailand, Vietnam, and the Philippines.

Because Grab is a superapp, the segment's customer acquisition and retention are partially shared with Deliveries and Financial Services. A user who opens the app for food delivery can be retargeted for airport mobility, and a rider can be pushed toward wallet, lending, insurance, subscription, ads-funded offers, or merchant benefits. That cross-vertical surface is strategically valuable, but the segment model here does not assign hidden revenue to those adjacency effects. They show up only through Mobility revenue growth, incentives, retention, and margin assumptions.

2. Current Economics

The most important current fact is that Mobility is already Grab's profit engine. For the TTM ending March 31, 2026, Mobility revenue was $1.274 billion and Mobility Segment Adjusted EBITDA was $729 million, according to the data package Section 14 handoff and quant foundation P4. Mobility represented 35.9% of TTM consolidated revenue but 77.2% of total Segment Adjusted EBITDA before regional corporate costs. That does not mean the segment has a 77% economic claim on group value, because corporate overhead, share-based compensation, depreciation, taxes, legal and regulatory provisions, and consolidated reinvestment are not allocated by segment. It does mean that the existing Mobility marketplace is the clearest proof that Grab can earn real money from its ecosystem.

The segment's current growth is still healthy. Annual Mobility revenue rose from $871 million in FY 2023 to $1.047 billion in FY 2024 and $1.219 billion in FY 2025. Quarterly Mobility revenue grew 19% YoY in Q2 2025, 17% in Q3 2025, 15% in Q4 2025, and 19% in Q1 2026. The latest quarter therefore did not show a collapse in demand even though the company was dealing with fuel-cost pressure and higher incentives. The Q1 2026 release said On-Demand GMV grew 24% YoY to $6.1 billion and noted that incentives increased partly to meet festive demand and support driver-partner earnings amid higher fuel costs. That matters because Mobility can grow while still absorbing supply-side pressure, but the cost of sustaining liquidity is not zero.

On a company-reported basis, Mobility Segment Adjusted EBITDA margin is measured against GMV. It was 8.7% of GMV in Q2 2025, 8.9% in Q3 2025, 8.6% in Q4 2025, and 8.9% in Q1 2026. On a non-official revenue basis, TTM Segment Adjusted EBITDA divided by Mobility revenue was about 57.2%. The revenue-basis margin is useful for segment rollup arithmetic, but the GMV-basis margin is the better operational measure because driver incentives, consumer incentives, fare levels, and take rate all interact with gross marketplace volume.

Capital intensity at the segment level is not disclosed. The consolidated data package shows FY 2025 capex on Grab's adjusted-free-cash-flow definition of $188 million and TTM adjusted free cash flow of $489 million, but the company does not allocate capex to Mobility. Mobility is structurally less balance-sheet intensive than Financial Services because it does not require loan receivables or bank deposits, yet it is not pure software. It needs local operations, safety and insurance infrastructure, driver support, marketing, maps, payments, fraud systems, regulatory compliance, and sometimes vehicle access partnerships. Future AV or remote-driving partnerships could also change capital intensity if Grab moves beyond marketplace coordination into fleet exposure, but management has framed autonomous vehicle activity as a partner and reliability tool, not a near-term replacement of drivers.

3. Unit Economics And Marketplace Dynamics

Mobility unit economics start with density. A city with many riders and many active drivers has shorter pickup times, better matching, fewer cancellations, more reliable ETAs, and more driver utilization. Higher utilization lets drivers earn more per online hour without requiring the platform to raise fares dollar for dollar. That creates room for Grab to reduce incentives, improve take rate, or preserve price competitiveness while still supporting driver earnings. Conversely, if supply falls, pickup times lengthen, cancellations rise, riders defect, and Grab must spend more on incentives or accept weaker demand. The segment's high current margin is therefore not a static commission rate; it is the result of marketplace liquidity.

The main revenue drivers are ride volume, average fare, take rate, mix, and adjacent monetization such as mobility advertising. The main profit drivers are driver incentives, consumer incentives, payment costs, insurance and safety costs, customer support, cloud and software costs, local regulatory compliance, and local operations. Grab's Q1 2026 release disclosed total incentives of $650 million across the group, with On-Demand incentives increasing as a proportion of On-Demand GMV by 46 basis points YoY to 10.5%. The release attributed this partly to partner incentives for festive demand and fuel-cost support. This is a clean reminder that Mobility's margin can be pressured even when demand is strong, because supply has to clear in real time.

Driver economics are the core constraint. If Grab pushes take rate too high or reduces incentives too quickly, driver supply can shift to Gojek, taxis, public transport alternatives, offline private-hire work, local platforms, or non-driving work. If it subsidizes drivers too heavily, reported Segment Adjusted EBITDA is capped. The attractive path is productivity: better matching, more rides per online hour, less idle time, more airport and premium trips where available, more multi-service engagement, and more accurate pricing. That path lets Grab improve driver earnings and platform margins at the same time. The bearish path is regulation or competitive bidding that forces more of the fare pool to drivers without corresponding utilization gains.

Rider economics are also sensitive. Mobility is a convenience product, but many Southeast Asian consumers remain price-aware. Management's data-package commentary that Grab has been "leaning into affordability since 2023" is relevant because lower-priced products can expand monthly transacting users and trip frequency while pressuring average order value or take rate. Saver-style products, group rides, off-peak pricing, subscriptions, and targeted promotions can be value-accretive if they pull incremental demand into existing supply. They can be value-destructive if they train riders to wait for discounts or if competitors match the discounting without improving market liquidity.

The best way to think about Mobility's unit economics is as a three-sided balance among riders, drivers, and regulators. Riders want low price and reliability. Drivers want high net hourly earnings, safety, and predictable demand. Regulators want consumer protection, tax compliance, worker welfare, public transport coexistence, congestion management, and local control. Grab earns superior economics only if it can satisfy all three constituencies better than local alternatives.

4. Competitive Dynamics

Mobility competition is local and multi-format. The data package lists Gojek, Be Group, Bolt, Tada, Ryde, Xanh SM, Maxim, InDrive, taxi operators, public transit, and personal vehicles as relevant Mobility competitors. That list should not be reduced to a single "Grab versus Gojek" frame. In Singapore, licensed taxi and ride-hail operators compete under tight regulation and platform-worker obligations. In Indonesia and Vietnam, two-wheel mobility, local champions, and driver commission rules can matter more. In Thailand and the Philippines, tourism recovery, airport trips, taxis, and local regulatory frameworks can shift the economics market by market.

Grab's strongest advantage is demand and supply density across the region. A driver chooses the platform where earnings per hour, trip volume, and reliability are strongest. A rider chooses the platform that can actually supply a ride quickly and safely at an acceptable price. This creates a network effect, but not an invincible one. Drivers can multi-home, riders can compare apps, and regulators can cap commissions or impose worker benefits. The moat is strongest where Grab's liquidity is meaningfully better and where cross-vertical app engagement lowers acquisition cost. It is weakest where a local rival has enough supply, differentiated pricing, or regulatory backing to make the ride-hail experience comparable.

Pricing power is therefore conditional. Grab likely has more pricing power than a subscale ride-hail entrant because it can sell reliability, safety, payments, loyalty, and cross-app convenience. But it does not have monopoly pricing power. If fares rise too much, riders can switch to public transit, taxis, motorcycles, personal vehicles, or competitor apps. If driver economics worsen, drivers can switch platforms or reduce supply. The model therefore assumes Mobility revenue growth decelerates from the latest 15% to 19% YoY trend as the revenue base scales, even though the segment remains structurally attractive.

Regulation is the most important non-competitive competitor. The 2025 Form 20-F discusses platform-worker regulation and notes that Singapore's Platform Workers Act creates a classification for platform workers in delivery and ride-hailing. Singapore's Ministry of Manpower says the Act covers work injury compensation, CPF contributions, and representation rights from January 1, 2025. CPF guidance says contribution rates for applicable platform workers and operators gradually increase over five years to align with employee and employer rates, reaching up to 20% and 17% respectively by 2029. These rules do not automatically destroy Mobility economics, but they can shift cost from drivers or the state to platforms and reduce the flexibility that made the model so profitable.

The 20-F also flags similar worker-protection efforts in Malaysia, Indonesia, Thailand, and the Philippines. The risk is not just higher direct cost. It is that regulation can limit commission rates, define worker status, require insurance, standardize benefits, increase documentation burdens, or create collective negotiation channels. A company with Grab's scale may be better able to absorb compliance than small rivals, so regulation can sometimes strengthen the leader. The bear case is that the rules cap economics before scale benefits fully accrue.

5. Segment-Level Moat

Mobility has a real but bounded moat. The strongest moat elements are local marketplace liquidity, brand trust, safety infrastructure, payments integration, routing and fraud systems, driver-side earning opportunities, and cross-vertical demand from the superapp. A new entrant cannot simply buy an app and instantly match the density of rider demand, driver supply, local support, maps, payments, and regulatory relationships across Southeast Asia. That operating complexity is a barrier.

The moat is not like a patent, a locked-in enterprise system, or a regulated utility concession. Driver and rider switching costs are low at the app level. Multi-homing is common. Local regulations can change. A well-capitalized rival can subsidize both sides of the marketplace. Public transit and taxis remain substitutes. The value of the moat depends on continuing execution: preserving driver earnings, keeping pickup times low, avoiding safety failures, maintaining consumer trust, and using AI and data to improve matching without triggering regulatory backlash.

Margin durability comes from density and discipline, not from unconstrained take-rate expansion. In the base case, I assume Grab can keep Mobility Segment Adjusted EBITDA margin around the mid-50s percentage of revenue, with official GMV-basis margin drifting only modestly from the current high-8% level. That is a conservative interpretation of a strong segment: enough scale leverage and advertising or premium mix to offset regulation and fuel support, but not a fantasy of ever-expanding marketplace rent. The bull case requires Grab to show that affordability products expand the category without structurally lowering take rate and that worker-protection costs are passed through or absorbed through utilization gains. The bear case assumes regulatory and competitive pressure reduce the revenue basis margin and force more incentives.

The segment's 5 to 10 year durability test is therefore: can Grab keep driver net hourly earnings attractive while also compounding Mobility revenue at a low-teens rate and holding GMV-basis Segment Adjusted EBITDA near 8% to 9%? If yes, Mobility remains a high-quality cash engine. If no, the group has to lean more heavily on Deliveries and Financial Services just as those segments face their own margin and credit risks.

6. Historical Growth Rates

The table below reproduces Mobility history from the data package rather than re-deriving from filings. FY 2021-FY 2022 came from the 2022 Form 20-F as summarized in the data package. FY 2023-FY 2025 came from the 2025 Form 20-F and Q4 FY 2025 release as summarized in the data package. Product-level dollar rows are not shown because the data package explicitly says Grab does not disclose dollar revenue below reportable Mobility.

Product or sub-segment	FY 2022 start rev	FY 2023 rev	FY 2024 rev	FY 2025 rev	FY22-FY25 CAGR	Most recent YoY	Source
Mobility reportable segment	$0.639B	$0.871B	$1.047B	$1.219B	24.0%	FY 2025 +16.4%; Q1 2026 +19%	2022 Form 20-F, 2025 Form 20-F, Q4 FY2025 release, official quarterly releases summarized in data_package Sections 3, 5, and 14
GrabCar, JustGrab, taxis, GrabBike, rentals, mobility ads	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not separately disclosed	Not disclosed	Not disclosed	data_package Section 4 says no Mobility product-dollar disclosure

Arithmetic tie-out: $0.639B FY 2022 revenue times 1.363 equals about $0.871B FY 2023 revenue. $0.871B FY 2023 revenue times 1.202 equals about $1.047B FY 2024 revenue. $1.047B FY 2024 revenue times 1.164 equals about $1.219B FY 2025 revenue. All checks are within 2% of the data-package series.

Recent-quarter trend:

Quarter	Mobility revenue	YoY growth	Mobility Segment Adjusted EBITDA	Official segment margin basis	Source
Q2 2025	$0.295B	19%	$0.164B	8.7% of GMV	Q2 2025 official release dated 2025-07-31, summarized in data_package Section 5
Q3 2025	$0.317B	17%	$0.181B	8.9% of GMV	Q3 2025 official release dated 2025-11-04, summarized in data_package Section 5
Q4 2025	$0.325B	15%	$0.186B	8.6% of GMV	Q4 FY2025 official release dated 2026-02-11/12, summarized in data_package Section 5
Q1 2026	$0.337B	19%	$0.198B	8.9% of GMV	Q1 2026 official release dated 2026-05-05, summarized in data_package Section 5
TTM ending 2026-03-31	$1.274B	NM	$0.729B	8.8% of GMV	Official Q2 2025, Q3 2025, Q4 FY2025, and Q1 2026 release sum; data_package Section 14 and quant_foundation P4

The historical shape is important. Mobility's FY 2021 and FY 2022 revenue base was depressed and then recovered as pandemic-era mobility restrictions normalized. The FY 2022-FY 2025 CAGR of 24.0% overstates the durable mature rate if one treats all recovery growth as normal. The most recent annual YoY of 16.4% and the Q2 2025 to Q1 2026 quarterly range of 15% to 19% are better anchors for the next five years.

7. Management Guidance Quoted From The Data Package

The data package does not provide a standalone Mobility revenue guide. It provides group guidance, on-demand commentary, and Mobility-specific strategic comments. I use those as guardrails, not as a license to force Mobility to the group guide.

Data package row	Verbatim excerpt	Interpretation for Mobility
Section 6, 2026-05-04 Anthony Tan, Group growth	"on-demand GMV growth accelerated to 24%"	On-Demand includes Mobility and Deliveries. It supports a strong near-term demand backdrop but does not disclose Mobility-only GMV growth beyond the segment table.
Section 6, 2026-05-04 Alex Hungate, Mobility and Deliveries	"April have remained resilient"	The comment supports the FY 2026 guide and argues against treating Q1 as a one-off spike, but it is not a five-year Mobility guarantee.
Section 6, 2026-02-11 Peter Oey, 2028 framework	"20% revenue CAGR growth"	This is group-level 2025-2028 framework language. Mobility can grow below 20% while Financial Services and Deliveries grow faster.
Section 6, 2026-02-11 Peter Oey, Capital allocation	"all organic growth"	The base Mobility model excludes large M&A. Vay and AV partnerships are treated as optionality unless they change disclosed revenue.
Section 6, 2026-02-11 Anthony Tan, Autonomous vehicles	"not as a replacement for our driver partners"	AV is a supply reliability and strategic option, not a modeled labor-cost collapse.
Section 6, 2025-07-31 Anthony Tan, Affordability	"leaning into affordability since 2023"	Affordability products should expand usage and frequency but can pressure take rate or require incentives if not matched by utilization gains.

Formal group guidance from the official Q1 2026 release is 2026 revenue of $4.04 billion to $4.10 billion and adjusted EBITDA of $700 million to $720 million. The Q4 FY 2025 framework targets about 20% group revenue CAGR from 2025 to 2028, 2028 adjusted EBITDA of $1.5 billion, and adjusted free cash flow conversion of 80% of adjusted EBITDA. For Mobility, those figures are relevant because the segment is a core profit contributor, but the model still starts from Mobility's own TTM revenue of $1.274 billion and its own TTM Segment Adjusted EBITDA of $729 million.

8. Forward Growth Assumptions From TTM Base

The forecast base is TTM ending March 31, 2026, not FY 2025. Mobility TTM revenue is $1.274 billion. The horizon is March 31, 2031, exactly five calendar years forward. Because Grab does not disclose product dollars below Mobility, the model uses one reportable-segment line. Sub-products are discussed in prose but are not assigned invented revenue.

Base case:

Product	FY22-FY25 historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Mobility reportable segment	24.0%	Q1 2026 +19%	Group FY 2026 revenue +20% to +22%; no Mobility-only guide	12.0%	Growth decelerates from post-pandemic recovery and latest high-teens quarterly trend as the base scales; affordability, airport travel, reliability, and cross-app demand still support low-teens growth.

The base case assumes the high-teens recent trend fades toward the low teens. That is lower than management's group 2025-2028 20% revenue CAGR framework because Mobility is already the most mature and profitable core segment. Deliveries and Financial Services can contribute more of the group growth burden. The base Mobility path is still healthy: $1.274 billion compounded at 12.0% for five years becomes about $2.245 billion at March 31, 2031.

Bear case:

Product	FY22-FY25 historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Mobility reportable segment	24.0%	Q1 2026 +19%	Group FY 2026 revenue +20% to +22%; no Mobility-only guide	8.0%	Regulation, fuel support, commission pressure, and rival incentives reduce effective take rate and limit fare increases; volume grows, but monetization and mix disappoint.

The bear case is not a demand collapse. It assumes Southeast Asian ride-hail demand continues growing, but Grab cannot keep enough economics because worker-protection rules, commission pressure, and driver incentives absorb more of the marketplace value. In this case, TTM revenue compounds to about $1.872 billion by March 31, 2031.

Bull case:

Product	FY22-FY25 historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Mobility reportable segment	24.0%	Q1 2026 +19%	Group FY 2026 revenue +20% to +22%; no Mobility-only guide	15.5%	Grab sustains category expansion through affordability products, airports and travel, better matching, higher frequency, mobility ads, and limited regulatory leakage.

The bull case still decelerates from the FY 2022-FY 2025 CAGR. It does not assume a return to pandemic-reopening growth. It assumes Grab turns its leading network into more frequent use and better monetization without sparking destructive price competition or regulatory reset. TTM revenue compounds to about $2.619 billion by March 31, 2031.

9. Forward Operating Margin Assumptions

Grab does not disclose Mobility operating income. The disclosed segment profit measure is Segment Adjusted EBITDA. I therefore model two layers: Segment Adjusted EBITDA as the disclosed segment measure, and an operating income proxy for synthesis. The operating income proxy is not a company-disclosed number. It is defined here as Mobility Segment Adjusted EBITDA less an estimated burden for allocated regional corporate costs, depreciation and amortization, share-based compensation, legal or regulatory provisions, and other below-segment adjusted items. The proxy exists only to help the synthesis agent bridge segment economics toward consolidated operating profit. It should not be presented as reported Mobility operating income.

Current TTM reference: Mobility revenue was $1.274 billion, Mobility Segment Adjusted EBITDA was $729 million, and Mobility Segment Adjusted EBITDA divided by revenue was 57.2%. On Grab's official GMV basis, Mobility Segment Adjusted EBITDA margin was 8.8% of GMV. The operating income proxy margin is not disclosed and should not be back-solved as if it were a reported metric.

Case	TTM revenue base	TTM Segment Adjusted EBITDA margin on revenue	TTM+5y Segment Adjusted EBITDA margin on revenue	TTM+5y operating income proxy margin	Mechanism
Bear	$1.274B	57.2%	52.0%	34.0%	Higher driver support, lower commission tolerance, worker-benefit costs, and competition offset scale leverage.
Base	$1.274B	57.2%	56.0%	40.0%	Scale, ads, routing, and corporate leverage broadly offset regulation and incentives; margin remains near current but not materially higher.
Bull	$1.274B	57.2%	58.0%	43.0%	Better density, premium and airport mix, ad monetization, and limited incentive leakage produce modest expansion.

The margin spread is intentionally narrower than the revenue spread. Mobility already has high disclosed profitability, so the key question is durability, not a heroic margin step-up. A bear margin of 52.0% on revenue is still a strong segment margin, but it implies a meaningful giveback from current levels. A base margin of 56.0% is slightly below current TTM on a revenue basis because regulatory and fuel-cost realities remain live. A bull margin of 58.0% gives Grab some credit for scale, mix, and mobility ads, but not an unlimited take-rate expansion.

The operating income proxy margin is set well below Segment Adjusted EBITDA margin because the synthesis has to absorb corporate and below-segment costs. The base 40.0% proxy margin is high in absolute terms but plausible for the reportable segment if Grab keeps density economics while corporate costs scale across a larger group. The bear 34.0% proxy margin reflects a world where regulators and drivers capture more incremental value. The bull 43.0% proxy margin reflects better overhead absorption and less incentive pressure.

10. Segment Rollup To March 31, 2031

The rollup compounds TTM Mobility revenue from the March 31, 2026 base for exactly five calendar years. It then applies the case-specific Segment Adjusted EBITDA margin and operating income proxy margin from Section 9. GMV is shown as a secondary reasonableness check using implied take rate, but the synthesis handoff should use revenue, Segment Adjusted EBITDA, and operating income proxy.

Case	TTM revenue	Revenue CAGR	TTM+5y revenue	Segment Adjusted EBITDA margin	TTM+5y Segment Adjusted EBITDA	Operating income proxy margin	TTM+5y operating income proxy
Bear	$1.274B	8.0%	$1.872B	52.0%	$0.973B	34.0%	$0.636B
Base	$1.274B	12.0%	$2.245B	56.0%	$1.257B	40.0%	$0.898B
Bull	$1.274B	15.5%	$2.619B	58.0%	$1.519B	43.0%	$1.126B

Arithmetic check: Bear revenue of $1.274B times 1.08 to the fifth power equals $1.872B; $1.872B times 52.0% equals $0.973B; $1.872B times 34.0% equals $0.636B. Base revenue of $1.274B times 1.12 to the fifth power equals $2.245B; $2.245B times 56.0% equals $1.257B; $2.245B times 40.0% equals $0.898B. Bull revenue of $1.274B times 1.155 to the fifth power equals $2.619B; $2.619B times 58.0% equals $1.519B; $2.619B times 43.0% equals $1.126B.

Implied GMV and take-rate reasonableness:

Case	TTM+5y revenue	Assumed revenue as percent of GMV	Implied Mobility GMV	Segment Adjusted EBITDA as percent of GMV	Interpretation
Bear	$1.872B	14.6%	$12.822B	7.6%	Take rate and GMV margin compress as regulation and driver support take more of the fare pool.
Base	$2.245B	15.1%	$14.868B	8.5%	Take rate remains near current, with GMV-basis margin close to but slightly below recent 8.8%.
Bull	$2.619B	15.8%	$16.576B	9.2%	Better mix and ads allow modest monetization and GMV margin expansion.

The base rollup is the clean handoff for synthesis: Mobility reaches about $2.245 billion of revenue, $1.257 billion of Segment Adjusted EBITDA, and $898 million of operating income proxy by March 31, 2031. The bear case remains profitable but no

longer looks like a rising-margin compounder. The bull case makes Mobility a very large cash engine, but it depends on continued regulatory containment and disciplined competition.

11. Key Risks And Wildcards

Regulatory reclassification and benefits obligations are the most direct bear-case risk. Singapore's Platform Workers Act adds CPF, work injury compensation, and representation structures. The 2025 Form 20-F also flags platform-worker initiatives in Malaysia, Indonesia, Thailand, and the Philippines. If those rules require higher platform contributions, cap commissions, or strengthen collective negotiation without allowing fare pass-through, Mobility's revenue take rate and margin can fall.

Driver supply and fuel costs are the second key risk. Q1 2026 already showed partner incentives rising partly to support driver-partner earnings amid fuel pressure. Fuel shocks, insurance costs, vehicle financing costs, or driver dissatisfaction can force incentives higher. This primarily affects the bear and base cases because it hits the supply side even if rider demand is strong.

Competitive intensity remains live. Gojek and local platforms can pressure prices in Indonesia and other markets; taxis and public transit remain substitutes; newer entrants can pick specific cities or product categories. The risk is not only lost share. Even if Grab keeps share, a rival's incentive campaign can force Grab to spend defensively.

Affordability can cut both ways. Saver products, group rides, and subscription or loyalty tools can expand frequency and attract new users. They can also lower average fare, train consumers toward discounts, and make revenue growth depend on incentives. In the bull case, affordability expands usage with limited margin cost. In the bear case, it becomes a treadmill.

Autonomous vehicles and remote driving are long-term wildcards. Management's data-package quote says AV is "not as a replacement for our driver partners," so no case assumes AV removes driver costs by 2031. The positive version is that AV and remote-driving partnerships improve supply reliability in constrained markets. The negative version is capital distraction, regulatory delay, or driver backlash.

Governance and capital allocation matter because Mobility's cash flow can fund expansion elsewhere. Grab's founder-control structure may support long-duration investment, but it also means minority shareholders have limited ability to constrain M&A or strategic spending. If Mobility profits are reinvested into lower-return financial services, grocery, robotics, or international expansion, segment strength may not translate into group ROIC.

The biggest modeling wildcard is the bridge from Segment Adjusted EBITDA to consolidated operating profit. Mobility's disclosed segment metric is very strong, but group operating profit is much lower after regional corporate costs and other adjusted items. If those costs do not scale down as revenue grows, the operating income proxy used here will be too high even if the Mobility marketplace itself performs well.

Synthesis Handoff Summary

Use the following numbers for the combined earnings synthesis. Treat Segment Adjusted EBITDA as the reported segment measure. Treat operating income proxy as an analyst-defined synthesis bridge, not as disclosed Mobility operating income.

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Segment TTM+5y Adjusted EBITDA	Probability
Bear	$1.872B	34.0%	$0.636B	$0.973B	25%
Base	$2.245B	40.0%	$0.898B	$1.257B	50%
Bull	$2.619B	43.0%	$1.126B	$1.519B	25%

Final Mobility view: this is Grab's best segment, but the right conclusion is not "high margin, therefore solved." Mobility has strong marketplace density, real demand momentum, and a high Segment Adjusted EBITDA contribution. It also sits directly in the path of driver economics, fuel costs, platform-worker regulation, commission pressure, and local rivalry. The base case gives Grab credit for preserving most of Mobility's economics while decelerating to a mature low-teens growth rate. That is constructive for the segment, but the group-level ER2 decision still has to carry the overridden red ROIC gate, short public profitability history, and the fact that reported segment profitability is not the same as consolidated operating income.

Appendix B3 - Financial Services

Financial Services - Segment Deep Dive

Stage 0 Anchor

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031.

Stage 1 caveat: the orchestrator override note says persistent ROIC was a RED disqualifier because Grab only reported its first full-year net profit in FY 2025 and has not yet demonstrated a multi-year record of 15%+ ROIC. The user explicitly overrode that Stage 1 stop to continue the full production workflow. This appendix therefore models Financial Services, but it does not treat the segment's growth as proof that Grab clears the ER2 quality gate.

0. Segment Boundary And Taxonomy Note

Financial Services is one of Grab's four current reportable segments, alongside Deliveries, Mobility, and Others. The 2025 Form 20-F describes this segment as digital solutions offered by and with business partners to address the financial needs of driver-partners, merchant-partners, and consumers, including digital payments, lending, receivables factoring, digital banking services in certain markets, insurance distribution, and associated advertising revenue. The data package confirms that annual segment revenue and Segment Adjusted EBITDA are disclosed for FY 2021-FY 2025, but sub-product dollar revenue for GrabPay, OVO, GrabFin, lending, banks, insurance, or advertising is not disclosed. The reportable segment is therefore the only safe dollar-level modeling unit. Taxonomy is stable for Financial Services across the period used here; the old-taxonomy issue affects the fourth bucket, not Financial Services. The anti-fabrication constraint is central: this appendix may discuss payments, lending, deposits, digital banks, and insurance as economic drivers, but it must not create product-level revenue that Grab does not disclose.

The source hierarchy follows the run's data source rule. Historical segment dollars, quarterly dollars, Segment Adjusted EBITDA, and management commentary are pulled from `data_package.md` and `quant_foundation.md`. Fresh qualitative checks use exact raw live-pull copies saved in this run, including the FY 2025 Form 20-F text, Q1 2026 transcript, Q1/Q4 2025-2026 releases, and Grab's three-year investor update. Where FMP differs from official Grab releases or the 20-F, official sources control. For this segment, that mainly matters because FMP does not provide quarterly product segmentation and because official cash-flow definitions deliberately exclude movements in loan receivables and banking deposits when presenting adjusted free cash flow.

1. What Financial Services Actually Is

Financial Services is not a stand-alone bank stapled onto a ride-hailing company. It is the financial layer around Grab's Southeast Asia marketplace. The segment monetizes several related activities: digital payments for consumers and merchants, lending to consumers, merchants, and driver-partners, receivables factoring and PayLater, digital banking through GXS Bank in Singapore and GXBank in Malaysia, OVO in Indonesia, insurance distribution, and financial-services-related advertising. The 2025 20-F says Financial Services revenue predominantly comprises interest on loans and advances to merchant-partners, driver-partners, and consumers; interest on loan receivables and investment securities through the digital banking business; insurance distribution offerings; associated advertising revenue; and fees from digital payment processing services charged to merchant-partners primarily based on the net value of payments successfully completed through Grab's platform.

The customer base is unusually broad for an early-stage financial services business. Consumers use wallets, debit cards, PayLater, revolving lines, and savings accounts. Merchants use payment acceptance, cash-flow products, receivables factoring, advertising, and working-capital credit. Driver-partners can access wallet settlement, lending, insurance, and financing tools. This matters because the segment's acquisition engine is not branch distribution or pure paid marketing. Grab can cross-sell financial products from high-frequency mobility and deliveries activity. The Q1 2026 call said the majority of

new-to-Financial-Services customers came from the Grab platform, and the three-year investor update says 76% of GXS Singapore deposit customers, 93% of GXBank Malaysia deposit customers, and 60% of Superbank deposit customers were Grab or OVO users as of December 2025. Those figures are not revenue dollars, but they are evidence that Financial Services is using the superapp funnel rather than buying all demand externally.

Pricing is mixed. Payments revenue is fee-based, usually a merchant processing or payment-service fee. Lending revenue is spread and fee income, with credit losses and funding costs as the key economic offsets. Digital banking earns interest income, payment revenue, and card economics, but it requires regulatory capital, customer-deposit management, credit underwriting, compliance, fraud controls, cybersecurity, and liquidity management. Insurance is largely distribution economics unless Grab takes underwriting exposure through captive insurance or related structures. Receivables factoring and PayLater combine transaction conversion benefits with balance-sheet and loss risk. The segment therefore cannot be valued as a pure marketplace take-rate stream. It has a software-like acquisition funnel, but the economics include bank-like balance sheet and credit-cycle exposure.

Grab's go-to-market is embedded. A merchant already accepting orders can be offered payment processing, advertising, cash advances, or SME credit. A driver with predictable platform earnings can be underwritten using platform behavior and repayment history. A consumer with food, rides, wallet, and loyalty activity can be offered PayLater, savings, debit, or insurance. This is the core strategic promise: proprietary transaction data and closed-loop marketplace behavior should make underwriting and cross-selling cheaper than a generic bank or wallet competitor. The question is whether that advantage is large enough to produce attractive risk-adjusted returns after expected credit losses, funding, compliance, and the capital needed to scale.

2. Current Economics From FY 2025 And TTM

Financial Services is growing quickly but remains loss-making on Grab's own segment profit measure. Data package Section 3 reports Financial Services revenue of $347 million in FY 2025, up 37.2% from $253 million in FY 2024 and up from $177 million in FY 2023. Segment Adjusted EBITDA was negative $110 million in FY 2025, compared with negative $105 million in FY 2024 and negative $170 million in FY 2023. On a revenue denominator basis, the Segment Adjusted EBITDA margin was negative 31.7% in FY 2025. The most recent TTM period, Q2 2025 through Q1 2026, improved to $380 million of revenue and negative $96 million of Segment Adjusted EBITDA, a negative 25.3% margin.

The quarter-to-quarter trend is more encouraging than the annual line, but it is not yet proof of durable profitability. Q2 2025 revenue was $84 million, Q3 was $90 million, Q4 was $99 million, and Q1 2026 was $107 million. YoY growth across those quarters was 41%, 39%, 34%, and 43%, respectively. Segment Adjusted EBITDA losses were negative $26 million, negative $28 million, negative $25 million, and negative $17 million, respectively. Q1 2026 therefore showed a visible step-up in margin, with the revenue-denominator Segment Adjusted EBITDA margin improving to negative 15.9%. Management attributed the improvement to operating leverage as the loan book scales and said that more than one-third of incremental revenue dropped to Financial Services bottom line in Q1 2026. The same call reiterated a target for Financial Services to reach adjusted EBITDA breakeven in the second half of 2026.

The loan book is now large enough to matter to group cash flows and risk. Grab's Q4 2025 release said Q4 loan disbursals grew 53% YoY to $979 million, net loan portfolio more than doubled YoY to $1.180 billion, and gross loan portfolio was $1.278 billion before credit loss provisions. Q1 2026 pushed the balance sheet higher: Q1 loan receivables in the Financial Services segment were $476 million non-current and $845 million current, or $1.321 billion net combined. The Q1 2026 transcript said loan disbursals grew 67% YoY and exceeded $1 billion for the first time. Management also said deposits across the digital banks were roughly $1.6 billion, with significant headroom in the loan-to-deposit ratio, and that the company remained on target for a $2 billion loan book by the end of 2026.

The resulting economics are not one-dimensional. Revenue growth is coming increasingly from lending, but lending brings expected credit loss, capital, and cash-flow treatment that are very different from Deliveries or Mobility. FY 2025 impairment losses on loan receivables and commitments in the Financial Services segment were $119 million, up from $56 million in FY 2024 and $42 million in FY 2023, according to the 2025 20-F. The FY 2025 gross loan portfolio was $1.278 billion and the allowance was $98 million, so the allowance was about 7.7% of gross loans. That is not a trivial cost of doing business; it is the core cost of earning lending revenue. The Segment Adjusted EBITDA losses already include the effect of higher credit provisions, as Q4 commentary explicitly said full-year losses increased 5% primarily because credit loss provisions rose while the portfolio scaled.

The current economics should be summarized as follows: the segment has real product-market pull, a rapidly expanding loan book, growing deposits, improving quarterly losses, and a credible embedded distribution advantage. It also has a short

record, negative TTM Segment Adjusted EBITDA, high credit-loss sensitivity, and a cash-flow profile that can look healthier on adjusted free cash flow than on operating cash flow because adjusted free cash flow excludes movements in loans and banking deposits.

3. Unit Economics

The unit-economics engine starts with acquisition. Grab's advantage is that customers already transact in its core ecosystem. A merchant with GrabFood or GrabMart demand is a candidate for payment acceptance, ads, working capital, receivables factoring, or PayLater acceptance. A driver-partner's platform earnings, work frequency, location, vehicle type, and repayment behavior can support underwriting. A consumer's rides, deliveries, wallet use, loyalty balance, and repayment behavior can support risk scoring and cross-sell. If that data is predictive and legally usable across markets, Grab can reduce customer acquisition cost and adverse selection versus a bank or lender that is reaching the same underbanked customers cold.

The second unit-economics lever is funding. Some lending sits in digital banks backed by deposits; some sits on the nonbank Financial Services balance sheet. Management made this distinction on the Q1 2026 call: the bank portion is backed by customer deposits, while the Grab Financial Services nonbank side is effectively equity balance sheet. That distinction is crucial for long-run returns. Deposit-funded lending can scale with lower marginal funding cost if deposits are stable and not over-priced. Nonbank lending consumes corporate capital or third-party funding and will pressure return on invested capital if credit spreads are not wide enough. Management said deposits were not hard to raise and that Grab was not the most aggressive in the market on deposit pricing. The positive version is that brand trust lowers funding cost. The skeptical version is that digital-bank deposits are still rate-sensitive, and Grab must avoid gathering excess deposits that dilute net interest margin.

The third lever is expected credit loss. The 20-F provides the best hard evidence. For FY 2025, gross loan receivables were $1.278 billion and loss allowance was $98 million. Current, not-past-due loans had a 3.2% weighted-average loss rate on $1.144 billion of gross carrying amount. Once loans moved into delinquency, loss rates rose sharply: 18.4% for 1-30 days past due, 49.3% for 31-60 days, 61.2% for 61-90 days, 91.2% for 91-120 days, and 95.0% for more than 121 days. This is normal for unsecured and small-business lending, but it means small mix shifts in delinquency can erase operating leverage quickly. The segment's moat is not "we lend." The moat, if one exists, is that Grab can predict which high-frequency marketplace users deserve credit, adjust limits quickly, and collect without destroying marketplace trust.

The fourth lever is operating cost. Payments require compliance, fraud management, dispute management, gateways, network fees, merchant support, and technology. Lending requires underwriting, collections, provisioning, model validation, compliance, customer support, and risk governance. Digital banking adds regulatory reporting, cybersecurity, liquidity management, capital management, bank operations, and product-development costs. These costs have a fixed-cost element, so operating leverage is plausible as balances grow. That is exactly management's Q1 2026 message: revenue growth accelerated and more than one-third of incremental Financial Services revenue dropped to the segment bottom line. But fixed-cost leverage is only one side of the equation. If credit losses rise from macro stress, fraud, sector concentration, or overly aggressive originations, the fixed-cost benefit can be swallowed quickly.

The fifth lever is ecosystem retention. Payments, wallet balances, credit lines, deposits, and insurance can deepen customer attachment to Grab's core services. A merchant with Grab ads, payment settlement, working capital, and delivery orders may churn less. A driver with financing and insurance may be more loyal to the platform. A consumer with savings, debit, PayLater, or loyalty may transact more often. These benefits can show up in Deliveries and Mobility rather than Financial Services revenue. For segment modeling, however, the synthesis should not double-count them. Financial Services margins should include the costs of generating financial revenue, while any cross-segment flywheel should be treated qualitatively unless Grab discloses an explicit dollar attribution.

4. Competitive Dynamics

Financial Services competes in more fragmented and more regulated markets than core ride-hailing. The 2025 20-F lists offline cash, debit and credit cards, interbank transfers, traditional banks, other financial institutions, electronic payment operators, ShopeePay, Google Pay, Dana and GoPay in Indonesia, Touch 'n Go and MAE in Malaysia, and new digital banks and incumbent banks. Several competitors have structural advantages. Incumbent banks have deposits, regulatory history, underwriting teams, capital, and balance-sheet depth. Telecom-linked wallets have distribution and bill-payment surfaces. E-commerce-linked wallets such as ShopeePay and GoPay have merchant and consumer loops of their own. Local wallets may benefit from national champions, regulators, or partnerships that do not apply equally across Southeast Asia.

Grab's main competitive advantages are not pricing and not capital. They are distribution, frequency, data, and use-case relevance. If a user opens Grab several times a week for transport, food, groceries, or merchant operations, a wallet, credit, insurance, or savings prompt has context. That context can reduce acquisition cost and support underwriting. The three-year investor update's customer-origin statistics for GXS, GXBank, and Superbank are evidence of that funnel. Payments also benefit from being embedded in the transaction flow: merchants and drivers need settlement, consumers need checkout, and Grab can improve conversion if payments are smooth.

But pricing power is limited. Payment processing is competitive and can be regulated. Deposits are sensitive to interest rates and promotional offers. Credit pricing is constrained by regulation, customer affordability, reputation risk, and competitive alternatives. Insurance distribution has many substitutes. Grab can gain a data advantage in underwriting, but it is difficult to prove that the advantage is durable until the portfolio has seasoned through a full credit cycle at scale. Management pointed to COVID and the Ukraine-related fuel shock as examples where credit quality stayed within risk appetite, but the current portfolio is much larger than it was during earlier stress periods.

The competitive question by 2031 is whether Grab can become a low-cost, data-rich originator for underserved Southeast Asian consumers and small merchants without becoming a commodity lender. The bull case is that Grab's proprietary transaction data, closed-loop marketplace, and digital-bank deposit base create a repeatable low-CAC lending and payments machine. The bear case is that the attractive borrowers are competed away by banks and local wallets, while Grab is left with thin payment fees, high deposit costs, and credit losses that rise faster than revenue during macro stress.

5. Segment Moat

Financial Services has a plausible moat, but it is narrower and less proven than Mobility's network-effect moat. The moat source is data-rich embedded distribution. Grab has transaction-level behavior across mobility, deliveries, payments, merchants, drivers, locations, and frequency. The Q1 2026 call described more than 20 billion transactions and over 50 million users and partners across eight markets. For Financial Services, this data can matter in three ways: underwriting, cross-sell, and collections. A merchant's order flow can inform cash-flow lending. A driver's earnings pattern can support credit limits. A consumer's wallet and transaction behavior can reduce fraud and improve repayment prediction. If models are accurate, credit can be extended where conventional banks lack data.

The moat also depends on trust. Management said Q1 2026 deposits were not a problem because consumers trusted the Grab brand and ecosystem. In digital banking, trust is both asset and liability. It can reduce deposit acquisition cost, but a credit, fraud, outage, or regulatory failure can damage the core brand. This creates a natural ceiling on risk appetite. Grab cannot chase lending growth with the same posture as a monoline high-yield lender, because reputational damage could affect rides, deliveries, merchants, and regulators.

The segment's barriers are moderate rather than impenetrable. Licenses, compliance infrastructure, risk models, and data history are real barriers. However, banks, local wallets, e-commerce platforms, and telecom players also have data and distribution. Regulation can also lower the moat if regulators mandate interoperability, restrict BNPL, cap funding concentration, or limit fees. The 20-F explicitly says digital banks in Singapore and Malaysia have launched certain commercial operations but have not yet received approval to conduct full business activities without restrictions. It also flags Indonesian P2P funding-provider caps for OVO Finansial and potential BNPL curbs in Singapore and Malaysia. These are not footnotes. They shape how fast the segment can scale.

The moat durability test is credit-cycle proof. A payments and wallet business can look strategically valuable while still being low-margin. A lending business can look excellent during balance growth and then reveal weak underwriting when delinquencies season. By 2031, the segment deserves moat credit only if Grab can show that expected credit loss as a percentage of gross loan portfolio declines or remains stable while the book scales beyond $2 billion, that deposits are raised without aggressive pricing, that regulators allow broader bank activity, and that Financial Services contributes positive Segment Adjusted EBITDA without relying on low-provision growth accounting.

6. Historical Growth Rates From The Data Package

The data package is the historical ground truth. Financial Services is modeled only at reportable-segment level because the data package states that Grab does not disclose product-level dollar revenue for GrabPay, OVO, GrabFin, lending, GXS, GXBank, PayLater, or insurance. No product-dollar rows are back-solved.

Line	FY 2022 rev	FY 2023 rev	FY 2024 rev	FY 2025 rev	FY22-FY25 CAGR	Most recent YoY	Data package cite
Financial Services reportable segment revenue	$0.071B	$0.177B	$0.253B	$0.347B	69.7%	37.2% in FY 2025	data_package Section 3 Financial Services revenue and YoY rows
Financial Services Segment Adjusted EBITDA	-$0.415B	-$0.170B	-$0.105B	-$0.110B	NM	Loss widened 5% in FY 2025	data_package Section 3 Financial Services Segment Adjusted EBITDA row
Segment Adjusted EBITDA divided by revenue	-584.5%	-96.0%	-41.5%	-31.7%	NM	Improved from -41.5% to -31.7%	data_package Section 3 Financial Services margin row
TTM Financial Services revenue	Q2 2025 $0.084B	Q3 2025 $0.090B	Q4 2025 $0.099B	Q1 2026 $0.107B	NM	Q1 2026 +43% YoY	data_package Section 5 quarterly segment table
TTM Financial Services Segment Adjusted EBITDA	Q2 2025 -$0.026B	Q3 2025 -$0.028B	Q4 2025 -$0.025B	Q1 2026 -$0.017B	NM	Q1 loss margin -15.9%	data_package Section 5 quarterly segment table

Arithmetic checks: FY 2023 revenue of $0.177B divided by FY 2022 revenue of $0.071B equals about 149.3% growth, matching the data package. FY 2024 revenue of $0.253B divided by FY 2023 revenue of $0.177B equals about 42.9% growth, matching the data package. FY 2025 revenue of $0.347B divided by FY 2024 revenue of $0.253B equals about 37.2% growth, matching the data package. The three-year FY22-FY25 revenue CAGR is calculated as $0.347B divided by $0.071B over three years, or approximately 69.7%, but this is inflated by the segment's very small FY 2022 base. The more relevant forward anchor is the TTM revenue base of $0.380B and Q1 2026 growth of 43%.

7. Management Guidance And Commentary

Management's explicit Financial Services guidance is breakeven, not a long-term segment revenue or operating income target. The data package Section 6 says management expects adjusted EBITDA breakeven in the second half of 2026 and stresses lending scale, credit model quality, deposits, and banking product expansion. The Q1 2026 transcript provides the clearest detail: loan disbursals grew 67% YoY to exceed $1 billion for the first time, and management reiterated that Financial Services remained on track to achieve adjusted EBITDA breakeven in the second half of 2026. This is the first hard margin milestone for the model.

The Q1 2026 Q&A adds useful operating interpretation. Alex Hungate said Financial Services revenue growth accelerated 43% YoY, more than one-third of incremental revenue dropped to the segment bottom line, the loan book grew strongly YoY, and credit quality improved alongside scale. He also said ECL as a percentage of gross loan portfolio improved YoY, while Grab applied additional ECL overlays in Q1 to account for macro uncertainty and selectively tightened risk appetite in some sectors. The key modeling implication is balanced: operating leverage is real, but management is still actively managing credit risk rather than letting originations run unrestricted.

Deposit commentary also matters. On the Q1 2026 call, management said deposits were roughly $1.6 billion, that Grab was not the most aggressive deposit-pricing competitor, and that the company could raise more deposits if needed. Peter Oey also said the bank-backed lending book and nonbank Grab Financial Services balance sheet should be distinguished, and that securitization could be a future capital-recycling tool but was not an immediate priority. This supports a model where deposit-funded digital bank lending increases, but it does not support assuming near-zero funding cost or unlimited capital-light growth.

The three-year investor update is useful but must be handled carefully. It presents a group North Star of 20% revenue CAGR from 2025 to 2028, $1.5 billion 2028 adjusted EBITDA, and 80% adjusted free cash flow conversion. It also says Financial Services is scaling with a gross loan portfolio on track to exceed $2 billion by end-2026, and it shows fintech accretion as one driver of the $1.5 billion 2028 adjusted EBITDA goal. The same update announced the Stash acquisition, citing more than $5 billion of assets under management, more than 1 million paying subscribers in America, positive adjusted EBITDA and cash flow today, and a target of more than $60 million adjusted EBITDA contribution by 2028. The data package warns that the group 2028 framework is primarily organic and that Stash should be treated separately unless official guidance explicitly folds it into the base. This appendix therefore excludes Stash from the core Financial Services rollup; it remains a separate capital-allocation overlay for synthesis rather than a source of segment revenue or margin in the cases below.

8. Forward Growth Assumptions From The TTM Base

The model starts from TTM Financial Services revenue of $0.380 billion for the period ending March 31, 2026. Because product-level revenue is not disclosed, the forward model uses one reportable-segment line. The sub-drivers are lending scale, payments and wallet activity, digital-bank deposits and loan-to-deposit deployment, insurance distribution, and associated financial advertising, but their dollar contributions are not separated.

Base Case Growth

Product or line	Historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Financial Services reportable segment	FY22-FY25 69.7%; FY23-FY25 40.0%	Q1 2026 +43% YoY	H2 2026 adjusted EBITDA breakeven; loan book target above $2B by end-2026	23.0%	Growth decelerates from Q1 2026 as the revenue base scales, but remains above group growth because loan portfolio, deposits, and embedded cross-sell are still early.

Base year-by-year revenue path: TTM+1 growth of 35%, TTM+2 growth of 28%, TTM+3 growth of 22%, TTM+4 growth of 17%, and TTM+5 growth of 14%. This produces March 31, 2031 revenue of about $1.07 billion. The deceleration is deliberate. A segment growing 43% YoY in Q1 2026 can plausibly outgrow the group for several years, but credit businesses should not be extrapolated at 40% indefinitely. The base case assumes Grab hits H2 2026 adjusted EBITDA breakeven, uses deposit-funded bank capacity more efficiently, grows the loan book beyond the 2026 $2 billion target, and maintains ECL discipline. It also assumes no severe regulatory cap on BNPL, P2P funding, payment fees, or digital-bank activity.

Bear Case Growth

Product or line	Historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Financial Services reportable segment	FY22-FY25 69.7%; FY23-FY25 40.0%	Q1 2026 +43% YoY	H2 2026 adjusted EBITDA breakeven target at risk	15.0%	Credit tightening, slower deposit deployment, regulatory limits, or higher losses force Grab to prioritize risk control over origination growth.

Bear year-by-year revenue path: TTM+1 growth of 25%, TTM+2 growth of 18%, TTM+3 growth of 13%, TTM+4 growth of 10%, and TTM+5 growth of 9%. This produces March 31, 2031 revenue of about $0.76 billion. The bear case is not a collapse case. It still assumes Financial Services grows because Southeast Asian digital payments and embedded lending have secular tailwinds. The downside is that growth proves much less profitable than management expects. Higher ECL overlays, sector tightening, regulator caution, or expensive deposit acquisition slows balance-sheet growth. Payments remains competitive, and lending growth shifts toward better-quality borrowers at lower yields.

Bull Case Growth

Product or line	Historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Financial Services reportable segment	FY22-FY25 69.7%; FY23-FY25 40.0%	Q1 2026 +43% YoY	H2 2026 adjusted EBITDA breakeven plus deposit and loan-book scaling	29.0%	Grab's platform data materially lowers CAC and credit cost, deposits scale without aggressive pricing, digital-bank restrictions ease, and disclosed financial-services products mix toward higher-fee, lower-credit-intensity revenue.

Bull year-by-year revenue path: TTM+1 growth of 40%, TTM+2 growth of 34%, TTM+3 growth of 29%, TTM+4 growth of 23%, and TTM+5 growth of 20%. This produces March 31, 2031 revenue of about $1.36 billion. The bull case requires more than ordinary market growth. It assumes Grab uses marketplace data to expand lending safely, that digital-bank deposits are sticky enough to support a larger book, and that financial products increase retention without large promotional subsidies. It does not include Stash revenue or EBITDA, because the data package treats Stash as a separate M&A overlay unless official guidance changes.

9. Forward Operating Margin Assumptions

Grab does not disclose Financial Services operating income. Segment Adjusted EBITDA is the controlling disclosed segment profit measure. For synthesis, this appendix therefore provides two measures: Segment Adjusted EBITDA and an operating

income proxy. The operating income proxy deducts a normalized spread for depreciation, amortization, allocated technology, compliance, and non-cash costs that are excluded from Segment Adjusted EBITDA or held in regional corporate costs. It is not an official company metric.

Case	TTM revenue	TTM Segment Adjusted EBITDA margin	TTM+5 Segment Adjusted EBITDA margin	TTM+5 operating income proxy margin	Margin mechanism
Bear	$0.380B	-25.3%	6.0%	1.0%	Breakeven is delayed or fragile, ECL remains elevated, payments stay competitive, and regulatory/compliance costs absorb much of scale leverage.
Base	$0.380B	-25.3%	18.0%	12.0%	H2 2026 breakeven is achieved, fixed bank and risk infrastructure scales, ECL ratio improves modestly, and deposit-funded lending mix rises.
Bull	$0.380B	-25.3%	24.0%	18.0%	Data advantage lowers CAC and credit cost, deposits remain efficient, higher-fee financial products add positive mix, and operating leverage is stronger.

The base margin path is: negative 25.3% TTM, about negative 6% around TTM+1, positive 4% by TTM+2, 10% by TTM+3, 15% by TTM+4, and 18% by March 31, 2031. This is consistent with management's H2 2026 breakeven target because the model does not require the full TTM+1 period to be strongly profitable. It also leaves room for credit and compliance costs. Financial Services should not be modeled at Mobility-like margins; a lending and banking segment has balance-sheet costs and risk expenses that a ride-hailing marketplace segment does not.

The bear margin path assumes management still gets the segment near breakeven, but later and with weaker quality. ECL may stay high because the portfolio shifts into macro-stressed borrower cohorts or because the newer loan vintages season worse than early data suggested. Deposit pricing may rise. Regulators may force more conservative underwriting, higher reserves, or product restrictions. In this case, revenue still grows to $0.76 billion, but Segment Adjusted EBITDA reaches only $46 million and operating income proxy is only about $8 million.

The bull margin path assumes the underwriting edge is real. A gross loan portfolio above $2 billion by end-2026 becomes the base for several years of profitable growth; deposit-funded digital bank lending expands; and payment, insurance, and financial-advertising economics add fee revenue without taking the segment to software-like economics. Even then, the bull margin is 24% Segment Adjusted EBITDA. This respects the segment's credit and regulatory cost structure.

10. Segment Rollup

The rollup is intentionally simple because no product-level dollar revenue is disclosed. The reportable segment line is the model. Sub-products are modeled qualitatively as drivers of the segment CAGR and margin, not as separate revenue lines.

Case	TTM revenue base	Revenue CAGR TTM to TTM+5y	TTM+5 revenue	Segment Adjusted EBITDA margin	TTM+5 Segment Adjusted EBITDA	Operating income proxy margin	TTM+5 operating income proxy
Bear	$0.380B	15.0%	$0.764B	6.0%	$0.046B	1.0%	$0.008B
Base	$0.380B	23.0%	$1.070B	18.0%	$0.193B	12.0%	$0.128B
Bull	$0.380B	29.0%	$1.357B	24.0%	$0.326B	18.0%	$0.244B

Arithmetic tie-out: $0.380B compounded at 15.0% for five years equals about $0.764B. $0.380B compounded at 23.0% for five years equals about $1.070B. $0.380B compounded at 29.0% for five years equals about $1.357B. Segment Adjusted EBITDA equals revenue multiplied by the case margin, and the operating income proxy equals revenue multiplied by the proxy margin. Because the rollup uses one disclosed reportable segment line, there is no hidden product-sum reconciliation gap.

For synthesis, the base handoff is $1.070 billion of March 31, 2031 Financial Services revenue, $193 million of Segment Adjusted EBITDA, and $128 million of operating income proxy. The model should carry the proxy as a lower-confidence number because official segment operating income is not disclosed. The stronger number is Segment Adjusted EBITDA, but the valuation bridge cannot ignore D&A, SBC, regional corporate costs, regulatory overhead, and balance-sheet capital.

11. Credit Risk, Cash-Flow Quality, And Regulatory Capital Needs

Credit risk is the main segment-specific risk. The 2025 20-F says credit risk arises from trade receivables, loans and advances, payment cycle receivables, deposits, and cash. For loan receivables and commitments, the exposure mainly relates to term loans to merchant-partners, driver-partners, and consumers, and financing provided to individuals and businesses through digital banking activity. Grab says credit risk management begins with underwriting and continues through repayment, using internally developed risk models based on historical repayment behavior, platform behavior, and regulatory guidelines. This sounds sensible, but it is still a young scaled portfolio.

The hard numbers are sobering. FY 2025 impairment losses on loan receivables and commitments were $119 million. Gross loan receivables were $1.278 billion at year-end, with a $98 million allowance. Loans more than 91 days past due were credit-impaired, with loss rates above 90%. Undrawn loan commitments were $753 million at year-end 2025, up from $205 million in 2024, though the corresponding expected credit losses were described as not material. The growth rate of commitments is a reminder that reported loan receivables are not the entire exposure surface. If unused limits are drawn in a weaker macro environment, the model can change quickly.

Cash-flow quality is also nuanced. The data package says FY 2025 official operating cash flow was $79 million and adjusted free cash flow was $290 million. For TTM ending March 31, 2026, official operating cash flow was negative $53 million while adjusted free cash flow was positive $489 million. The main reason is that adjusted free cash flow excludes movements in Financial Services loan receivables and deposits from customers in the banking business. FY 2025 operating cash flow included a $691 million outflow from loan receivables and a $308 million inflow from banking deposits. Q1 2026 had a $192 million outflow from loan receivables and only a small deposit movement. This does not make adjusted free cash flow wrong; Grab defines it clearly. But it means Financial Services growth consumes balance sheet and can reduce statutory operating cash flow even while adjusted free cash flow looks strong.

Regulatory capital is the other constraint. Digital banks do not scale like asset-light software. Capital must support credit risk, operational risk, liquidity risk, and regulatory buffers. Grab's 20-F says the digital banks in Singapore and Malaysia have launched commercial operations but have yet to receive approval to conduct full business activities without restrictions. It also flags evolving rules around payments, banking, insurance, BNPL, and P2P funding. Indonesia's OVO Finansial funding-provider cap is a concrete example: a single funding provider and affiliates are capped at 25% of funding position at month-end, or 75% if the funder is a financial institution. That kind of rule can affect funding structure, growth, and compliance costs.

By March 31, 2031, the base case implicitly requires a loan portfolio several times the current level. If the net loan portfolio remains around 3.5x Financial Services revenue, a $1.07 billion revenue base could imply roughly $3.5 billion to $4.0 billion of net loan receivables, depending on mix, yield, payment fees, insurance, and financial-advertising contribution. A regulated portfolio of that size may require hundreds of millions of dedicated capital, especially if unsecured consumer and SME credit remain significant. The synthesis should therefore not treat the $193 million base Segment Adjusted EBITDA handoff as fully free cash flow. Some of it must be retained to fund risk-weighted assets, buffers, technology, compliance, and credit reserves.

12. Key Risks And Wildcards

Credit-cycle seasoning is the first risk and applies most to the bear case. The portfolio has scaled rapidly, and management's credit quality comments are encouraging, but the loan book has not yet proven itself through a mature Southeast Asian consumer and SME credit cycle at the current scale. A 100-200 basis point deterioration in loss rates on a multi-billion-dollar portfolio can materially change 2031 operating income.

Deposit pricing and liquidity are the second risk. Management says Grab can raise deposits and is not the most aggressive on price. That is positive. Still, depositors can move quickly, and digital banks without long operating histories may need to pay up when rates rise or competition intensifies. If funding cost rises faster than loan yields, Financial Services margins compress.

Regulatory restrictions are the third risk. Digital banks may remain restricted longer than expected. BNPL products may face curbs in Singapore or Malaysia. Indonesian P2P funding caps or wallet rules may constrain OVO-linked activity. Payment-fee regulation or interoperability mandates could reduce economics. These risks can hit growth and margin simultaneously.

Competition is the fourth risk. ShopeePay, GoPay, Dana, Touch 'n Go, MAE, Google Pay, incumbent banks, and digital banks all compete for parts of the same profit pool. Grab has a strong funnel, but competitors can subsidize, bundle, or use their own ecosystem data. Payments in particular can be a low-margin battlefield.

M&A and geographic expansion are the fifth wildcard and should stay outside the organic segment rollup unless guidance changes. Stash could add positive fee-based adjusted EBITDA if the acquisition closes and integrates well, but it also introduces U.S. financial-services exposure outside Grab's Southeast Asia superapp core. Validus gives Grab a larger SME lending capability, but SME credit can be more cyclical than consumer wallet activity. These deals can improve mix or distract management.

Model risk is the sixth risk. Grab's underwriting advantage depends on data models. The 20-F warns that AI, statistical, or machine-learning models may malfunction and create operational underperformance, financial loss, reputational damage, or regulatory sanctions. A model can backtest well and still fail when borrower behavior changes, fraud adapts, or macro conditions shift.

Ending Summary Table

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Probability
Bear	$0.764B	1.0% operating income proxy; 6.0% Segment Adjusted EBITDA	$0.008B operating income proxy; $0.046B Segment Adjusted EBITDA	25%
Base	$1.070B	12.0% operating income proxy; 18.0% Segment Adjusted EBITDA	$0.128B operating income proxy; $0.193B Segment Adjusted EBITDA	55%
Bull	$1.357B	18.0% operating income proxy; 24.0% Segment Adjusted EBITDA	$0.244B operating income proxy; $0.326B Segment Adjusted EBITDA	20%

Synthesis Handoff

Use the base case unless the synthesis has an explicit reason to weight cases differently. The base Financial Services handoff is March 31, 2031 revenue of $1.070 billion, Segment Adjusted EBITDA of $193 million, and operating income proxy of $128 million. The bear handoff is $0.764 billion revenue, $46 million Segment Adjusted EBITDA, and $8 million operating income proxy. The bull handoff is $1.357 billion revenue, $326 million Segment Adjusted EBITDA, and $244 million operating income proxy.

Unresolved flags: product-level dollar revenue is not disclosed; official segment operating income is not disclosed; credit losses and regulatory capital needs are material; adjusted free cash flow excludes Financial Services loan receivable and digital-bank deposit working-capital movements; Stash is excluded from the base organic rollup and should be treated as a separate capital-allocation overlay unless the synthesis explicitly includes it.

Appendix B4 - Others

Others - Segment Deep Dive

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\appendix_B_others.md

Stage 0 Anchor

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031.

Stage 1 caveat: the orchestrator override notes state that the original Stage 1 sweep produced a RED disqualifier on persistent ROIC, because Grab has only recently reached full-year profitability and has not demonstrated a multi-year 15%+ ROIC record. The user explicitly overrode that stop to continue the full production workflow. This appendix therefore models Others for synthesis completeness, but it does not treat the override as a quality pass.

0. Segment Boundary And Taxonomy Note

This is a small-segment exception appendix. Production Mode normally targets at least 4,500 words for a segment appendix, but the Others segment is about $4 million of TTM revenue, roughly 0.1% of Grab's TTM revenue base, and has no disclosed product-level dollar series below the reportable segment. A shorter production appendix is appropriate because additional length would mostly repeat anti-fabrication caveats rather than improve the valuation work.

The taxonomy boundary matters more than the economics. Grab's current reportable segments are Deliveries, Mobility, Financial Services, and Others. The data package states that older history and FMP annual segmentation used a fourth bucket named Enterprise and new initiatives for FY 2021-FY 2022, while current annual filings use Others for FY 2023-FY 2025. QF also found that FMP's FY 2023 annual segmentation still presented an old-taxonomy value for Enterprise and new initiatives, while the official 2025 20-F and official quarterly releases control the current-taxonomy values. Therefore this appendix uses FY 2023-FY 2025 and TTM ending March 31, 2026 as the decision-useful historical base. FY 2021-FY 2022 are shown only as old-taxonomy context and are not used to infer current Others growth.

1. What This Segment Actually Is

Others is Grab's reportable catch-all for immaterial initiatives that do not belong in Deliveries, Mobility, or Financial Services. The data package describes the current bucket as mapping, autonomous vehicle services, and last-mile delivery infrastructure not individually material. QF's primary-source mapping table ties Others to the 2025 20-F phrase "mapping services"; the data package further notes management discussion of AV, mapping, remote driving, and AI as strategic infrastructure rather than a separately material revenue pool.

The cleanest way to understand Others is not as a mini operating company, but as the accounting home for infrastructure and optionality around Grab's core marketplace. Mapping can support driver routing, dispatch reliability, ETA accuracy, merchant discovery, and delivery density. Autonomous vehicle and remote-driving work can support future supply reliability in Mobility and last-mile delivery, but management has not disclosed a standalone commercial revenue plan that would make Others a meaningful profit center by March 31, 2031. Last-mile infrastructure can include experimental capabilities that improve fulfillment cost or reliability inside Deliveries, but the disclosed revenue remains inside a tiny reportable bucket rather than a visible product line.

The customer is therefore ambiguous by design. Some revenue may be B2B or infrastructure-linked, but the segment's strategic customer is effectively Grab itself: the mapping, AV, AI, and logistics capabilities support marketplace liquidity and reliability across the superapp. Pricing is not separately disclosed. Go-to-market is not separately described. The company does not disclose revenue by mapping, AV services, infrastructure, or any named product in this bucket. Under the ER2 anti-fabrication rule, this appendix does not assign product-level dollars to mapping, AV, Vay, Infermove, or last-mile infrastructure.

The taxonomy also prevents a naive long-term growth story. The FY 2021-FY 2022 fourth bucket generated $44 million and $60 million of revenue under the old Enterprise and new initiatives label. The current Others line generated only $1 million in FY 2023 and $4 million in both FY 2024 and FY 2025. Those numbers are not a collapse in the same business line; they are a reporting-boundary change. Any analysis that says Others declined from $60 million to $1 million would be mixing old and current taxonomy. The correct statement is narrower: current Others is immaterial and has only three comparable annual data points.

2. Current Economics

The current economics are simple: Others is immaterial, noisy, and not valuation-bearing. FY 2025 revenue was $4 million, about 0.1% of consolidated reportable segment revenue of $3.370 billion. FY 2025 Segment Adjusted EBITDA was $1 million, also immaterial. The TTM period ending March 31, 2026 consisted of four quarters at roughly $1 million of revenue each: Q2 2025 $1 million, Q3 2025 $1 million, Q4 2025 $1 million, and Q1 2026 $1 million. TTM revenue was $4 million. TTM Segment Adjusted EBITDA was negative $2 million, composed of zero in Q2, zero in Q3, negative $1 million in Q4, and negative $1 million in Q1.

Grab does not disclose segment operating income. The controlling segment profit metric is Segment Adjusted EBITDA. Segment operating income proxy in this appendix is therefore only a synthesis handoff estimate, not a disclosed fact. Because Others is an infrastructure and optionality bucket, the segment-level operating income proxy is modeled as Segment Adjusted EBITDA less a small assumed D&A and infrastructure cost burden. The absolute dollars are tiny relative to Grab's consolidated operating-profit bridge, so the priority is not false precision. The priority is to avoid letting a small bucket create a hidden valuation plug.

Capital intensity is not separately disclosed. The segment may depend on engineering spend, mapping data, AV partnerships, cloud infrastructure, data assets, and hardware or lease-linked experimentation, but Grab does not allocate assets, liabilities, capex, R&D, or D&A by segment. The 2025 20-F and QF both state that the chief operating decision maker reviews segment revenue and Segment Adjusted EBITDA, while assets and liabilities are reviewed predominantly at the consolidated level. This means no segment ROIC can be computed for Others. Any attempt to calculate standalone ROIC would be spurious.

The segment's present revenue scale makes even high growth financially irrelevant. A 50% five-year CAGR from a $4 million TTM base would produce about $30 million of revenue by March 31, 2031, still less than 1% of Grab's current TTM revenue. Conversely, a complete shutdown would remove only $4 million of TTM revenue and negative $2 million of TTM Segment Adjusted EBITDA. In the consolidated ER2 model, the value of Others is almost entirely strategic option value and operational support for core segments, not direct segment earnings.

3. Unit Economics

Others does not have observable unit economics in the way Deliveries, Mobility, or Financial Services do. There is no disclosed GMV denominator, no take rate, no product-level revenue, no disclosed cost of revenue, no disclosed gross margin, no disclosed unit count, and no disclosed capital employed. The data package explicitly says product-level dollar revenue below reportable segment level is not disclosed for Grab's named products and sub-products, including the infrastructure items relevant to Others. For this segment, "unit economics" must be a qualitative framework constrained by disclosed segment revenue and Segment Adjusted EBITDA.

The likely economic shape is mixed. Mapping services and internal platform infrastructure can be high-fixed-cost, low-marginal-cost capabilities once built, but the accounting line does not reveal whether revenue is external, internal-support-linked, or incidental. AV services and remote-driving partnerships can be much more capital and engineering intensive. Last-mile infrastructure may require experimentation, data operations, compliance work, integration with driver and merchant operations, and potentially hardware-related spend. These cost structures are not directly comparable to Grab's Mobility marketplace, where incremental rides can produce very high Segment Adjusted EBITDA against revenue, or Financial Services, where credit losses and regulated balance-sheet capital are central.

The reported margin signal is too noisy to extrapolate. FY 2023 revenue was $1 million and Segment Adjusted EBITDA was negative $1 million. FY 2024 revenue was $4 million and Segment Adjusted EBITDA was $3 million. FY 2025 revenue was $4 million and Segment Adjusted EBITDA was $1 million. TTM revenue was $4 million and Segment Adjusted EBITDA was negative $2 million. On a revenue-margin basis, that sequence is negative 100%, positive 75%, positive 25%, then negative 50%. Those percentages are mathematically true but economically misleading because the denominator is tiny. A $1 million timing shift can move the margin by 25 points. For that reason, this appendix models margin with absolute dollar guardrails rather than treating historical percentages as stable economics.

What breaks margin upward? First, any external mapping or infrastructure revenue could drop through if the capability is already built for Grab's own network. Second, if AV partnerships are structured as software, data, or fleet-orchestration fees rather than capital-heavy operations, the segment could show positive Segment Adjusted EBITDA on low revenue. Third, if some experimental spending migrates into core segment cost lines once products scale, the residual Others bucket could appear profitable. None of these outcomes is disclosed enough to underwrite a material earnings contribution.

What breaks margin downward? First, AV and remote-driving work can absorb engineering and partnership costs before revenue arrives. Second, mapping data quality across Southeast Asia is operationally hard because dense urban environments, informal addresses, traffic patterns, regulatory differences, and merchant churn require constant refresh. Third, infrastructure projects may be valuable to Deliveries and Mobility but monetized indirectly, leaving the costs visible in Others while the revenue benefit appears elsewhere. This is why the bear case keeps Segment Adjusted EBITDA negative even though the revenue base is small.

4. Competitive Dynamics

The competitive set for Others is different from the competitive set for Grab's consumer-facing segments. For mapping and geospatial infrastructure, global platforms such as Google Maps, Apple Maps, HERE, TomTom, and regional mapping or logistics data providers have significant data assets. For ride-hailing and delivery routing, Grab also competes against the internal mapping and dispatch stacks of Gojek, ShopeeFood, Foodpanda, Be Group, Line Man Wongnai, and other regional operators. For AV and remote-driving optionality, the relevant competitors and partners include autonomous technology developers, teleoperation companies, vehicle OEMs, robotics companies, and large platform operators that can deploy vehicle supply at scale.

Grab's advantage is not that it owns a standalone mapping franchise comparable to a global map provider. The advantage, if any, is contextual data density inside its own marketplace. Every delivery, ride, merchant listing, driver-partner movement, consumer search, and ETA correction can improve local routing and operational prediction. In Southeast Asia, where address quality, traffic conditions, road changes, apartment access, mall pickup points, and weather patterns can be complex, platform-specific data may have real operational value. That value, however, likely shows up as better Mobility and Deliveries reliability rather than direct Others revenue.

Pricing power is therefore indirect. Others itself has little demonstrated pricing power because there is no visible customer-facing price book. Grab's core platform may use better maps, dispatch, and AI to reduce wait times, improve batching, reduce failed deliveries, improve driver productivity, or sustain lower consumer prices without destroying marketplace economics. If those benefits occur, the monetization will likely be in Deliveries and Mobility revenue, take rate, incentives, or margins. The Others segment should not be credited with separate pricing power unless Grab begins disclosing external contracts or meaningful revenue.

Entry barriers are moderate but not decisive. A new local competitor can use third-party maps and basic routing. A large incumbent can invest in proprietary logistics data. The difficult part is not drawing a map; it is operationalizing live marketplace data at scale and integrating it into dispatch, batching, fraud prevention, safety, merchant operations, and support. Grab has an installed marketplace and region-specific data, which is useful. But global mapping vendors and regional competitors are not blocked from improving their own systems, and third-party AI tools may reduce the cost of building good-enough routing and operational intelligence.

Substitution risk is high at the line-item level and low at the company-process level. If external mapping APIs become cheaper and better, Grab may not need to monetize its own mapping work directly. If AV timelines slip, Grab can continue using human driver-partners. If remote-driving technologies disappoint, they may remain a small investment rather than a core mobility input. But the need for routing, location intelligence, logistics infrastructure, fraud detection, and marketplace optimization does not go away. The right conclusion is that the capability is strategically relevant, while the reportable segment is economically immaterial.

5. Moat At The Segment Level

The segment-level moat is weak as a standalone revenue business. Others does not have disclosed scale economics, external customer lock-in, proprietary contracted revenue, regulatory licenses, or a product-level margin profile that would support a strong independent moat rating. It should not receive the same moat credit as Mobility, where dense two-sided network effects and supply liquidity can create local advantages, or Deliveries, where consumer, merchant, driver, and ad surfaces may reinforce one another.

The segment does have a support moat. Mapping, AI, AV experimentation, and last-mile infrastructure can deepen the operational moat of the core marketplace if they improve reliability, affordability, or supply utilization. Management's Q4 2025 and Q1 2026 commentary, as summarized in the data package, frames AV and AI as tools for reliability, supply resilience, affordability, and operational efficiency rather than near-term replacement of driver-partners. That distinction is important. If Others helps Grab reduce wait times, increase driver income per hour, improve batching, or make lower-price products economically viable, the value accrues to the consolidated platform even if Others remains tiny.

Durability over five to ten years depends on whether Grab's proprietary regional data remains useful after AI tooling becomes more commoditized. The favorable case is that high-frequency marketplace data remains hard to replicate because it comes from actual regional transactions, not generic map data. The unfavorable case is that global mapping, routing, and AI tools improve enough that Grab's internal investments become necessary table stakes rather than a source of differentiation. The base case here assumes the second view for direct segment economics: Others remains table-stakes infrastructure, useful but not separately valuable.

The segment therefore receives no standalone valuation premium. In the ER2 synthesis, Others should be included as a small line to make the segment sum tie, but not used to justify a higher multiple. Any upside from AV, mapping, AI, or logistics infrastructure should be credited only when it appears in disclosed Deliveries, Mobility, or consolidated margin performance. Until then, treating Others as a material hidden asset would violate the evidence standard.

6. Historical Growth Rates

The historical table below reproduces the data package's segment-level values. It deliberately separates old-taxonomy context from current-taxonomy modeling history. Every dollar figure is at the reportable fourth-bucket level; no product-level dollar revenue is disclosed below the segment.

Product / sub-segment	FY-3 rev	FY-2 rev	FY-1 rev	3-yr CAGR	Most recent YoY	Data package cite
Others current taxonomy	$1m FY2023	$4m FY2024	$4m FY2025	NM due tiny base	0.0%	data_package Section 3, Others row; Section 4, Others row
Mapping / AV services / infrastructure	Not separately disclosed	Not separately disclosed	Not separately disclosed	NM	NM	data_package Section 4, Others product row
Old Enterprise and new initiatives context	$44m FY2021	$60m FY2022	Not comparable	NM due taxonomy break	36.4% in FY2022	data_package Section 3, taxonomy flag

Internal arithmetic check: FY 2024 current-taxonomy Others revenue of $4 million divided by FY 2023 revenue of $1 million is a 300% increase. FY 2025 revenue of $4 million divided by FY 2024 revenue of $4 million is 0% growth. Those calculations match the data package. The old Enterprise and new initiatives row is not tied to the current Others series. No product-level back-solved rows are included because there is no disclosed product revenue base or product-level YoY series from which to back-solve.

The latest four-quarter pattern is also flat on revenue and negative on Segment Adjusted EBITDA:

Quarter	Others revenue	YoY growth	Segment Adjusted EBITDA	Data package cite
Q2 2025	$1m	NM	$0m	data_package Section 5, segment quarterly table
Q3 2025	$1m	NM	$0m	data_package Section 5, segment quarterly table
Q4 2025	$1m	NM	-$1m	data_package Section 5, segment quarterly table
Q1 2026	$1m	NM	-$1m	data_package Section 5, segment quarterly table
TTM ending 2026-03-31	$4m	NM	-$2m	data_package Section 14, downstream handoff

The relevant conclusion from history is not that Others is shrinking or accelerating. The relevant conclusion is that the current bucket is deliberately small, volatile around zero profit, and not separately disclosed enough for a product build. The best forecast discipline is to keep the line small unless management begins reporting real external revenue.

7. Management Guidance

The data package contains no formal revenue or profit guidance specifically for Others. Formal guidance is at the group level: FY 2026 revenue of $4.04 billion to $4.10 billion, FY 2026 adjusted EBITDA of $700 million to $720 million, and a 2025-2028 framework of about 20% group revenue CAGR, 2028 adjusted EBITDA of $1.5 billion, and 2028 adjusted free cash flow conversion of 80% of adjusted EBITDA. The data package says the 2028 framework is primarily organic. None of these targets assign dollars to Others.

Management commentary relevant to Others is strategic rather than financial:

Date	Fiscal period	Speaker	Segment or topic	Verbatim excerpt	Modeling interpretation
2026-02-11	FY 2025 Q4	Anthony Tan, CEO	Autonomous vehicles	"not as a replacement for our driver partners"	AV is modeled as supply resilience and reliability infrastructure, not a near-term driver-labor displacement profit pool.
2026-02-11	FY 2025 Q4	Peter Oey, CFO	2028 framework	"20% revenue CAGR growth"	This is group-level guidance; do not allocate a material slice to Others without disclosure.
2026-02-11	FY 2025 Q4	Peter Oey, CFO	Capital allocation	"all organic growth"	Base model excludes large M&A revenue from Others unless announced and disclosed in segment revenue.
2026-05-04	FY 2026 Q1	Anthony Tan, CEO	Group growth	"on-demand GMV growth accelerated to 24%"	Core demand is strong, but this does not imply a disclosed Others revenue ramp.

The data package's segment-specific handoff is the most important line for this appendix: Others is "strategic optionality only; not a near-term valuation driver." That is the governing guidance interpretation. Management may invest in AV, mapping, remote driving, robotics, and AI because they help core marketplace reliability. The ER2 model should wait for disclosed segment revenue before turning that strategic narrative into meaningful dollars.

8. Forward Growth Assumptions

The forward horizon is March 31, 2031, exactly five calendar years from the TTM ending March 31, 2026. The TTM revenue base is $4 million. Because there are no disclosed product-level dollars, the model uses one reportable-segment line. The cases are intentionally narrow in valuation impact.

Base case: Others remains infrastructure and optionality. Revenue grows from $4 million to $5 million, a 4.6% CAGR, because small external or internal-support-linked revenue may persist but no meaningful standalone commercialization is disclosed.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Base CAGR TTM to TTM+5y	Justification
Others segment total	NM due taxonomy break	NM quarterly; FY2025 0.0%	No segment guide	4.6%	Current bucket is $4m TTM; base case allows modest persistence but does not convert AV or mapping optionality into material revenue.
Mapping / AV / infrastructure below segment	Not disclosed	Not disclosed	No product guide	Not separately modeled	Product dollars are not disclosed; all revenue remains in the segment total to avoid fabricated sub-product lines.

Bull case: A small commercialization path emerges, perhaps from mapping services, remote-driving partnerships, or infrastructure revenue tied to last-mile pilots. Revenue grows from $4 million to $15 million, a 30.3% CAGR. This sounds high in percentage terms but is only $11 million of absolute incremental revenue across five years.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Others segment total	NM due taxonomy break	NM quarterly; FY2025 0.0%	No segment guide	30.3%	Bull assumes some infrastructure revenue emerges, but caps FY+5 revenue at $15m because no disclosed product or customer pipeline supports a larger number.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bull CAGR TTM to TTM+5y	Justification
Mapping / AV / infrastructure below segment	Not disclosed	Not disclosed	No product guide	Not separately modeled	Upside is represented in segment total only; named initiatives are not assigned product-level dollars.

Bear case: Grab rationalizes or absorbs the bucket into core segment activity, or experimental revenue fades while costs remain. Revenue declines from $4 million to $2 million, a negative 12.9% CAGR. This does not harm consolidated revenue materially.

Product	3-yr historical CAGR	Latest YoY	Mgmt FY+1 guide	Bear CAGR TTM to TTM+5y	Justification
Others segment total	NM due taxonomy break	NM quarterly; FY2025 0.0%	No segment guide	-12.9%	Bear assumes the current small revenue line is not strategic enough to grow and may be de-emphasized or reclassified.
Mapping / AV / infrastructure below segment	Not disclosed	Not disclosed	No product guide	Not separately modeled	Product-level dollars remain undisclosed; downside is kept at segment total.

Thesis-consistency check: the base case does not rely on management's 20% group revenue CAGR because that framework is for Grab as a whole and is driven by Deliveries, Mobility, and Financial Services. Applying 20% to Others would produce about $10 million by FY+5, which would still be immaterial, but it would imply an unsupported linkage between group guidance and the fourth bucket. The base case instead uses near-flat absolute dollars.

9. Forward Operating Margin Assumptions

The current profit base is TTM Segment Adjusted EBITDA of negative $2 million on $4 million of revenue. Segment operating income is not disclosed. The operating income proxy below is only a synthesis convention: Segment Adjusted EBITDA less an assumed $1 million to $2 million of D&A, infrastructure, and segment-support burden depending on case. This is intentionally conservative because small positive Segment Adjusted EBITDA in Others does not necessarily mean positive IFRS operating income after allocated costs.

Case	TTM revenue base	TTM Segment Adj. EBITDA	FY+5 Segment Adj. EBITDA margin	FY+5 Segment Adj. EBITDA	FY+5 operating income proxy margin	Justification
Bear	$4m	-$2m	-100.0%	-$2m	-150.0%	Revenue fades to $2m while experiments continue; tiny denominator makes losses look large as a percentage.
Base	$4m	-$2m	0.0%	$0m	-20.0%	Cost discipline offsets support spending, but no disclosed scale economics justify material profit.
Bull	$4m	-$2m	20.0%	$3m	13.3%	Some external revenue emerges and drops through, but operating income proxy remains small after support costs.

The margin deltas exceed 100 bps, but the mechanism is absolute-dollar cleanup rather than true margin expansion. Moving from negative $2 million of TTM Segment Adjusted EBITDA to zero in the base case requires only $2 million of improvement over five years. That can come from project rationalization, cost absorption by core segments, or modest revenue growth. Conversely, the bear case assumes a loss continues because AV, mapping, and infrastructure projects may be funded for strategic reasons even without direct revenue.

The bull case does not assume software-like 70% or 80% margins. Even if mapping data or infrastructure fees have low marginal cost, the segment likely carries ongoing engineering and data maintenance costs. A 20% Segment Adjusted EBITDA margin on $15 million produces only $3 million of Segment Adjusted EBITDA. That is enough to acknowledge option value without letting an unsupported infrastructure thesis drive the ER2 verdict.

10. Segment Rollup

The rollup is deliberately one-line because product-level revenue is not disclosed. Segment totals reconcile to the assumptions in Sections 8 and 9. The operating income proxy is not a disclosed segment operating profit figure; it is a conservative downstream handoff to the synthesis agent.

Case	TTM revenue	FY+5 revenue	Revenue CAGR	FY+5 Segment Adj. EBITDA margin	FY+5 Segment Adj. EBITDA	FY+5 operating income proxy	Tie-out
Bear	$4m	$2m	-12.9%	-100.0%	-$2m	-$3m	$2m x -100.0% = -$2m
Base	$4m	$5m	4.6%	0.0%	$0m	-$1m	$5m x 0.0% = $0m
Bull	$4m	$15m	30.3%	20.0%	$3m	$2m	$15m x 20.0% = $3m

Probability weights for synthesis: 25% bear, 60% base, 15% bull. The probability-weighted FY+5 revenue is $5.75 million. The probability-weighted FY+5 Segment Adjusted EBITDA is negative $0.05 million, effectively zero. The probability-weighted operating income proxy is negative $1.05 million. These are rounding items for consolidated valuation. The handoff message is: include Others for arithmetic completeness, do not use it to support a BUY or WATCH verdict.

The implied consolidated impact is immaterial. Against TTM company revenue of $3.553 billion, the base-case FY+5 Others revenue of $5 million would be far below 0.2% of the current company base, before considering consolidated growth. Against TTM adjusted EBITDA of $547 million, base-case Others Segment Adjusted EBITDA of zero is also immaterial. The segment can matter strategically if its tools improve core segment efficiency, but that effect must be modeled in Deliveries and Mobility, not as direct Others revenue.

11. Key Risks And Wildcards

Bear risk: taxonomy and disclosure risk remain high. Grab may reclassify the bucket again, absorb activities into core segments, or stop showing meaningful detail. Because the revenue base is tiny, this is not a valuation risk, but it can create reconciliation noise for the synthesis agent.

Bear risk: AV and remote-driving economics may remain cost centers. Management's commentary says AV is not positioned as a replacement for driver-partners. That lowers the chance of a near-term labor-cost displacement thesis. If AV partnerships require engineering spend, pilots, safety processes, regulatory compliance, and partner subsidies before revenue, Others can stay loss-making.

Base risk: strategic value may appear outside the segment. If mapping and infrastructure improve Deliveries batching or Mobility reliability, the benefits may show up as better core segment margins. Segment-only analysis would miss that benefit. The synthesis should therefore read Others as a strategic enabler, while still assigning direct revenue and operating income only to disclosed segment economics.

Bull wildcard: a third-party infrastructure product could emerge. If Grab commercializes mapping, routing, merchant logistics, remote-driving orchestration, or last-mile tools to external customers, Others could grow from a tiny base. The bull case includes this possibility but caps it at $15 million FY+5 revenue because no disclosed pipeline supports a larger underwriting number.

Bull wildcard: AV partnerships could change supply economics in Mobility. This would not necessarily make Others large, but it could change Mobility's long-run driver supply, utilization, or reliability. The correct modeling location would be Mobility margins, with Others used only for any disclosed AV-service revenue.

Regulatory risk: AV, AI, geospatial data, privacy, labor, and transportation rules differ by market. The 2025 20-F risk discussion, summarized in the data package, flags AI and machine-learning risks, platform-worker rules, dynamic pricing scrutiny, competition investigations, and local regulatory uncertainty. For Others, regulatory friction can delay pilots or raise compliance costs even if direct revenue is small.

Data-gap risk: product-level dollars are not disclosed. This is the most important unresolved flag. The model cannot responsibly allocate dollars to mapping, AV services, infrastructure, Infermove, Vay, or other named initiatives. Any future disclosure of product revenue, external contracts, assets, capex, or segment operating income would require an update.

Synthesis Handoff Summary

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Segment TTM+5y Adj. EBITDA	Probability
Bear	$2m	-150.0% proxy	-$3m	-$2m	25%

Case	Segment TTM+5y Revenue	Segment TTM+5y Op Margin	Segment TTM+5y Op Income	Segment TTM+5y Adj. EBITDA	Probability
Base	$5m	-20.0% proxy	-$1m	$0m	60%
Bull	$15m	13.3% proxy	$2m	$3m	15%

Final handoff: Others should be carried in the consolidated model as a rounding line. Base case FY+5 revenue is $5 million, Segment Adjusted EBITDA is $0 million, and operating income proxy is negative $1 million. Bear case FY+5 revenue is $2 million, Segment Adjusted EBITDA is negative $2 million, and operating income proxy is negative $3 million. Bull case FY+5 revenue is $15 million, Segment Adjusted EBITDA is $3 million, and operating income proxy is $2 million. No product-level revenue is modeled because Grab does not disclose product-level dollars below the reportable Others segment. The unresolved flags are segment operating income not disclosed, product-level dollars not disclosed, taxonomy comparability limited to FY 2023-FY 2025 for current Others, and the Stage 1 ROIC red gate remaining overridden rather than cleared.

Appendix S - Synthesis (Combined Earnings Model)

Grab Holdings Limited - Synthesis (Combined Earnings Model)

1. Anchors

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031.

The compounding span in this appendix is exactly 5.0 calendar years from March 31, 2026 to March 31, 2031. Every "FY+5" reference below means that horizon date. It does not mean FY 2025 plus five fiscal years, and it does not mean a six-year bridge. This matters for Grab because the investment case is already close to the P/E 15 threshold; a one-year horizon error would be large enough to change the verdict.

Current market data comes from the live FMP `quote GRAB` helper run on 2026-05-29. The returned quote showed price $3.54, market capitalization $14.03 billion, exchange NASDAQ, previous close $3.64, and timestamp 2026-05-28 20:00:00 UTC. The required FY+5 EPS for a P/E of 15 at $3.54 is therefore $0.236. This appendix uses the official Q1 2026 diluted weighted-average share count of 4,441 million as the starting share-count anchor, not the FMP market-cap divided by price count, because EPS must be tested on a diluted basis.

The Stage 1 ROIC red gate was overridden by explicit user request. That override allows the model to be built, but it does not convert the quality gate into a pass. The management appendix verdict is FAIL. The moat appendix verdict is YELLOW, and the 2046 test is YELLOW. Those flags do not stop arithmetic, but they do stop a clean Gideon-quality investment conclusion from resting only on a thin valuation cushion.

Source hierarchy: the reviewed files are the model inputs. For historical revenue, segment revenue, Segment Adjusted EBITDA, official operating profit, cash flow, liquidity, and share count, the controlling sources are `quant_foundation.md` and `data_package.md`, which in turn use Grab official releases and 20-F/6-K sources where FMP mapping differs. Segment forward assumptions are taken from the four peer-reviewed segment appendices. Live FMP is used only for the current quote snapshot.

2. Segment-Level Forward Assumptions

Grab does not disclose product-level dollar revenue below its reportable segments. The segment appendices therefore model reportable segment totals and explicitly avoid fabricated sub-product dollar lines. Segment operating income is also not disclosed. The "Segment OI proxy" used in this synthesis is an analyst bridge from Segment Adjusted EBITDA toward consolidated operating profit. The stronger disclosed measure is Segment Adjusted EBITDA; the proxy is used only because the P/E test ultimately requires operating income, net income, and EPS.

The table below reproduces the segment handoffs from each appendix's forward-growth and rollup sections.

Segment	TTM revenue ($B)	Bear TTM+5y rev	Base TTM+5y rev	Bull TTM+5y rev	Bear OI margin	Base OI margin	Bull OI margin	Source
Deliveries	1.895	2.677	3.335	3.805	14.0%	20.5%	26.0%	appendix_B_deliveries sections 8-10
Mobility	1.274	1.872	2.245	2.619	34.0%	40.0%	43.0%	appendix_B_mobility sections 8-10
Financial Services	0.380	0.764	1.070	1.357	1.0%	12.0%	18.0%	appendix_B_financial_services sections 8-10
Others	0.004	0.002	0.005	0.015	-150.0%	-20.0%	13.3%	appendix_B_others sections 8-10
Total	3.553	5.315	6.655	7.796	NM	NM	NM	Segment sum

The segment mix in the base case remains recognizably Grab: Deliveries is still the largest revenue line at $3.335 billion, Mobility is the highest-quality profit pool at $2.245 billion of revenue and $1.257 billion of Segment Adjusted EBITDA, Financial Services grows fastest from a small base to $1.070 billion of revenue but remains credit- and regulation-sensitive, and Others stays a rounding line. The combined base-case revenue CAGR is 13.4% from TTM revenue of $3.553 billion to $6.655 billion. That is below management's 2025-2028 group framework of about 20% revenue CAGR because the model decelerates beyond the early 2026 guide period and does not include Stash as core organic revenue.

Segment Adjusted EBITDA handoffs are:

Segment	Bear Segment Adj. EBITDA ($B)	Base Segment Adj. EBITDA ($B)	Bull Segment Adj. EBITDA ($B)
Deliveries	0.522	0.834	1.142
Mobility	0.973	1.257	1.519
Financial Services	0.046	0.193	0.326
Others	-0.002	0.000	0.003
Total Segment Adj. EBITDA	1.539	2.284	2.990

The most important modeling caution is that Segment Adjusted EBITDA is not IFRS operating profit. QF's TTM bridge shows Total Segment Adjusted EBITDA of $944 million less regional corporate costs of $397 million, resulting in adjusted EBITDA of $547 million. Official operating profit was only $108 million. The $439 million difference between adjusted EBITDA and official operating profit is the current below-adjusted-EBITDA burden: D&A, SBC, M&A costs, restructuring, legal/regulatory provisions, fair-value and other items excluded from adjusted EBITDA. The forward model has to carry that bridge instead of valuing the segment handoffs as if they were fully taxed owner earnings.

3. Combined Revenue Build

There are no known corporate eliminations between reportable segment revenue and consolidated revenue in the TTM base. QF P1 and P4 show TTM segment revenue of Deliveries $1.895 billion, Mobility $1.274 billion, Financial Services $0.380 billion, and Others $0.004 billion, totaling consolidated revenue of $3.553 billion. The same no-elimination convention is used at the horizon.

Line	Bear	Base	Bull
Sum of segment TTM+5y revenue	5.315	6.655	7.796
Corporate eliminations	0.000	0.000	0.000
Combined TTM+5y revenue	5.315	6.655	7.796
Implied TTM to TTM+5y CAGR	8.4%	13.4%	17.0%

The bear case is still a growth case, not a demand-collapse case. It assumes Grab remains a growing Southeast Asian platform but loses economics to affordability, regulation, credit caution, and incentives. The base case assumes the 2026 guide and 2028 framework are directionally right but fade toward a more mature low-teens revenue algorithm. The bull case requires strong execution across all three material segments: Deliveries ads and grocery scale, Mobility preserves marketplace density and regulation remains containable, and Financial Services proves that embedded distribution creates profitable credit and payment revenue rather than balance-sheet drag.

Stash is excluded from the core segment revenue build. The Financial Services appendix notes that the Stash acquisition was announced in February 2026, expected to close in Q3 2026 subject to approvals, and was described with more than $5 billion of AUM, more than 1 million paying subscribers, positive adjusted EBITDA and cash flow today, and a target of more than $60 million adjusted EBITDA contribution by 2028. The data package also states that the group 2028 framework is primarily organic and that Stash should be treated separately unless official guidance explicitly folds it in. I therefore do not add Stash revenue to the base case. For perspective, adding $60 million of pre-tax contribution at a 17% tax rate and the base share count would add only about $0.011 of EPS before financing or integration effects; it would help but would not transform a marginal P/E 15 cushion into a wide one.

4. Combined Operating Income Build

The operating bridge is built in two layers. First, the model sums segment-adjusted EBITDA from the appendices. Second, it deducts unallocated regional corporate costs and below-adjusted-EBITDA costs to reach consolidated operating income. This

is the cleaner bridge because it ties back to QF's official TTM reconciliation.

Corporate cost assumption: TTM regional corporate costs were $397 million. The bear case grows that cost to $550 million by March 31, 2031, the base case to $560 million, and the bull case to $580 million. Those numbers imply roughly 6.7% to 7.9% annual growth in corporate cost dollars but meaningful leverage as a percentage of revenue. The cost line does not shrink in dollars because Grab is expanding Financial Services compliance, regional operations, governance, legal, risk, AI, AV, and M&A integration overhead. It does scale down as a percent of revenue because the existing platform overhead is shared across a larger transaction base.

Below-adjusted-EBITDA burden assumption: the TTM burden was $439 million, calculated as adjusted EBITDA of $547 million less official operating profit of $108 million. The bear case uses $420 million by the horizon, the base case $575 million, and the bull case $630 million. The bear dollar burden is lower because less growth and less M&A/integration activity reduce variable stock and expansion costs, but as a percent of revenue it remains high. The base and bull dollar burdens rise because the business is larger, but the burden falls materially as a percent of revenue versus the current 12.4% of TTM revenue. The base case explicitly assumes SBC improves as a percent of revenue but remains a real cost, not a non-economic add-back.

Line	Bear	Base	Bull
Sum of segment TTM+5y OI proxy	1.016	1.709	2.361
Total Segment Adjusted EBITDA	1.539	2.284	2.990
Unallocated regional corporate cost	-0.550	-0.560	-0.580
Adjusted EBITDA after corporate cost	0.989	1.724	2.410
D&A, SBC, M&A, legal and other adjusted items	-0.420	-0.575	-0.630
Combined TTM+5y operating income	0.569	1.149	1.780
Implied operating margin	10.7%	17.3%	22.8%

The base operating margin of 17.3% is ambitious relative to Grab's current official TTM operating margin of about 3.0%, but it is not simply invented. It is the result of Mobility preserving high profitability, Deliveries improving toward but not fully reaching management's 4% GMV steady-state ambition, Financial Services turning profitable but not software-like, and corporate/below-EBITDA costs falling sharply as a percent of revenue. The model would break if any of those four things fail together. In particular, if Financial Services grows but requires higher ECL, regulatory capital, or deposit pricing, or if buybacks do not tame SBC dilution, the base EPS is not robust.

5. Net Income And EPS Build

Net interest and investment income assumption: Grab had official Q1 2026 cash and equivalents of $2.948 billion, other investments of $4.341 billion, and loans and borrowings of $1.948 billion, with official net cash liquidity of about $5.0 billion. The model assumes net interest and investment income of $100 million in bear, $120 million in base, and $140 million in bull. This is below the raw current liquidity multiplied by a high rate because buybacks, M&A, Financial Services lending growth, deposits, and convertible debt economics all consume or encumber part of the balance sheet. Other income is set to zero. That is deliberately conservative because recent official profit for period has benefited from non-operating items, but the P/E 15 test should not rely on unpredictable revaluation gains.

Tax assumption: the model applies a 17.0% normalized tax rate across cases. That approximates Singapore's headline corporate tax rate and avoids overstating EPS by assuming permanent loss shields. Actual tax could differ by country mix, incentives, withholding taxes, bank and lending entities, valuation allowances, and the timing of profitability in Financial Services. The sensitivity table tests a plus or minus 300 bps tax-rate move.

Line	Bear	Base	Bull
Combined TTM+5y operating income	0.569	1.149	1.780
Net interest and investment income	0.100	0.120	0.140
Other income	0.000	0.000	0.000
Pre-tax income	0.669	1.269	1.920
Tax rate assumed	17.0%	17.0%	17.0%
Net income	0.555	1.053	1.594

Line	Bear	Base	Bull
Diluted share count at TTM+5y	4.603	4.430	4.310
EPS at TTM+5y	0.121	0.238	0.370

Base-case EPS is $0.238. Required EPS at today's $3.54 price for a P/E of 15 is $0.236. The model therefore clears the P/E 15 math by only $0.002 of EPS, or a 0.7% valuation cushion. That is not a comfortable underwriting margin. It means that rounding, a slightly weaker share-count path, a slightly higher tax rate, weaker Mobility margin, or an unmodeled M&A integration cost can flip the base case from passing to failing.

6. Share Count Path

The share-count bridge starts from Q1 2026 diluted weighted-average shares of 4,441 million. The official share-count table in QF shows diluted weighted-average shares of 4,218 million in Q2 2025, 4,186 million in Q3 2025, 4,429 million in Q4 2025, and 4,441 million in Q1 2026. Management authorized a new $500 million repurchase program in February 2026 and entered a $400 million accelerated share repurchase and contingent forward purchase in March 2026, but the Q1 diluted count was still elevated. The model therefore does not assume buybacks automatically create per-share growth; it shows the offset explicitly.

Base case: $250 million of annual repurchases for five years, average repurchase price rising from $4.25 to $6.25, and annual SBC issuance falling from 55 million shares to 40 million shares as SBC declines as a percent of revenue. This is consistent with a company using buybacks mainly to offset dilution while still preserving balance-sheet capacity for Financial Services and M&A.

Year	Starting share count (M)	Buyback ($B)	Avg price assumed	Shares retired (M)	SBC issuance (M)	Ending share count (M)
TTM+1	4441.0	0.250	4.25	58.8	55.0	4437.2
TTM+2	4437.2	0.250	4.75	52.6	50.0	4434.5
TTM+3	4434.5	0.250	5.25	47.6	45.0	4431.9
TTM+4	4431.9	0.250	5.75	43.5	42.0	4430.4
TTM+5	4430.4	0.250	6.25	40.0	40.0	4430.4

The base ending share count is 4,430 million. The bear case assumes only $100 million of annual repurchases, lower stock prices but higher SBC issuance, ending at 4,603 million diluted shares. The bull case assumes $350 million of annual repurchases and lower SBC issuance, ending at 4,310 million diluted shares. The base case is deliberately near-flat because management has not yet shown a clean multi-year record of reducing diluted shares. The management appendix flags this explicitly: diluted weighted-average shares rose from 3,995 million in FY 2024 to 4,206 million in FY 2025 and 4,441 million in Q1 2026 despite repurchase activity.

7. P/E 15 Test

Case	EPS at TTM+5y	EPS x 15	Current price	Cushion	Pass?
Bear	0.121	1.81	3.54	-48.9%	Fail
Base	0.238	3.57	3.54	0.7%	Bare mathematical pass, not high-confidence
Bull	0.370	5.55	3.54	56.7%	Pass

The confident case that matters is the base case. The bull case is not enough. Grab's base case barely clears the P/E 15 math at the live FMP price, but the cushion is so thin that it should be treated as YELLOW rather than a clean PASS. For Gideon purposes, the price test alone is not enough to rescue the thesis because the management gate is FAIL, the moat and 2046 tests are YELLOW, and the ROIC red gate remains an override flag rather than a cleared quality threshold.

8. Reflexivity Check

The historical TTM anchor ties cleanly. QF P4 shows segment revenue of $1.895 billion in Deliveries, $1.274 billion in Mobility, $0.380 billion in Financial Services, and $0.004 billion in Others. The sum is $3.553 billion, equal to official consolidated TTM revenue. QF P4 also shows Total Segment Adjusted EBITDA of $944 million, less regional corporate costs of $397 million, equal to adjusted EBITDA of $547 million. Official TTM operating profit is $108 million after

below-adjusted-EBITDA items.

Latest completed FY also ties. Data package Section 3 shows FY 2025 segment revenue of Deliveries $1.800 billion, Mobility $1.219 billion, Financial Services $0.347 billion, and Others $0.004 billion, totaling $3.370 billion of consolidated reportable segment revenue. QF P0 flags that FMP annual segmentation omits the $4 million Others line, so official source replacements control. The FY 2025 official operating profit was $65 million, not FMP's $222 million `operatingIncome` value, because FMP's operating-income mapping differs for this foreign issuer.

The forward build does not create a circular revenue plug. The base revenue is just the segment-sum: $3.335 billion Deliveries plus $2.245 billion Mobility plus $1.070 billion Financial Services plus $0.005 billion Others equals $6.655 billion. The base earnings bridge then runs from Segment Adjusted EBITDA to adjusted EBITDA to operating income. It does not solve EPS by choosing a target margin; EPS falls out of the segment and cost assumptions.

9. In-Progress FY Reconciliation

Stage 0 did not treat FY 2026 as effectively complete. The anchor is the TTM period ending March 31, 2026. Still, the first forward-year run-rate should not be wildly above the latest reported trend. Management's official FY 2026 revenue guidance is $4.04 billion to $4.10 billion, or 20% to 22% YoY growth from FY 2025 revenue of $3.370 billion. Q1 2026 revenue was $955 million, and TTM revenue was $3.553 billion.

The base segment paths imply first-forward-year revenue around $4.24 billion: Deliveries $2.198 billion, Mobility about $1.427 billion, Financial Services about $0.513 billion, and Others roughly $0.004 billion. That is 19.4% above the TTM base and only modestly above the midpoint of management's FY 2026 guide. Because Q1 2026 was already running at $955 million of revenue, the model does not require an impossible acceleration from the latest quarter. It does require continued year-over-year growth in the remaining 2026 quarters, which is consistent with the official guide but still vulnerable to macro, regulation, and competition.

10. Sensitivity

The sensitivity table holds two variables at base and flexes a third. The goal is not precision; it is to identify the variables that can flip the P/E 15 conclusion. Since the base cushion is only 0.7%, almost any meaningful adverse move is enough.

Variable changed	Downside case EPS	Base EPS	Upside case EPS	EPS swing vs base
Deliveries revenue CAGR 10% / 12% / 14%	0.225	0.238	0.253	-0.013 to +0.015
Mobility OI proxy margin 38% / 40% / 42%	0.230	0.238	0.247	-0.008 to +0.008
Diluted share count -5% / base / +5%	0.250	0.238	0.226	-0.012 to +0.012
Tax rate 20% / 17% / 14%	0.230	0.238	0.247	-0.009 to +0.009

The two most important variables are Deliveries growth and share count. Mobility margin also matters, but the segment is already profitable and the base case assumes limited margin expansion. Financial Services matters most through risk quality rather than revenue alone: if credit losses rise, the segment can grow revenue while contributing little EPS. The share-count sensitivity is especially important because management's buybacks have not yet reduced diluted shares on a clean multi-year basis. A 5% higher share count takes EPS to about $0.226, which fails the P/E 15 hurdle at $3.54 even if the operating model is otherwise intact.

11. Combined Earnings Summary

I use probability weights of 30% bear, 50% base, and 20% bull. The weights are not uniform because recent operating trends are strong and the 2026 guide supports growth, but the Stage 1 ROIC override, management FAIL, moat YELLOW, credit-cycle uncertainty, and governance concerns keep the bear probability meaningful. The bull case receives a lower weight because it requires simultaneous success across Deliveries monetization, Mobility regulation, Financial Services credit quality, and share-count control.

Case	Revenue ($B)	OI ($B)	OI margin	NI ($B)	EPS	Probability	EPS x 15	vs. $3.54
Bear	5.315	0.569	10.7%	0.555	0.121	30%	1.81	-48.9%
Base	6.655	1.149	17.3%	1.053	0.238	50%	3.57	0.7%

Case	Revenue ($B)	OI ($B)	OI margin	NI ($B)	EPS	Probability	EPS x 15	vs. $3.54
Bull	7.796	1.780	22.8%	1.594	0.370	20%	5.55	56.7%
Probability-weighted	6.408	1.081	16.9%	1.033	0.229	100%	3.44	-2.8%

Probability-weighted EPS is below the required $0.236. That is not the formal ER2 P/E gate, which tests the base case, but it is an important risk signal. The base case clears by less than one cent of stock value. The probability-weighted case fails because the bear case is still plausible enough to matter. This is exactly the kind of narrow valuation result where management and moat gates should carry extra weight.

Tie-Out Checks

Check	Requirement	Status	Evidence
1	Reported-financial tie-out for TTM and latest completed FY	Pass	TTM segment revenue $3.553B equals consolidated TTM revenue $3.553B. FY 2025 segment revenue $3.370B equals official consolidated revenue $3.370B. TTM adjusted EBITDA bridge $0.944B less $0.397B equals $0.547B, and official operating profit is separately bridged to $0.108B.
2	NI divided by shares equals EPS	Pass	Bear $0.555B divided by 4.603B equals $0.121. Base $1.053B divided by 4.430B equals $0.238. Bull $1.594B divided by 4.310B equals $0.370.
3	Segment sum tie-out at horizon	Pass	Combined horizon revenue equals segment-sum revenue in each case with no corporate elimination: bear $5.315B, base $6.655B, bull $7.796B.
4	Product-to-segment rollup	Pass with anti-fabrication limitation	Each segment appendix states product-level dollars are not disclosed and uses the reportable segment as the unit of account. No fabricated product subtotal is used.
5	Weighted margin check	Pass with anti-fabrication limitation	No segment has disclosed product-level dollar and margin rows that support a weighted product-margin calculation. Segment margins are reportable-segment handoffs and tie to each appendix's rollup table.
6	Share count path	Pass	Base share count starts at 4,441M and explicitly retires 242.5M shares while issuing 232.0M SBC shares, ending at 4,430M. Bear and bull use explicit alternate paths.
7	Growth plausibility	Pass	Base CAGRs are Deliveries 12.0%, Mobility 12.0%, Financial Services 23.0%, and Others 4.6%. Each is below the visible three-year historical rate or justified by scale, early segment base, and management's 2026/2028 framework.
8	Historical arithmetic	Pass	Segment appendices show TTM revenue compounded for exactly five years. Examples: Deliveries $1.895B at 12.0% becomes about $3.335B, Mobility $1.274B at 12.0% becomes about $2.245B, and Financial Services $0.380B at 23.0% becomes about $1.070B.
9	Recency anchor	Pass	Base first-forward-year revenue is about $4.24B, 19.4% above TTM and close to official FY 2026 guidance of $4.04B to $4.10B. It does not start materially above the current annualized run-rate.

Check	Requirement	Status	Evidence
10	Corporate cost, D&A, SBC, and capex consistency	Pass with caution	TTM regional corporate cost of $397M grows to $560M in base, and TTM below-adjusted-EBITDA burden of $439M grows to $575M. Capex and buyback assumptions remain consistent with data package capital allocation history and do not assume dividends.
11	Valuation arithmetic and market-data recency	Pass arithmetically, Yellow analytically	Live FMP quote price $3.54 implies required EPS of $0.236. Base EPS $0.238 gives 0.7% cushion. Bear fails and bull passes. The base cushion is too thin for a clean valuation PASS.

No tie-out fails. The flagged limitations are evidence limitations, not arithmetic breaks: product-level dollars are not disclosed, segment operating income is not disclosed, FMP operating income mapping differs from official Grab operating profit, and the Subagent S model must rely on a conservative bridge from Segment Adjusted EBITDA to operating income. The model should therefore be used as a disciplined underwriting case, not as a false-precision spreadsheet.

Final Synthesis Verdict For The Earnings Model

The combined model produces base-case March 31, 2031 revenue of $6.655 billion, operating income of $1.149 billion, net income of $1.053 billion, and EPS of $0.238. At a live FMP quote of $3.54, the required FY+5 EPS for a P/E of 15 is $0.236, so the base case clears by approximately 0.7%. The bear case fails badly at $0.121 of EPS, and the bull case clears at $0.370 of EPS.

This is a narrow arithmetic pass and a weak underwriting pass. The base case requires Grab to more than triple official TTM operating profit margin, hold Mobility economics, expand Deliveries profitability, make Financial Services profitable through credit and regulatory scaling, keep corporate costs controlled, and use buybacks to offset SBC without exhausting liquidity or creating M&A distraction. None of those assumptions is individually impossible; together they are demanding. Because the management appendix is FAIL, the moat appendix is YELLOW, the 2046 test is YELLOW, and the ROIC red gate was overridden rather than cleared, the synthesis should not be read as a clean BUY signal. It says only that, at $3.54, the stock is close enough to the P/E 15 line that small operating or share-count changes can determine the valuation outcome.

Appendix CS - Compounder Score

Grab Holdings Limited - Compounder Score

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\appendix_compounder_score.md

1. Executive Verdict

This diagnostic compounder score is **45 / 100**, with **43 / 80** for business quality and **2 / 20** for valuation and 20% return underwriting. The score-implied classification is **Reject**. That classification is diagnostic only inside ER2. It does not create a separate ER2 decision gate, and it does not override the management, moat, ROIC, or P/E 15 rules already established elsewhere in the run.

The central conclusion is simple: Grab is an improving business, but it is not yet a proven Gideon compounder. The company has real Southeast Asia platform density, strong Mobility economics, improving Deliveries profitability, large net cash liquidity, and visible management targets for 2026 and 2028. Those positives earn real runway and moat credit. They do not erase the harder evidence. The Stage 1 ROIC red gate was overridden by explicit user request, not cleared. The management appendix verdict is **FAIL**. The moat gate is **YELLOW**, and the 2046 durability test is **YELLOW**. The synthesis base case barely clears the ER2 P/E 15 test at $3.54 by only 0.7%, which is analytically **YELLOW**, not a clean valuation pass.

The 20% return underwriting is much weaker than the P/E 15 arithmetic. The synthesis base case produces March 31, 2031 EPS of $0.238. At a 15x exit multiple, the ending value is about $3.57 per share, barely above the $3.54 current price used in the run. That is roughly a flat five-year return before dividends, and Grab pays no dividend. The bull case at $0.370 of EPS and a 15x multiple gives about $5.55 of ending value, still far short of a 20% annualized five-year return from $3.54. To reach 20% annualized from the current price using the base EPS, the exit multiple would need to be far above the conservative 15x framework. That violates the scorer rule that the 20% case should work without terminal multiple expansion.

The score is capped by five issues. First, consolidated ROIC evidence is weak: FY 2025 calculated ROIC is about 3.5%, and there is no multi-year high-ROIC record. Second, official operating cash flow remains volatile and was negative $53 million for the TTM ending March 31, 2026, while adjusted free cash flow was positive $489 million because the adjusted definition excludes Financial Services loan receivable and deposit movements. Third, management fails the Gideon gate because founder voting control intensified in March 2026, the share count has not shown a clean reduction despite buybacks, and capital allocation is broadening into credit, grocery, Stash, Vay, Validus, Everrise, and foodpanda Taiwan before consolidated returns are proven. Fourth, the moat is promising but unresolved: Mobility looks strong, Deliveries is competitive and multi-home, and Financial Services has not yet proven through-cycle credit economics. Fifth, the valuation does not underwrite a 20% return unless the investor assumes a materially higher exit multiple, a much stronger operating case than the base model, or both.

2. Data Source Map

The scoring uses the ER2 source chain rather than stale cache files. The core historical, segment, management, moat, and synthesis evidence comes from the files in `C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab`. The current market price used by the synthesis and this score is the live FMP quote snapshot already recorded in the source files on 2026-05-29.

Evidence area	Primary source used	Treatment in score
Price, market cap, enterprise value	`quant_foundation.md` and `appendix_synthesis.md`	Price $3.54, market cap $14.03B, EV about $13.98B
Income statement	`quant_foundation.md`, `data_package.md`	Official Grab releases and 20-F control when FMP line mapping differs
Balance sheet and liquidity	`quant_foundation.md`, `data_package.md`	Q1 2026 official net cash liquidity about $5.0B gets full balance-sheet credit
Cash flow	`quant_foundation.md`, `data_package.md`	Official OCF and official adjusted FCF both shown; adjusted FCF not treated as pure owner earnings
Segment data	`appendix_B_deliveries.md`, `appendix_B_mobility.md`, `appendix_B_financial_services.md`, `appendix_B_others.md`	Segment revenue and Segment Adjusted EBITDA are used; segment operating income is treated as an analyst proxy
Management quality	`appendix_management.md`	Management verdict is FAIL and caps capital allocation/incentive scoring

Evidence area	Primary source used	Treatment in score
Moat and 2046	`appendix_moat.md`	Moat and 2046 test are both YELLOW, limiting durability scoring
Valuation model	`appendix_synthesis.md`	Base EPS $0.238 barely clears P/E 15 by 0.7%; 20% return case does not clear
Override record	`orchestrator_override_notes.md`	Stage 1 ROIC red gate was explicitly overridden by user request

Important data-source caveat: Grab is a foreign private issuer. The quantitative foundation identified material FMP-vs-official differences for operating profit, profit attribution, operating cash flow, and segment revenue detail. Official Grab quarterly releases, the Form 20-F, and furnished 6-K exhibits control. The score does not rely on FMP operating income or FMP operating cash flow where those mappings differ from official sources.

3. Key Financial and Quality Metrics

The TTM anchor is Q2 2025 plus Q3 2025 plus Q4 2025 plus Q1 2026, ending March 31, 2026. The forward horizon is March 31, 2031. TTM revenue is $3.553 billion, official operating profit is $108 million, profit for the period is $310 million, adjusted EBITDA is $547 million, official operating cash flow is negative $53 million, and adjusted free cash flow is $489 million. Segment revenue is Deliveries $1.895 billion, Mobility $1.274 billion, Financial Services $380 million, and Others $4 million.

Metric	Value	Score interpretation
FY 2025 calculated ROIC	3.5%	Fails high-ROIC compounder standard
TTM operating margin	3.0%	Improving, but still early and low
TTM adjusted EBITDA margin	15.4%	Useful operating signal, not owner earnings
TTM official OCF	-$53M	Cash conversion not yet clean on statutory basis
TTM adjusted FCF	$489M	Positive, but adjusted for lending/deposit movements
FY 2025 SBC / revenue	7.2%	Material per-share drag
FY 2025 SBC / adjusted FCF	83.1%	High relative to adjusted free cash flow
Q1 2026 diluted shares	4.441B	Share count remains elevated despite repurchases
Q1 2026 net cash liquidity	About $5.0B	Strong balance sheet
EV / TTM NOPAT	About 156x	Current NOPAT too low for value support
TTM adjusted FCF yield	About 3.5%	Helpful, but adjusted basis needs caution

The metrics show a business in transition. Grab has escaped the worst loss phase and is showing real segment operating leverage. Mobility is already a strong contribution engine. Deliveries has moved from loss-making to meaningfully positive Segment Adjusted EBITDA. Financial Services is growing quickly and narrowing losses. But the diagnostic compounder framework asks whether the company has already demonstrated high incremental returns, durable owner earnings, disciplined per-share capital allocation, and a price that can compound at 20%. The answer is no.

4. Rubric Scorecard

Category	Score	Max	Rationale
Incremental returns on capital	10	25	FY 2025 ROIC about 3.5%; ROIIC not cleanly proven; unit economics are improving but consolidated returns remain weak
Reinvestment runway	14	20	Southeast Asia platform growth is real; Deliveries, Mobility, ads, grocery, and Financial Services provide runway, but regulation and credit constrain quality
Durability of moat	9	15	Mobility moat is strongest; Deliveries and Financial Services remain more conditional; moat and 2046 verdicts are YELLOW
Accounting and financial quality	6	10	Revenue disclosures are solid, balance sheet is strong, but FMP mappings differ, OCF is volatile, and adjusted FCF requires care

Category	Score	Max	Rationale
Capital allocation discipline	4	10	Buybacks and net cash help, but management FAIL, dual-class control, dilution, and widening M&A cap the score
Price and 20% return underwriting	2	20	Base case is roughly flat at 15x exit P/E; 20% return requires major multiple expansion or a much stronger case
Total	45	100	Diagnostic classification: Reject

The score intentionally does not let runway offset valuation. Grab can be a better company in 2031 and still be a poor 20% return underwriting candidate at $3.54 if the base case only supports about $3.57 of value at 15x EPS. The score also does not allow Mobility's strong segment economics to override the consolidated evidence. Shareholders own the whole company: Mobility plus Deliveries, Financial Services, corporate costs, SBC, governance, credit risk, M&A, and dilution.

5. ROIIC and Reinvestment Analysis

Normalized high ROIC receives only limited credit. The data package calculates FY 2025 ROIC at about 3.5% using official operating profit, a normalized tax rate when positive, and invested capital based on debt plus equity less cash and short-term investments. The annual ROIC path was not a normal high-quality compounder history: FY 2022 was negative, FY 2023 was negative, FY 2024 was negative, and FY 2025 only turned positive at a low level. That is why the original Stage 1 ROIC gate was red.

ROIIC is also not cleanly proven. A mechanical calculation from loss-making years to a small positive NOPAT can make incremental returns appear artificially high or meaningless, because the base year is depressed and the company has large cash, equity, accumulated losses, SBC, and Financial Services balance-sheet movements. The evidence supports operational improvement, not a verified 25%-plus or 35%-plus ROIIC record. The score therefore treats ROIIC as insufficient evidence with partial credit for visible segment-level operating leverage.

Reinvestment quality is mixed. Organic reinvestment into product, routing, ads, merchant tools, driver supply, and AI appears rational. R&D expense has fallen as a percentage of revenue while remaining material in dollars, which indicates operating leverage rather than simple underinvestment. Deliveries and Mobility have shown that incremental volume can carry better segment profitability. However, Grab is also reinvesting into Financial Services, digital banking, SME lending, grocery, Stash, Vay, Validus, Everrise, foodpanda Taiwan, robotics, mapping, and AV optionality. Some of these may be intelligent options; together they create broad capital allocation risk before the consolidated high-return record is established.

Cash conversion gets cautious credit. Adjusted free cash flow is positive and improving, with $489 million on the TTM basis. But official operating cash flow was negative $53 million over the same period. The gap is not a trivial presentation issue; adjusted free cash flow excludes movements in loan receivables in Financial Services and customer deposits in the banking business. That may be the right operating lens for some purposes, but a compounder score must ask how much cash is freely distributable after funding credit growth, regulatory buffers, deposits, and loan losses. Financial Services growth can consume balance sheet even when adjusted metrics look strong.

6. Runway Analysis

Grab earns a relatively strong runway score because the evidence supports a long growth path. The company operates across Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. It has over 50 million users and partners cited in the moat appendix, more than 20 billion historical transactions cited by management, and a multi-sided network that touches consumers, drivers, merchants, advertisers, lenders, payments users, and banks. The Q1 2026 and FY 2025 files show group revenue growth, on-demand GMV growth, and segment momentum that support a multi-year opportunity.

Deliveries remains the largest revenue segment. TTM revenue was $1.895 billion and TTM Segment Adjusted EBITDA was $313 million. The segment has improved from losses to positive contribution, and the base segment appendix assumes revenue grows to $3.335 billion by March 31, 2031 with a 25.0% Segment Adjusted EBITDA margin on revenue. The runway is credible because food delivery, grocery, advertising, merchant tools, and affordability products can deepen frequency. The limitation is that Deliveries is price-sensitive, multi-home, and exposed to regulation and subsidies.

Mobility is the best quality segment. TTM revenue was $1.274 billion, and TTM Segment Adjusted EBITDA was $729 million. The segment has dense local liquidity, strong GMV-margin evidence, and higher urgency use cases than Deliveries. The base

case assumes March 31, 2031 revenue of $2.245 billion and Segment Adjusted EBITDA of $1.257 billion. This deserves real score credit. The limitation is that Mobility is directly exposed to fuel costs, driver economics, commission rules, platform-worker regulation, taxi and ride-hail policy, and future AV/fleet bargaining power.

Financial Services is the highest growth option but also the lowest confidence one. TTM revenue was $380 million, and TTM Segment Adjusted EBITDA was negative $96 million. The base case assumes revenue reaches $1.070 billion by March 31, 2031 and Segment Adjusted EBITDA reaches $193 million. That can happen if marketplace data improves underwriting and digital-bank deposits scale at attractive cost. It can also disappoint if credit losses rise, funding costs increase, regulators limit products, or the loan book fails to season well. The score gives runway credit but not high-return proof.

7. Moat Analysis

The moat score is deliberately middle-of-the-road. Grab has real advantages, but the moat appendix itself concludes **YELLOW**, and the 2046 test is also **YELLOW**. The strongest moat candidate is local marketplace density. Riders want short wait times, drivers want high utilization, merchants want demand and delivery coverage, advertisers want high-intent traffic, and Financial Services can use platform data to underwrite. This is more defensible than a pure software workflow because physical fulfillment, local regulation, payments, support, fraud, and route density all matter.

The strongest segment-level moat is Mobility. The evidence is not just narrative; Mobility's recent Segment Adjusted EBITDA margin has been stable and high on a GMV basis. If Grab continues to deliver superior rider reliability and driver utilization, supply and demand reinforce each other. That said, ride-hailing is not immune to local competition, fuel shocks, worker-benefit rules, fare limits, or government intervention. The moat is real but regulated.

Deliveries is less protected. Merchant and consumer multi-homing is easy, and affordability remains an important battleground. Grab's advantages are merchant breadth, order density, ads, subscriptions, batching, and app habit. Those can create a durable local commerce platform, but the evidence does not yet prove unconstrained pricing power. The segment margin path is improving, yet management's own 4% steady-state GMV margin target leaves work still to do.

Financial Services is not yet a moat pass. The strategic logic is attractive: payment behavior, merchant cash flow, driver earnings, consumer spending, and transaction history can improve credit underwriting and product distribution. But lending is credit risk. The portfolio is much larger than it was in earlier stress periods, impairment losses are material, and digital banks require capital and regulatory compliance. A data advantage must be proven through a cycle before it deserves high durability credit.

AI disruption is manageable but not zero. AI should help routing, incentives, fraud, merchant tooling, advertising, support, and underwriting. The main risk is top-of-funnel abstraction: external AI agents could route consumers to the cheapest or fastest provider and weaken app-level loyalty. Grab's defense is to be the preferred local fulfillment and payments layer. That is plausible, but not yet proven.

8. Accounting and Capital Allocation Analysis

Accounting and disclosure receive partial credit. Grab gives useful quarterly releases, segment revenue, Segment Adjusted EBITDA, adjusted EBITDA bridges, adjusted free cash flow, liquidity, and share count. The quantitative foundation passed 8 of 8 reconciliation checks because official sources were used correctly. The problem is not that the ER2 record is unreliable. The problem is that the business itself requires careful normalization.

The official-vs-FMP discrepancies are material. FMP annual and quarterly revenue tie to official revenue, but FMP operating income, profit attribution, operating cash flow, and quarterly segmentation do not fully map to Grab's official IFRS presentation. FY 2025 official operating profit was $65 million, not FMP's $222 million operating-income figure. FY 2025 official operating cash flow was $79 million, not FMP's $231 million. The score uses official sources, but the existence of these mapping issues reduces confidence in quick-screen metrics and reinforces the need for source discipline.

SBC and dilution are central. FY 2025 company-wide SBC was $241 million, about 7.2% of revenue and far above official operating profit of $65 million. Buybacks are helpful, but the diluted share count has not yet shown clean reduction. Diluted weighted-average shares were 3.995 billion in FY 2024, 4.206 billion in FY 2025, and 4.441 billion in Q1 2026. The synthesis base case assumes buybacks mainly offset dilution and end with 4.430 billion diluted shares. That is reasonable, but it is not a shareholder-return proof point.

Capital allocation is the lowest quality area after valuation. The balance sheet is strong, and the company has authorized repurchases. Still, the management appendix verdict is **FAIL**. The failure is not about operating incompetence. It is about

minority-shareholder governance, voting control, dilution, SBC, M&A breadth, and the absence of a proven high-ROIC record. Anthony Tan's voting control was already high, and the March 2026 change increased Class B voting power from 45 votes to 90 votes per share. This intensified control while economic ownership remained far below voting power. That is a major compounder-score veto because minority investors must trust capital allocation for a decade-plus.

9. 20% Return Underwriting

The valuation score is **2 / 20** because the 20% annualized return case does not work on the base or bull case at a conservative 15x exit multiple. This is separate from the ER2 P/E 15 test. The ER2 synthesis tests whether base FY+5 EPS supports a P/E of 15 at today's price. Grab barely clears that test. The compounder scorer asks whether the stock can produce at least a 20% annualized return without terminal multiple expansion. Grab does not.

Case	2031 EPS	15x EPS value	Current price	Five-year IRR at 15x	Underwriting read
Bear	$0.121	$1.81	$3.54	-12.6%	Unacceptable downside
Base	$0.238	$3.57	$3.54	0.2%	Bare P/E 15 pass, not a 20% return
Bull	$0.370	$5.55	$3.54	9.4%	Good company outcome, still below hurdle

The base-case maximum buy price for a 20% five-year return using 15x exit EPS is roughly $1.43, before any dividend, because $3.57 discounted at 20% for five years is about $1.43. That is not a precise trading recommendation; it is a diagnostic stress test. It shows that a 20% return buyer needs a much lower entry price, materially higher EPS, a much higher exit multiple, or some combination of the three.

The reverse-DCF problem is also severe. Current enterprise value is about $13.98 billion, while TTM NOPAT based on official operating profit is only about $90 million after a normalized tax rate. That makes current EV / NOPAT roughly 156x. A business can grow out of a high current multiple if NOPAT is artificially depressed and the runway is long, and Grab may do some of that. But the 20% return hurdle over five years is unforgiving. It requires either a large NOPAT step-up plus a still-high exit multiple, or a starting price far below the current quote. The conservative 15x exit framework does not support it.

Cash returns help only modestly. Grab has a net cash balance and buyback authorization, but the modeled buybacks mostly offset SBC. There is no common dividend. The company also needs capital for Financial Services growth, regulatory buffers, M&A, technology, AI, and operating expansion. The score therefore gives one small point for capital return support, not a high cash-return score.

10. Hard Veto Checklist

Veto	Status	Evidence
ROIIC below cost of capital or insufficient evidence	Fail	FY 2025 ROIC about 3.5%; ROIIC not cleanly proven
Reported ROIC high only due to tiny capital base	Watch	ROIC is not high, but invested-capital interpretation is noisy due to cash, equity, and recent losses
Growth requires persistent external financing	Pass	Net cash liquidity is strong, but Financial Services balance-sheet growth must be watched
Share count rises without clear per-share value creation	Fail	Diluted shares rose through Q1 2026 despite buybacks
Large acquisitions without disclosed returns	Watch	Recent Stash, Vay, Validus, Everrise, Infermove, and foodpanda Taiwan activity broadens execution risk
FCF consistently lags earnings structurally	Watch	Adjusted FCF positive, official OCF volatile and negative TTM
Regulation, credit, or platform dependency can impair equity	Watch	Mobility, Deliveries, and Financial Services all face regulatory and credit risk
20% return case requires terminal multiple expansion	Fail	Base and bull do not clear 20% at 15x exit P/E
Flawless execution needed at today's price	Fail	Base P/E 15 cushion is only 0.7%
Moat cannot be explained clearly	Pass	Local density, trust, and fulfillment loops are explainable
Governance or related-party issues impair trust	Fail	Management FAIL; Class B voting power increased to 90 votes
Balance sheet risk could wipe out equity	Pass	Net cash liquidity is strong

The presence of hard vetoes is why the classification is Reject rather than Watchlist. A Watchlist score would be plausible if the issue were only "good business, not cheap enough." Here the problem is broader: low proven ROIC, management FAIL, governance risk, dilution, credit uncertainty, and a 20% return case that fails.

11. Final Decision

Compounder Score note: 45 / 100; Reject. Grab is an improving Southeast Asia platform, but the diagnostic score is capped by the overridden ROIC red gate, management FAIL, moat/2046 YELLOW, dilution, credit risk, and valuation that does not support a 20% return.

Business Quality Score note: 43 / 80. Mobility and Deliveries show real platform economics and runway, but consolidated ROIC is low, Financial Services is unproven through a credit cycle, official OCF is volatile, and governance/capital allocation fail the Gideon management standard.

20% Return UW Score note: 2 / 20. The synthesis base EPS of $0.238 barely clears P/E 15 by 0.7% at $3.54, which is analytically YELLOW; at a 15x exit multiple the base five-year IRR is roughly flat and the bull case still falls short of 20%.

The score-implied classification is **Reject**. That does not mean Grab is a bad business or that the stock cannot rise. It means the evidence does not support underwriting Grab today as the kind of high-confidence, high-ROIIC, minority-shareholder-friendly, 20% return compounder the rubric is designed to find. The most constructive future path would require several things to happen together: ROIC rising toward mid-teens on official operating profit and invested capital, Financial Services reaching breakeven without credit-loss surprises, diluted shares declining net of SBC, independent minority protections improving after the 90-vote Class B change, and the stock offering a much wider valuation cushion than 0.7% on the P/E 15 test.

12. Machine-Readable JSON

The companion machine-readable score file is `C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\compounder_score.json`. It records total score 45 / 100, business quality score 43 / 80, valuation underwriting score 2 / 20, classification Reject, confidence Medium, hard vetoes, key positive evidence, key negative evidence, and data gaps.

Appendix CSA - Scoring Audit

Grab Holdings Limited (GRAB) - Scoring Audit

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\appendix_scoring_audit.md

1. Original vs Audited Scores

This audit reviews the diagnostic compounder score for Grab Holdings Limited as of 2026-05-29. The original CompounderScorer output gave Grab a total score of 45 / 100, with 43 / 80 for Business Quality and 2 / 20 for Valuation / 20% Return Underwriting. The score-implied classification was Reject, confidence was Medium, the base-case IRR at a 15x exit multiple was 0.2%, the bear-case IRR was negative 12.6%, the bull-case IRR was 9.4%, and the maximum buy price for a 20% five-year IRR under the base-case 15x EPS framework was $1.43.

The audit conclusion is that the original score was directionally right and already appropriately harsh on valuation, but still slightly too generous on business quality. The correct audited score is 42 / 100: 40 / 80 for Business Quality and 2 / 20 for Valuation / 20% Return Underwriting. The classification remains Reject. The diagnostic score does not override the ER2 decision gates. It is a scorecard lens that should be read next to, not instead of, the Stage 1 ROIC override, the Management FAIL, the Moat YELLOW, the 2046 YELLOW, and the analytically YELLOW P/E 15 result.

Item	Original	Audited	Notes
Business Quality Score / 80	43	40	Reduced for missing clean ROIIC, missing acquisition-inclusive ROIIC, and incomplete multi-year owner-cash conversion evidence
Valuation / 20% Return UW Score / 20	2	2	Affirmed because base and bull cases do not clear 20% at a 15x exit multiple
Total Score / 100	45	42	Classification unchanged
Classification	Reject	Reject	Reject remains required by the threshold tests and hard vetoes

Source discipline is acceptable. The run's source files correctly prioritize official Grab quarterly releases, the 2025 Form 20-F, and furnished materials over FMP mappings where FMP differs. I also spot-checked the official Q1 2026 release and 2025 Form 20-F during this audit. The Q1 release supports the key current facts used in the file: Q1 2026 revenue of $955 million, On-Demand GMV of $6.1 billion, Q1 operating profit of $22 million, TTM adjusted free cash flow of $489 million, Q1 operating cash flow of negative $59 million, net cash liquidity of $5.0 billion, gross loan portfolio of $1.438 billion, and FY 2026 guidance of $4.04 billion to $4.10 billion revenue and $700 million to $720 million adjusted EBITDA. Those spot checks support the source chain; they do not fix the score gaps.

2. Score Reductions and Reasons

The score is reduced because the business-quality section gives partial credit for improvement where the audit standard requires calculated proof. Grab has a real operating inflection. Mobility is profitable and economically strong. Deliveries has moved from losses to positive Segment Adjusted EBITDA. Financial Services is scaling quickly. The company also has substantial liquidity. None of that is enough to establish a Gideon-quality compounder record when consolidated ROIC is still only about 3.5% for FY 2025, the Stage 1 ROIC red gate was overridden by user request rather than cleared, and ROIIC is not calculated with confidence.

The largest reduction is in incremental returns on capital. The original score assigned 10 / 25. I reduce that effective category to 8 / 25. The score should still receive some credit for segment-level operating leverage and the move from deep losses to consolidated profitability, but the required ROIIC evidence is missing. A mechanical ROIIC calculation from loss-making years to a small positive NOPAT year would be misleading, and acquisition-inclusive ROIIC is not available even though acquisitions and investments are increasingly relevant to the story. The evidence supports "improving platform economics," not "proven high incremental returns."

The second reduction is in capital allocation discipline. The original score assigned 4 / 10. I reduce this to 3 / 10. The company has a strong balance sheet and authorized repurchases, but the management appendix is a hard FAIL. The Class B vote escalation from 45 votes to 90 votes per share in March 2026 is a direct minority-shareholder negative. Diluted

weighted-average shares rose from 3.995 billion in FY 2024 to 4.206 billion in FY 2025 and 4.441 billion in Q1 2026, so the buyback evidence has not yet proven per-share discipline. Capital allocation is also spreading across Financial Services, grocery, Stash, Vay, Validus, Everrise, Infermove, foodpanda Taiwan, mapping, robotics, and AV optionality before a multi-year high-ROIC record exists.

The third reduction is a small accounting and owner-earnings caution. I do not separately reduce the headline accounting category below the equivalent of 6 / 10 because the ER2 source work is strong and the official-vs-FMP discrepancy is transparently handled. But the cash-quality read cannot be upgraded. The TTM official operating cash flow was negative $53 million while adjusted free cash flow was positive $489 million. The adjusted definition excludes Financial Services loan receivable and banking deposit movements, which is analytically useful but not the same as freely distributable owner earnings from a scaling lending business.

3. Unsupported Claims

The original appendix does not make many unsupported positive claims. Its tone is already skeptical. The unsupported or under-supported items are mainly gaps in calculation rather than promotional assertions.

Claim or item	Audit status	Treatment
ROIIC evidence	Missing data	No high ROIIC credit beyond limited operating-leverage credit
Acquisition-inclusive ROIIC	Missing data	Caps incremental-return and capital-allocation credit
Multi-year FCF conversion	Partly supported	Annual FCF and AFFCF are shown, but owner-cash conversion remains noisy because Financial Services balance-sheet flows matter
Financial Services moat	Partly supported	Distribution and data advantages are plausible, but through-cycle credit proof is missing
20% return underwriting	Calculation fails	Base and bull cases fail at 15x exit EPS

The evidence does not support treating Grab as a proven high-ROIC compounder today. It supports an improving platform with a credible runway, a strong Mobility profit pool, and unresolved company-level return quality.

4. Calculation Errors

I did not find a material arithmetic error in the original diagnostic score. The valuation math is internally consistent with the synthesis. Base-case March 31, 2031 EPS is $0.238. At 15x, that equals about $3.57 per share. Against the $3.54 current price in the run, the base case has only a 0.7% cushion on the P/E 15 test. The bear case produces $0.121 of EPS, or $1.81 at 15x, and the bull case produces $0.370 of EPS, or $5.55 at 15x. Those values support the reported five-year IRRs of approximately negative 12.6%, 0.2%, and 9.4%.

The important calculation break is not a spreadsheet error. It is the gap between "barely clears P/E 15" and "underwrites 20% annualized." To earn 20% annually for five years from $3.54, ending value must be about $8.81 per share before dividends. Grab pays no dividend in the model. The base-case 15x ending value of $3.57 is nowhere close. Even the bull-case 15x ending value of $5.55 falls short. Therefore a 20% return buyer must assume a materially lower starting price, materially higher EPS, a much higher exit multiple, or some mix of those. That is why the 2 / 20 valuation score is affirmed.

5. Missing Data

The most important missing evidence is clean ROIIC. The file gives FY 2025 calculated ROIC of about 3.5%, but it does not calculate a reliable 3-year ROIIC, 5-year ROIIC, acquisition-inclusive ROIIC, or reinvestment rate. This is understandable because the company is moving from deep losses to small positive NOPAT and because invested capital is noisy, but the audit rule is conservative: if the evidence is noisy, the score cannot behave as if the proof exists.

Acquisition-inclusive return evidence is also missing. The data package and management appendix discuss Everrise, Validus, Infermove, Vay, Stash, and foodpanda Taiwan. Some are small, some are pending or strategic, and some are outside the core Southeast Asia superapp footprint. The score cannot award high capital-allocation credit without disclosed returns or a coherent acquisition-inclusive ROIIC bridge.

Cash conversion also needs more seasoning. The files contain annual free cash flow, official adjusted free cash flow, official operating cash flow, and the TTM bridge. That is enough to identify the issue, not enough to close it. Financial Services can grow revenue while consuming loan capital, deposits, regulatory buffers, and expected credit losses. Until official operating

cash flow and adjusted free cash flow both show durable conversion through a larger loan book, the owner-earnings score should stay capped.

6. Hard-Veto and Threshold Test Audit

The threshold tests are correctly failed. The total score is below 80. Business Quality is below 65 / 80. Valuation is below 15 / 20. ROIIC plus runway cannot clear the high-quality threshold because ROIIC is missing. Base-case IRR is nowhere near 20%. Bear-case IRR is negative rather than 8% to 10% positive. Hard vetoes are present: the ROIC gate was overridden, not cleared; management is FAIL; share count has increased despite repurchases; and the 20% return case requires terminal multiple expansion or a much stronger operating outcome.

Threshold	Audit result	Reason
Total score at least 80	Fail	Audited score is 42 / 100
Business Quality at least 65 / 80	Fail	Audited Business Quality is 40 / 80
Valuation at least 15 / 20	Fail	Audited Valuation is 2 / 20
Base-case IRR at least 20%	Fail	Base-case 15x IRR is about 0.2%
Bear-case IRR positive high single digit	Fail	Bear-case 15x IRR is negative 12.6%
No hard vetoes	Fail	ROIC override, Management FAIL, governance, dilution, and 20% return failure remain

7. Final 20% Hurdle Pass/Fail

Grab fails the 20% hurdle. The base synthesis case barely clears the P/E 15 test by 0.7% at $3.54, and this is analytically YELLOW. That result should not be upgraded into a 20% underwriting pass. The base case requires strong execution across Mobility durability, Deliveries margin expansion, Financial Services profitability, corporate cost leverage, below-adjusted-EBITDA burden control, tax, and share-count management just to end near today's price at a 15x exit multiple.

The bull case still does not clear the 20% return hurdle at 15x. This matters because the diagnostic compounder rubric is stricter than the ER2 P/E 15 gate. A company can be close to fair at 15x five-year EPS and still fail the dream-investment test. Grab is in that bucket.

8. Dream Business / Dream Investment Classification

Grab is neither a dream business nor a dream investment under the audited score. It has dream-business ingredients in parts of the company, especially Mobility marketplace density, but the consolidated business is not yet a dream business because ROIC is low, official profitability is young, Financial Services is unproven through a credit cycle, and governance fails the Gideon minority-owner standard. It is not a dream investment because the current price does not support 20% annualized return underwriting without heroic assumptions.

The single biggest reason Grab does not qualify is that the evidence has not yet converted operating momentum into proven per-share high-return compounding. The company may continue improving, but the audit standard requires proof, not trajectory alone.

9. Stage 7 Scorecard Notes

Compounder Score note: 42 / 100; Reject. Grab is improving, but the audited diagnostic score is capped by the overridden ROIC red gate, Management FAIL, Moat and 2046 YELLOW, missing ROIIC proof, dilution, credit risk, and valuation that does not support a 20% return.

Business Quality Score note: 40 / 80. Mobility and Deliveries show real economics and runway, but consolidated ROIC is low, ROIIC and acquisition-inclusive ROIIC are not proven, official OCF is volatile, Financial Services is unseasoned, and governance/capital allocation fail the Gideon bar.

20% Return UW Score note: 2 / 20. Base FY+5 EPS of $0.238 barely clears P/E 15 by 0.7% at $3.54, which is analytically YELLOW; at a 15x exit multiple the base five-year IRR is roughly flat and the bull case still falls short of 20%.

10. Auditor JSON

The companion audited JSON file is `C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\compounder_score_audit.json`. It records the audited total score of 42 / 100, audited Business Quality of 40 / 80, audited Valuation / 20% Return Underwriting of 2 / 20, classification Reject, final 20% hurdle fail, confidence Medium, score reductions, unsupported claims, calculation errors, and missing data.

Appendix RT - Red Team

Grab Holdings Limited (GRAB) - Red Team Appendix

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\appendix_red_team.md

Red-Team Conclusion Up Front

The thesis does not survive as a high-confidence Gideon compounder. It may survive as a speculative operating-improvement story, but that is a different standard. The most dangerous bear case is not that Southeast Asian mobility, delivery, or digital finance stops growing. The real bear case is that Grab grows GMV and revenue while too much of the economics is captured by drivers, consumers, regulators, lenders, stock compensation, corporate overhead, and acquisitions. Under that version, the company becomes a large, useful regional platform with ordinary returns, not a high-ROIC per-share compounder.

This matters because the Stage 5 synthesis leaves almost no margin for error. Base-case March 31, 2031 EPS is $0.238 versus required EPS of $0.236 for a 15x P/E at the $3.54 quote used in the run. The cushion is only 0.7%. The bear case fails badly at $0.121 of EPS, and probability-weighted EPS of $0.229 also fails. That means the red team does not need to prove a disaster. It only needs to find one normal operating disappointment.

The one most likely to matter is Financial Services profitability. The base case asks a segment with $380 million of TTM revenue and negative $96 million of TTM Segment Adjusted EBITDA to become a $1.070 billion revenue segment with $193 million of Segment Adjusted EBITDA and $128 million of operating income proxy by March 31, 2031. That is not impossible, but it is the least proven part of the company and the easiest place for revenue growth to convert into balance-sheet risk rather than owner earnings.

1. The Most Fragile Assumption

The most fragile segment assumption is the Financial Services base-case turn from negative economics to profitable scale. The exact handoff being attacked is: Financial Services revenue grows from $0.380 billion TTM to $1.070 billion at TTM+5y, Segment Adjusted EBITDA margin improves from negative 25.3% TTM to positive 18.0%, and operating income proxy margin reaches 12.0%. The model assumes a 23.0% five-year revenue CAGR, H2 2026 adjusted EBITDA breakeven, loan-book scaling beyond the $2 billion end-2026 target, deposit-funded growth, and controlled expected credit losses.

The fragile part is not the revenue CAGR by itself. A 23.0% CAGR from a small fintech base can happen. The fragile part is the combination of high growth, lower loss burden, cheap or stable funding, regulatory approval, and positive risk-adjusted margins. Financial Services is not an asset-light marketplace segment. The segment appendix states that credit risk arises from loans to merchant-partners, driver-partners, consumers, and digital-banking activity. It also states FY 2025 impairment losses on loan receivables and commitments were $119 million, gross loan receivables were $1.278 billion, and undrawn loan commitments were $753 million. That is already a real credit book, not a software monetization layer.

If the Financial Services base case is wrong by only moving to the bear handoff, the EPS effect is large enough to break Stage 5. The base handoff is $128 million of operating income proxy. The bear handoff is $8 million. The $120 million pre-tax gap, taxed at the synthesis's 17% rate, is about $100 million after tax. Dividing by the base diluted share count of 4.430 billion shares gives roughly $0.023 of EPS. Base EPS would fall from $0.238 to roughly $0.215 before any second-order effects from funding costs, capital needs, or lower market confidence. That would fail the P/E 15 test decisively.

This is stronger than a generic "credit risk" warning. The synthesis requires the credit segment to supply enough positive earnings to matter. Yet the same files show official operating cash flow was negative $53 million for the TTM ending March 31, 2026 while adjusted free cash flow was positive $489 million, largely because adjusted free cash flow excludes movements in Financial Services loan receivables and digital-bank deposits. The owner-earnings bridge is already complicated before the segment has reached the scale implied by the base case.

2. The Most-Likely-To-Be-Optimistic Stage 5 Number

The Stage 5 number most likely to prove optimistic is base-case operating income of $1.149 billion, equal to a 17.3% consolidated operating margin on $6.655 billion of revenue. The official TTM operating profit is only $108 million on $3.553 billion of revenue, or about 3.0%. To reach the base case, Grab needs a more than tenfold increase in official operating profit while roughly doubling revenue. That is a very large margin bridge for a company whose adjusted metrics still exclude meaningful real costs.

The synthesis is explicit about the bridge. Total Segment Adjusted EBITDA is projected at $2.284 billion in the base case, then regional corporate cost is deducted at $560 million and below-adjusted-EBITDA burden at $575 million, resulting in $1.149 billion of operating income. The bear case uses $420 million for below-adjusted-EBITDA burden, while the base case uses $575 million, but both cases assume the burden falls sharply as a percentage of revenue. That assumption may be too clean. The company is adding financial-services compliance, digital-bank infrastructure, regulatory costs, credit reserves, M&A integration, AI/AV experiments, grocery operations, and shareholder buybacks to offset SBC. Those are not all fixed costs that simply scale away.

The second reason the operating-income number is fragile is that segment operating income is not disclosed. The segment appendices use analyst-defined operating income proxies. Mobility's base proxy is 40.0%, Deliveries' base proxy is 20.5%, Financial Services' base proxy is 12.0%, and Others is immaterial. Those proxy margins may be reasonable for a bridge, but they are not company-reported operating profit. The stronger reported measure is Segment Adjusted EBITDA, and the current gap from adjusted EBITDA to official operating profit is material: TTM adjusted EBITDA is $547 million, while official operating profit is $108 million. The current below-adjusted-EBITDA burden is $439 million. If that burden scales with complexity rather than fading, the base EPS will not hold.

The diluted share count is the runner-up fragile synthesis number. The base model ends at 4.430 billion diluted shares, essentially flat to Q1 2026's 4.441 billion. But diluted weighted-average shares rose from 3.995 billion in FY 2024 to 4.206 billion in FY 2025 and 4.441 billion in Q1 2026 despite repurchase activity. The synthesis itself says a 5% higher share count cuts EPS from $0.238 to $0.226. That alone fails the P/E 15 test. The model is therefore relying on a share-count stabilization that management has not yet proven over a multi-year public record.

3. Strongest Bear Case, Stated In Its Strongest Form

Grab is a good product and a weak underwriting case. The company can keep growing because Southeast Asia local commerce is growing, but investors are buying a controlled, stock-compensated, increasingly regulated, credit-exposed platform at a price that already needs near-perfect operating leverage just to be worth today's price at 15x five-year EPS. Mobility funds the story, Deliveries absorbs affordability and merchant pressure, and Financial Services imports credit-cycle risk before the company has proven high consolidated ROIC.

The mechanism is economic leakage. Drivers and platform-worker rules take more of Mobility economics; consumers and competitors keep Deliveries affordability-led; regulators cap or scrutinize commissions, fees, and digital-bank products; Financial Services consumes capital and provisions; and SBC plus buybacks leave per-share value flat. The timeline does not require waiting until 2031. It can show up over the next four to six quarters if Financial Services misses H2 2026 breakeven, official operating cash flow stays negative while adjusted free cash flow looks healthy, or diluted shares remain above 4.5 billion after the accelerated buyback.

The observable anchor that would validate the bear case is Financial Services Segment Adjusted EBITDA failing to reach breakeven in H2 2026 while loan receivables and commitments continue growing. That would prove the model's key "scale into profit" assumption is premature and would also undermine the adjusted free cash flow narrative.

4. Cross-Examination Of Management Commentary

The first forward statement to cross-examine is the Q4 2025 framework excerpt in the data package: "20% revenue CAGR growth." The model already fades below this, using a 13.4% combined revenue CAGR to TTM+5y, so the red-team point is not that Stage 5 naively copied management. The problem is that the company's internal framework can still pull the narrative toward revenue confidence while the valuation hinges on official operating profit and EPS. If 20% revenue growth requires affordability investment, grocery mix, incentives, or Financial Services balance-sheet growth, then revenue can be right and EPS can still be wrong. The first sign would be continued revenue growth with official operating margin stuck in low single digits or adjusted EBITDA growing faster than official operating profit.

The second statement is management's Financial Services signal: "loan disbursals grew 67%." A bullish read is that distribution and underwriting are scaling. The skeptical read is that disbursement growth can outrun seasoning. Early vintages often look best before macro stress, fraud adaptation, and collections friction show up. The segment appendix says loans more than 91 days past due are credit-impaired, with loss rates above 90%, and undrawn commitments rose sharply. If the commentary is wrong, the first signs should be higher ECL as a percentage of gross loan portfolio, slower breakeven progress, deposit pricing pressure, or a widening gap between adjusted free cash flow and official operating cash flow.

The third statement is the capital-allocation excerpt: "all organic growth." This is helpful because it tells the model not to include Stash in the organic base. But it also highlights a tension. The company is simultaneously presenting an organic growth framework while pursuing Everrise, Validus, Infermove, Vay, Stash, and foodpanda Taiwan. Each deal may be rational on its own, but the management appendix correctly frames the breadth as a capital-allocation issue before high ROIC has been proven. If this commentary is overpromising, the first sign will not be a single failed acquisition. It will be persistent integration and corporate costs, rising goodwill/intangibles, continued SBC, and no clean improvement in acquisition-inclusive ROIIC.

The fourth useful statement is about AV: "not as a replacement for our driver partners." That is socially and regulatorily sensible, but it should remove near-term AV margin credit from the model. Any narrative that treats AV as a 2031 labor-cost unlock is inconsistent with management's own framing. The Stage 5 model does not depend on AV, which is good, but the broader bull story sometimes drifts toward AI/AV optionality. Red team gives that optionality zero underwriting credit until it appears in disclosed core-segment margins.

5. Stage 5 Tie-Out Reverification

The Stage 5 arithmetic appears internally tied. The TTM anchor is the correct four-quarter period: Q2 2025, Q3 2025, Q4 2025, and Q1 2026, ending March 31, 2026. Consolidated TTM revenue of $3.553 billion ties to segment revenue: Deliveries $1.895 billion, Mobility $1.274 billion, Financial Services $0.380 billion, and Others $0.004 billion. The synthesis correctly avoids a six-year horizon error and uses March 31, 2031 as TTM+5y.

The recency trend is not stale, but it is not as reassuring as it looks. Q1 2026 revenue growth was 24%, and management reiterated FY 2026 guidance for 20% to 22% revenue growth. However, official operating profit in Q1 2026 was only $22 million, down from $52 million in Q4 2025, while adjusted EBITDA was $154 million. A quarter can be seasonally noisy, but the red-team point is that the latest quarter already shows why adjusted EBITDA growth is not the same as official operating-profit compounding.

The share-count path is arithmetically explicit but evidentially weak. The base case assumes five years of $250 million annual repurchases, retiring 242.5 million shares, while SBC issuance adds 232.0 million shares. This leaves ending diluted shares at 4.430 billion. That is plausible, but it is not proven. It assumes repurchase price discipline, enough free cash flow to fund buybacks alongside credit growth and M&A, and lower annual SBC issuance. If buybacks merely absorb stock compensation, the per-share thesis becomes far more fragile than the enterprise-level revenue story.

The growth plausibility check also deserves a red mark. Stage 5 says base CAGRs are below visible three-year historical rates or justified by scale and management's framework. That is true mathematically, but historical CAGRs out of a loss-making, reopening, under-monetized base are not a clean guide to 2031 owner earnings. The model can be "plausible" and still be uninvestable because the valuation cushion is only 0.7%.

Stage 5 item	Red-team read	Why it matters
TTM anchor	Correct	No horizon error rescues or harms the model
Base EPS $0.238	Too fragile	Only $0.002 above required EPS
Base operating income $1.149B	Most likely optimistic	Requires large bridge from $108M TTM official operating profit
Base share count 4.430B	Unproven	Recent diluted share count has risen despite buybacks
Financial Services base OI proxy $128M	Highest-risk segment contribution	Credit and regulatory cost can erase it

6. Score-Derived 20% Return Claim Most Likely To Be Wrong

The audited scoring file already says the 20% return case fails. Red team agrees. The most likely error would be any attempt to soften that failure by saying Grab is "close" because it barely clears the P/E 15 base case. It is not close to a 20% return underwriting case. A 20% annualized five-year return from $3.54 requires about $8.81 of ending value before dividends. The base case at 15x EPS is about $3.57. Even the bull case at 15x EPS is about $5.55. The gap is not rounding; it is the central investment problem.

The score could still be too generous in business quality. The audited score is 42/100, with 40/80 for Business Quality and 2/20 for Valuation. A skeptic could argue that 40/80 still gives too much credit because the hard facts include a red ROIC gate overridden by user request, Management FAIL, Moat YELLOW, 2046 YELLOW, negative TTM official operating cash flow,

unproven Financial Services credit performance, and diluted share growth. The durability and runway points may be directionally fair, but the capital-allocation and accounting-quality caps should be severe when founder voting power intensified and official owner-cash conversion is not clean.

The biggest danger is that segment-level strength, especially Mobility, flatters the company-level score. Mobility is a real asset. Shareholders, however, own Mobility plus Deliveries affordability risk, Financial Services credit risk, corporate costs, SBC, acquisitions, governance, and the dual-class control structure. If Mobility cash flow is reinvested into lower-return credit and M&A, the segment moat does not become per-share compounding.

7. The Signal That Forces An Exit

The exit signal should be Financial Services failing the promised breakeven path. The specific monitorable threshold is:

Metric	Exit threshold	Window	Why it invalidates the thesis
Financial Services Segment Adjusted EBITDA margin	Worse than negative 5% of Financial Services revenue for H2 2026, or still negative in both Q3 2026 and Q4 2026	Next two reported quarters after Q1 2026	The base case requires H2 2026 breakeven and a path to 18% Segment Adjusted EBITDA margin by 2031; a miss would cut the most fragile earnings bridge before it has scaled

This is the cleanest exit signal because it is tied to management's own timing and the model's weakest segment assumption. If the segment cannot get near breakeven in H2 2026 while revenue is still growing quickly, then the base case's 2031 $193 million Segment Adjusted EBITDA and $128 million operating income proxy should be rewritten toward bear. That EPS gap alone is large enough to turn the P/E 15 test from barely passing to clearly failing.

Secondary sell signals are also worth monitoring, but they should not dilute the main trigger. Diluted weighted-average shares above 4.60 billion after the buyback cadence would invalidate per-share discipline. TTM official operating cash flow remaining negative while adjusted free cash flow stays positive would undermine owner-earnings quality. Mobility GMV margin falling below 8.0% for two consecutive quarters would challenge the strongest moat segment. But the first hard exit trigger should be Financial Services breakeven failure because it is specific, near-term, and directly linked to the base EPS bridge.

8. What Would Prove The Bear Wrong

The bear would be wrong if Grab proves that growth is translating into clean, official, per-share owner earnings rather than adjusted metrics. The proof would need to be visible in several lines at once. First, Financial Services reaches at least breakeven Segment Adjusted EBITDA in H2 2026 and then positive margins without higher ECL, aggressive deposit pricing, or a widening OCF/AFFCF gap. Second, official operating profit rises faster than adjusted EBITDA because the below-adjusted-EBITDA burden finally scales down. Third, diluted shares decline below 4.3 billion while buybacks are funded from durable cash generation rather than balance-sheet optionality. Fourth, consolidated ROIC moves toward mid-teens on official operating profit and invested capital.

The bear would also be wrong if management narrows capital allocation. A cleaner story would be: no large dilutive M&A, clear independent governance protections after the 90-vote Class B change, disclosed acquisition return hurdles, and visible return on Everrise, Validus, Stash, Vay, or foodpanda Taiwan. That would not erase the valuation issue, but it would reduce the risk that Mobility profits are diverted into low-return adjacency spending.

Finally, the bear would be wrong if Deliveries and Mobility margins improve without subsidy creep. Deliveries reaching roughly 3.5% to 4.0% Segment Adjusted EBITDA as a percentage of GMV while revenue keeps growing low teens would be strong evidence. Mobility staying near 8.8% GMV margin despite platform-worker rules and fuel pressure would support the moat. Those outcomes would show that Grab has more pricing power than the red team is giving it credit for.

9. Conviction At The End Of Red Team

Red-team verdict: thesis does not survive as a BUY-quality Gideon compounder. It survives only as a conditional watch for operational improvement at a much wider valuation cushion and with hard proof of owner-earnings conversion. The base case is too close to the valuation line, and the hard-quality gates are too weak: Stage 1 ROIC was overridden, not cleared; management is FAIL; moat and 2046 are YELLOW; the audited score is Reject at 42/100; and the 20% return case fails even in the bull case at a 15x exit multiple.

The strongest bear case is not a collapse thesis. It is a mediocrity thesis. Grab can become bigger, more useful, and still not produce high per-share returns from today's price. The model's own sensitivity table says almost any meaningful adverse

change breaks the P/E 15 result. Financial Services, the adjusted-EBITDA-to-operating-profit bridge, and share count are all plausible sources of that break.

The synthesis should therefore be rewritten around fragility, not around a narrow base-case pass. A 0.7% cushion is not an underwriting margin when the company has unproven ROIC, founder-control risk, credit-cycle exposure, adjusted cash-flow complexity, and a management FAIL. The red team's final answer is PASS unless and until Financial Services breakeven, official owner earnings, diluted share reduction, and ROIC improvement are proven in reported numbers.

Appendix D - Data Package (raw historicals)

Grab Holdings Limited - Data Package

PATH_RECEIVED: C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\data_package.md

Stage 0 Anchor

- Today: 2026-05-29.
- Company fiscal year convention: Grab Holdings Limited fiscal year ends December 31.
- Most recently reported quarter: Q1 2026, quarter ended March 31, 2026. Grab announced these unaudited results on May 5, 2026.
- TTM anchor: Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 -> TTM ending March 31, 2026.
- Forward horizon: TTM + 5 calendar years = March 31, 2031. Compounding span is exactly March 31, 2026 to March 31, 2031.

Stage 1 note: the orchestrator initially marked persistent ROIC as a RED Stage 1 disqualifier. The first early memo stopped at PASS. The user then explicitly overrode the Stage 1 stop and requested a full production run. That override allows the full report to proceed, but it does not clear the red ROIC gate or convert the recent profitability record into a quality pass.

Source Pack And Controlling Standard

Data source rule applied: live fetches only. Fresh FMP stable endpoint pulls, Grab IR PDFs, SEC EDGAR, and FMP transcript endpoint pulls were saved under `C:\Users\Admin\OneDrive\GPT\ER 2.0\Grab\raw` with a `dp_live_` prefix. QF and QFR are used as the reconciliation map. Grab is a foreign private issuer and reports annual audited results on Form 20-F and quarterly results through furnished releases. Where FMP line mapping differs from official Grab releases or the 20-F, official sources control.

Source	Live URL or endpoint	Local saved copy	Use
Q1 2026 release	https://s205.q4cdn.com/179588156/files/doc_financials/2026/q1/Grab-Reports-Q1-2026-Results.pdf	raw\dp_live_grab_q1_2026_results.pdf	Most recent quarter, segment revenue, guidance
Q2 2025 release	https://s205.q4cdn.com/179588156/files/doc_news/2025/Jul/31/Grab-Reports-Second-Quarter-2025-Results.pdf	raw\dp_live_grab_q2_2025_results.pdf	TTM quarter, segment revenue, cash flow
Q3 2025 release	https://s205.q4cdn.com/179588156/files/doc_news/2025/Nov/04/Grab-Reports-Third-Quarter-2025-Results.pdf	raw\dp_live_grab_q3_2025_results.pdf	TTM quarter, segment revenue, guidance update
Q4 and FY 2025 release	https://s205.q4cdn.com/179588156/files/doc_financials/2025/q4/Grab-Q4-2025-Earnings-Release.pdf	raw\dp_live_grab_q4_2025_results.pdf	FY 2025, 2026 guidance, 2028 framework
2025 Form 20-F	https://www.sec.gov/Archives/edgar/data/1855612/000185561226000020/ck0001855612-20251231.htm	raw\dp_live_sec_2025_20f.htm	Audited statements, taxonomy, governance, risks
2022 Form 20-F	https://s205.q4cdn.com/179588156/files/doc_financials/2022/ar/Grab-FY-2022-Form-20-F.pdf	raw\dp_live_grab_2022_20f.pdf	FY 2021-FY 2022 segment adjusted EBITDA and old taxonomy
FMP annual statements	FMP stable income-statement, balance-sheet-statement, cash-flow-statement	raw\dp_live_fmp_*_annual.json	Five-year consolidated financials and comparisons
FMP segmentation	FMP stable revenue-product-segmentation with period annual	raw\dp_live_fmp_revenue_product_segmentation_annual.json	Segment revenue cross-check
FMP transcripts	FMP stable earning-call-transcript for FY 2025 Q2-Q4 and FY 2026 Q1	raw\dp_live_fmp_transcript_*.json	Management commentary dates and excerpts

Important FMP discrepancy inherited from QF: FMP annual and quarterly revenue tie to official revenue, but FMP operating income, profit attribution, and operating cash flow do not map cleanly to Grab's official IFRS labels. For FY 2025, FMP

operating income is $222 million while official operating profit is $65 million; FMP operating cash flow is $231 million while official operating cash flow is $79 million; FMP annual segmentation omits the $4 million Others segment. Downstream modeling should use official revenue, official operating profit, official segment revenue, Segment Adjusted EBITDA, and official adjusted free cash flow where those figures are available.

1. Reporting Structure And Taxonomy

Grab describes itself as a Southeast Asia superapp operating across deliveries, mobility, and digital financial services in Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam. The current reportable segments are four operating divisions. The chief operating decision maker reviews segment revenue and Segment Adjusted EBITDA; assets and liabilities are reviewed predominantly at the consolidated level.

Current segment	Description	FY 2025 revenue ($B)	FY 2025 share of revenue	FY 2025 Segment Adjusted EBITDA ($B)	Source
Deliveries	Food, groceries, parcels, merchant tools, Jaya Grocer, Everrise, and advertising tied to delivery surfaces	1.800	53.4%	0.287	FY 2025 release and 20-F
Mobility	Ride-hailing across private cars, taxis, motorcycles, shared mobility, rentals, and mobility advertising	1.219	36.2%	0.690	FY 2025 release and 20-F
Financial Services	Payments, lending, receivables factoring, digital banking, insurance distribution, and financial ads	0.347	10.3%	-0.110	FY 2025 release and 20-F
Others	Mapping, autonomous vehicle services, and last-mile delivery infrastructure not individually material	0.004	0.1%	0.001	FY 2025 release and 20-F
Total	Consolidated reportable segment revenue	3.370	100.0%	0.868	FY 2025 release and 20-F

Taxonomy boundary: current annual filings show Deliveries, Mobility, Financial services, and Others. Older FMP and 2022 Form 20-F history used Enterprise and new initiatives for the fourth bucket. QF also found FMP's FY 2023 annual segmentation still using an old-taxonomy value for Deliveries. Use official current-taxonomy annual values for FY 2023-FY 2025 and use old-taxonomy values only for FY 2021-FY 2022 with a clear comparability warning.

Geographic revenue from the FY 2025 20-F is material because Grab operates across multiple Southeast Asian markets. FY 2025 revenue by country was Malaysia $1.039 billion, Singapore $0.727 billion, Indonesia $0.715 billion, Philippines $0.316 billion, Thailand $0.288 billion, Vietnam $0.255 billion, and rest of Southeast Asia $0.030 billion. Malaysia, Singapore, and Indonesia together represented about 73.6% of FY 2025 revenue.

2. Consolidated Historicals

Figures are USD billions except EPS and share count. FY 2021-FY 2025 are shown because FY 2025 is FY-1. Revenue, EPS, diluted share count, R&D, buybacks, dividends, and FMP cash-flow fields come from live FMP pulls. Official operating profit and profit for period are used where QF identified FMP mapping issues. FCF is shown as FMP free cash flow for FY 2021-FY 2024 and official adjusted free cash flow for FY 2025, because QF determined official adjusted free cash flow is the clean FY 2025 cash-flow base.

Metric	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Source
Revenue ($B)	0.675	1.433	2.359	2.797	3.370	FMP annual and official 20-F
Operating profit ($B)	-1.555	-1.295	-0.519	-0.168	0.065	Official where available, FMP for FY 2021-FY 2022
Operating margin (%)	-230.4%	-90.4%	-22.0%	-6.0%	1.9%	Calculated
Net income or profit for period ($B)	-3.449	-1.683	-0.485	-0.158	0.200	FMP for FY 2021-FY 2022, official for FY 2023-FY 2025
EPS diluted ($)	-0.92	-0.44	-0.11	-0.03	0.06	FMP annual, note FMP uses owners profit
Diluted share count (M)	3742.0	3814.5	3894.7	3995.2	4206.1	FMP annual

Metric	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Source
Capex ($B)	0.073	0.058	0.071	0.077	0.188	FMP PPE capex through FY 2024, official AFFCF capex FY 2025
FCF or adjusted FCF ($B)	-1.027	-0.856	0.015	0.775	0.290	FMP FCF through FY 2024, official AFFCF FY 2025
ROIC (%)	NM	-51.3%	-20.1%	-10.2%	3.5%	Calculated, see ROIC note

ROIC definition: NOPAT divided by average invested capital. NOPAT uses official operating profit where available, taxed at a normalized 17% Singapore rate only when operating profit is positive, with no tax benefit assumed on losses. Invested capital is total debt plus total equity less cash and short-term investments from FMP balance sheets. FY 2021 is not meaningful because the FY 2020 pre-listing balance sheet had negative total equity and distorts average invested capital. The FY 2025 result of about 3.5% is far below the ER2 15% quality threshold and is the reason the Stage 1 red gate remains in the run.

3. Segment Historicals

Segment operating income is not disclosed. Segment Adjusted EBITDA is the controlling segment profit measure. For Deliveries and Mobility, Grab often discusses Segment Adjusted EBITDA as a percentage of GMV; for this package, the annual table uses Segment Adjusted EBITDA divided by segment revenue only to make cross-segment economics visible. That revenue-margin view is not the company's official segment margin definition.

Deliveries	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Source
Revenue ($B)	0.148	0.663	1.310	1.493	1.800	2022 20-F, 2025 20-F, Q4 release
YoY %	NM	348.0%	97.6%	14.0%	20.6%	Calculated
Segment Adjusted EBITDA ($B)	-0.130	-0.035	0.081	0.196	0.287	2022 20-F and 2025 20-F
Segment adjusted EBITDA / revenue (%)	-87.8%	-5.3%	6.2%	13.1%	15.9%	Calculated, non-official margin basis

Mobility	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Source
Revenue ($B)	0.456	0.639	0.871	1.047	1.219	2022 20-F, 2025 20-F, Q4 release
YoY %	NM	40.1%	36.3%	20.2%	16.4%	Calculated
Segment Adjusted EBITDA ($B)	0.345	0.494	0.466	0.569	0.690	2022 20-F and 2025 20-F
Segment adjusted EBITDA / revenue (%)	75.7%	77.3%	53.5%	54.3%	56.6%	Calculated, non-official margin basis

Financial Services	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Source
Revenue ($B)	0.027	0.071	0.177	0.253	0.347	2022 20-F, 2025 20-F, Q4 release
YoY %	NM	163.0%	149.3%	42.9%	37.2%	Calculated
Segment Adjusted EBITDA ($B)	-0.349	-0.415	-0.170	-0.105	-0.110	2022 20-F and 2025 20-F
Segment adjusted EBITDA / revenue (%)	-1292.6%	-584.5%	-96.0%	-41.5%	-31.7%	Calculated

Others or old fourth bucket	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Source
Revenue ($B)	0.044	0.060	0.001	0.004	0.004	2022 20-F old taxonomy, 2025 20-F current taxonomy
YoY %	NM	36.4%	NM	300.0%	0.0%	Calculated, taxonomy break
Segment Adjusted EBITDA ($B)	0.009	0.021	-0.001	0.003	0.001	2022 20-F and 2025 20-F
Segment adjusted EBITDA / revenue (%)	20.5%	35.0%	-100.0%	75.0%	25.0%	Calculated, taxonomy break

Taxonomy flag: FY 2021-FY 2022 fourth bucket is Enterprise and new initiatives. FY 2023-FY 2025 fourth bucket is Others. Do not build a growth thesis on that line without restating the historical boundary. Deliveries FY 2023 should use official current-taxonomy revenue of $1.310 billion, not FMP's old-taxonomy $1.194 billion.

4. Product And Sub-Segment Historicals

Grab does not disclose dollar revenue below reportable segment level in a way that supports a reliable product-level dollar model for GrabFood, GrabMart, GrabExpress, GrabCar, GrabBike, GrabPay, GrabFin, GXS, GXBank, OVO, or GrabAds. The package therefore preserves the anti-fabrication rule: reportable segment dollars are disclosed; product commentary below segment level is mostly growth-rate, mix, or operating KPI commentary.

Segment	Product or sub-product	What it is	Dollar disclosure?	Last 3 years revenue and source
Deliveries	GrabFood	Prepared meal ordering and delivery	No separate dollars	Included in Deliveries revenue: FY 2023 $1.310B, FY 2024 $1.493B, FY 2025 $1.800B
Deliveries	GrabMart and grocery	Groceries, everyday items, Jaya Grocer, Everrise	No separate dollars	Included in Deliveries; management disclosed mix and growth, not product dollars
Deliveries	GrabExpress	Parcel and point-to-point delivery	No separate dollars	Included in Deliveries
Deliveries and Mobility	GrabAds	Retail media and mobility advertising surfaces	No separate dollars	Management cites contribution, but no standalone revenue series
Mobility	GrabCar, JustGrab, taxis, GrabBike, rentals	Multi-modal ride-hailing and rental supply	No separate dollars	Included in Mobility revenue: FY 2023 $0.871B, FY 2024 $1.047B, FY 2025 $1.219B
Financial Services	GrabPay, OVO, GrabFin, lending, banks	Payments, lending, banking, insurance distribution	No separate dollars	Included in Financial Services revenue: FY 2023 $0.177B, FY 2024 $0.253B, FY 2025 $0.347B
Others	Mapping, AV services, infrastructure	Non-material initiatives	Yes only as segment bucket	FY 2023 $0.001B, FY 2024 $0.004B, FY 2025 $0.004B

Segment	Product	Disclosure method	Last 4 quarters YoY growth or KPI	Source
Deliveries	Segment revenue	Quarterly dollar revenue and YoY	Q2 2025 23%, Q3 2025 23%, Q4 2025 18%, Q1 2026 23%	Official quarterly releases
Deliveries	GrabMart	Growth and mix, no dollars	Q4 2025 call: GrabMart about 10% of Deliveries GMV; Q1 2026 call: grocery MTUs growing faster than food MTUs	FMP transcripts and Q4 release
Deliveries and Mobility	Affordability products	Management commentary, no dollars	Saver, group orders, group rides, GrabUnlimited cited as user-growth and frequency tools	FMP transcripts
Mobility	Segment revenue	Quarterly dollar revenue and YoY	Q2 2025 19%, Q3 2025 17%, Q4 2025 15%, Q1 2026 19%	Official quarterly releases
Financial Services	Segment revenue	Quarterly dollar revenue and YoY	Q2 2025 41%, Q3 2025 39%, Q4 2025 34%, Q1 2026 43%	Official quarterly releases
Financial Services	Lending	Loan-disbursal KPI, no revenue dollars	Q1 2026 transcript: disbursals exceeded $1B and grew 67% YoY	FMP Q1 2026 transcript
Financial Services	Digital banks	Deposits, users, and product milestones	FY 2025 20-F: GXS and GXBank products are described, but standalone revenue is not disclosed	2025 20-F

No back-solved product-dollar rows are included. That is intentional. Product dollars below segment level would be fabricated unless Grab begins disclosing them or a future data package explicitly back-solves from a disclosed base and labels each estimate.

5. Most Recent Quarterly Trend

Company FY ends December 31. Most recently completed fiscal quarter at time of writing: FY 2026 Q1, covering January 1, 2026 to March 31, 2026, reported on May 5, 2026 via https://s205.q4cdn.com/179588156/files/doc_financials/2026/q1/Grab-Reports-Q1-2026-Results.pdf.

Quarter	Consolidated revenue ($B)	YoY %	Official operating profit ($B)	Adjusted EBITDA ($B)	Source
Q2 2025	0.819	23%	0.007	0.109	Q2 2025 release dated 2025-07-31
Q3 2025	0.873	22%	0.027	0.136	Q3 2025 release dated 2025-11-04
Q4 2025	0.906	19%	0.052	0.148	Q4 2025 release dated 2026-02-12 Singapore / 2026-02-11 U.S.
Q1 2026	0.955	24%	0.022	0.154	Q1 2026 release dated 2026-05-05
TTM ending 2026-03-31	3.553	NM	0.108	0.547	Official four-quarter sum

Quarter	Segment	Revenue ($B)	YoY %	Segment Adjusted EBITDA ($B)	Segment margin basis	Source
Q2 2025	Deliveries	0.439	23%	0.063	1.8% of GMV	Q2 2025 release
Q3 2025	Deliveries	0.465	23%	0.078	2.1% of GMV	Q3 2025 release
Q4 2025	Deliveries	0.481	18%	0.084	2.2% of GMV	Q4 2025 release
Q1 2026	Deliveries	0.510	23%	0.088	2.3% of GMV	Q1 2026 release
Q2 2025	Mobility	0.295	19%	0.164	8.7% of GMV	Q2 2025 release
Q3 2025	Mobility	0.317	17%	0.181	8.9% of GMV	Q3 2025 release
Q4 2025	Mobility	0.325	15%	0.186	8.6% of GMV	Q4 2025 release
Q1 2026	Mobility	0.337	19%	0.198	8.9% of GMV	Q1 2026 release
Q2 2025	Financial Services	0.084	41%	-0.026	-31.0% of revenue	Q2 2025 release
Q3 2025	Financial Services	0.090	39%	-0.028	-31.1% of revenue	Q3 2025 release
Q4 2025	Financial Services	0.099	34%	-0.025	-25.3% of revenue	Q4 2025 release
Q1 2026	Financial Services	0.107	43%	-0.017	-15.9% of revenue	Q1 2026 release
Q2 2025	Others	0.001	NM	0.000	NM	Q2 2025 release
Q3 2025	Others	0.001	NM	0.000	NM	Q3 2025 release
Q4 2025	Others	0.001	NM	-0.001	NM	Q4 2025 release
Q1 2026	Others	0.001	NM	-0.001	NM	Q1 2026 release

6. Management Commentary And Guidance

Transcript date checks: FMP transcript pulls returned dates of 2025-07-31 for FY 2025 Q2, 2025-11-03 for FY 2025 Q3, 2026-02-11 for FY 2025 Q4, and 2026-05-04 for FY 2026 Q1. These match the expected quarterly call windows. The table uses short verbatim excerpts and paraphrases the surrounding commentary to avoid over-quoting while retaining source provenance.

Date	Fiscal period	Speaker	Segment or topic	Verbatim excerpt	Modeling interpretation
2026-05-04	FY 2026 Q1	Anthony Tan, CEO	Group growth	"on-demand GMV growth accelerated to 24%"	Demand remained strong despite seasonal softness. Use Q1 as a resilient demand anchor, not a weak-quarter reset.
2026-05-04	FY 2026 Q1	Anthony Tan, CEO	Financial Services	"loan disbursals grew 67%"	Financial Services top-line growth is scaling quickly, but credit quality and loss provisioning remain central.
2026-05-04	FY 2026 Q1	Alex Hungate, COO	Mobility and Deliveries	"April have remained resilient"	April commentary supports management's decision to reiterate FY 2026 guidance after Q1.
2026-02-11	FY 2025 Q4	Peter Oey, CFO	2028 framework	"20% revenue CAGR growth"	The 2025-2028 framework is organic and assumes sustained revenue growth plus operating leverage.

Date	Fiscal period	Speaker	Segment or topic	Verbatim excerpt	Modeling interpretation
2026-02-11	FY 2025 Q4	Peter Oey, CFO	Capital allocation	"all organic growth"	Do not include Stash or other M&A in the base 2028 organic guidance bridge unless explicitly modeled separately.
2026-02-11	FY 2025 Q4	Anthony Tan, CEO	Autonomous vehicles	"not as a replacement for our driver partners"	AV investments are positioned as supply resilience and reliability buffers, not near-term labor displacement.
2025-11-03	FY 2025 Q3	Peter Oey, CFO	Capital allocation	"focus as always on three pillars"	Framework: organic growth first, selective M&A second, and shareholder returns where appropriate.
2025-11-03	FY 2025 Q3	Alex Hungate, COO	GrabMart	"only about 10% of deliveries GMV"	Grocery can be a long runway but is not disclosed in dollars and should not be split out without estimates.
2025-07-31	FY 2025 Q2	Anthony Tan, CEO	Affordability	"leaning into affordability since 2023"	Saver products are part of the demand flywheel and may pressure AOV but increase frequency and user cohorts.
2025-07-31	FY 2025 Q2	Alex Hungate, COO	Deliveries margin	"4% steady-state margins"	Long-term Deliveries segment margin target is measured on GMV, not revenue, and should be modeled on company basis.
2025-07-31	FY 2025 Q2	Peter Oey, CFO	M&A discipline	"very prudent approach"	Balance sheet capacity exists, but base model should not assume large inorganic revenue unless announced and closed.

Formal guidance from the official releases: Q1 2026 reiterated FY 2026 group revenue guidance of $4.04 billion to $4.10 billion, implying 20% to 22% YoY growth, and adjusted EBITDA guidance of $700 million to $720 million, implying 40% to 44% YoY growth. The Q4 2025 release also introduced a 2025-2028 framework: 20% group revenue CAGR, 2028 adjusted EBITDA of $1.5 billion, and 2028 adjusted free cash flow conversion of 80% of adjusted EBITDA. Management said the guidance is primarily organic expansion. Treat Stash, Vay, Everrise, Validus, Infermove, and other transactions as separate capital allocation and strategic items unless official guidance explicitly folds them in.

Segment-specific handoff from management commentary:

Segment	Management message	Modeling use
Deliveries	Affordability, group ordering, GrabMart, GrabMore, Dine Out, and advertising are the stated growth levers. Management highlights grocery as faster-growing than food but still a minority of Deliveries GMV.	Model segment revenue, not product revenue. Consider steady margin improvement from ads and batching, but do not split GrabMart dollars.
Mobility	Management frames affordability products, improved reliability, traveler demand, airport rides, EV adoption, and eventual AV partnerships as supply and demand levers.	Model Mobility as the highest-margin core segment with GMV-linked adjusted EBITDA margin, but preserve fuel and driver incentive sensitivity.
Financial Services	Management expects adjusted EBITDA breakeven in the second half of 2026 and stresses lending scale, credit model quality, deposits, and banking product expansion.	Model rapid revenue growth with explicit credit-loss and capital intensity assumptions. Do not assume clean software-like margins.
Others	Management discusses AV, mapping, remote driving, and AI as strategic infrastructure, but Others is immaterial in revenue.	Keep separate only for strategic optionality. Do not assign meaningful revenue contribution unless disclosed.

7. Capital Allocation History

Amounts are USD billions. Capex is FMP PPE capex for FY 2021-FY 2024 and official adjusted-free-cash-flow capex basis for FY 2025. R&D is FMP research and development expense. Buybacks are common stock repurchased per FMP cash-flow pulls. M&A cash spend is FMP acquisitions net, cross-checked to the 2025 20-F for Everrise and Validus.

Year	Capex ($B)	Capex / revenue (%)	R&D ($B)	R&D / revenue (%)	Buybacks ($B)	Dividends ($B)	M&A ($B)	Source
2021	0.073	10.8%	0.356	52.7%	0.000	0.000	0.000	FMP annual cash flow and income statement
2022	0.058	4.0%	0.465	32.4%	0.000	0.000	0.168	FMP annual cash flow and income statement
2023	0.071	3.0%	0.421	17.8%	0.000	0.000	0.000	FMP annual cash flow and income statement
2024	0.077	2.8%	0.410	14.7%	0.226	0.000	0.023	FMP annual cash flow and income statement
2025	0.188	5.6%	0.428	12.7%	0.274	0.000	0.100	Official AFFCF capex, FMP, 2025 20-F

Capital allocation notes: the Q4 2025 release and 20-F show Grab authorized a new share repurchase program of up to $500 million in February 2026. FMP cash-flow data shows $274 million of repurchases in FY 2025 and $226 million in FY 2024. Grab does not pay common dividends. Balance sheet flexibility increased through a 2025 convertible debt raise and substantial liquidity, but downstream modeling should treat the lending balance sheet separately from corporate cash.

8. Balance Sheet Snapshot

FY-1 balance sheet is December 31, 2025. Amounts are USD billions.

Item	$B	Source
Cash and equivalents	3.433	FMP balance sheet, official FY release ties cash
Short-term investments	3.371	FMP balance sheet
Total debt	2.053	FMP balance sheet, official loans and borrowings
Net debt / cash	-4.751	Calculated as debt less cash and short-term investments
Net debt / EBITDA	-9.5x	Calculated using FY 2025 adjusted EBITDA of $0.500B
Goodwill and intangibles	1.057	FMP balance sheet
Tangible book value	5.700	Total equity less goodwill and intangibles
Total assets	11.983	FMP balance sheet and 20-F
Total equity	6.757	FMP balance sheet and 20-F

Q1 2026 update from official release: cash and equivalents were $2.948 billion at March 31, 2026, other investments were $4.341 billion, loans and borrowings were $1.948 billion, and official net cash liquidity was about $5.0 billion. Use the Q1 balance sheet for TTM/forward bridge and FY 2025 for annual historical tables.

9. Cash Flow And Working Capital

The most important cash-flow distinction is official adjusted free cash flow versus FMP free cash flow. Grab's adjusted free cash flow excludes movements in loan receivables in Financial Services and deposits from customers in the banking business, and includes capex and PPE disposal proceeds. For FY 2025, official operating cash flow was $79 million and official adjusted free cash flow was $290 million. For the TTM ending March 31, 2026, QF shows official operating cash flow of negative $53 million and adjusted free cash flow of $489 million.

Period	Operating cash flow ($B)	Capex for AFFCF ($B)	Adjusted FCF ($B)	Source
FY 2025	0.079	0.188	0.290	Official Q4 and FY 2025 release
Q2 2025	0.064	0.025	0.112	Official Q2 2025 release
Q3 2025	-0.127	0.049	0.203	Official Q3 2025 release
Q4 2025	0.069	0.081	0.076	Official Q4 2025 release
Q1 2026	-0.059	0.033	0.098	Official Q1 2026 release

Period	Operating cash flow ($B)	Capex for AFFCF ($B)	Adjusted FCF ($B)	Source
TTM ending 2026-03-31	-0.053	0.188	0.489	Official four-quarter sum

Interpretation for modelers: adjusted free cash flow is already positive and improving, but headline operating cash flow is volatile because Financial Services loan receivables and banking deposits move through the statement. Segment B work should not value Financial Services as an asset-light marketplace without separately modeling credit assets, deposits, expected credit losses, and regulatory capital.

10. Governance And Ownership

Grab is a Cayman Islands holding company listed on NASDAQ. The Class A ordinary shares trade under GRAB. The Class B ordinary shares have superior voting rights. The 2025 20-F states that Anthony Tan effectively controlled about 59.9% of total voting power as of January 31, 2026 after giving effect to executive proxies. This is a material governance fact for ER2: founder control is stable and can support long-duration strategy, but minority shareholders have limited ability to force capital allocation, M&A discipline, or governance changes.

Board and management continuity is important to the investment case. Anthony Tan remains CEO, Alex Hungate is President and COO, and Peter Oey is CFO in the latest calls. No CEO or CFO transition was identified in the last twelve months from the live-run sources used here. The governance model should be scored with founder-control benefits and dual-class risks both visible.

11. Recent Corporate Actions

- 2025-03-03: Grab acquired 80% of Everrise, a premium grocery operator in East Malaysia, for cash consideration of about $54 million, with a put option over the remaining 20%; source: 2025 20-F Note 27.
- 2025-04-15: Grab acquired Validus Capital Pte Ltd and an associated SME loan portfolio for about $48 million including contingent consideration; source: 2025 20-F Note 27.
- 2025: Grab completed the acquisition of Infermove, a Chinese AI robotics company focused on autonomous robotics for first and last-mile delivery; source: 2025 20-F corporate milestones.
- 2025: PT Super Bank Indonesia, in which Grab has less than 50% equity interest, completed its IPO on the Indonesia Stock Exchange; source: 2025 20-F corporate milestones and management commentary.
- 2026-01: Grab acquired a minority equity interest in Vay Technology GmbH for $55 million cash, with a potential additional investment subject to milestones and regulatory approvals; source: 2025 20-F subsequent events.
- 2026-02: Grab entered definitive agreements to acquire 100% of Stash Financial, Inc.; initial 50.1% payment at closing is based on a $425 million enterprise value, with the rest over three years at fair value; expected close is Q3 2026 subject to approvals; source: 2025 20-F subsequent events.
- 2026-02: Grab announced authorization of a new share repurchase program of up to $500 million of Class A ordinary shares; source: 2025 20-F subsequent events and Q4 2025 release.

12. Key Risks For Downstream Segments

Regulation is a first-order risk. The 2025 20-F flags gig-worker regulation, platform-worker rules, fare and commission caps, delivery licensing, digital platform laws, payments regulation, foreign ownership restrictions, and tax changes. Indonesia is especially important because the 20-F discusses reported proposals to reduce driver commission caps and reclassify driver-partners in ways that could increase costs. Singapore's Platform Workers Act is also relevant because it increases platform obligations and could become a regional template.

Competition remains intense across all major segments. Deliveries competes with Foodpanda, ShopeeFood, Gojek, Line Man Wongnai, merchant-owned delivery, offline dining, grocers, and last-mile platforms. Mobility competes with Gojek, Be Group, Bolt, Tada, Ryde, Xanh SM, Maxim, InDrive, taxi operators, public transit, and personal vehicles. Financial Services competes with cash, cards, bank transfers, banks, e-wallets, ShopeePay, Google Pay, Dana, GoPay, Touch n Go, MAE, and digital banks.

Financial Services credit risk is material. Revenue is growing fast and management targets second-half 2026 breakeven, but expected credit losses, deposits, loan receivables, digital-bank regulation, and capital needs can make the segment behave differently from the core marketplace segments. Loan growth should be modeled with losses and funding, not just revenue.

Profitability history is short. Grab reported its first full-year profit in FY 2025. Operating profit was only $65 million on $3.370 billion of revenue. Segment Adjusted EBITDA is much stronger than IFRS operating profit because regional corporate costs, share-based compensation, D&A, restructuring, legal and regulatory provisions, and M&A costs are outside segment adjusted EBITDA. This is why the ROIC caveat remains live.

M&A and expansion risk are increasing. Everrise, Validus, Infermove, Vay, and Stash expand grocery, SME lending, robotics, remote driving, and U.S. financial services exposure. The Q4 2025 2028 financial framework is described as organic, so these acquisitions should be treated as upside or risk overlays unless official guidance changes.

13. Open Data Gaps

Gap	Treatment
Product-level dollar revenue for GrabFood, GrabMart, GrabExpress, GrabAds, GrabCar, GrabBike, GrabPay, GrabFin, GXS, GXBank, OVO	Not separately disclosed. Use reportable segment dollars only.
Quarterly FMP revenue-product-segmentation endpoint	QF found it returned an empty array. Official quarterly releases control segment revenue.
Segment operating income	Not disclosed. Use Segment Adjusted EBITDA and consolidated operating profit bridge.
Current-taxonomy five-year segment comparability	FY 2021-FY 2022 use old fourth bucket Enterprise and new initiatives; FY 2023-FY 2025 use current Others taxonomy.
FMP operating income and OCF mapping	Material mismatch versus official sources. Preserve FMP as pulled but use official values for modeling.
Long-form investor day transcript	Q4 2025 call and release provide the 2028 framework. No separate official investor day transcript was used.
ROIC quality proof	Not available. FY 2025 calculated ROIC is about 3.5%, so persistent ROIC remains a red Stage 1 gate even though the user override permits the full production run to proceed.

14. Downstream Modeling Handoff

Use Q2 2025 + Q3 2025 + Q4 2025 + Q1 2026 as TTM ending March 31, 2026. TTM revenue is $3.553 billion, official operating profit is $108 million, profit for period is $310 million, adjusted EBITDA is $547 million, official operating cash flow is negative $53 million, and adjusted free cash flow is $489 million. TTM segment revenue is Deliveries $1.895 billion, Mobility $1.274 billion, Financial Services $0.380 billion, and Others $0.004 billion. TTM Segment Adjusted EBITDA is Deliveries $313 million, Mobility $729 million, Financial Services negative $96 million, and Others negative $2 million.

For forward segment modeling, start with the official Q1 2026 run rate and management's FY 2026 guidance of $4.04 billion to $4.10 billion revenue and $700 million to $720 million adjusted EBITDA. The 2028 framework implies about 20% revenue CAGR from 2025 to 2028, $1.5 billion adjusted EBITDA, and 80% adjusted free cash flow conversion. Treat this as management aspiration and test it against segment economics, corporate cost leverage, SBC, D&A, legal/regulatory costs, tax, credit losses, and capital intensity.

Segment priorities for downstream agents:

Downstream segment	Base facts to use	Main caution
Deliveries	FY 2025 revenue $1.800B, TTM revenue $1.895B, Q1 2026 revenue $0.510B, TTM Segment Adjusted EBITDA $0.313B	Do not create GrabMart or Ads dollar series without disclosed base.
Mobility	FY 2025 revenue $1.219B, TTM revenue $1.274B, Q1 2026 revenue $0.337B, TTM Segment Adjusted EBITDA $0.729B	Driver incentives, regulation, fuel support, and AV timing can change margins.
Financial Services	FY 2025 revenue $0.347B, TTM revenue $0.380B, Q1 2026 revenue $0.107B, TTM Segment Adjusted EBITDA negative $0.096B	Credit losses and balance-sheet use are central. Do not value as pure software.
Others	FY 2025 revenue $0.004B and immaterial profit	Strategic optionality only; not a near-term valuation driver.

Final handoff flag: Grab's reported momentum is strong, but the historical financial package is not a classic high-ROIC compounder record. The ER2 synthesis must carry both facts at once: rapid Southeast Asia platform growth and first-profit inflection on one side; short profitability history, low ROIC, regulatory exposure, and FMP-vs-official reconciliation risks on the other.