Grab Holdings

Comprehensive investment analysis and five-pillar scorecard

CLOSE	MARKET CAP	FIVE PILLARS
$3.17	**$11.87B**	**4 / 5**
SEP 22, 2026	FINNHUB	STRONG, NOT CLEAN

> **Verdict:** Grab is a strong engine candidate, not a clean full pass. The platform, leadership, moat, and balance sheet qualify. Cash-flow quality still needs proof.

Prepared September 23, 2026 · Pure-ticker research

EXECUTIVE VERDICT

Four pillars pass; cash flow remains unfinished

Grab has crossed the hardest operating threshold: growth above 20% is now producing faster EBITDA growth and positive operating profit. The investment case rests on Southeast Asian density, a multi-product data flywheel, and a large net-cash position. The unresolved question is whether rapid lending growth and the Atome acquisition can convert into durable, conventional cash generation without impairing credit quality.

1 · Sunrise sector	PASS	Southeast Asian digital commerce, mobility, grocery, advertising, and financial access still have runway. Grab's 2025 regional food-delivery share reached 55%.
2 · Leadership	PASS	Founder-led execution is visible in 18 consecutive quarters of adjusted EBITDA growth. Capital allocation is the open test.
3 · Moat	PASS	Local supply density, demand frequency, merchant breadth, and cross-product transaction data form the real moat. It is regional and operational, not a software monopoly.
4 · Iron fortress	PASS*	$5.36B of June 2026 net cash liquidity supports the pass. Atome Phase 1 plus the intended buyback would consume about 44% of that starting cushion before new cash generation.
5 · Free cash flow	PARTIAL	Adjusted free cash flow is positive, but its definition excludes lending, digital-bank deposit, and treasury-liquidity movements. 2025 operating cash flow was only $79M.

The thesis in one line. Grab's everyday-use network is becoming profitable while Financial Services adds upside. The same move also adds the largest source of risk.

Q2 REVENUE	Q2 ADJ. EBITDA	Q2 ON-DEMAND USERS
$997M	**$168M**	**53.9M**
+22% year over year	+54% year over year	+17% year over year

BUSINESS MODEL

The flywheel is real, but density and data are the moat

Grab is not one app with unrelated tabs. It is a shared local network. Rides create frequent demand and driver supply. Delivery adds merchants and order density. Payments reduce friction. Advertising monetizes merchant access. Lending uses transaction history to underwrite users, drivers, and merchants.

Why the system compounds

1. Demand attracts supply

More riders and diners attract drivers and merchants. Broader supply improves pickup time, availability, and selection.

2. Supply improves demand

Dense local coverage lowers wait times and delivery friction, increasing frequency and making membership more valuable.

3. Transactions improve the intelligence layer

Matching, routing, pricing, fraud detection, ad relevance, and credit underwriting improve with more observed behavior.

4. One acquisition cost supports several revenue streams

A user acquired for a ride can later order food, pay, borrow, or respond to a merchant ad.

Where the moat is strongest

- **Local liquidity:** a new entrant must build demand and supply city by city. Capital alone does not instantly create reliable density.
- **Regional operating complexity:** Grab runs across more than 900 cities in eight countries, each with different regulation, payments, language, and transport patterns.
- **Merchant and driver workflow:** tools for dispatch, ads, payments, and credit increase switching friction when the economics work.
- **Proprietary behavior data:** repeated everyday transactions are more useful than static demographic data for matching and underwriting.

Where it is weaker

- Consumers can multi-home across apps, so the moat does not eliminate price competition.
- Incentives remain meaningful: $706M in Q2 2026, or 10.9% of on-demand gross merchandise value (GMV).
- Competitors can still win in individual countries or categories.

> **Moat test:** the network is durable only if Grab can hold service quality and share without escalating incentives faster than revenue.

RUNWAY AND LEADERSHIP

Southeast Asia supplies runway; execution decides how much Grab captures

The market remains a sunrise sector

Southeast Asian food-delivery GMV reached $22.7B in 2025, up 18%, according to Momentum Works coverage. Grab increased regional share from 53.8% to 55%. That is unusual: the market grew quickly while the leader gained share.

Grab's opportunity is broader than food. It spans mobility, grocery, merchant advertising, payments, consumer and merchant credit, digital banking, insurance, and logistics. Grocery is an important adjacency: in Q2 2026, GrabMart transactions rose 54%, online stock-keeping units sold rose 52%, average users rose 42%, and GMV grew 1.7 times as fast as GrabFood.

> **Why it matters:** the platform can grow through more users, greater frequency, new categories, higher-margin ads, and financial cross-sell. It has several channels of success.

Leadership passes, with one large asterisk

Co-founder Anthony Tan remains Group CEO. Q2 2026 delivered 22% revenue growth, 21% on-demand GMV growth, 17% user growth, and 54% adjusted EBITDA growth. Management also raised 2026 guidance.

On September 21, Tan bought about $29.9M of Grab shares at roughly $2.89 per share; President and COO Alex Hungate bought about $867K. Reuters quoted Tan: “I have put my money where my mouth is... I believe in our strategy and our direction.”

The concern is governance and capital allocation. As of January 31, 2026, Tan controlled 59.1% of voting power including proxies. The structure supports long-term execution but limits ordinary shareholder influence.

> **Leadership test:** Atome is not a small bolt-on. Management must prove that underwriting and integration discipline match its operating discipline.

> Grab's advantage is not that every service is unbeatable. It is that the services make one another cheaper to distribute, easier to use, and richer in data.

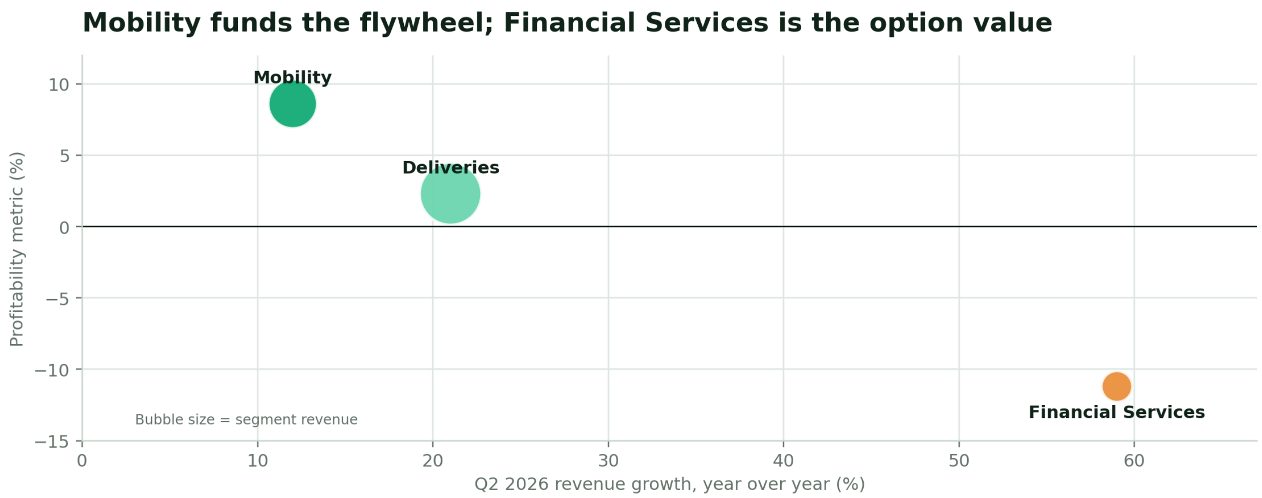
55%
Food-delivery share
Regional 2025 estimate

900+
Cities served
Across eight countries

18
Consecutive quarters
Adjusted EBITDA growth by Q2 2026

SEGMENT ECONOMICS

The core is profitable; finance is the option value



Mobility and Deliveries use segment adjusted EBITDA / GMV, as reported. Financial Services uses segment adjusted EBITDA / revenue, calculated.

Q2 2026	Revenue	YoY	Segment adj. EBITDA	Read-through
Mobility	$331M	+12%	$191M	The cash engine. EBITDA was 8.6% of GMV, with transactions up 28%.
Deliveries	$531M	+21%	$96M	The scale engine. EBITDA reached 2.3% of GMV, helped by ads and operating leverage.
Financial Services	$134M	+59%	($15M)	The optionality and risk engine. Loan portfolio grew 197% to $2.32B.

Positive signal: Financial Services' EBITDA loss improved by $11M year over year, and management expected profitability in the second half of 2026.

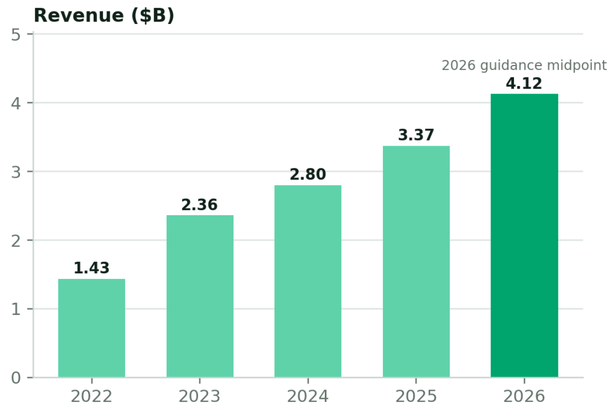
Quality check: the fastest-growing segment is credit. Revenue growth must be judged beside expected credit losses, delinquencies, and funding costs.

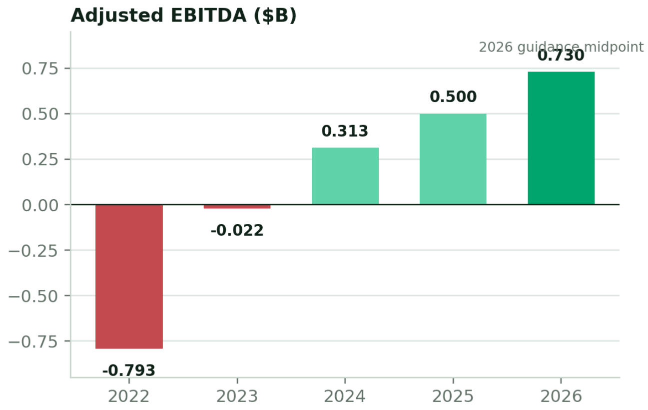
Profitability metrics differ by segment: Grab reports Mobility and Deliveries segment adjusted EBITDA as a percentage of GMV. The chart calculates Financial Services segment adjusted EBITDA as a percentage of segment revenue for directional comparison only.

FINANCIAL PROGRESSION

Profitability is inflecting faster than revenue

The growth engine is turning into an earnings engine





Sources: Grab FY2022-FY2025 results and Q2 2026 guidance. 2026 figures are guidance midpoints.

The operating inflection is real

- FY2025 revenue rose 20% to $3.37B.
- Adjusted EBITDA rose 60% to $500M.
- Operating profit turned positive at $65M, from a $168M loss in 2024.
- FY2026 guidance calls for $4.10B-$4.15B of revenue and $720M-$740M of adjusted EBITDA.

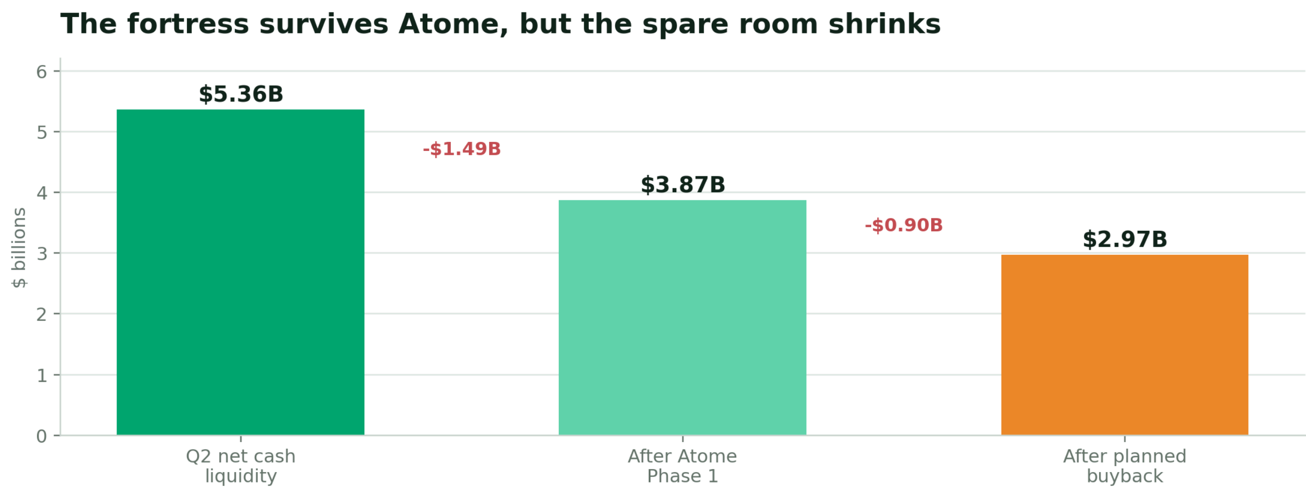
But accounting profit needs normalization

Q2 2026 profit was $235M, but it included a $307M one-time gain from consolidating Superbank and a $183M fair-value loss on financial assets and liabilities. The cleaner operating signals were $19M of operating profit and $168M of adjusted EBITDA.

Do not annualize the Q2 net profit. Fair-value movements, acquisitions, and bank consolidation can make reported profit volatile.

BALANCE SHEET AND ATOME

Atome converts excess cash into a credit-risk bet



Illustrative stress test: starts with June 2026 non-IFRS net cash liquidity; assumes no cash generation and excludes Phase 2, Stash, foodpanda Taiwan, and timing effects.

Why the deal could work

- Grab pays $1.49B cash for 60%, including $260M of growth capital.
- Atome adds a $1B gross loan portfolio, 25M cumulative transacted users, and more than 30,000 brand partners.
- Its consumer underwriting complements Grab's driver, merchant, and bank-customer lending.
- Management targets more than $6B of combined loans and $500M of Financial Services adjusted EBITDA by 2028.

Why the market objected

- Phase 1 is large relative to Grab's $5.36B June net cash liquidity.
- Grab must buy the remaining 40% roughly two years after Phase 1 closes.
- The second-stage equity valuation has a $2B floor and $4.5B cap; at least half of consideration is cash.
- Consumer lending adds cyclical credit losses, regulation, collections, and integration risk.

The asterisk on the fortress: Phase 1 plus roughly $900M of planned repurchases equals $2.39B, or 44.6% of starting net cash liquidity. The chart is not a pro forma balance sheet; it deliberately excludes future cash generation, Phase 2, other deal obligations, and timing.

CASH-FLOW QUALITY

Adjusted free cash flow passes the trend test, not the purity test

FY2025 OPERATING CASH FLOW
$79M
Down from $852M in 2024

FY2025 ADJUSTED FCF
$290M
+78% year over year

TTM ADJUSTED FCF
$450M
Through June 2026

Why the two cash-flow numbers diverge

Grab's lending and digital-bank activities create large working-capital movements. In 2025, operating cash flow fell because loan receivables grew and customer-deposit inflows increased by less than in 2024. Grab's adjusted free cash flow removes working-capital effects from lending and digital-bank deposits; from Q2 2026 it also excludes changes in treasury liquidity positions.

Measure	What it captures	What to watch
Operating cash flow	IFRS cash generated after all operating working-capital movements, including banking and lending.	Can swing sharply as loans and deposits scale.
Adjusted free cash flow	Management's view of cash flow outside lending, deposit, and treasury-liquidity movements, after capital spending.	Useful for core-platform trend, but not a substitute for consolidated cash economics.
Share-based compensation	Non-cash expense of $241M in FY2025.	Dilution matters even when excluded from adjusted EBITDA.

What upgrades Pillar 5 to a pass: sustained positive operating cash flow through continued loan growth; narrowing divergence from adjusted free cash flow; stable credit losses; and adjusted cash generation that comfortably funds buybacks without shrinking the fortress.

VALUATION

The stock is inexpensive if the 2028 bridge is credible

MARKET CAP / 2026 REVENUE	EV / 2026 REVENUE	EV / 2026 ADJ. EBITDA
2.9x	1.6x	8.9x

Current valuation bridge

Item	Value	Method
Market capitalization	$11.87B	Finnhub, Sep 22 close
Less: net cash liquidity	($5.36B)	Grab non-IFRS measure, Jun 30
Simplified enterprise value	**$6.50B**	Market cap less net cash liquidity
2026 revenue midpoint	$4.125B	Company guidance
2026 adjusted EBITDA midpoint	$730M	Company guidance

The multiple looks low for 22%-23% guided revenue growth and 44%-48% guided adjusted EBITDA growth. It is also an imperfect snapshot. Atome has not closed, Stash and foodpanda Taiwan add obligations and earnings, the balance sheet includes regulated banks, and net cash liquidity is not the same as unconstrained excess cash.

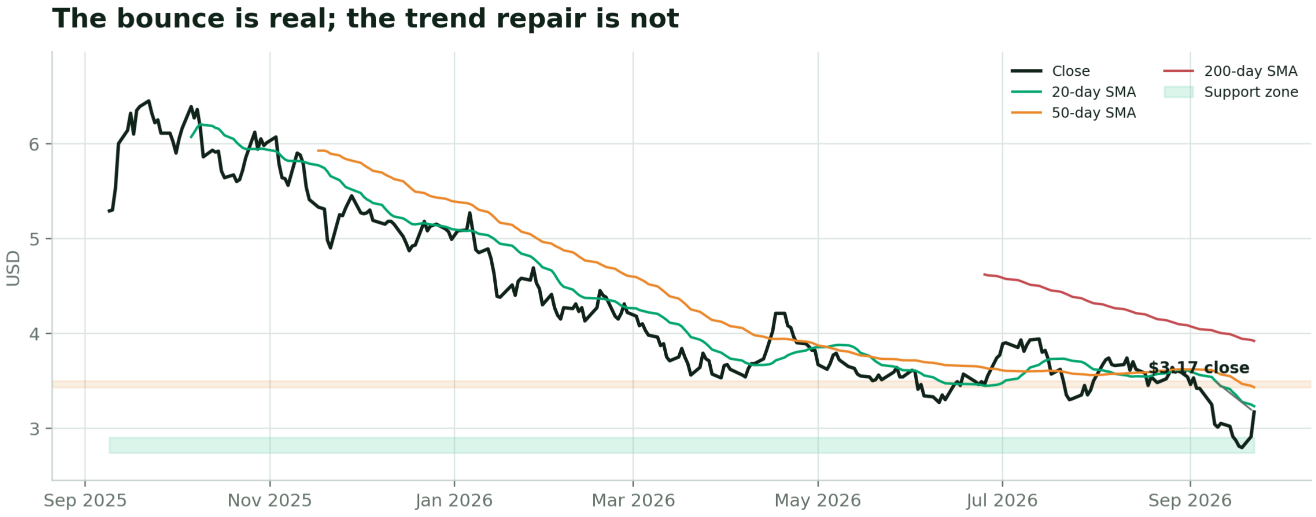
2028 bridge: management now targets $1.7B of adjusted EBITDA and more than 30% group revenue compound annual growth from 2025 to 2028, including Atome. The target implies more than tripling adjusted EBITDA from 2025.

Valuation verdict: cheap enough to be interesting, not cheap enough to ignore credit and capital-allocation risk. The discount is the market's demand for proof.

All multiples are simplified calculations, not consensus estimates. Enterprise value uses Grab's reported non-IFRS net cash liquidity and does not adjust for unclosed transaction commitments.

TECHNICAL SETUP

The bounce is real; the trend repair is not



Source: Finnhub daily candles through Sep 21, plus verified Sep 22, 2026 close. SMA = simple moving average.

20-DAY SMA	50-DAY SMA	200-DAY SMA
$3.23	**$3.43**	**$3.92**

What the chart says

- Sep 22 closed at $3.17, below all three moving averages.
- The 14-day Wilder relative strength index (RSI) was 47.3 after the insider-buying bounce: neutral, not oversold.
- The close remained 52.1% below the $6.62 52-week high.

Decision zones

- **$2.74-$2.90:** primary support and recent low zone.
- **$3.23:** first trend test at the 20-day average.
- **$3.43-$3.50:** first meaningful reclaim zone.
- **$3.90-$4.00:** major repair level near the 200-day average and prior pivots.

Long-only setup: a close above $3.50 followed by a successful retest would be higher-quality confirmation than chasing a single news-driven gap. A break below $2.74 would invalidate the developing base.

SCENARIO FRAMEWORK

The valuation range is wide because finance changes the business mix

These are analytical scenarios, not price targets or forecasts. They apply a 2028 enterprise-value-to-adjusted-EBITDA multiple, then add an assumed residual net-cash position and divide by approximately 3.74B shares implied by the current market capitalization and price.

BEAR

$1.0B 2028 adjusted EBITDA · 7x EV/EBITDA · $1.5B net cash

Atome integration disappoints, credit losses rise, incentives stay elevated, and the market keeps a discount multiple.

$2.27

BASE

$1.5B 2028 adjusted EBITDA · 10x EV/EBITDA · $3.0B net cash

Core guidance broadly holds, Financial Services becomes profitable, but the company finishes below the $1.7B target.

$4.81

BULL

$1.9B 2028 adjusted EBITDA · 12x EV/EBITDA · $4.5B net cash

Atome scales well, credit stays controlled, ads and grocery lift margins, and the 2028 target is exceeded.

$7.29

What can drive the upside

- Financial Services reaches profitability in H2 2026.
- Advertising expands delivery margins.
- GrabMart sustains faster growth than food delivery.
- Atome closes on time and cross-sell lowers customer-acquisition cost.
- Buybacks materially reduce the share count.

What can break the thesis

- Expected credit losses and delinquencies accelerate.
- Competition pushes incentives above GMV growth.
- Phase 2 Atome consideration strains liquidity.
- Regulatory limits constrain ride-hailing, banking, or consumer lending.
- Founder control weakens accountability on capital allocation.

> **Asymmetry:** the base case offers material upside from $3.17, but the bear case is not remote if the credit cycle turns before the lending engine is seasoned.

CATALYSTS, RISKS, AND DASHBOARD

The next four quarters should resolve the fifth pillar

Signal	Current marker	Green	Red
Revenue growth	Q2: +22%	At or above 20% with broad user growth	Growth increasingly bought with incentives
Adjusted EBITDA	Q2: $168M, +54%	Tracks $720M-$740M FY guide	Margin stalls while revenue holds
Incentive intensity	10.9% of on-demand GMV	Stable or falling with growth	Rises faster than GMV for several quarters
Financial Services	($15M) segment EBITDA	Positive in H2 2026	Losses persist into 2027
Loan quality	$2.32B portfolio, +197%	Stable losses and delinquency cohorts	Impairments outpace lending revenue
Cash-flow quality	$450M TTM adjusted FCF	Operating cash flow rises with loans	Adjusted FCF rises while IFRS cash flow weakens
Atome	Phase 1 targeted by Q3 2027	Clear approvals, retention, and funding plan	Delays, concessions, or higher capital needs
Technicals	$3.17, below major averages	Reclaim and hold $3.50, then $4.00	Close below $2.74

Near-term catalysts

- H2 2026 Financial Services EBITDA inflection.
- Delivery ad monetization and margin expansion.
- Continued user-led GMV growth.
- Execution of buybacks at depressed prices.
- Regulatory progress on Atome and foodpanda Taiwan.

Risk hierarchy

1. **Credit underwriting:** the largest new risk.
2. **Capital allocation:** acquisitions plus buybacks reduce optionality.
3. **Competition:** incentives can hide weak organic economics.
4. **Regulation:** eight countries and bank licenses multiply complexity.
5. **Governance:** concentrated voting control limits outside influence.

Hardest proof point: adjusted EBITDA can improve while consolidated cash economics deteriorate. The dashboard must keep credit losses and IFRS operating cash flow beside management's adjusted metrics.

FINAL SCORECARD

Grab qualifies as a strong engine candidate, not a finished compounder

Sunrise sector	PASS	**Why:** regional digital adoption, delivery, grocery, ads, and credit remain structurally underpenetrated. Watch: category growth and user-led transaction growth.
Leadership	PASS	**Why:** founder-led team has delivered a sustained EBITDA inflection and raised guidance. Insider buying strengthens alignment. Watch: Atome integration and buyback discipline.
Moat	PASS	**Why:** local network density, regional operations, merchant breadth, and cross-product data reinforce each other. Watch: incentive intensity and local share.
Iron fortress	PASS*	**Why:** $5.36B net cash liquidity is substantial relative to debt and near-term needs. Watch: the Atome Phase 2 obligation and other acquisition commitments.
Free cash flow	PARTIAL	**Why:** adjusted free cash flow is positive, but the definition removes the working-capital effects created by the fastest-growing business. Watch: conventional operating cash flow, credit losses, and dilution.

Bottom line: Grab is no longer a promise waiting for unit economics. The core platform works. The next phase asks investors to underwrite a lender, not only a superapp.

Business quality
High
Regional leader with improving economics

Evidence quality
Mixed
Core evidence strong; credit history still young

Valuation
Attractive
Conditional on the 2028 bridge

Technical posture
Weak
Base attempt below major averages

Overall: 4 of 5 pillars pass. Upgrade only when the cash-flow and credit evidence catches up with the adjusted EBITDA story.

SOURCES AND DEFINITIONS

Primary filings anchor the analysis

1. **Grab Q2 2026 earnings release filed with the SEC**, August 4, 2026. Group, segment, liquidity, cash-flow, incentive, and guidance data.
2. **Grab Q2 2026 earnings presentation**. Segment trends, incentives, GrabMart, and operating indicators.
3. **Grab FY2025 results filed on Form 6-K**, February 2026. Annual financials, cash flow, share-based compensation, and prior 2028 targets.
4. **Grab 2025 annual-report announcement**, March 6, 2026. Footprint and corporate description.
5. **Grab Atome transaction announcement**, September 15, 2026. Terms, assets, target metrics, and 2028 outlook.
6. **Reuters Breakingviews: Atome terms**, September 16, 2026. Phase 2 formula, floor, and cap.
7. **Reuters: executive share purchases**, September 23, 2026.
8. **TechNode Global coverage of Momentum Works**, January 28, 2026. Regional food-delivery GMV and share.
9. **Grab 2026 EGM proxy circular**. Founder voting-control data.
10. **Finnhub market data**, as of the September 22, 2026 close. Price, market capitalization, range, and daily candles.

Definitions

GMV: gross merchandise value, the total value of transactions through a marketplace before Grab's revenue share. **MTU:** monthly transacting user. **Adjusted EBITDA:** earnings before interest, tax, depreciation, and amortization after company-defined exclusions. **Adjusted free cash flow:** Grab's non-IFRS measure that excludes certain Financial Services working-capital and treasury-liquidity movements. **SMA:** simple moving average. **RSI:** relative strength index, a momentum indicator.

Method note. Market-cap multiples use a single Sep 22 close and Q2 guidance midpoints. Technical averages include the verified Sep 22 close appended to Finnhub daily candles through Sep 21. Scenario values are assumptions, not management guidance. This report is research, not personalized investment advice.