

Grab Holdings Ltd
Q4 2024 Earnings Prepared Remarks
February 20, 2025

Anthony Tan (Chief Executive Officer and Co-Founder)

Grab delivered another record set of results, closing out 2024 on a strong note as we relentlessly executed on our product and tech-led initiatives. This drove an acceleration in our On-Demand GMV to 20% year-over-year ("YoY"). Product initiatives launched in 2024 and targeted at improving the affordability and reliability of our On-Demand services resulted in a new record of users transacting on the Grab platform. Today, we have achieved strong product market fit with features such as Saver Transport Rides and Priority Deliveries across our markets.

The strong top-line growth, coupled with ongoing cost discipline across our business units, have enabled us to continue scaling the platform in a profitable manner. We achieved our first full year positive Group Adjusted EBITDA of \$313 million, coming in at the upper end of our upgraded guidance range. We also achieved our first positive full year Adjusted Free Cash Flow of \$136 million, which improved by \$370 million YoY.

Building upon the strong foundations we have laid in 2024 to scale our platform, we see plenty of headroom to further outserve the millions of users and partners across Southeast Asia in 2025. We will continue evolving our product strategy to harness the power of our ecosystem to enhance the relevance of our offerings to a wider group of users, and investing in initiatives to improve user lifetime values. For our existing users, there is an untapped opportunity to drive higher cross-sell rates to adjacent verticals such as Groceries, Dine Out Deals and our Digital Banks. This also applies to driving adoption of more nascent initiatives, such as Group Orders and Family Accounts.

In tandem with broadening our targetable user base through product innovation, we focused on improving retention and engagement of our core user base. GrabUnlimited, the largest paid loyalty program in Southeast Asia, reached an all-time high subscriber base and today drives around 35% of Deliveries GMV. In certain markets such as Singapore, GrabUnlimited already drives almost 50% of our Deliveries GMV.

Another area we are focusing our efforts on is Generative-AI to improve the health of our marketplace. GrabRideGuide, an AI tool which guides our driver-partners to demand hot spots, and Merchant Menu Assistant, are prime examples of AI investments that have enabled us to enhance earning opportunities for our ecosystem partners. Additionally, to improve internal operational efficiencies, we have been driving greater adoption of Generative-AI across our organization. Today, over 60% of our engineers actively use an AI code assistant to improve their productivity.

Lastly, a quick word on Autonomous Vehicles in Southeast Asia. While it is still very early days in the region, we are in proactive discussion with regulators and potential partners to embrace this new technology for our users. Having spent the past decade building the strongest On-Demand network across the region, we have driven best-in-class fleet utilization rates, which has in turn enabled us to capture growing demand in Mobility and command regional category leadership. We believe that our strong demand generation capabilities will be key to the successful adoption and sustainability of Autonomous Vehicles in the region. We see them as complementary to our existing fleet, especially in areas where there are service gaps. We will also continue

across the region to provide upskilling opportunities and enhance their earnings potential in the coming years, in line with our social mission.

In closing, our 2024 results have demonstrated our ability to outserve our users, drivers- and merchant-partners while delivering sustainable, profitable growth and creating shareholder value. We remain committed to our mission of empowering the millions of everyday entrepreneurs on our platform. In 2025, we expect to maintain this On-Demand GMV growth momentum. Concurrently, we will take a balanced approach to drive further Adjusted EBITDA and Adjusted Free Cash Flow expansions, while being highly disciplined on our usage of cash.

Alex Hungate (President and Chief Operating Officer)

Deliveries

2024 was a pivotal year for our Deliveries segment, when we made significant product and technology enhancements that improved the affordability and reliability of our services. This resulted in a further re-acceleration of Deliveries GMV growth. On a constant currency basis, Deliveries GMV grew 18% YoY during the quarter, building on the 16% and 14% YoY growth rate momentum we recorded in the prior two quarters.

This YoY GMV growth acceleration was driven by Deliveries MTUs growing 17% YoY, supported by continued YoY growth in spend and frequency levels across our Deliveries user cohorts, including our oldest user cohorts (2018-2019) that joined us prior to the COVID-19 pandemic.

During the quarter, Saver Deliveries continued to gain strong traction, and now accounts for a third of Deliveries transactions, growing from 23% in the prior year period. The growing volumes increased network density and drove higher batch rates for Saver Delivery transactions both on a QoQ and YoY basis across all our markets. Saver Food users also exhibited 1.7x higher frequency than non-Saver Food users in the fourth quarter, an indicator that our ladder pricing strategy is becoming a sustainable engine of growth. At the other end of our service ladder, Priority Deliveries, which offers users a shorter wait time in exchange for higher delivery fees, scaled to 9% of Deliveries transactions, growing from 6% in the prior year period. During the quarter, Priority Deliveries drove revenue margins that were 1.7x higher than that of Standard Deliveries.

Group Orders, which was revamped and relaunched last year, has achieved strong product market fit with our users. In addition to being an integral user acquisition channel during the quarter, Group Orders has also improved user retention, basket sizes and batch rates. Notably, during the quarter, average basket sizes for Group Orders were twice the size of individual GrabFood orders.

Such tech-led product innovations create value for both our users as well as ecosystem partners. For our users, improving allocation efficiency has allowed us to lower average delivery fees as we are able to pass on cost savings from enhancing driver efficiency. During the quarter, driver-partner productivity continued to show improvements with 6 in 10 Saver Deliveries orders batched. Correspondingly, driver earnings per transit hour improved on a YoY basis.

GrabMart continued to grow faster than the overall Deliveries segment, in part due to several flourishing partnerships with leading supermarket retailers in the region. This was amid our concerted efforts to broaden the selection of specialized MSME merchant-partners on our platform. GrabMart drove ecosystem uplifts during the quarter, with users of both GrabMart and GrabFood recording 2.2x higher frequency levels and

almost 2.0x higher retention rates. We still see plenty of headroom for growth, as GrabMart comprises less than 10% of our overall Deliveries GMV today.

Deliveries Segment Adjusted EBITDA margin was stable on a QoQ basis at 1.8% in the fourth quarter, and lower relative to the same period last year of 2.1%, as we continued to invest in new product initiatives to drive strong demand growth and to serve more users. In particular, around a third of Food MTUs during the fourth quarter were either new or reactivated MTUs. On a full year basis, Deliveries Segment Adjusted EBITDA margins expanded by 88 basis points YoY, in line with our expectations to grow Deliveries Segment Adjusted EBITDA margins over time.

Finally, we are seeing more merchant-partners choose to use our Advertising services to help power their sales growth. Advertising revenue as a percentage of Deliveries GMV scaled to 1.7% in the fourth quarter from 1.4% in the same period last year. On an annualized run-rate, Advertising generated \$216 million of revenue. During the quarter, the total number of quarterly active advertisers who joined our self-serve platform increased 63% YoY, while average spend per quarterly active advertiser on our self-serve platform increased 21% YoY, as we deepened Advertising penetration among our merchant-partners. This has also unlocked higher earnings for our merchants, with the median monthly average earnings of our active Deliveries merchants growing 17% YoY.

As we look ahead to 2025, it is important to note that our Deliveries business is susceptible to seasonal trends. Demand and supply are both typically impacted by the Lunar New Year festivities and Ramadan fasting month, both of which occur in the first quarter of 2025. Nonetheless, we do expect to build on our growth momentum in 2024 and generate strong Deliveries growth rates in 2025.

Mobility

Mobility GMV grew 22% YoY on a constant currency basis, with all countries recording positive growth. Customer demand for both our Affordable and High Value offerings drove an increase in Mobility MTUs of 22% YoY, while average order frequency grew 5% YoY.

Mobility Segment Adjusted EBITDA margins were 8.4% during the quarter, compared to 8.7% in the prior year period. The lower margins this quarter were in line with our expectations as we focused on scaling product initiatives that drive user growth and expand our addressable market. On a full year basis, Mobility Segment Adjusted EBITDA margins remained stable YoY as we drove strong growth across the region.

One such product initiative was Saver transport rides, which comprised 26% of Mobility transactions in the fourth quarter, up from 23% in the same period last year. During the quarter, the YoY growth in total Saver transport rides was twice as fast as that of Standard transport rides, as we rolled out the service across five of our markets. Saver transport rides expand our addressable market, accounting for 14% of all new MTUs that joined the Grab platform. Saver transport also increases user engagement on our platform. In comparison to non-Saver transport users, Saver transport users had average transaction frequencies that were 1.5x higher during the quarter.

At the same time, we also grew High Value Mobility rides by 23% YoY. By improving the convenience and reliability of our High Value offerings, we have achieved strong market fit for offerings such as Advance Booking, which has seen GMV contribution double YoY. During the quarter, High Value Mobility rides generated

2.5x higher GMV per ride and 3.4x higher driver-earnings per ride in comparison to Standard Mobility rides. As such, we are committed to expanding our suite of High Value offerings.

The fourth quarter is seasonally our strongest quarter for inbound tourism demand. Over the past few years, we had invested in improving in-app translations and improving brand visibility to better serve the tourism segment. Our efforts have resulted in strong growth in the fourth quarter, with Airport Rides GMV growing by nearly 30% YoY to comprise around 11% of our Mobility GMV. We remain optimistic on the continued growth of the traveler segment, with many governments in Southeast Asia projecting further growth in inbound tourism in the next few years.

During the quarter, we also continued to increase active driver supply and enhance the productivity of our driver-partners to meet growing demand. Monthly active driver supply grew 16% YoY to surpass pre-COVID levels. At the same time, driver-partner earnings per transit hour and transactions per active driver-partner improved YoY, with quarterly retention rates remaining stable at 90%. Amid this sustained organic growth in driver supply, we improved both pricing and reliability for our customers, with the proportion of surged Mobility rides reducing by 12 percentage points YoY, while average wait times improved by 14% YoY.

In an effort to drive electric vehicle (EV) adoption across the region, consistent with our triple bottom line approach, we also announced a regional partnership to expand access to up to 50,000 BYD EVs to Grab driver-partners across Southeast Asia, thereby increasing the availability of green vehicles to Grab users. Sustainable growth in Southeast Asia is a priority for us and we are always looking to improve our offerings for both our driver-partners and Grab users. This collaboration enables us to drive the transition to EVs forward by lowering the financial barriers to EV adoption, and, in the long run, deliver economic benefits to our driver-partners which may include fuel cost savings. BYD and Grab will also collaborate to facilitate deep IoT integration between the vehicles and Grab's platform and services, and through this collaboration, Grab aims to deliver safer rides and a more intuitive driving experience for our driver-partners.

In summary, we remain confident in the long-term growth trajectory of our Mobility business, as we harness technological and product innovations to improve reliability and value at the same time. As we enter into the first quarter, similar to our Deliveries segment, seasonality related festivities will slightly dampen demand for our Mobility business. Nonetheless, we expect sequential quarter over quarter growth and for the Mobility growth momentum to remain strong for the full year of 2025.

Financial Services

Financial Services was our fastest growing segment again this quarter, with revenue growing 36% YoY on a constant currency basis, driven by lending growth across GrabFin and our Digital Banks. Segment Adjusted EBITDA losses narrowed by 45% YoY, as we drove higher operating leverage from revenue increases as we optimized overhead expenses.

During the quarter, we improved lending penetration across our ecosystem partners and users, while driving higher FlexiLoan volumes in GXS Bank in Singapore. GX Bank in Malaysia also launched its first retail lending product which offers flexible repayments of up to 5 years. Correspondingly, total loans disbursed grew 44% YoY to reach \$639 million in the fourth quarter, and grew 46% YoY to \$2.2 billion on a full year basis. Our total loan portfolio at the end of the fourth quarter grew 64% YoY to \$536 million from \$326 million in the prior year period.

As we scale our lending business, we maintain a prudent stance on credit risk, with 90-days non-performing loans stable at 2%, while generating healthy Risk-Adjusted Returns on our loan portfolio after accounting for allowances for credit losses.

Customer deposits across GXS Bank and GXBank also grew strongly, increasing by 12% QoQ to \$1.2 billion in the fourth quarter, from \$1.1 billion in the prior quarter and \$374 million at the end of last year.

We continue to drive strong user growth across our Digital Banks. In Singapore, GXS Bank had strong traction on the back of the public launch of Boost Pockets and savings campaigns, and ended the year with 172,000 users. In Malaysia, GXBank exceeded 1 million users at the end of the year from 892,000 users as of the end of the prior quarter. This was achieved despite deposit rate revisions during the quarter, highlighting the strength of the Grab ecosystem.

In Indonesia, Superbank¹ continued to drive growth and reached 2.8 million users in December 2024, from just 1.8 million users in September. Nearly 60% of these customers came from the Grab ecosystem with low acquisition costs. Superbank's most recent offering OVO Nabung enables users to benefit from the seamlessness of an OVO wallet for payments, with the yield of a Superbank savings account, and will be a key driver of customer growth in 2025.

2025 will be an important year for our Financial Services business as we aim to further expand our Flexiloan portfolio for consumers in Singapore, Malaysia, and Indonesia, while launching services for the MSME segment at the same time. We remain confident of achieving our second-half 2026 breakeven timeline on a segment adjusted EBITDA basis for the overall Financial Services segment, with higher revenue contributions from an expanding loan book driving further operating leverage as we remain disciplined on expenses.

Peter Oey (Chief Financial Officer)

Group Financial Recap

Following on from the third quarter where Southeast Asian currencies strengthened against the US dollar quarter-on-quarter, there was a rapid reversal of such tailwinds following the US election results in November. Nonetheless, we were able to drive strong growth across the business, which has enabled us to outperform our full year 2024 Revenue guidance, with Revenue growing 19% YoY (or 21% on a constant currency basis) in comparison to our guidance range of +17 - 18% YoY growth. Group Adjusted EBITDA for the full year was also at the upper-end of our guidance range at \$313 million.

4Q 2024 Financial Results

Fourth quarter On-Demand GMV grew 20% (19% YoY on a constant currency basis) to \$5.0 billion. On a segment level and YoY basis, Mobility GMV accelerated to 23% YoY growth (22% on a constant currency basis) while Deliveries GMV accelerated to 19% YoY growth (18% on a constant currency basis).

The strong growth in On-Demand GMV and increasing contributions from our Financial Services revenues resulted in a 17% YoY growth (15% YoY on a constant currency basis) in Group Revenue to reach an all-time high of \$764 million. On a YoY basis,

¹ Grab holds a 30.84% equity interest in PT Super Bank Indonesia in 2024.

- Mobility Revenue increased 19% (17% on a constant currency basis), driven by sustained growth in Mobility MTUs, transactions and average order frequency;
- Deliveries Revenue increased 13% (10% on a constant currency basis), driven by growth in Deliveries MTUs and transactions; and
- Financial Services Revenue increased 38% (36% on a constant currency basis), driven by continued growth in our Lending business across GrabFin and our Digital Banks.

Segment Adjusted EBITDA grew 36% YoY to reach \$184 million for the quarter, and we recorded Segment Adjusted EBITDA Margins (as a proportion of GMV) of 8.4% and 1.8% for Mobility and Deliveries respectively. On a year-on-year basis,

- Mobility Segment Adjusted EBITDA grew 19% to \$153 million, driven by GMV growth and operating leverage as overhead costs declined as a % of GMV YoY;
- Deliveries Segment Adjusted EBITDA grew 1% to \$57 million. Margins declined 30 basis points YoY to 1.8%, as we continued to drive product- and tech-led investments to further scale-up our key affordability products and offerings; and
- Financial Services Segment Adjusted EBITDA losses narrowed 45% to negative \$27 million with increasing lending contributions that drove higher revenues combined with a 29% reduction of overhead expenses.

Regional Corporate Costs for the quarter was \$87 million, compared to \$100 million in the prior year period and \$88 million in the prior quarter. This was driven by a 15% YoY reduction in variable costs and staff costs, as we continued to optimize our cost structure.

This has resulted in Group Adjusted EBITDA achieving another all-time high of \$97 million for the fourth quarter, an improvement of \$61 million from the prior year period. Looking ahead, we remain committed to driving YoY improvements in our absolute Adjusted EBITDA as we look to capture growth in the region while demonstrating the continued ability to do so profitably and sustainably.

IFRS Measures and Adjusted Free Cash Flow

Operating profit for the quarter was \$2 million, an improvement of \$48 million YoY from negative \$46 million in the prior year period, with the improvement mainly attributed to higher Group Adjusted EBITDA and lower share-based compensation expenses by \$17 million YoY. Profit for the quarter was stable YoY at \$11 million, with the operating profit improvement mainly offset by an increase in foreign exchange loss, which was \$29 million in the fourth quarter, and lower fair value gain from our financial assets and liabilities.

Net cash from operating activities was \$253 million during the fourth quarter, an improvement of \$279 million YoY including a \$208 million increase in customer deposits YoY. We generated an Adjusted Free Cash Flow of \$61 million in the fourth quarter and have achieved \$136 million for the year, an improvement of \$370 million YoY. As we look to the year ahead, we are now strengthening our internal capabilities to optimize our working capital cycles, instill discipline in our capital expenditures budgeting process and assess initiatives to optimize our tax positions as our entities become profitable or increase in profitability. Nevertheless, we do expect seasonal fluctuations in our Adjusted Free Cash Flow generation on a QoQ basis, particularly outflows for working capital purposes in the first half of the year.

Balance Sheet and Capital Allocation

Gross and net cash liquidity remained stable at \$6.1 billion and \$5.8 billion respectively at the end of the fourth quarter. Excluding customer deposits from our Digital Bank business, and adding back our loan portfolio from our Financial Services segment, our net cash liquidity is \$5.1 billion at the end of 2024 and no change YoY.

We also repurchased an additional 10.2 million Class A ordinary shares during the fourth quarter in the aggregate principal amount of \$37.1 million. Cumulatively, we have repurchased and retired 67 million Class A ordinary shares in the aggregate principal amount of \$226 million as of December 31, 2024.

FY2025 Full Year Outlook & Financial Guidance

On a full year 2025 basis, we are expecting to maintain the momentum in our On-Demand GMV YoY growth, building on the momentum in the past few quarters. We do want to highlight the volatility of ASEAN currencies against the US dollar, and we ask investors to assess our GMV and Revenue growth on a constant currency basis.

Our guidance for Group Revenue and Adjusted EBITDA based on the current outlook is as follows: .

1. **FY2025 Group Revenue of \$3.33 billion to \$3.40 billion (19% to 22% YoY growth on a constant currency basis);** and
2. **FY2025 Adjusted EBITDA of \$440 million to \$470 million (41% to 50% YoY growth)**

As we look ahead to the first quarter of 2025, with Lunar New Year and the Ramadan fasting period both occurring in the same quarter (unlike in prior years where Ramadan was in the second quarter), we expect GMV and Revenue growth to come in softer from the fourth quarter of 2024, followed by a sharp recovery in the second quarter 2025. We encourage investors to focus instead on our full year guidance as a basis to determine our Group performance and to see through the seasonality effects of the first quarter.

On Adjusted Free Cash Flow, we expect to drive further YoY absolute dollar growth in 2025, in tandem with further expansions in Adjusted EBITDA. We also expect to drive further efficiency gains in our cost base as a percentage of revenue as we continue to demonstrate operating leverage across our business. We do anticipate regional corporate costs and capital expenditures on an absolute dollar to increase YoY as we make long-term investments into our platform to drive customer satisfaction, improve marketplace health and build technological advantages, particularly in the following areas: (1) continued IoT investments to enhance our proprietary mapping infrastructure, but also investing further in AI initiatives across the platform to drive greater user engagement and productivity gains and (2) gradual electrification of our fleets, including the roadmap to Autonomous Vehicle experimentation in the upcoming year. For 2025, despite these long-term investments into our platform, we expect group EBITDA margins as a percentage of Revenue to expand by 200 to 300bps YoY.

We are also focused on driving continued improvements in our Operating and Net Profit for the year. We will aim to drive greater cost discipline across our expenses, and expect share-based compensation to be stable year-on-year. With our stock repurchase mandate in place, we expect stock dilution to be less than 1% in 2025.

In closing, Anthony, Alex and I would like to sincerely express our appreciation to all our driver- and merchant-partners, our users and shareholders for their continued trust in Grab as we reflect on our achievements in the past year. We will continue to uphold ourselves to the highest standard to deliver the best products and services to our consumers, drivers and merchant partners in the year ahead.

Forward Looking Remarks Disclaimer

These prepared remarks include both IFRS and non-IFRS financial measures. Additional disclosures regarding these non-IFRS measures, including a reconciliation of IFRS to non-IFRS measures, are included in the press release, supplemental slides and our filings with the SEC, each of which is posted to investors.grab.com.

Certain statements in this presentation and on this call are forward-looking statements. You should not place undue reliance on forward-looking statements. Actual results may differ materially from these forward-looking statements, and we do not undertake any obligation to update any forward-looking statements we make today, except as required by law.

For more information about factors that may cause actual results to differ materially from forward-looking statements, please refer to the press release we issued today and in other filings made with the SEC.

All Q4 growth rates reflect YoY growth unless otherwise noted. Lastly, we ask you to review our earnings press release for a detailed Q4 financial review and our Q4 supplemental presentation for additional disclosures that provide context on recent business performance.