

GENERAL ANNOUNCEMENT::COVID-19 UPDATE FOR 1Q2021

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Please see attached.

Attachments

[CDG - COVID-19 Update for 1QFY2021.12 May 2021.pdf](#)

Total size =462K MB



COVID-19 Update for 1Q2021

12 May 2021

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- Financial Update for 1Q2021
- Performance By Business Segment for 1Q2021



COVID-19 UPDATE FOR 1Q2021

Overall

- Improving business outlook, with gradual resumption of economic and social activities at global level
- Risk environment, however, continues to be fraught with uncertainties
 - India 2nd wave which has overwhelmed hospital and healthcare services is estimated to peak in end May
 - Spikes in infections in Thailand, Malaysia and Japan
 - Risk of new virus variants emerging as seen in India, South Africa, Brazil, UK etc.
 - Reported cases of vaccinated individuals being infected, also of reinfections
- Vaccinations underway across major economies and nations
 - Encouraging but uneven progress, availability of vaccines remains a concern
- Prolonged and uneven recovery ahead for economies and businesses
 - International travel remains limited
 - Scaling down of Government reliefs as activities resume

COVID-19 Update

Singapore

- Singapore transitioned to Phase 3 of re-opening plans on 28 December 2020, with lifting of restrictions to allow bigger social gatherings and live performances
- Safe management measures remain in-place, with adjustments from time to time
 - On 4 May 2021, additional temporary measures are to be put in place from 8-30 May 2021
- Actively discussing mutual travel arrangements with other countries
- Vaccination progressing well, 24% of population has received at least one dose of a vaccine
 - Large proportion of frontline transport staff vaccinated
- Daily infection numbers remain under control – mostly imported cases
 - Decisive pre-emptive testing and quarantine after emergence of dormitory-related infections and hospital cluster
- Provided domestic COVID-19 situation remains stable, Singapore's economy may grow more than 6% this year, but recovery will be disparate across sectors, especially air travel and tourism-related businesses

COVID-19 Update

China

- Pandemic largely brought under control by May 2020
 - Situation stable in all the Group's operating cities
- Almost all newly confirmed cases of infection are imported from abroad, spread across various provinces and cities
- About 256 million journeys to be made over the 5-day Labour Day holiday, similar to 2019 numbers before the COVID-19 pandemic
- 265 million doses of vaccines administered, about 4.5 million doses a day on average. Target is to vaccinate 40% of its population, or 560 million people by June
- Recovery of China's economy expected in 2021
 - Some Government relief extended on a month-to-month basis

COVID-19 Update

Australia

- 2nd lockdown in Victoria/Melbourne ended on 26 October 2020 was followed by snap “circuit-breaker” in February 2021
 - Progressive relaxation of restrictions, including the re-opening of gyms, cafes and bars
- COVID-19 travel restrictions and measures tightly controlled, with early interventions by both State and Federal Governments
- Quarantine free travel bubble opened between Australia and New Zealand on 18 April 2021
 - Recent outbreak in Perth resulted in the pause of flights between NZ and Western Australia
- COVID-19 vaccine roll-out continues to expand. To date, 2.18 million doses have been administered

COVID-19 Update

United Kingdom / Ireland

- Entered its 3rd lockdown from 5 January, including school closures, to stem the worsening spread of new variant of virus
- Aggressive vaccination programme started on 8 December, to date 71% of population has been vaccinated with at least one dose of vaccine
- Gradual lifting of restrictions with from early March, with all lockdown restrictions removed by 21 June as situation stabilises
- Government will extend the furlough scheme for a further five months until end September 2021
- Scottish, Irish and Welsh Governments have committed to coach services grant until at least end June 2021
- Continue to watch over developments in the UK, including TfL's discussion with the UK Government over future funding
 - Current emergency funding for TfL will be extended to mid May on existing terms

FINANCIAL UPDATE FOR 1Q2021

Income Statement

	1Q2021	1Q2020	Fav/(Adv)
Revenue (\$'m)	856.3	862.4	(6.1) / (0.7%)
Depreciation and Amortisation (\$'m)	(100.1)	(102.1)	2.0 / 2.0%
Other Operating Costs (\$'m)	(674.9)	(704.4)	29.5 / 4.2%
Operating Profit (\$'m)	81.3	55.9	25.4 / 45.4%
PAT (\$'m)	66.8	43.0	23.8 / 55.3%
PATMI (\$'m)	56.2	36.0	20.2 / 56.1%
EBITDA (\$'m) ¹	181.1	159.5	21.6 / 13.5%

Operating Profit before COVID-19 Government relief (\$'m)	47.9	55.9	(8.0) / (14.3%)
COVID-19 Government relief (\$'m)	33.4	-	33.4 / NM ²
Operating Profit after COVID-19 Government relief (\$'m)	81.3	55.9	25.4 / 45.4%

¹ EBITDA excludes impairment and gain/(loss) on disposal

Income Statement

1Q2021 vs 1Q2020

- Revenue ↓(\$6.1m) or (0.7%)
 - Includes Government relief of \$8.1m
 - Special relief for unhired taxis and property tax and rental rebates in Singapore, local Government revenue support for charter bus businesses in the UK and VAT exemption in China
 - Singapore – \$1.0m, UK – \$5.8m, China – \$1.3m
 - Excluding Government relief, Revenue ↓(\$14.2m) or (1.6%)
 - Public Transport Services ↑\$3.0m; Taxi ↓(\$9.9m); Automotive Engineering Services ↓(\$8.2m)
- Total Operating Costs ↓\$31.5m or 3.9%
 - Includes Government relief of \$25.3m
 - Jobs Support Scheme and waiver of Foreign Worker Levy in Singapore and employee furlough scheme in the UK
 - Singapore – \$22.9m, UK – \$2.4m
 - Excluding Government relief, Total Operating Costs ↓\$6.2m or 0.8%
 - Public Transport Services ↑(\$19.6m); Taxi ↓\$21.5m; Automotive Engineering Services ↓\$5.2m
- Operating profit ↑25.4m or 45.4% – as a result of the above
- COVID-19 Government relief \$33.4m
 - Revenue – \$8.1m
 - Total Operating Costs – \$25.3m

Income Statement – Quarter-to-Quarter

	1Q2020	2Q2020	3Q2020	4Q2020	1Q2021
Revenue (\$'m)	862.4	664.3	816.5	885.4	856.3
Depreciation and Amortisation (\$'m)	(102.1)	(101.9)	(101.6)	(111.0)	(100.1)
Other Operating Costs (\$'m)	(704.4)	(580.9)	(653.4)	(701.9)	(674.9)
	55.9	(18.5)	61.5	72.5	81.3
Impairment	-	(30.8)	(17.5)	-	-
Operating Profit / (Loss) (\$'m)	55.9	(49.3)	44.0	72.5	81.3
Profit / (Loss) After Tax (\$'m)	43.0	(41.4)	31.9	59.2	66.8
Profit / (Loss) After Tax and MI (\$'m)	36.0	(42.0)	21.7	46.1	56.2
EBITDA (\$'m) ¹	159.5	87.3	164.8	187.6	181.1
Operating Profit / (Loss) before Government relief (\$'m)	55.9	(131.6)	(0.2)	29.7	47.9
COVID-19 Government relief (\$'m)	-	82.3	44.2	42.8	33.4
Operating Profit / (Loss) after Government relief (\$'m)	55.9	(49.3)	44.0	72.5	81.3

Income Statement – Quarter-to-Quarter

COVID-19 recovery continued through 1Q2021

- Activity levels gradually improved in most geographies in 1Q2021 after relaxation of lockdown measures
 - Some further virus outbreaks in Australia and China were controlled relatively quickly
 - Singapore entered Phase 3 of re-opening
- The situation in the UK continued to deteriorate
 - Full national lockdown in December 2020 remained in effect throughout 1Q2021
- 1Q2021 revenue decreased (3.3%) on 4Q2020
 - Mainly from decrease of UK Public Transport Services as a result of nationwide lockdown
- Operating costs reduced in the UK in line with activity levels, stable in remaining geographies
- Government relief mostly tapering off, except for in UK

Balance Sheet

	Mar 21	Dec 20	Fav/(Adv)
Cash and short-term deposits (\$'m)	844.4	742.8	101.6 / 13.7%
Other current assets (\$'m)	674.3	728.6	(54.3) / (7.5%)
Non-current assets (\$'m)	3,811.0	3,837.1	(26.1) / (0.7%)
Total Assets (\$'m)	5,329.7	5,308.5	21.2 / 0.4%
Current liabilities (\$'m)	987.7	1,043.7	56.0 / 5.4%
Non-current liabilities (\$'m)	1,221.8	1,236.0	14.2 / 1.1%
Total Liabilities (\$'m)	2,209.5	2,279.7	70.2 / 3.1%
Total Equity (\$'m)	3,120.2	3,028.8	91.4 / 3.0%

- Increase in total assets mainly due to increase in cash and short-term deposits after collection of receivables
- Decrease in total liabilities mainly due to scheduled repayment of borrowings
- Increase in total equity mainly due to profit for the period and foreign currency translation movements

Cashflow

	1Q2021 (\$'m)	
Cash from Operating Activities		224.9
<u>Utilisation of Cash:</u>		
Net CAPEX	(50.9)	
Tax	(25.4)	
Dividends to NCI of subsidiaries	(5.9)	
Grants received	16.8	
Others	3.7	
Total Utilisation of Cash		(61.7)
Net Decrease in Borrowings		(61.6)
Net Cash Inflow		101.6

- 1Q2021 Free Cash Flow \$103.8m
 - EBITDA \$181.1m – net capex (\$50.9m) – tax (\$25.4m) – net interest (\$1.0m)

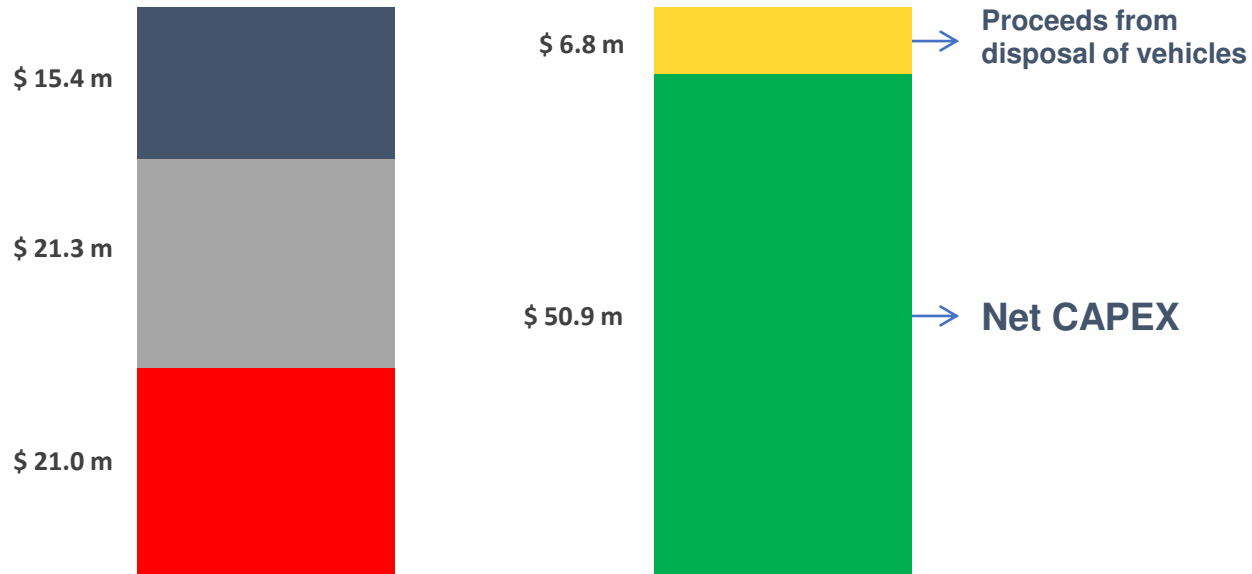
Group Treasury Status

	Mar 21	Dec 20	Fav/(Adv)
Cash and short-term deposits	\$844.4m	\$742.8m	\$101.6m / 13.7%
Borrowings + finance leases	(\$505.5m)	(\$552.3m)	\$46.8m / 8.5%
Gross Gearing (gross debt / equity)	16.2%	18.2%	2.0% points
Committed facilities	\$300.6m	\$435.9m	(\$135.3m) / (31.0%)
Uncommitted facilities	\$550.6m	\$514.3m	\$36.3m / 7.0%
Total Available facilities	\$851.2m	\$950.2m	(\$99.0m) / (10.4%)

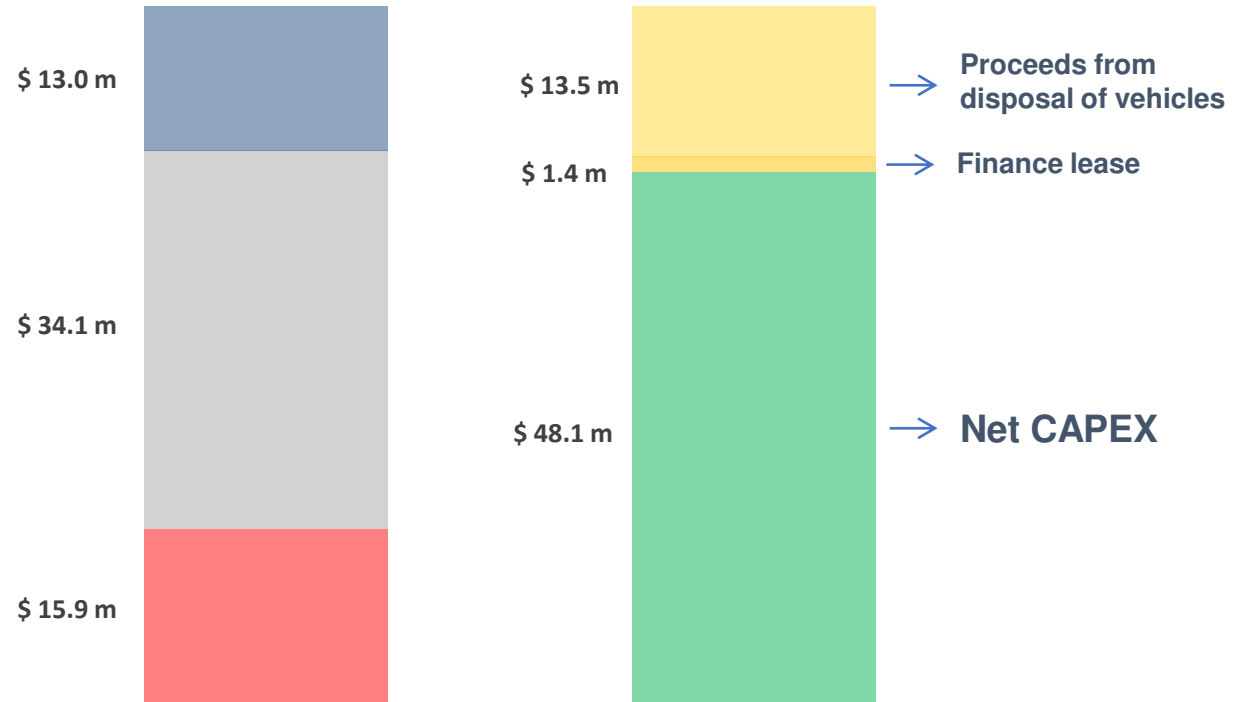
- Net cash position as at 31 Mar 2021 \$338.9m vs 31 Dec 2020 \$190.5m
 - Cash and short-term deposits increased from operating cashflows
 - Borrowings + finance leases decreased after scheduled repayments, other debts paid down where possible
- The Group has available facilities of ~\$850m in various currencies
 - Conscious effort to preserve and upsize facilities for risk management purposes

CAPEX Summary

1Q2021
\$57.7m



1Q2020
\$63.0m



■ Buses
 ■ Taxis
 ■ Other vehicles, equipment and buildings
 ■ Buses
 ■ Taxis
 ■ Other vehicles, equipment and buildings

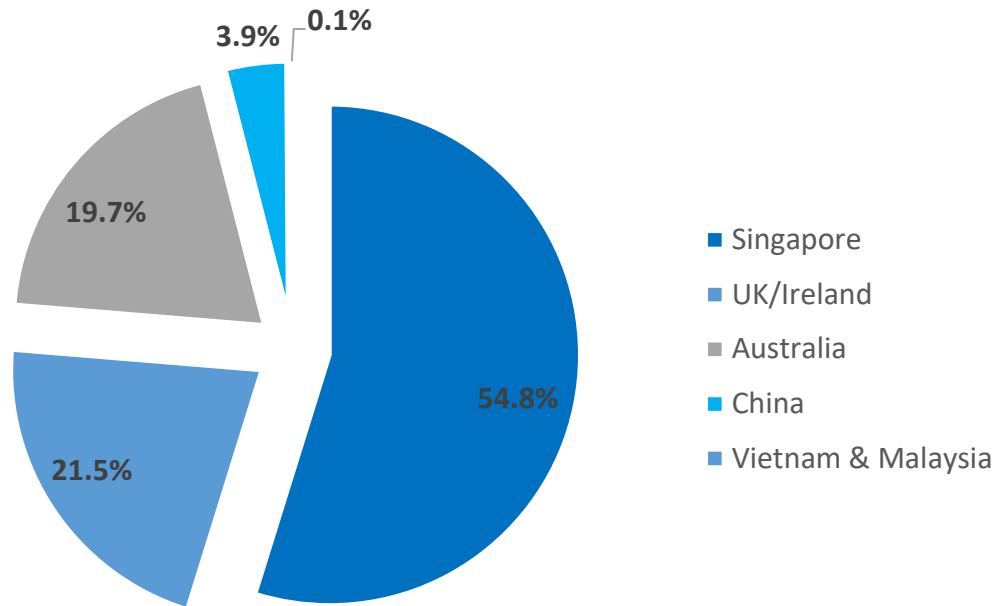
No new non-essential capital commitments are being made

- Taxi – SG taxi fleet renewal and replacement under hybrid vehicle programme continued
- Buses – purchase of hybrid bus fleet in AU and UK for fleet replacement for transport authorities which are funded by contracts
- Others – includes IT, land and building and other vehicles

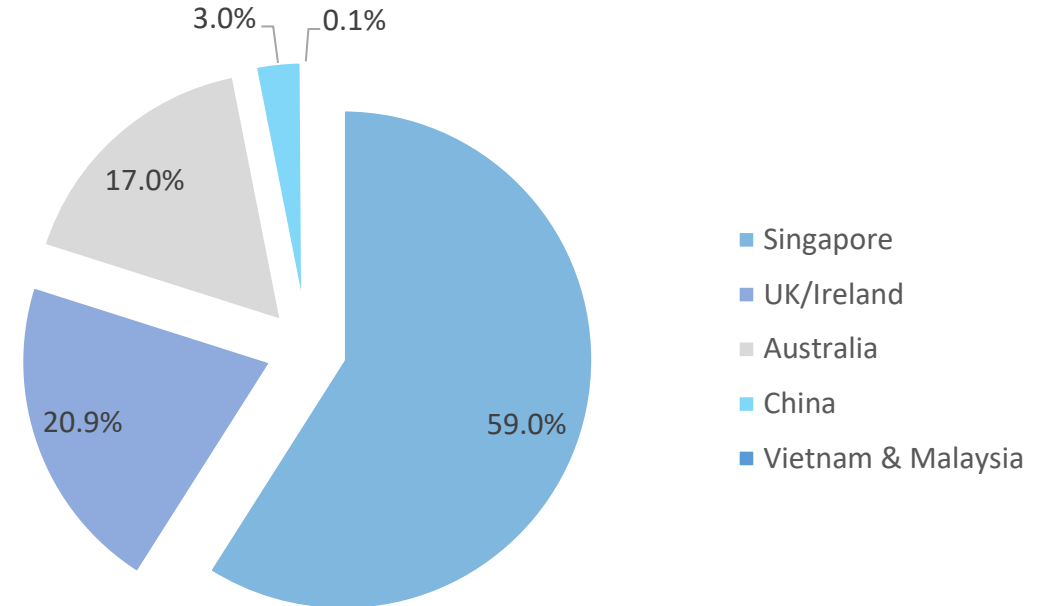
- Increase mainly due to renovation of new Setsco location in Bukit Batok \$2.5m and vehicles for new ComfortDelGro Med Care business \$0.7m

Revenue by Geographical Region

1Q2021 Revenue by Geographical Region



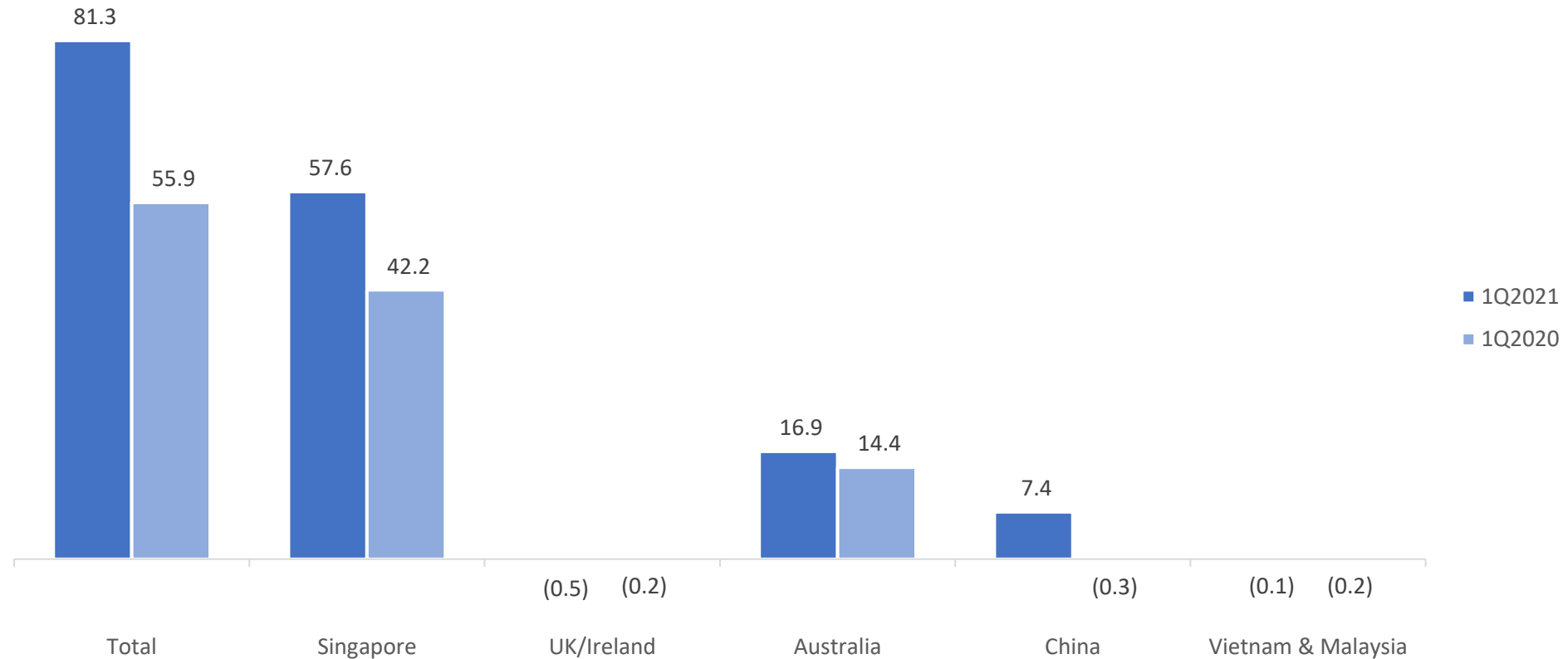
1Q2020 Revenue by Geographical Region



- Singapore revenue decreased more than other regions due to lower rail ridership, smaller taxi fleet and lower automotive engineering services revenue
- 1Q2021 overseas revenue contribution of 45.2% (1Q2020 : 41.0%)

Operating Profit by Region

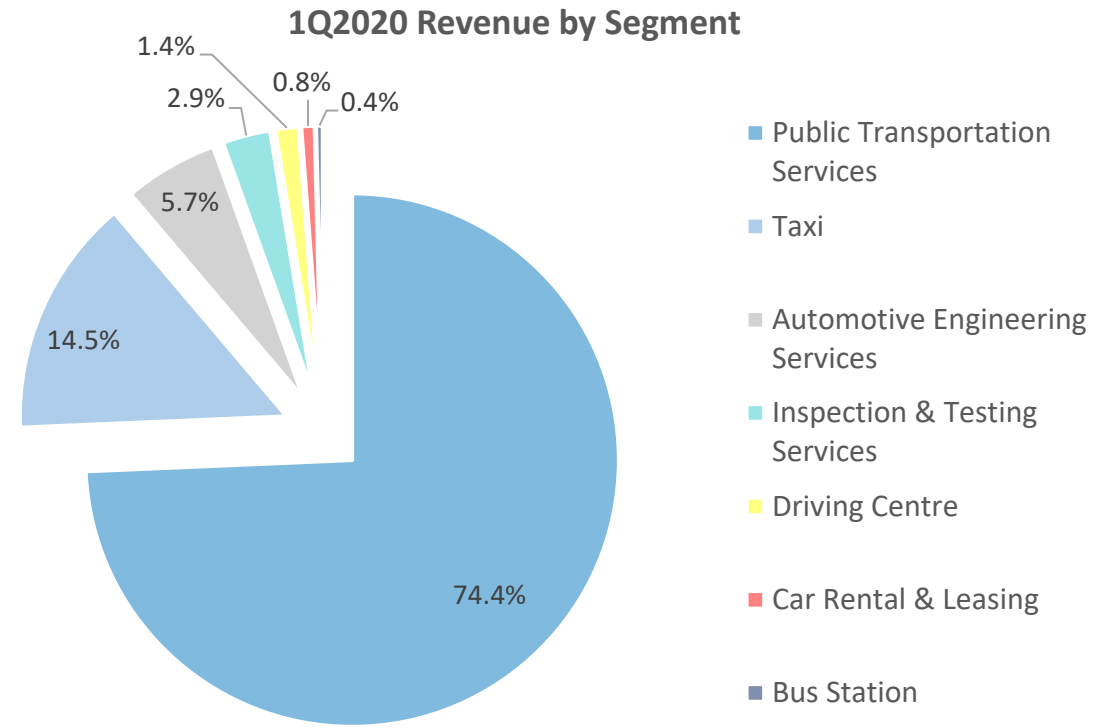
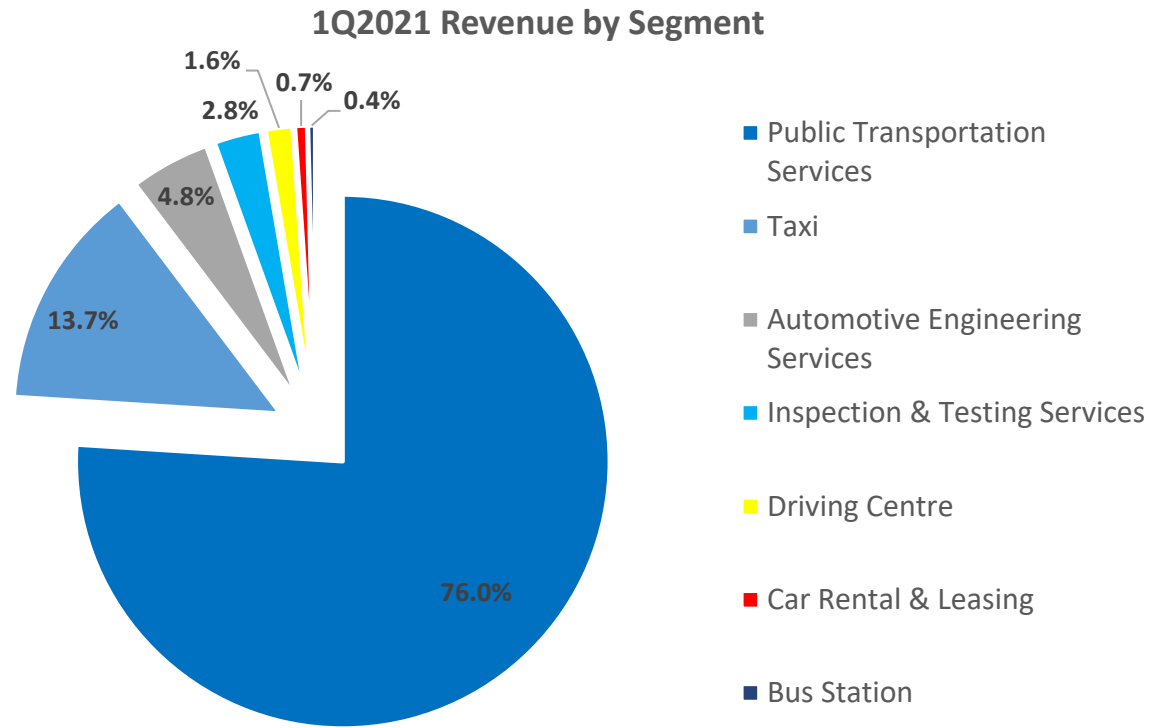
Operating Profit by Geographical Region (\$'m)



- Operating Loss for the UK/Ireland after nationwide lockdown from 28 December 2020 to date

PERFORMANCE BY BUSINESS SEGMENT FOR 1Q2021

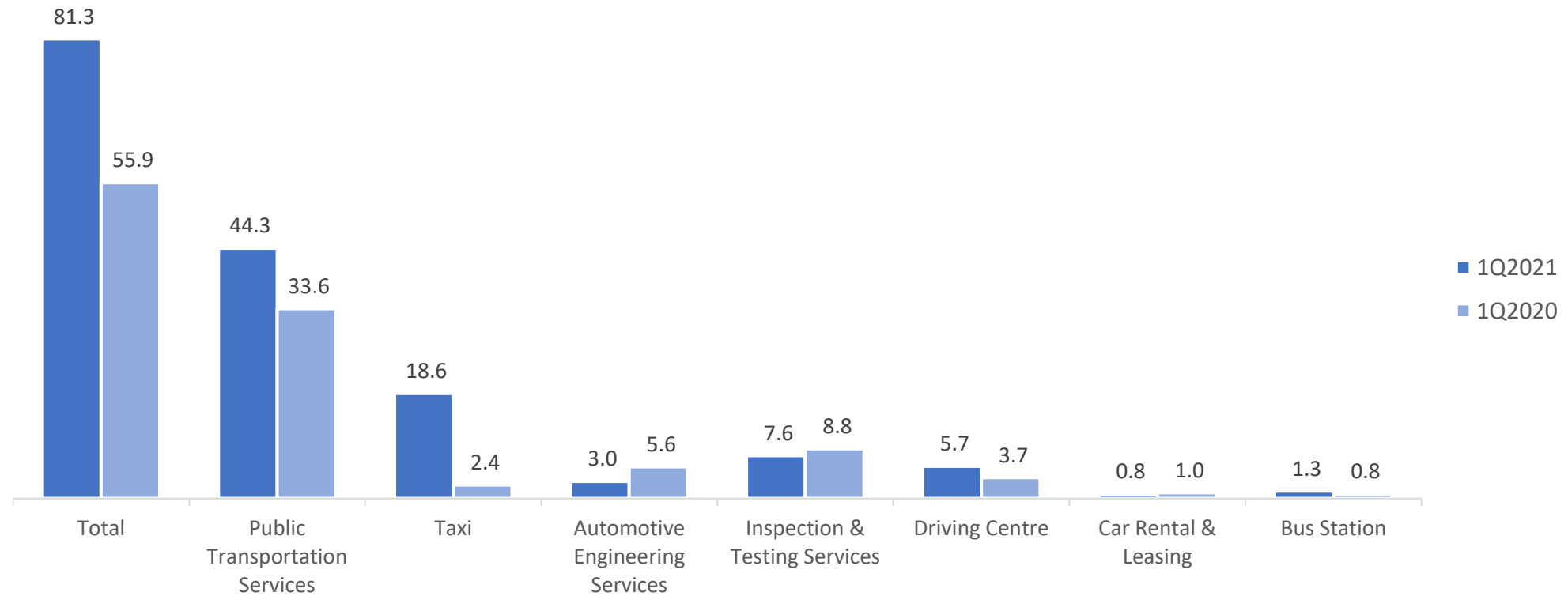
Revenue by Segment



- Public transportation services % increased due to reducing taxi revenues
- Taxi % decreased mainly due to smaller Singapore taxi fleet

Operating Profit by Segment

Operating Profit by Segment (\$'m)



Public Transport Services

\$'m	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021
Revenue	656.3	571.0	640.8	700.5	665.6
Operating Costs	(622.7)	(548.3)	(602.7)	(664.9)	(621.3)
	33.6	22.7	38.1	35.6	44.3
Impairment	-	-	(4.5)	-	-
Operating Profit ("OP")	33.6	22.7	33.6	35.6	44.3
OP before Government relief	33.6	(40.6)	3.5	1.6	17.0
COVID-19 Government relief	-	63.3	30.1	34.0	27.3
OP after Government relief	33.6	22.7	33.6	35.6	44.3

- Revenue in 1Q2021 vs 1Q2020 increased by \$9.3m or 1.4%
 - Singapore – lower rail revenues with ridership recovery currently around ~65% of January 2020 levels
 - Australia – public transport schedules remain stable, increase in ad-hoc charter activities
 - UK – full schedules on public bus services continued despite national lockdown, local Government revenue support provided for charter businesses
- COVID-19 Government reliefs helped to partially mitigate lower activity levels
 - Local Government revenue support in the UK provided for charter businesses in addition to furlough scheme
 - JSS in Singapore partially offset lower rail ridership

Taxi

\$'m	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021
Revenue	127.8	50.8	109.0	115.6	119.7
Operating Costs	(125.4)	(98.8)	(106.8)	(100.8)	(101.1)
	2.4	(48.0)	2.2	14.8	18.6
Impairment	-	(22.8)	(13.0)	-	-
Operating Profit ("OP")	2.4	(70.8)	(10.8)	14.8	18.6
OP before Government relief	2.4	(79.9)	(20.2)	9.7	14.0
COVID-19 Government relief	-	9.1	9.4	5.1	4.6
OP after Government relief	2.4	(70.8)	(10.8)	14.8	18.6

- Revenue in 1Q2021 vs 1Q2020 decreased by (\$8.1m) or (6.3%)
 - Mainly due to smaller Singapore taxi fleet as a result of impact of disruption and COVID-19 restrictions
- Operating profit margin improved as operating costs optimised, larger number of more efficient hybrids in the fleet
- COVID-19 Government reliefs continued in Singapore and China

Automotive Engineering Services

\$'m	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021
Revenue	50.2	31.9	39.1	42.2	42.0
Operating Costs	(44.6)	(29.8)	(34.7)	(36.2)	(39.0)
	5.6	2.1	4.4	6.0	3.0
Impairment	-	-	-	-	-
Operating Profit ("OP")	5.6	2.1	4.4	6.0	3.0
OP before Government relief	5.6	(0.5)	3.4	5.2	2.6
COVID-19 Government relief	-	2.6	1.0	0.8	0.4
OP after Government relief	5.6	2.1	4.4	6.0	3.0

- Revenue in 1Q2021 vs 1Q2020 decreased by (\$8.2m) or (16.3%) mainly due to smaller Singapore taxi fleet, fewer trips and lower fares/mileage which resulted in lower maintenance and fuel sales
- Operating profit margin softer due to lower business volumes

Inspection & Testing Services

\$'m	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021
Revenue	25.3	14.6	22.4	24.5	24.1
Operating Costs	(16.5)	(12.0)	(14.2)	(15.5)	(16.5)
	8.8	2.6	8.2	9.0	7.6
Impairment	-	(2.0)	-	-	-
Operating Profit ("OP")	8.8	0.6	8.2	9.0	7.6
OP before Government relief	8.8	(3.2)	6.1	7.2	7.0
COVID-19 Government relief	-	3.8	2.1	1.8	0.6
OP after Government relief	8.8	0.6	8.2	9.0	7.6

- Revenue in 1Q2021 vs 1Q2020 decreased by (\$1.2m) or (4.7%)
- Recovery in activity levels for non-vehicle testing continues
- Operating profit margin softer due to high competition in non-vehicle testing business

Driving Centre

\$'m	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021
Revenue	12.1	3.4	13.1	12.7	13.9
Operating Costs	(8.4)	(3.5)	(7.7)	(8.3)	(8.2)
	3.7	(0.1)	5.4	4.4	5.7
Impairment	-	(4.8)	-	-	-
Operating Profit ("OP")	3.7	(4.9)	5.4	4.4	5.7
OP before Government relief	3.7	(7.7)	4.1	3.8	5.3
COVID-19 Government relief	-	2.8	1.3	0.6	0.4
OP after Government relief	3.7	(4.9)	5.4	4.4	5.7

- Revenue in 1Q2021 vs 1Q2020 increased by \$1.8m or 14.9%
- Increased activity in China driving school after COVID-19 impacts in 1Q2020
- Operating profit margin improved accordingly

Car Rental & Leasing

\$'m	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021
Revenue	7.1	6.8	6.5	6.6	6.4
Operating Costs	(6.1)	(5.8)	(5.6)	(5.8)	(5.6)
	1.0	1.0	0.9	0.8	0.8
Impairment	-	(1.2)	-	-	-
Operating Profit ("OP")	1.0	(0.2)	0.9	0.8	0.8
OP before Government relief	1.0	(0.5)	0.7	0.6	0.7
COVID-19 Government relief	-	0.3	0.2	0.2	0.1
OP after Government relief	1.0	(0.2)	0.9	0.8	0.8

- Revenue in 1Q2021 vs 1Q2020 decreased by (\$0.7m) or (9.9%)
 - Mainly due to fewer expats after repatriation cycles
- Operating profit margin reduced due to rental rate discounts

Bus Station

\$'m	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021
Revenue	3.5	3.3	4.5	4.4	3.8
Operating Costs	(2.7)	(2.1)	(2.2)	(2.5)	(2.5)
	0.8	1.2	2.3	1.9	1.3
Impairment	-	-	-	-	-
Operating Profit ("OP")	0.8	1.2	2.3	1.9	1.3
OP before Government relief	0.8	0.8	2.2	1.6	1.3
COVID-19 Government relief	-	0.4	0.1	0.3	-
OP after Government relief	0.8	1.2	2.3	1.9	1.3

- Higher CN bus station revenue in 1Q2021 vs 1Q2020 by \$0.3m or 8.6%
- COVID-19 restrictions already in place in 1Q2020
- Operating profit margin increased after costs optimised

1Q2021 Summary

- **COVID-19**

- Restrictions easing in most geographies, UK recently started lifting restrictions in April 2021
- Vaccinations underway across major economies and nations
- Spikes and mutations worrying
- Public transportation services and taxi gradually recovering from COVID-19 impacts
- Recovery remains uncertain and uneven across geographies

- **P&L – 1Q2021 Group PATMI \$56.2m**

- Better than 4Q2020 before and after government reliefs
- Better than 1Q2020 with Government relief, but not recovered to pre-COVID excluding reliefs
- Government reliefs tapering off as situation improves

- **Balance Sheet**

- Balance sheet remains strong
- Free cash flows, cash and facilities adequate for business continuity and growth
- Barring unforeseen developments, on track to declare interim dividend for 2021

THANK YOU

Appendix – Segments

(S\$m)	1Q2021 Revenue	1Q2020 Revenue	1Q2021 Operating Profit	1Q2020 Operating Profit
Public Transportation Services	665.6	656.3	44.3	33.6
Taxi	119.7	127.8	18.6	2.4
Automotive Engineering Services	42.0	50.2	3.0	5.6
Inspection & Testing Services	24.1	25.3	7.6	8.8
Driving Centre	13.9	12.1	5.7	3.7
Car Rental & Leasing	6.4	7.1	0.8	1.0
Bus Station	3.8	3.5	1.3	0.8
Elimination ¹	(19.2)	(19.9)	-	-
Total	856.3	862.4	81.3	55.9

1. Elimination of inter-segment services