



# 1H2021 Financial Results Presentation

13 August 2021

COMFORTDELGRO

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# REVIEW OF FINANCIAL RESULTS

# Income Statement – 1H2021 vs 1H2020

	1H2021	1H2020 <sup>1</sup>	Fav/(Adv)
Revenue (\$'m)	1,742.5	1,533.7	208.8 / 13.6%
Depreciation and Amortisation (\$'m)	(205.8)	(211.8)	6.0 / 2.8%
Operating Costs (\$'m)	(1,402.1)	(1,285.3)	(116.8) / (9.1%)
	134.6	36.6	98.0 / 267.8%
Impairment (\$'m)	-	(30.8)	30.8 / NM <sup>2</sup>
Operating Profit (\$'m)	134.6	5.8	128.8 / 2,220.7%
PAT (\$'m)	107.6	1.0	106.6 / 10,660.0%
P/(L)ATMI (\$'m)	91.0	(6.6)	97.6 / NM
EBITDA (\$'m) <sup>3</sup>	338.7	253.8	84.9 / 33.5%

Operating Profit/(Loss) before COVID-19 Government relief (\$'m)	77.4	(76.5)	153.9 / NM
COVID-19 Government relief (\$'m)	57.2	82.3	(25.1) / (30.5%)
Operating Profit after COVID-19 Government relief (\$'m)	134.6	5.8	128.8 / 2,220.7%

# Income Statement – 1H2021 vs 1H2020

## 1H2021 vs 1H2020

- Revenue ↑\$208.8m or 13.6% – less severe lockdowns in 1H2021 vs 1H2020
  - Excluding Government relief, Revenue ↑\$202.4m or 13.2%
    - Public Transport Services ↑\$132.3m; Taxi ↑\$48.1m; Driving Centre ↑\$11.5m; Inspection & Testing ↑\$9.3m
  - Includes Government relief of \$11.7m (1H2020: \$5.3m)
    - Relief for unhired taxis, property tax and rental in Singapore – \$1.5m
    - Revenue support for charter bus businesses in the UK – \$8.9m
    - VAT exemption in China – \$1.3m
- Operating Costs ↑(\$116.8m) or (9.1%)
  - Excluding Government relief, Total Operating Costs ↑(\$85.3m) or (6.6%)
    - Public Transport Services ↑(\$92.0m); Taxi ↓\$16.2m
  - Includes Government relief of \$45.5m (1H2020: \$77.0m)
    - Jobs Support Scheme and waiver of Foreign Worker Levy in Singapore – \$42.2m
    - Employee furlough scheme in the UK – \$3.3m
- Operating profit ↑\$128.8m or 2,220.7% – as a result of the above

# Income Statement – 1H2021 vs 2H2020

	1H2021	2H2020 <sup>1</sup>	Fav/(Adv)
Revenue (\$'m)	1,742.5	1,708.9	33.6 / 2.0%
Depreciation and Amortisation (\$'m)	(205.8)	(220.2)	14.4 / 6.5%
Operating Costs (\$'m)	(1,402.1)	(1,355.3)	(46.8) / (3.5%)
	134.6	133.4	1.2 / 0.9%
Impairment (\$'m)	-	(17.5)	17.5 / NM <sup>2</sup>
Operating Profit (\$'m)	134.6	115.9	18.7 / 16.1%
PAT (\$'m)	107.6	90.7	16.9 / 18.6%
PATMI (\$'m)	91.0	67.4	23.6 / 35.0%
EBITDA (\$'m) <sup>3</sup>	338.7	359.4	(20.7) / (5.8%)

Operating Profit before COVID-19 Government relief (\$'m)	77.4	28.9	48.5 / 167.8%
COVID-19 Government relief (\$'m)	57.2	87.0	(29.8) / (34.3%)
Operating Profit after COVID-19 Government relief (\$'m)	134.6	115.9	18.7 / 16.1%

# Income Statement – 1H2021 vs 2H2020

## COVID-19 situation remained volatile through 1H2021

- Further outbreaks and tightening of measures in most geographies
  - Singapore enter Phase 3 of re-opening before reverting to Phase 2 (Heightened Alert)
  - Some further virus outbreaks in Australia and China were controlled relatively quickly
  - Full national lockdown in the UK from December 2020 remained in effect throughout 1H2021
- 1H2021 revenue increased 2.0% on 2H2020
  - Mainly from improvements in Public Transport Services and Taxi as activity levels gradually recover
- Operating costs increased in line with activity levels, reducing government reliefs
- Government relief mostly tapering off, except for in UK



# Balance Sheet

	Jun 21	Dec 20 <sup>1</sup>	Fav/(Adv)
Cash and short-term deposits (\$'m)	892.8	742.8	150.0 / 20.2%
Other current assets (\$'m)	625.3	681.4	(56.1) / (8.2%)
Non-current assets (\$'m)	3,437.7	3,534.4	(96.7) / (2.7%)
<b>Total Assets (\$'m)</b>	<b>4,955.8</b>	<b>4,958.6</b>	<b>(2.8) / (0.1%)</b>
Current liabilities (\$'m)	949.3	1,012.5	63.2 / 6.2%
Non-current liabilities (\$'m)	852.0	877.4	25.4 / 2.9%
<b>Total Liabilities (\$'m)</b>	<b>1,801.3</b>	<b>1,889.9</b>	<b>88.6 / 4.7%</b>
<b>Total Equity (\$'m)</b>	<b>3,154.5</b>	<b>3,068.7</b>	<b>85.8 / 2.8%</b>

- Total assets remained stable as increase in cash and short-term deposits was offset by depreciation and 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

	1H2021 (\$'m)	
<b>Cash from Operating Activities</b>		<b>419.4</b>
<u>Utilisation of Cash:</u>		
Net CAPEX	(84.2)	
Dividends	(50.8)	
Tax	(45.6)	
Others	4.7	
<b>Total Utilisation of Cash</b>		<b>(175.9)</b>
<b>Net Decrease in Borrowings</b>		<b>(93.5)</b>
<b>Net Cash Inflow</b>		<b>150.0</b>

- 1H2021 Free Cash Flow \$206.8m
  - EBITDA \$338.7m – net capex (\$84.2m) – tax (\$45.6m) – net interest (\$2.1m)

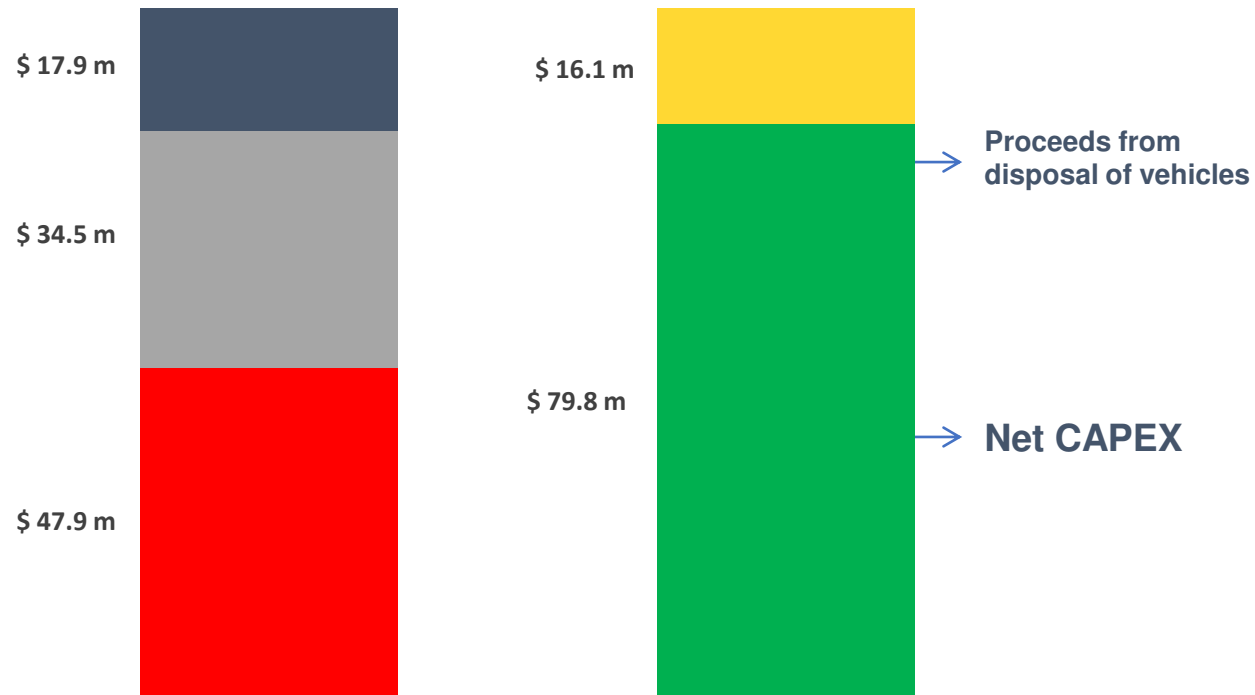
# Group Treasury Status

	Jun 21	Dec 20 <sup>1</sup>	Fav/(Adv)
<b>Cash and short-term deposits</b>	<b>\$892.8m</b>	<b>\$742.8m</b>	<b>\$150.0m / 20.2%</b>
Borrowings + finance leases	(\$475.5m)	(\$552.3m)	\$76.8m / 13.9%
Gross Gearing (gross debt / equity)	15.1%	18.0%	2.9% points
Committed facilities	\$300.2m	\$435.9m	(\$135.7m) / (31.1%)
Uncommitted facilities	\$572.1m	\$514.3m	\$57.8m / 11.2%
<b>Total Available facilities</b>	<b>\$872.3m</b>	<b>\$950.2m</b>	<b>(\$77.9m) / (8.2%)</b>

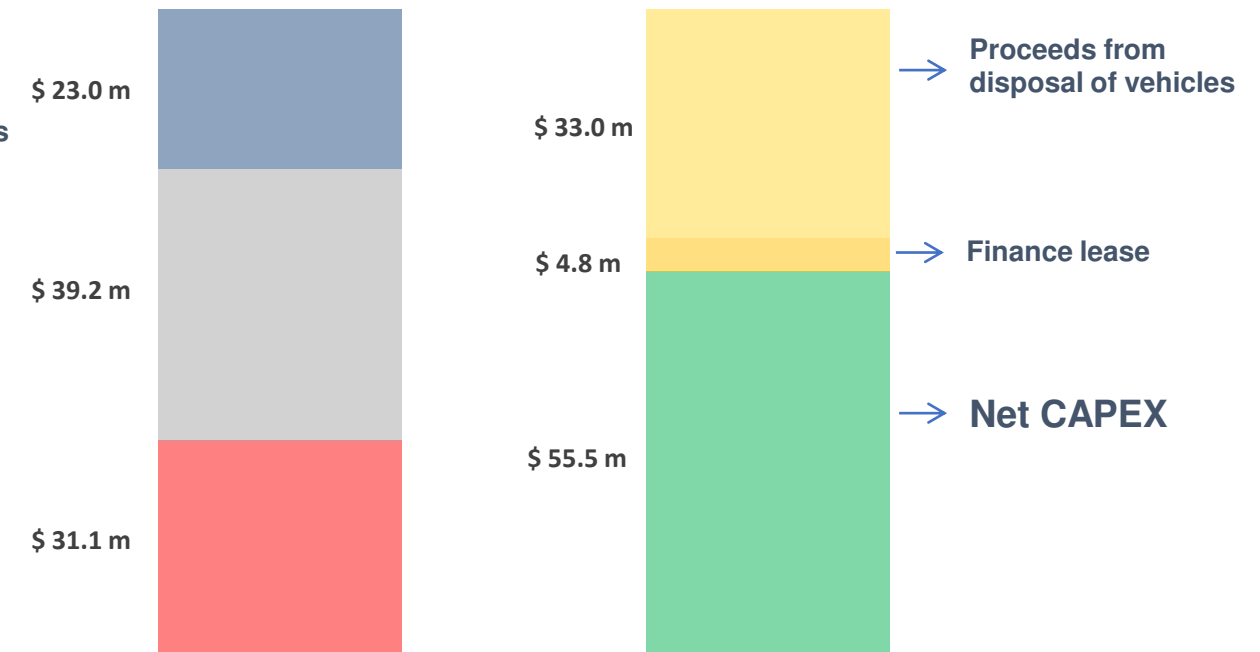
- Net cash position as at 30 Jun 2021 \$417.3m vs 31 Dec 2020 \$190.5m
  - Cash and short-term deposits increased from operating cashflows, net of 2020 final dividends paid
  - Borrowings + finance leases decreased after scheduled repayments, other debts paid down where possible
- The Group has available facilities of ~\$870m in various currencies
  - Conscious effort to preserve and upsize facilities for risk management purposes

# CAPEX Summary

**1H2021**  
**\$100.3m**



**1H2020**  
**\$93.3m**



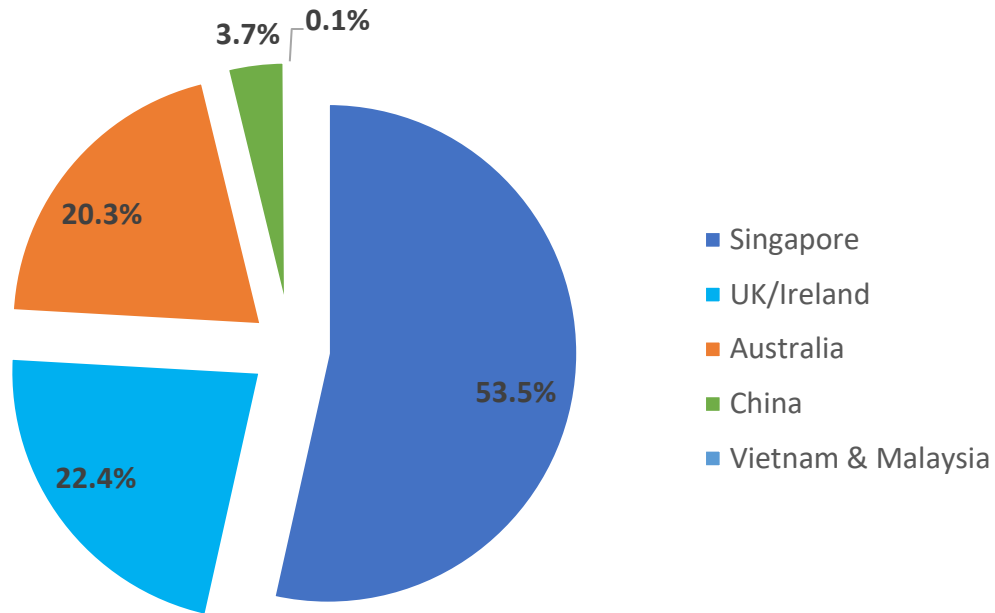
Buses
  Taxis
  Other vehicles, equipment and buildings
  Buses
  Taxis
  Other vehicles, equipment and buildings

## No new non-essential capital commitments are being made

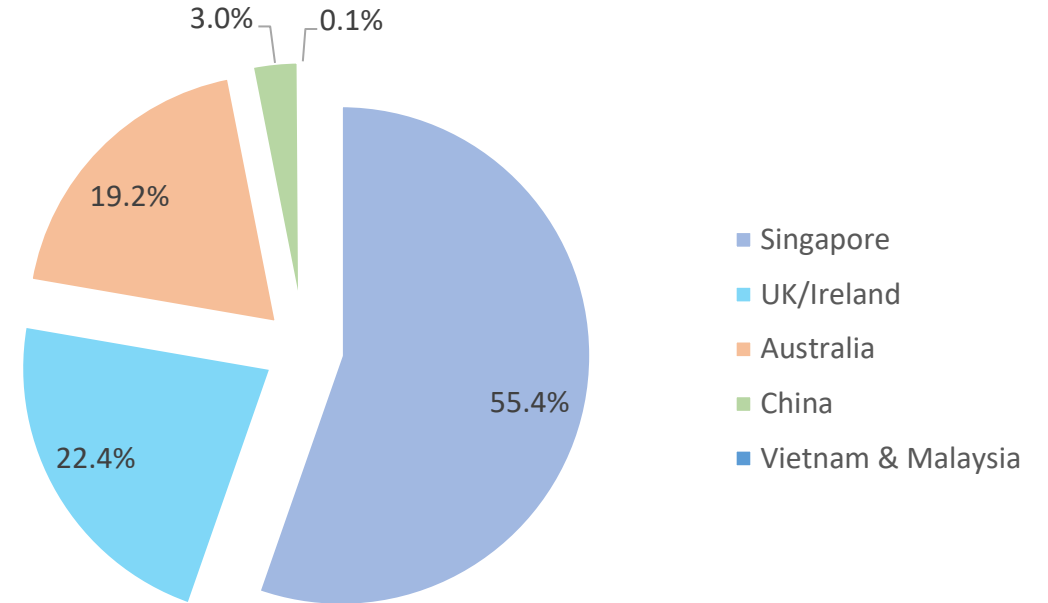
- Taxi – SG taxi fleet renewal and replacement under hybrid vehicle programme continued
- Buses – purchase of hybrid bus fleet in AU and UK for fleet replacement for transport authorities which are funded by contracts
- Others – includes operational technology, depots/testing facilities and other vehicles

# Revenue by Geographical Region

1H2021 Revenue by Geographical Region



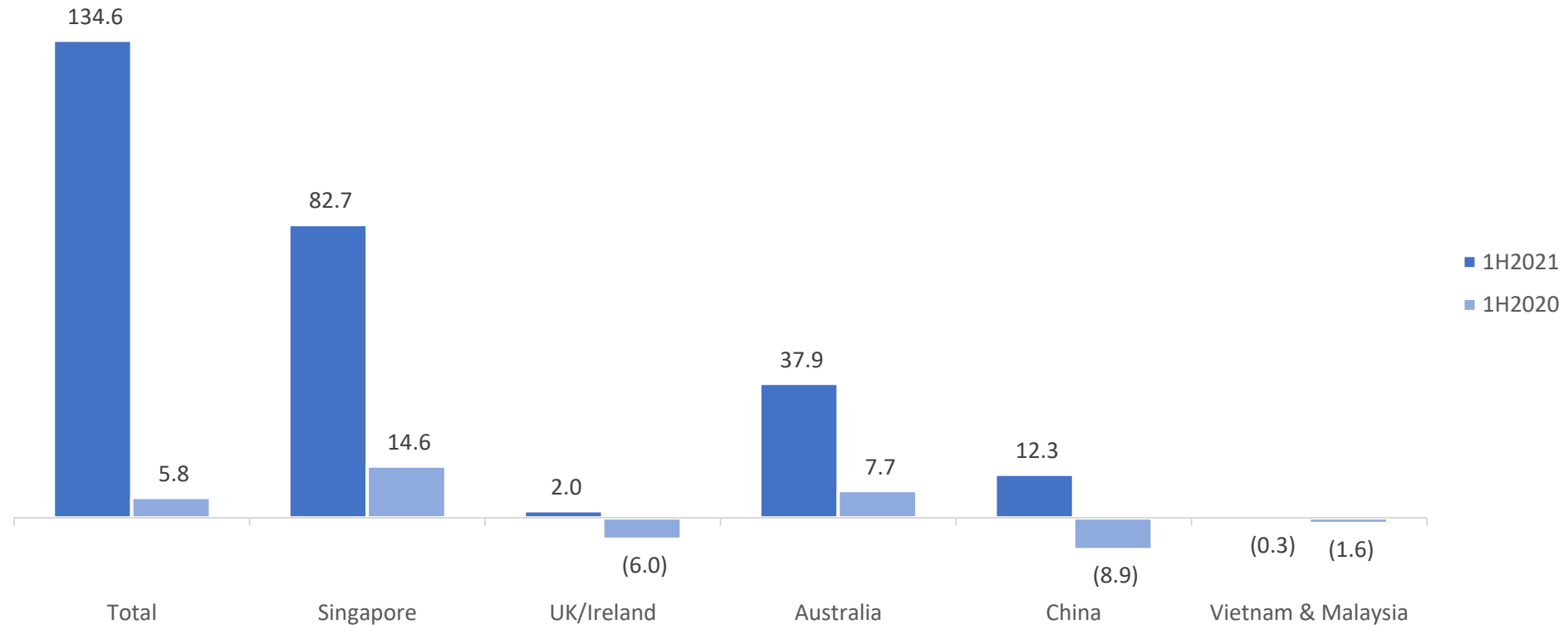
1H2020 Revenue by Geographical Region



- 1H2021 overseas revenue contribution of 46.5% (1H2020 : 44.6%)

# Operating Profit by Region

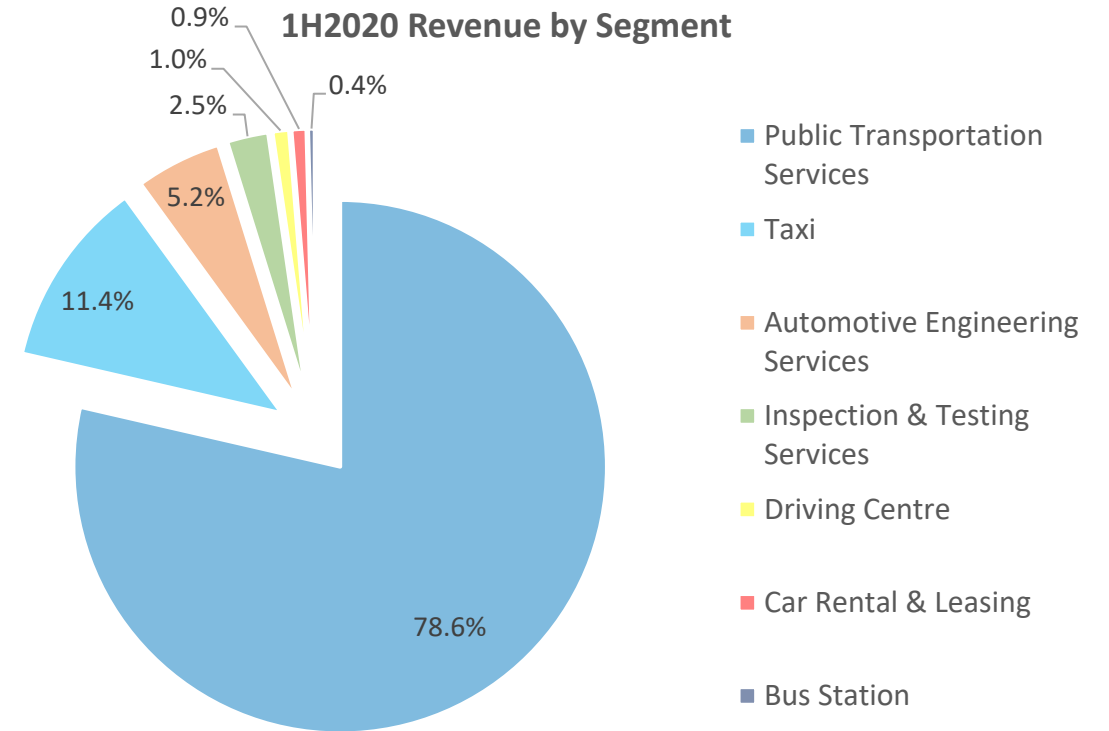
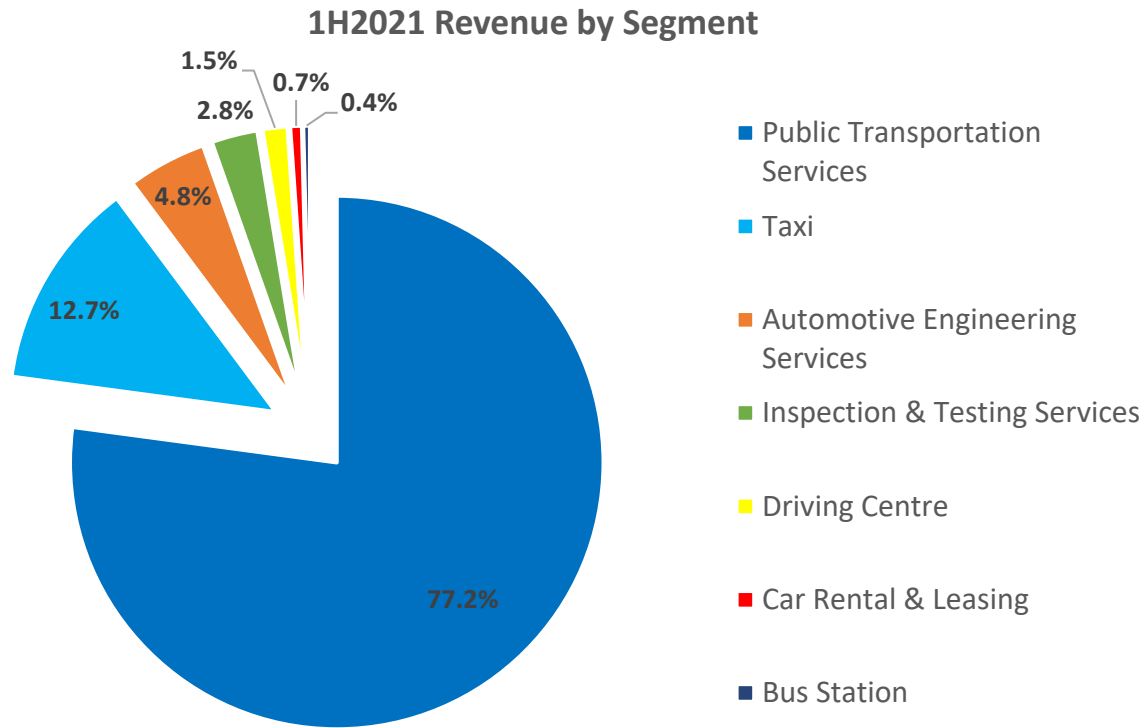
Operating Profit/(Loss) by Geographical Region (\$'m)



- All regions except Vietnam & Malaysia returned to Operating Profits in 1H2021 compared to Operating Losses during full lockdowns in 1H2020

# PERFORMANCE BY BUSINESS SEGMENT FOR 1H2021

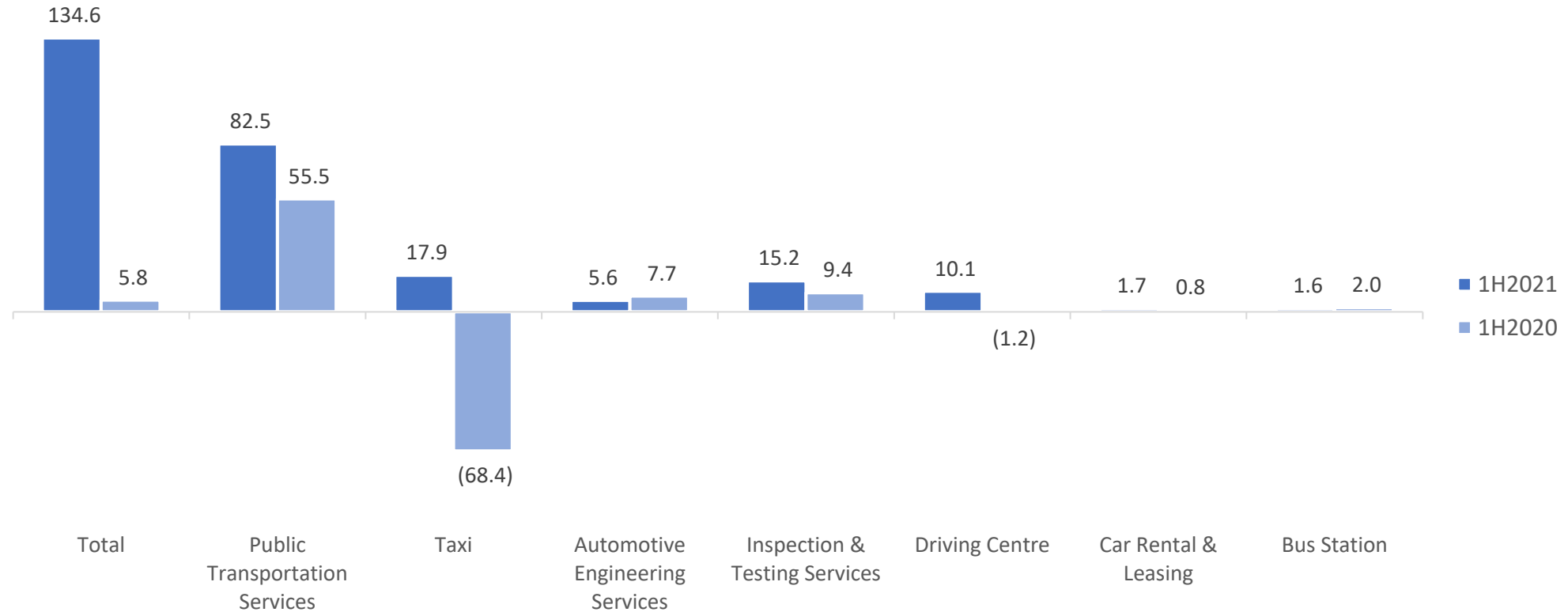
# Revenue by Segment





# Operating Profit by Segment

Operating Profit/(Loss) by Segment (\$'m)



# Public Transport Services

\$'m	1H 2021	2H 2020 <sup>1</sup>	1H 2020 <sup>1</sup>
Revenue	1,374.2	1,348.3	1,234.3
Operating Costs	(1,291.7)	(1,275.2)	(1,178.8)
	82.5	73.1	55.5
Impairment	-	(4.5)	-
Operating Profit ("OP")	82.5	68.6	55.5
OP before Government relief	34.6	4.5	(7.8)
COVID-19 Government relief	47.9	64.1	63.3
OP after Government relief	82.5	68.6	55.5

- Revenue in 1H2021 vs 1H2020 increased by \$139.9m or 11.3% with improvements across all geographies after full lockdowns in 1H2020
  - Singapore – higher revenues compared to PCP from improved rail ridership and fuel indexation from higher oil prices
  - 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

\$'m	1H 2021	2H 2020	1H 2020
Revenue	225.9	224.6	178.6
Operating Costs	(208.0)	(207.6)	(224.2)
	17.9	17.0	(45.6)
Impairment	-	(13.0)	(22.8)
Operating Profit ("OP")	17.9	4.0	(68.4)
OP before Government relief	11.9	(10.5)	(77.5)
COVID-19 Government relief	6.0	14.5	9.1
OP after Government relief	17.9	4.0	(68.4)

- Revenue in 1H2021 vs 1H2020 increased by \$47.3m or 26.5%
  - Mainly from lower COVID-19 rental discounts
- 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	1H 2021	2H 2020	1H 2020
Revenue	85.5	81.3	82.1
Operating Costs	(79.9)	(70.9)	(74.4)
	5.6	10.4	7.7
Impairment	-	-	-
Operating Profit ("OP")	5.6	10.4	7.7
OP before Government relief	4.8	8.6	5.1
COVID-19 Government relief	0.8	1.8	2.6
OP after Government relief	5.6	10.4	7.7

- Revenue in 1H2021 vs 1H2020 increased by \$3.4m or 4.1%
  - Higher activity levels after full lockdown in 1H2020
- Operating profit margin softer on a smaller Singapore taxi fleet with fewer trips and lower fares/mileage

# Inspection & Testing Services

\$'m	1H 2021	2H 2020	1H 2020
Revenue	49.1	46.9	39.9
Operating Costs	(33.9)	(29.7)	(28.5)
	15.2	17.2	11.4
Impairment	-	-	(2.0)
Operating Profit ("OP")	15.2	17.2	9.4
OP before Government relief	13.9	13.3	5.6
COVID-19 Government relief	1.3	3.9	3.8
OP after Government relief	15.2	17.2	9.4

- Revenue in 1H2021 vs 1H2020 increased by \$9.2m or 23.1%
- Recovery in activity levels for non-vehicle testing continues
- Operating profit margin improved with higher activity levels in non-vehicle testing business

# Driving Centre

\$'m	1H 2021	2H 2020	1H 2020
Revenue	26.6	25.8	15.5
Operating Costs	(16.5)	(16.0)	(11.9)
	10.1	9.8	3.6
Impairment	-	-	(4.8)
Operating Profit ("OP")	10.1	9.8	(1.2)
OP before Government relief	9.2	7.9	(4.0)
COVID-19 Government relief	0.9	1.9	2.8
OP after Government relief	10.1	9.8	(1.2)

- Revenue in 1H2021 vs 1H2020 increased by \$11.1m or 71.6%
  - Full closure of Driving Centres in Singapore and China during 1H2020 lockdown periods
- Operating profit margin improved accordingly

# Car Rental & Leasing

\$'m	1H 2021	2H 2020	1H 2020
Revenue	13.0	13.1	13.9
Operating Costs	(11.3)	(11.4)	(11.9)
	1.7	1.7	2.0
Impairment	-	-	(1.2)
Operating Profit ("OP")	1.7	1.7	0.8
OP before Government relief	1.4	1.3	0.5
COVID-19 Government relief	0.3	0.4	0.3
OP after Government relief	1.7	1.7	0.8

- Revenue in 1H2021 vs 1H2020 decreased by (\$0.9m) or (6.5%)
  - Mainly due to fewer expats after repatriation cycles leading to slight reduction in fleet
- Operating profit margin improved due to rental rate discounts granted during lockdown period in 1H2020

# Bus Station

\$'m	1H 2021	2H 2020	1H 2020
Revenue	6.6	8.9	6.8
Operating Costs	(5.0)	(4.7)	(4.8)
	1.6	4.2	2.0
Impairment	-	-	-
Operating Profit ("OP")	1.6	4.2	2.0
OP before Government relief	1.6	3.8	1.6
COVID-19 Government relief	-	0.4	0.4
OP after Government relief	1.6	4.2	2.0

- Lower CN bus station revenue in 1H2021 vs 1H2020 by (\$0.2m) or (2.9%)
  - Further lockdowns and traveling restrictions imposed in 1H2021
  - COVID-19 restrictions already in place in 1H2020
- Operating profit margin decreased due to no government relief granted in 1H2021



# 1H2021 Summary

- **COVID-19**
  - Vaccinations underway across major economies and nations
  - Spikes and mutations worrying, restrictions reimposed in most geographies
  - Recovery remains uncertain and uneven across geographies
- **P&L – 1H2021 Group PATMI \$91.0m**
  - Better than 2H2020 before and after government reliefs
- **Balance Sheet**
  - Balance sheet remains strong
  - Free cash flows, cash and facilities adequate for business continuity and growth
  - Interim dividend declared for 2021

# DIVIDEND PAYOUT AND SHAREHOLDER RETURN

# Financial Year 2021 Dividend Payout

	FY2021 (cents)	FY2020 (cents)	Increase / (decrease)
Interim Dividend	2.10	-	2.10 / NM
Dividend payout ratio	50.0%	NA	NM / NM
Dividend yield	2.56% <sup>(a)</sup>	NA	NM / NM

- The Company maintains its dividend policy to pay out 50% of PATMI
- No interim dividend declared for FY2020 due to net loss in 1H2020 and ongoing COVID-19 uncertainty

a) ComfortDelGro share price of \$1.64 as at 30 Jun 2021

# BUSINESS OUTLOOK

# Business Outlook

- Although activity levels are recovering slowly, additional outbreaks of new variants have led to further restrictions being imposed across our operating geographies
- Vaccination drives continue with significant progress made in China, the UK and Singapore; Australia vaccination numbers are still relatively low but improving
- Governments have provided significant temporary relief so far, most of which is already tapering off
- The global economic recovery will vary across countries and sectors, depending on the pace of vaccination and re-openings as well as macro policy actions. Notwithstanding, there are underlying challenges in the land mobility business, including changes in commuting patterns, technological disruptions and competition
- As governments and financial markets focus on rebuilding and living with endemic COVID-19, we expect a slow and uneven recovery in ridership resulting in depressed revenues and margins
- With a strong balance sheet, the Group remains committed to its long term mobility strategy and continues to transform and build its capabilities while looking for growth opportunities in overseas markets and adjacent segments

THANK YOU

# Appendix – Segments

(S\$m)	1H2021 Revenue	1H2020 Revenue <sup>1</sup>	1H2021 Operating Profit	1H2020 Operating Profit <sup>1</sup>
Public Transportation Services	1,374.2	1,234.3	82.5	55.5
Taxi	225.9	178.6	17.9	(68.4)
Automotive Engineering Services	85.5	82.1	5.6	7.7
Inspection & Testing Services	49.1	39.9	15.2	9.4
Driving Centre	26.6	15.5	10.1	(1.2)
Car Rental & Leasing	13.0	13.9	1.7	0.8
Bus Station	6.6	6.8	1.6	2.0
Elimination	(38.4)	(37.4)	-	-
<b>Total</b>	<b>1,742.5</b>	<b>1,533.7</b>	<b>134.6</b>	<b>5.8</b>

- Elimination relates to elimination of inter-segment services