FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

Issuer & Securities

Issuer/ Manager

COMFORTDELGRO CORPORATION LIMITED

Securities

COMFORTDELGRO CORPORATION LTD - SG1N31909426 - C52

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Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please see the attachments:
(1) Half-Year 2020 Financial Statements and Dividend Announcement
(2) Media Release - ComfortDelGro's Results for half-year ended 30 June 2020; and
(3) 1H2020 Financial Results Presentation.

Additional Details

For Financial Period Ended

30/06/2020

Attachments

COMFORTDELGRO%20-%20Half%20Year%202020%20Financial%20Statements%20and%20Dividend%20Announcement.pdf

COMFORTDELGRO%20-%20Media%20Release-CDG%20Results%20for%20Q2FY2020.pdf

COMFORTDELGRO%20-%20PowerPoint%20Presentation.pdf

Total size =2231K MB

COMFORTDELGRO CORPORATION LIMITED
Company Registration Number : 200300002K

Half Year 2020 Financial Statements and Dividend Announcement

The Board of Directors announces the unaudited results of the Group for the Half Year ended 30 June 2020.

1 GROUP INCOME STATEMENT

	1st Half 2020 $'m	1st Half 2019 $'m	Fav/ (Adv) %
Revenue	1,526.7	1,927.0	(20.8)
Staff costs	(749.0)	(852.7)	12.2
Depreciation and amortisation	(204.0)	(212.3)	3.9
Repairs and maintenance costs	(145.4)	(147.2)	1.2
Fuel and electricity costs	(92.9)	(149.4)	37.8
Contract services	(62.9)	(82.6)	23.8
Materials and consumables costs	(44.3)	(62.9)	29.6
Insurance premiums and accident claims	(43.0)	(50.1)	14.2
Road tax and licence fees	(41.9)	(44.5)	5.8
Premises costs	(36.0)	(38.1)	5.5
Provision for impairment on vehicles and goodwill	(30.8)	-	N.M.
Utilities and communication costs	(9.8)	(10.7)	8.4
Advertising production and promotion costs	(5.7)	(11.2)	49.1
Other operating costs	(54.4)	(42.9)	(26.8)
Total Operating Costs	(1,520.1)	(1,704.6)	10.8
Operating Profit	6.6	222.4	(97.0)
Net Income from Investments	5.0	5.8	(13.8)
Finance Costs	(8.2)	(10.9)	24.8
Profit before Taxation	3.4	217.3	(98.4)
Taxation	(1.8)	(43.9)	(95.9)
Profit after Taxation	1.6	173.4	(99.1)
(Loss)/ Profit Attributable to :			
Shareholders of the Company	**(6.0)**	**146.3**	**N.M.**
Non-Controlling Interests	7.6	27.1	(72.0)
	1.6	173.4	(99.1)

Operating (Loss)/Profit before COVID-19 Government reliefs	***(75.7)***	***222.4***	***N.M.***
COVID-19 Government reliefs	*82.3*	*-*	*N.M.*
Operating Profit after COVID-19 Government reliefs	***6.6***	***222.4***	***(97.0)***

Certain comparative figures have been reclassified to conform to current period's presentation.

N.M. : Not meaningful

1 GROUP INCOME STATEMENT (Cont'd)

	1st Half 2020 $'m	1st Half 2019 $'m	Fav/ (Adv) %
Operating profit of the Group is arrived after (charging)/crediting the following:			
Net (loss)/gain on disposal of vehicles, premises and equipment	*(5.4)*	*1.1*	*N.M.*
Allowance for expected credit losses	*(3.3)*	*(0.5)*	*N.M.*
Provision for stock obsolescence	*(6.7)*	*(0.4)*	*N.M.*

N.M. : Not meaningful

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
	$'m	$'m	$'m	$'m
ASSETS				
Current assets				
Short-term deposits and bank balances	619.9	594.2	91.7	159.7
Trade receivables	264.7	318.7	-	-
Other receivables and prepayments	264.8	255.5	8.2	5.6
Due from subsidiaries	-	-	44.5	10.2
Inventories	143.4	150.7	-	-
Total current assets	1,292.8	1,319.1	144.4	175.5
Non-current assets				
Subsidiaries	-	-	1,230.7	1,230.7
Associates	0.8	0.7	-	-
Investments	17.1	24.4	7.0	12.7
Other receivables and prepayments	7.8	4.0	18.3	19.7
Grant receivables	267.3	280.3	-	-
Due from subsidiaries	-	-	337.9	331.4
Vehicles, premises and equipment	2,571.0	2,706.1	2.9	3.2
Right-of-use assets	165.2	173.6	4.9	5.3
Taxi licences and rights under contract	207.3	204.5	-	-
Goodwill	648.1	644.2	-	-
Deferred tax assets	30.5	22.1	-	-
Total non-current assets	3,915.1	4,059.9	1,601.7	1,603.0
Total assets	5,207.9	5,379.0	1,746.1	1,778.5
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	208.2	198.8	40.0	-
Lease liabilities from financial institutions	29.2	28.2	-	-
Lease liabilities	28.4	27.6	4.2	4.0
Trade and other payables	647.8	670.3	10.4	13.9
Deferred grants	26.7	27.6	-	-
Due to subsidiaries and associate	-	-	98.4	154.0
Fuel price equalisation account	20.0	20.0	-	-
Provision for accident claims	49.3	51.6	-	-
Income tax payable	88.8	91.7	1.4	0.9
Total current liabilities	1,098.4	1,115.8	154.4	172.8
Non-current liabilities				
Borrowings	337.9	331.3	337.9	331.3
Lease liabilities from financial institutions	66.5	75.9	-	-
Lease liabilities	167.2	176.1	28.3	30.5
Deferred grants	363.2	364.9	-	-
Other liabilities	76.2	75.9	0.1	0.1
Fuel price equalisation account	20.0	20.0	-	-
Deferred tax liabilities	199.2	210.1	1.3	1.3
Total non-current liabilities	1,230.2	1,254.2	367.6	363.2
Total liabilities	2,328.6	2,370.0	522.0	536.0
Capital, reserves and non-controlling interests				
Share capital	693.4	692.2	693.4	692.2
Treasury shares	(0.2)	-	(0.2)	-
Other reserves	57.5	64.5	(43.9)	(38.0)
Foreign currency translation reserve	(84.5)	(93.6)	-	-
Accumulated profits	1,811.1	1,931.9	574.8	588.3
Equity attributable to shareholders of the Company	2,477.3	2,595.0	1,224.1	1,242.5
Non-controlling interests	402.0	414.0	-	-
Total equity	2,879.3	3,009.0	1,224.1	1,242.5
Total liabilities and equity	5,207.9	5,379.0	1,746.1	1,778.5

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

Secured / Unsecured Group Borrowings and Lease liabilities as at 30 Jun 2020

	30 Jun 2020 $ 'm	31 Dec 2019 $ 'm
Borrowings		
Secured		
Amount repayable in one year or less, or on demand	42.3	49.8
Amount repayable after one year	-	-
	42.3	49.8
Unsecured		
Amount repayable in one year or less, or on demand	165.9	149.0
Amount repayable after one year	337.9	331.3
	503.8	480.3
Amount repayable in one year or less, or on demand	208.2	198.8
Amount repayable after one year	337.9	331.3
	546.1	530.1
Lease liabilities from financial institutions		
Secured		
Amount repayable in one year or less, or on demand	29.2	28.2
Amount repayable after one year	66.5	75.9
	95.7	104.1
Lease liabilities*		
Secured		
Amount repayable in one year or less, or on demand	28.4	27.6
Amount repayable after one year	167.2	176.1
	195.6	203.7

* relates to lease liabilities on adoption of SFRS(I)16 *Leases*

Details of any collateral

Details of the total secured borrowings of $42.3m, lease liabilities from financial institutions of $95.7m and lease liabilities of $195.6m are as follows:

a $42.3m relates to borrowings of subsidiaries secured by vehicles;
b $95.7m relates to financing of vehicles under hire purchase arrangements; and
c $195.6m relates to lease liabilities secured over the right-of-use assets.

4 GROUP CASH FLOW STATEMENT

	Group	
	1st Half 2020	1st Half 2019
	$'m	$'m
Operating activities:		
Profit before Taxation	3.4	217.3
Adjustments for:		
Depreciation and amortisation	204.0	212.3
Finance costs	8.2	10.9
Interest income	(4.5)	(5.7)
Dividend income	(0.4)	(0.4)
Provision for impairment on vehicles and goodwill	30.8	-
Grant income	(23.5)	(16.8)
Net loss/(gain) on disposal of vehicles, premises and equipment	5.4	(1.1)
Provision for accident claims	7.3	11.0
Provision for stock obsolescence	6.7	0.4
Others	4.4	2.0
Operating cash flows before movements in working capital	241.8	429.9
Changes in working capital	(1.3)	(138.6)
Cash generated from operations	240.5	291.3
Income tax paid	(23.6)	(45.9)
Interest paid arising from leases	(2.5)	(2.7)
Net cash from operating activities	214.4	242.7
Investing activities:		
Purchases of vehicles, premises and equipment	(93.3)	(204.5)
Less: Vehicles purchased under lease liabilities from financial institutions	4.8	4.3
Less: Proceeds from disposal of vehicles, premises and equipment	33.0	44.7
Cash payments on purchase of vehicles, premises and equipment	(55.5)	(155.5)
Investments made	-	(3.1)
Acquisition of subsidiaries, net of cash [Note (a)]	(12.2)	(32.4)
Interest received	5.9	6.0
Dividend received from investments	0.4	0.4
Net cash used in investing activities	(61.4)	(184.6)
Financing activities:		
New loans raised	458.2	665.9
Repayment of borrowings and lease liabilities from financial institutions	(462.2)	(596.4)
Repayment of lease liabilities	(15.4)	(13.0)
Dividends paid to shareholders of the Company	(114.6)	(133.2)
Dividends paid to non-controlling shareholders of subsidiaries	(22.8)	(28.4)
Purchase of treasury shares	(0.4)	-
Proceeds from exercise of share options of the Company	1.1	1.0
Proceeds from exercise of share options of a subsidiary	-	0.3
Grants received	30.2	22.4
Interest paid	(6.3)	(7.0)
Net cash used in financing activities	(132.2)	(88.4)
Net effect of exchange rate changes in consolidating subsidiaries	4.9	(2.6)
Net increase/(decrease) in cash and cash equivalents	**25.7**	**(32.9)**
Cash and cash equivalents at beginning of period	594.2	586.1
Cash and cash equivalents at end of period	619.9	553.2

Note (a):

Summary of the effects of acquisition of subsidiaries inclusive of fair value adjustments:

	Group	
	1st Half 2020	1st Half 2019
	$'m	$'m
Net (assets) liabilities acquired:		
Current assets	(2.0)	(18.2)
Non-current assets	(0.3)	(117.8)
Current liabilities	0.9	6.8
Non-current liabilities	-	92.5
Net assets acquired	(1.4)	(36.7)
Provisional goodwill	(12.0)	-
Adjustment to prior year's provisional goodwill	-	(1.7)
Total purchase consideration	(13.4)	(38.4)
Less: Cash and cash equivalent balances acquired	1.2	6.0
Net cash outflow on acquisition of subsidiaries	(12.2)	(32.4)

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group	
	1st Half 2020	1st Half 2019
	$'m	$'m
Profit after Taxation	1.6	173.4
Items that may be reclassified subsequently to profit and loss		
Fair value adjustment on cash flow hedges	-	3.2
Exchange differences on translation of foreign operations	12.3	(16.7)
	12.3	(13.5)
Items that will not be reclassified subsequently to profit or loss		
Fair value adjustment on equity investments	(6.8)	(4.7)
Other comprehensive income for the period	5.5	(18.2)
Total comprehensive income for the period	7.1	155.2
Attributable to:		
Shareholders of the Company	(3.7)	128.6
Non-Controlling Interests	10.8	26.6
	7.1	155.2

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the half year ended 30 June 2020:

	Group							
	Attributable to shareholders of the Company						Non-controlling interests	Total equity
	Share capital	Tresuary shares	Other reserves	Foreign currency translation reserve	Accumulated profits	Total		
	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m
Balance at 1 January 2020	692.2	-	64.5	(93.6)	1,931.9	2,595.0	414.0	3,009.0
Total comprehensive income for the period								
Loss/(Profit) for the period	-	-	-	-	(6.0)	(6.0)	7.6	1.6
Other comprehensive income for the period	-	-	(6.8)	9.1	-	2.3	3.2	5.5
Total	-	-	(6.8)	9.1	(6.0)	(3.7)	10.8	7.1
Transactions recognised directly in equity								
Exercise of share options	1.2	-	(0.1)	-	-	1.1	-	1.1
Payment of dividends	-	-	-	-	(114.6)	(114.6)	-	(114.6)
Purchase of treasury shares	-	(0.4)	-	-	-	(0.4)	-	(0.4)
Transfer from treasury shares to share-based payments	-	0.2	(0.2)	-	-	-	-	-
Other reserves	-	-	0.1	-	(0.2)	(0.1)	(22.8)	(22.9)
Total	1.2	(0.2)	(0.2)	-	(114.8)	(114.0)	(22.8)	(136.8)
Balance at 30 June 2020	693.4	(0.2)	57.5	(84.5)	1,811.1	2,477.3	402.0	2,879.3

Consolidated Statement of Changes in Equity for the half year ended 30 June 2019:

	Group						
	Attributable to shareholders of the Company					Non-controlling interests	Total equity
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	Total		
	$'m	$'m	$'m	$'m	$'m	$'m	$'m
Balance at 1 January 2019	691.1	80.9	(81.5)	1,899.0	2,589.5	408.3	2,997.8
Total comprehensive income for the period							
Profit for the period	-	-	-	146.3	146.3	27.1	173.4
Other comprehensive income for the period	-	(2.1)	(15.6)	-	(17.7)	(0.5)	(18.2)
Total	-	(2.1)	(15.6)	146.3	128.6	26.6	155.2
Transactions recognised directly in equity							
Exercise of share options	1.1	(0.1)	-	-	1.0	-	1.0
Payment of dividends	-	-	-	(133.2)	(133.2)	-	(133.2)
Other reserves	-	(10.7)	-	(1.2)	(11.9)	(28.4)	(40.3)
Total	1.1	(10.8)	-	(134.4)	(144.1)	(28.4)	(172.5)
Balance at 30 June 2019	692.2	68.0	(97.1)	1,910.9	2,574.0	406.5	2,980.5

Statement of Changes in Equity of the Company for the half year ended 30 June 2020:

	Company				
	Share capital	Treasury shares	Other reserves	Accumulated profits	Total equity
	$'m	$'m	$'m	$'m	$'m
Balance at 1 January 2020	692.2	-	(38.0)	588.3	1,242.5
Total comprehensive income for the period					
Profit for the period	-	-	-	101.1	101.1
Other comprehensive income for the period	-	-	(5.7)	-	(5.7)
Total	-	-	(5.7)	101.1	95.4
Transactions recognised directly in equity					
Exercise of share options	1.2	-	(0.1)	-	1.1
Purchase of treasury shares	-	(0.4)	-	-	(0.4)
Transfer from treasury shares to share-based payments	-	0.2	(0.2)	-	-
Payment of dividends	-	-	-	(114.6)	(114.6)
Other reserves	-	-	0.1	-	0.1
Total	1.2	(0.2)	(0.2)	(114.6)	(113.8)
Balance at 30 June 2020	693.4	(0.2)	(43.9)	574.8	1,224.1

Statement of Changes in Equity of the Company for the half year ended 30 June 2019:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	$'m	$'m	$'m	$'m
Balance at 1 January 2019	691.1	(32.0)	604.5	1,263.6
Total comprehensive income for the period				
Profit for the period	-	-	119.7	119.7
Other comprehensive income for the period	-	(3.9)	-	(3.9)
Total	-	(3.9)	119.7	115.8
Transactions recognised directly in equity				
Recognition of share-based payments	-	-	-	-
Adjustments arising from deregistration of subsidiaries	-	-	-	-
Exercise of share options	1.1	(0.1)	-	1.0
Payment of dividends	-	-	(133.2)	(133.2)
Total	1.1	(0.1)	(133.2)	(132.2)
Balance at 30 June 2019	692.2	(36.0)	591.0	1,247.2

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

During the half year ended 30 June 2020, the Company issued 710,000 new ordinary shares following the exercise of share options under the ComfortDelGro Employees' Share Option Scheme (CDG ESOS).

As at 30 June 2020, the total number of issued shares excluding treasury shares was 2,166,734,913 (31 December 2019: 2,166,158,663).

Treasury shares

During the half year ended 30 June 2020, the Company bought 255,000 ordinary shares from the market for the purpose of the ComfortDelGro Executive Share Award Scheme (CDG ESAS). 121,250 shares were subsequently transferred to employees.

As at 30 June 2020, the total number of treasury shares was 133,750 or 0.0062% of issued share capital excluding treasury shares (30 June 2019 : Nil)

Outstanding shares - ComfortDelGro Employees' Share Option Scheme (CDG ESOS)

As at 30 June 2020, options to subscribe for 2,183,000 ordinary shares (30 June 2019: 3,043,000 ordinary shares) remained outstanding under the CDG ESOS which was not renewed following its expiry on 17 February 2013.

Outstanding shares - ComfortDelGro Executive Share Award Scheme (CDG ESAS)

As at 30 June 2020, share award of 933,750 ordinary shares (30 June 2019: 510,000) remained outstanding under the CDG ESAS. These are time-based awards to be vested over a 4-year period.

8 AUDIT

The financial statements have not been audited or reviewed.

9 AUDITORS' REPORT

Not applicable.

10 ACCOUNTING POLICIES

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements for the year ended 31 December 2019.

In the current financial period, the Group has adopted all the new and revised Singapore Financial Reporting Standards (International) ("SFRS(I)s") that are relevant to its operations and effective for annual periods beginning on 1 January 2020.

The adoption of these new and revised SFRS(I)s has no material effect on the amounts reported for the current or prior years.

11 CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Not applicable.

12 GROUP EARNINGS PER ORDINARY SHARE AND GROUP EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION (EBITDA)

(Loss)/Earnings per ordinary share

		Group	
		1st Half 2020	1st Half 2019
(i)	Based on weighted average number of ordinary shares in issue (excluding treasury shares) - cents	(0.28)	6.76
(ii)	On a fully diluted basis (detailing any adjustments made to the earnings and excluding treasury shares) - cents	(0.28)	6.75

		Group	
		1st Half 2020	1st Half 2019
(i)	EBITDA ($'m) *	246.8	433.6
(ii)	EBITDA margin (%)	16.2	22.5

** Group operating profit before depreciation and amortisation, net loss/ (gain) on disposal of vehicles, premises and equipment and provision for impairment on vehicles and goodwill.*

13 NET ASSET VALUE PER ORDINARY SHARE

	Group		Company	
	30 Jun 2020	31 Dec 2019	30 Jun 2020	31 Dec 2019
Net asset value per ordinary share based on issued share capital (excluding treasury shares) - cents	114.33	119.80	56.49	57.36

14 REVIEW OF GROUP PERFORMANCE

Performance Review

The release of our half year results comes amid a global pandemic, the likes of which few of us have ever seen. The impact on the Group, and the world in general, has been significant. As countries started going into lockdown, from as early as January in China, governments have been rolling out assistance packages.

In Singapore, for example, the Government has, to-date, announced four budgets (Unity Budget, Resilience Budget, Solidarity Budget and Fortitude Budget) totalling some $100 billion. Wage and income supplements, as well as corporate assistance, have been key features of these Budgets.

ComfortDelGro's operations around the world – Singapore, Australia, the United Kingdom, China, Ireland, Vietnam and Malaysia – have been hard-hit by the ongoing pandemic. The greatest impact on the Group thus far has been in the area of public transport ridership and taxi demand as countries go into lockdown in a bid to stem the spread of COVID-19. Social distancing measures like travel restrictions and working-from-home have all resulted in a massive plunge in taxi and public transport demand.

The Group also faced additional challenges relating to supply chain and labour supply as countries restricted cross-border movements, coupled with increased costs from additional cleaning and disinfecting measures as well as PPE to protect our front line staff and our passengers.

Group Revenue of $1,526.7m for 1H20 was $400.3m or 20.8% lower compared to $1,927.0m for 1H19 with the decrease of $388.1m coming from underlying businesses and unfavourable foreign currency translation of $12.2m from the weaker A$. The decrease in revenue from underlying businesses was mainly attributed to the impact of COVID-19 pandemic resulting in lower rail ridership and mileages for the Public Transport Services Business, extension of rental relief/waiver schemes to taxi drivers, smaller taxi fleet for the Automotive Engineering Services Business and full/partial closure of operations of other business segments during the lockdown period.

Group Operating Costs of $1,520.1m for 1H20 were $184.5m or 10.8% lower compared to $1,704.6m for 1H19 with the decrease of $173.1m coming from the underlying businesses and the favourable foreign currency translation of $11.4m from the weaker A$. Lower Group Operating Costs of $184.5m were mainly contributed by lower staff costs arising from Government reliefs in Singapore, UK, Australia and China to help companies to negate the adverse effects of COVID-19 pandemic, lower fuel and electricity costs, reduced payment for contract services as well as lower materials and consumables costs in line with the decrease in business volumes during COVID-19 lockdowns, offset by provision for impairment on vehicles and goodwill of $30.8m and an increase in other operating costs due mainly to higher loss on disposal of vehicles.

Although impairment reviews are typically performed at year-end, Management has reviewed the carrying value of assets and goodwill for any indication of impairment as at 1H2020 in light of the current circumstances. Management has assessed the value of assets and goodwill as at 30 June 2020 against their book carrying value based on various metrics, including utilisation, market values and cashflows. Management has concluded that provision for impairment is adequate and reasonable as at 30 June 2020 and will next be reviewed at year-end.

Group Operating Profit of $6.6m for 1H20 was $215.8m or 97.0% lower compared to $222.4m for 1H19 with $215.0m from underlying businesses and net negative impact from the foreign currency translation of $0.8m.

Net Income from Investments of $5.0m for 1H20, which was mostly related to interest income on short-term deposits and bank balances, decreased by $0.8m or 13.8% compared to $5.8m for 1H19 mainly due to lower deposit rates. Finance Costs of $8.2m for 1H20 decreased by $2.7m or 24.8% from $10.9m for 1H19 mainly due to the lower interest expense in Australia and the UK from the repayment of borrowings and lower interest rates.

Consequently, Group Profit before Taxation of $3.4m for 1H20 was $213.9m or 98.4% lower compared to $217.3m for 1H19.

Taxation for the Group of $1.8m for 1H20 was $42.1m or 95.9% lower compared to $43.9m for 1H20 mainly due to lower taxable profits after tax-exempt Government reliefs.

Group Profit after Taxation of $1.6m for 1H20 was $171.8m or 99.1% lower than the $173.4m for 1H19.

Group Loss attributable to Shareholders of the Company of $6.0m for 1H20 compared to Group Profit attributable to Shareholders of the Company $146.3m for 1H19.

Group Profit attributable to Non-Controlling Interests (NCI) of $7.6m for 1H20 decreased by $19.5m or 72.0% compared to $27.1m for 1H19 due to lower profits from subsidiaries with non-controlling interests.

Revenue from Overseas for 1H20 at $677.0m or 44.3% of Group Revenue compared to $805.1m or 41.8% for 1H19. Operating Loss from Overseas for 1H20 at $8.0m compared to Operating Profit from Overseas at $77.6m a year ago.

Group loss attributable to Shareholders in 1H20 was largely mitigated by COVID-19 Government reliefs (recorded as a reduction in staff costs, net of tax effect and NCI) of $60.1m. Without the Government reliefs, the Group would have recorded a loss attributable to Shareholders of $66.1m for 1H20.

A segmental breakdown by **Business** is provided under item 18.

Revenue from the Group's **Public Transport Services Business** of $1,227.3m for 1H20 was $181.2m or 12.9% lower than the $1,408.5m for 1H19 due mainly to lower rail ridership in Singapore during Circuit Breaker (CB) period partially offset by higher average fare arising from the fare increase effective 28 December 2019, lower service fees from lower fuel indexation and operated mileage in Singapore and lower mileage operated in the UK from fewer routes compared to 1H19.

Revenue from the Group's **Taxi Business** of $178.6m for 1H20 was $159.6m or 47.2% lower compared to $338.2m for 1H19 due to a smaller operating fleet and various COVID-19 relief schemes extended to drivers including full rental waiver during CB period in Singapore and reduced taxi rental in China in response to COVID-19 lockdowns.

Revenue from the Group's **Automotive Engineering Services Business** of $82.1m for 1H20 was $46.2m or 36.0% lower than the $128.3m for 1H19 due mainly to smaller Singapore taxi fleet and lower volumes from partial suspension of operations during CB period.

Revenue from the Group's **Inspection and Testing Services Business** of $39.9m for 1H20 was $11.3m or 22.1% lower than the $51.2m for 1H19 due to lower business volumes during the CB period.

Revenue from the Group's **Driving Centre Business** of $15.5m for 1H20 was $8.0m or 34.0% lower than the $23.5m for 1H19 due to full closure of operations during CB period.

Revenue from the Group's **Car Rental and Leasing Business** of $13.9m for 1H20 was $0.6m or 4.5% higher than the $13.3m for 1H19 due to larger fleet size, albeit at lower rental rates.

Revenue from the Group's **Bus Station Business** of $6.8m for 1H20 decreased by $4.9m or 41.9% from the $11.7m for 1H19 due to lower activity levels from travel restrictions in lockdown conditions

Statement of Financial Position

The financial position of the Group as at 30 June 2020 remained strong. Total Equity decreased by $129.7m from $3,009.0m as at 31 December 2019 to $2,879.3m as at 30 June 2020 due mainly to payment of final dividend for 2019.

Total Assets decreased by $171.1m to $5,207.9m as at 30 June 2020 from $5,379.0m as at 31 December 2019 due to decreases in non-current assets by $144.8m and current assets by $26.3m. The decrease in non-current assets was mainly due to depreciation of vehicles, premises and equipment and reduced capital expenditure. The decrease in current assets was due mainly to lower trade receivables partially offset by higher short-term deposits and bank balances.

Total Liabilities decreased by $41.4m to $2,328.6m as at 30 June 2020 from $2,370.0m as at 31 December 2019 due mainly to lower trade and other payables from reduction in operating costs and lower tax liabilities.

Cash Flow

The Group recorded a net cash inflow of $25.7m for 1H20. As at 30 June 2020, the Group had short-term deposits and bank balances of $619.9m. After accounting for the borrowings of $546.1m and lease liabilities from financial institutions of $95.7m, the Group had a net debt position of $21.9m representing a net gearing ratio of 0.8% compared to 1.3% as at 31 December 2019. The Group's gross gearing ratio (excluding lease liabilities recognised under SFRS(I) 16) was 22.3% as at 30 June 2020 compared to 21.1% as at 31 December 2019.

15 ANY VARIANCE BETWEEN FORECAST OR PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS

No forecast or prospect statement has been previously disclosed.

The financial results of the Group for 1H20 is in line with the profit guidance released via SGXNet on 26 June 2020.

16 GROUP OUTLOOK

The full economic impact of COVID-19 is still unfolding, the scale and duration of which remains uncertain. Activity levels are recovering slowly during the gradual and cautious reopening post Circuit Breaker period in Singapore and lockdown in UK.

However, the resurgence of COVID-19 cases, as experienced in some cities in China and Australia recently, that resulted in reinstatement of lockdown measures is likely to recur until a vaccine is available.

Governments have provided significant temporary relief for the near-term but the sustainability of such reliefs is uncertain.

The future Global economy post-COVID-19 will be different arising from socio-economic factors such as work from home arrangements and changes to supply chain management, while governments and financial markets focus on rebuilding and recovering from the pandemic.

With the challenging outlook, revenues are expected to remain depressed and margins under pressure. The Group is monitoring the situation and adapting to the changing circumstances by ensuring its service levels are maintained while refining its internal cost structures and operational efficiencies, while at the same time ensuring the safety of our front line staff and our passengers.

Notwithstanding the current uncertainties, 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.

17 DIVIDEND

(a) Current Financial Period Reported On

No interim dividend for FY2020 is recommended due to net loss in 1H20 and ongoing COVID-19 uncertainty.

(b) Corresponding Period of the Immediate Preceding Financial Year

Name of Dividend	Interim
Dividend Type	Cash; Tax-exempt one-tier
Dividend Amount per ordinary share	4.50 cents
Tax Rate	Exempt one-tier

18 SEGMENT INFORMATION

Business Segments

Half year ended 30 June 2020	Public Transport Services	Taxi	Automotive Engineering Services	Inspection & Testing Services	Driving Centre	Car Rental & Leasing	Bus Station	Elimination	Total
	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m
Revenue									
External sales	1,226.9	178.6	46.3	38.7	15.5	13.9	6.8	-	1,526.7
Inter-segment sales	0.4	-	35.8	1.2	-	-	-	(37.4)	-
TOTAL	1,227.3	178.6	82.1	39.9	15.5	13.9	6.8	(37.4)	1,526.7
RESULT									
Operating Profit/(Loss)	56.3	(68.4)	7.7	9.4	(1.2)	0.8	2.0	-	6.6
Net Income from Investments									5.0
Finance Costs									(8.2)
Profit before Taxation									3.4
Taxation									(1.8)
Profit after Taxation									1.6
Non-Controlling Interests									(7.6)
Loss attributable to Shareholders of the Company									(6.0)

Half year ended 30 June 2019	Public Transport Services	Taxi	Automotive Engineering Services	Inspection & Testing Services	Driving Centre	Car Rental & Leasing	Bus Station	Elimination	Total
	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m	$'m
Revenue									
External sales	1,407.9	338.2	82.8	49.7	23.4	13.3	11.7	-	1,927.0
Inter-segment sales	0.6	-	45.5	1.5	0.1	-	-	(47.7)	-
TOTAL	1,408.5	338.2	128.3	51.2	23.5	13.3	11.7	(47.7)	1,927.0
RESULT									
Operating Profit	117.9	57.9	15.7	16.7	6.6	2.0	5.6	-	222.4
Net Income from Investments									5.8
Finance Costs									(10.9)
Profit before Taxation									217.3
Taxation									(43.9)
Profit after Taxation									173.4
Non-Controlling Interests									(27.1)
Profit attributable to Shareholders of the Company									146.3

Geographical segmental information for the half year ended 30 June 2020

	Revenue		Non-current assets*		Additions to non-current assets*	
	1st Half 2020	1st Half 2019	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	$'m	$'m	$'m	$'m	$'m	$'m
Singapore	849.7	1,121.9	1,481.6	1,633.6	54.0	101.0
United Kingdom/ Ireland	341.6	414.1	595.8	572.4	22.6	48.9
Australia	286.4	308.8	1,211.7	1,191.5	23.4	46.2
China	47.3	79.7	295.4	321.0	5.2	9.4
Vietnam	0.7	1.3	3.2	4.1	-	0.3
Malaysia	1.0	1.2	3.9	4.0	0.1	0.4
Total	1,526.7	1,927.0	3,591.6	3,726.6	105.3	206.2

* Comprising vehicles, premises, equipment, right-of-use assets, taxi licences and goodwill.

19 BREAKDOWN OF REVENUE

Not applicable.

20 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)

Not applicable.

21 INTERESTED PERSON TRANSACTIONS

The Group does not have any Shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

22 CONFIRMATION PURSUANT TO RULE 720(1) OF THE LISTING MANUAL

The Company confirms that it has procured the Undertakings from all its Directors and Executive Officers in the format set out in Appendix 7.7 pursuant to Rule 720(1) of the Listing Manual.

23 Negative assurance confirmation on interim financial results under SGX Listing Rule 705(5) of the Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the half year 2020 financial results to be false or misleading in any material aspects.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh Chairman	Yang Ban Seng Managing Director/ Group Chief Executive Officer

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy
Company Secretary

14 August 2020

Media Release

COMFORTDELGRO

COMFORTDELGRO'S RESULTS FOR HALF-YEAR ENDED 30 JUNE 2020

- ***Revenue for the first six months fell 20.8% to $1.53 billion, battered by the global shutdown brought on by the COVID-19 outbreak.***
- ***Group operating profit plunged by 97.0% to $6.6 million.***
- ***The Group fell into the red with a half-year loss of $6.0 million, compared to a profit of $146.3 million in 2019. Without the Government reliefs which totalled $60.1 million, the Group would have recorded a net loss of $66.1 million.***

Singapore, 14 August 2020 – ComfortDelGro Corporation today announced its unaudited results for the half year ended 30 June 2020.

Highlights:

	1H2020 ($m)	1H2019 ($m)	% change
Revenue[1]	1,526.7	1,927.0	-20.8
Operating Profit	6.6	222.4	-97.0
Net Loss/Profit Attributable to Shareholders	-6.0	146.3	N.M.
EBITDA[2]	246.8	433.6	-43.1
EPS (Based on existing share capital) - cents	-0.28	6.76	N.M.

Note: All figures in Singapore dollars
N.M.: Not meaningful.

Backdrop

The release of our half year results comes amid a global pandemic, the likes of which few of us have ever seen. The impact on the Group, and the world in general, has been significant. As countries started going into lockdown, from as early as January in China, governments have been rolling out assistance packages.

[1] *Certain comparative figures have been reclassified to conform to current period's presentation.*
[2] *EBITA excludes impairment and gain/loss on disposal.*

2018 - 2021 Eco Office
ComfortDelGro Corporation Limited
205 Braddell Road Singapore 579701
www.comfortdelgro.com
Co. Registration No.: 200300002K

In Singapore, for example, the Government has, to-date, announced four budgets (Unity, Resilience, Solidarity and Fortitude) totalling some $100 billion. Wage and income supplements, as well as corporate assistance, have been key features of these Budgets. ComfortDelGro's operations around the world – Singapore, Australia, the United Kingdom, China, Ireland, Vietnam and Malaysia – have been hard-hit by the ongoing pandemic. The greatest impact on the Group thus far has been in the area of public transport ridership and taxi demand as countries go into lockdown in a bid to stem the spread of COVID-19. Social distancing measures like travel restrictions and working-from-home have all resulted in a massive plunge in taxi and public transport demand.

Chairman Lim Jit Poh described the past six months as "catastrophic".

He said: "The first six months of 2020 have been nothing short of catastrophic. The global economy has gone into tailspin, with record numbers of businesses shuttering and unemployment rates soaring. The magnitude of destruction brought on by the COVID-19 pandemic is massive and the worst may not be over. ComfortDelGro has not been spared. At half-time, we have plunged into the red with a net loss of $6 million. If not for governmental reliefs, that loss would have been $66.1 million.

"Given the continued uncertainty in the global landscape, the Board has decided not to declare a half-time dividend. This is the first time we have done this and we feel it is the only prudent thing to do as we need to conserve cash. We will be reviewing the final dividend at the end of the financial year in accordance with our existing dividend policy.

"Amid this environment of change, we are reviewing our business models and accelerating our digitalisation programmes. These are exceptional times and we will need to make exceptional decisions," he said.

<u>Group</u>

Group Revenue for the first six months of 2020 fell by 20.8% or $400.3 million to $1.53 billion as the economies we operate in went into lockdown amidst the global COVID-19 pandemic. The decrease in the topline was due mainly to lower rail ridership and mileages for the public transport services business, the extension of rental relief/waiver schemes to taxi drivers, a smaller taxi fleet for the automotive engineering services business and full/partial closure of operations of other business segments during the lockdown period.

The impact of the global pandemic was felt from as early on as January 2020 in China, where the Group operates a variety of businesses including taxi, driver training and bus station services. By March 2020, the lockdowns were extended to other countries including Singapore, Australia and the United Kingdom.

The Group also faced additional challenges relating to supply chain and labour supply as countries restricted cross-border movements, coupled with increased costs from additional cleaning and disinfecting measures as well as PPE to protect our frontline staff and our passengers.

For the half year ended 30 June 2020, the Group incurred a net loss attributable to Shareholders of $6.0m, compared to a net profit of $146.3 million during the corresponding period last year. Without the Government reliefs which totalled $60.1 million, the Group would have recorded a net loss attributable to Shareholders of $66.1 million for the half year just ended.

Although impairment reviews are typically performed at year-end, Management has reviewed the carrying value of assets and goodwill for any indication of impairment as at the end of the first half in light of the current circumstances. Management has assessed the value of assets and goodwill against their book carrying value as at 30 June 2020 based on various metrics, including utilisation, market values and cashflows and concluded that provision for impairment at $30.8 million is adequate and reasonable and will next be reviewed at year-end.

ComfortDelGro Managing Director/Group CEO, Mr Yang Ban Seng, said: “Like many companies in the world, we were not spared from the onslaught brought on by the COVID-19 pandemic. As the cases surged globally, we had to work fast to ensure that our 20,000-odd staff worldwide, especially our many frontline workers, were properly equipped and protected to carry out their duties. And as economies went into lockdown, and work-from-home became the new norm, we explored all options to ensure that we continued to run our businesses without letting any of our staff go. We also extended rental rebates to our many taxi hirers in the various cites that we operate in to ensure that they could continue to put food on their tables. In Singapore, where we have a fleet of 10,000 taxis, we even waived taxi rentals fully as demand dwindled to practically zero.

“Being an operator of essential transport services, we looked at how best we could keep our buses, trains and taxis safe for our passengers in a global pandemic. Besides increasing cleaning and disinfecting schedules, we also started trialling acrylic barriers to protects drivers and passengers.

“As we enter the second half year, there are still many uncertainties with regards to the trajectory of the virus and by extension, global recovery. In view of that, we continue to stand prepared for any eventualities” he said.

<u>Financial Position</u>

The financial position of the Group as at 30 June 2020 remained strong. Total Equity decreased by $129.7 million to $2.9 billion as at 30 June 2020 due mainly to payment of final dividend for 2019. Total Assets decreased by $171.1 million to $5.2 billion while total liabilities decreased by $41.4 million to $2.3 billion as at 30 June 2020.

<u>Operations Review</u>

- Public Transport Services

Revenue from the Group’s Public Transport Services Business, which comprises bus and rail services, fell by 12.9% to $1.2 billion due mainly to lower rail ridership in Singapore during Circuit Breaker (CB) period partially offset by higher average fare arising from the fare increase effective 28 December 2019, lower service fees from lower fuel indexation and operated mileage in Singapore and lower mileage operated in the UK from fewer routes compared to the previous year. Vehicle and outdoor advertising was also severely affected by the plunge in global economic activity.

- Taxi

Revenue from the Group's Taxi Business plunged by 47.2% to $178.6 million for the first half-year due to a smaller operating fleet and various COVID-19 relief schemes extended to drivers including a full rental waiver during the CB period in Singapore and reduced taxi rental in China in response to COVID-19 lockdowns.

- Automotive and Engineering Services

Revenue from the Group's Automotive Engineering Services Business for the first six months of the year dropped by 36.0% to $82.1 million due mainly to a smaller Singapore taxi fleet and lower volumes from the partial suspension of operations during CB period.

- Inspection and Testing Services

Revenue from the Group's Inspection and Testing Services Business fell by 22.1% to $39.9 million due to lower business volumes during the CB period.

- Other Businesses

Revenue from the Group's Driving Centre Business fell by 34.0% to $15.5 million due to full closure of operations during CB period. Revenue from the Group's Car Rental and Leasing Business increased by 4.5% to $13.9 million due to larger fleet size, albeit at lower rental rates while revenue from the Group's Bus Station Business in China decreased by 41.9% to $6.8 million due to lower activity levels from travel restrictions in lockdown conditions.

<u>Dividend</u>

No interim dividend has been declared due to the first half loss and the ongoing uncertainty brought on by the global pandemic.

Commentary

The full economic impact of COVID-19 is still unfolding, the scale and duration of which remains uncertain. Activity levels are recovering slowly during the gradual and cautious reopening post Circuit Breaker period in Singapore and lockdowns in Australia and the UK. However, the resurgence of COVID-19 cases, as experienced in some cities in China and Australia recently, that resulted in reinstatement of lockdown measures is likely to recur until a vaccine is available. Governments have provided significant temporary relief for the near-term but the sustainability of such reliefs is uncertain. The future Global economy post-COVID-19 will be different arising from socio-economic factors such as work from home arrangements and changes to supply chain management. With the challenging outlook, revenues are expected to remain depressed and margins under pressure. The Group is monitoring the situation and adapting to the changing circumstances by ensuring its service levels are maintained while refining its internal cost structures and operational efficiencies. The safety and well-being of our staff and customers continue to be a key area of focus.

Notwithstanding the current uncertainties, 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.

Background

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of about 41,200 buses, taxis and rental vehicles. We also run 83km of light and heavy rail networks in Singapore. Our global operations span seven countries – Singapore, Australia, China, the United Kingdom, Ireland, Vietnam and Malaysia.

For further clarification, please call:

Tammy Tan
Group Chief Corporate Communications Officer
ComfortDelGro Corporation Limited
DID: 6383-8021/9683-0732
Email: tammytan@comfortdelgro.com

1H2020 Financial Results Presentation

14 August 2020

ComfortDelGro

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- Review of Financial Results
- Performance by Business Segments
- Dividend Payout and Shareholder Return
- Business Outlook

COMFORTDELGRO

REVIEW OF FINANCIAL RESULTS

Income Statement

	1H2020	1H2019	Fav/(Adv)
Revenue ($'m)	1,526.7	1,927.0	(400.3) / (20.8%)
Operating Costs ($'m)	(1,602.4)	(1,704.6)	102.2 / 6.0%
	(75.7)	222.4	(298.1) / (134.0%)
COVID-19 Government relief ($'m)	82.3	-	82.3 / NM[1]
Operating Profit ($'m)	6.6	222.4	(215.8) / (97.0%)
PAT ($'m)	1.6	173.4	(171.8) / (99.1%)
(L)/PATMI ($'m)	(6.0)	146.3	(152.3) / NM
EBITDA ($'m)[2]	246.8	433.6	(186.8) / (43.1%)

- Revenue ↓($400.3m) - public transport services ↓($181.2m); taxi ↓($159.6m); automotive engineering services ↓($46.2m)
- Operating costs ↓$102.2m
  - Public transport services ↓$56.1m; taxi ↓$24.2m; automotive engineering services ↓25.9m
  - Includes impairment provisions of $30.8m on (i) Taxi businesses in Singapore, Australia and Vietnam; and (ii) Driving Centre, Car Rental & Leasing and Inspection & Testing Services businesses in China
- COVID-19 Government relief mainly relates to Jobs Support scheme and waiver of Foreign Worker Levy in Singapore, employee furlough scheme in the UK, partial exemption of social security contribution in China and JobsKeeper scheme in Australia
- Operating profit ↓($215.8m) - as a result of the above

[1] NM: Not Meaningful
[2] EBITDA excludes impairment and gain/(loss) on disposal

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Balance Sheet

	Jun 20	Dec 19	Fav/(Adv)
Cash and short-term deposits ($'m)	619.9	594.2	25.7 / 4.3%
Other current assets ($'m)	672.9	724.9	(52.0) / (7.2%)
Non-current assets ($'m)	3,915.1	4,059.9	(144.8) / (3.6%)
Total Assets ($'m)	**5,207.9**	**5,379.0**	**(171.1) / (3.2%)**
Current liabilities ($'m)	1,098.4	1,115.8	17.4 / 1.6%
Non-current liabilities ($'m)	1,230.2	1,254.2	24.0 / 1.9%
Total Liabilities ($'m)	**2,328.6**	**2,370.0**	**41.4 / 1.7%**
Total Equity ($'m)	**2,879.3**	**3,009.0**	**(129.7) / (4.3%)**

- Decrease in total assets mainly due to depreciation and amortisation, impairment and lower trade receivables in line with activity levels and strong collections
- Decrease in total liabilities mainly due to lower operating costs and tax provisions
- Decrease in total equity mainly due to 2019 final dividend paid in 1H2020 and net losses for 1H2020

Cashflow

	1H2020 ($'m)	
Cash from Operating Activities		**240.5**
Utilisation of Cash:		
Net CAPEX	(55.5)	
Tax	(23.6)	
Acquisition of subsidiary	(12.2)	
Dividends	(137.4)	
Grants received	30.2	
Others	3.1	
Total Utilisation of Cash		**(195.4)**
Net Decrease in Borrowings		**(19.4)**
Net Cash Inflow		**25.7**

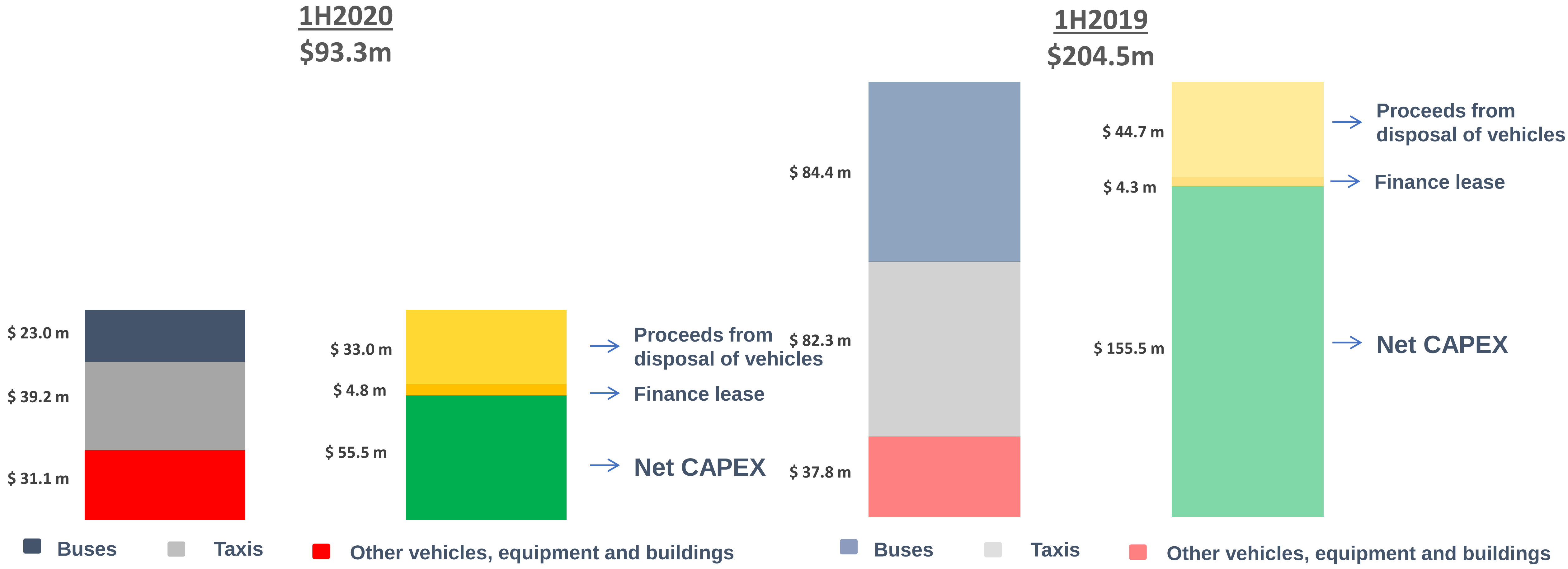
COMFORTDELGRO

Group Treasury Status

	Jun 20	Dec 19	Fav/(Adv)
Cash and short-term deposits	**$619.9m**	**$594.2m**	**$25.7m / 4.3%**
Borrowings + finance leases	($641.8m)	($634.2m)	($7.6m) / (1.2%)
Net Debt	**($21.9m)**	**($40.0m)**	**$18.1m / 45.3%**
Gross Gearing (gross debt / equity)	22.3%	21.1%	(1.2%) points
Net Gearing	0.8%	1.3%	0.5% points
Available facilities	**$697.5m**	**$710.6m**	**($13.1m) / (1.8%)**

- Net debt position as at 30 Jun 2020 ($21.9m) vs 31 Dec 2019 ($40.0m)
- The Group has available facilities of ~$700m in various currencies

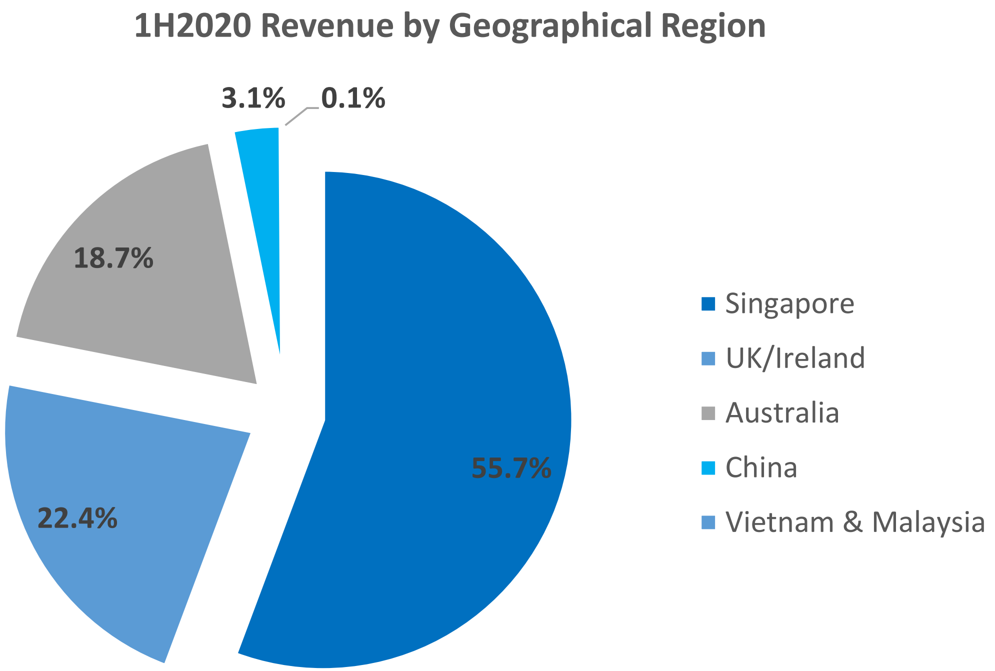
CAPEX Summary

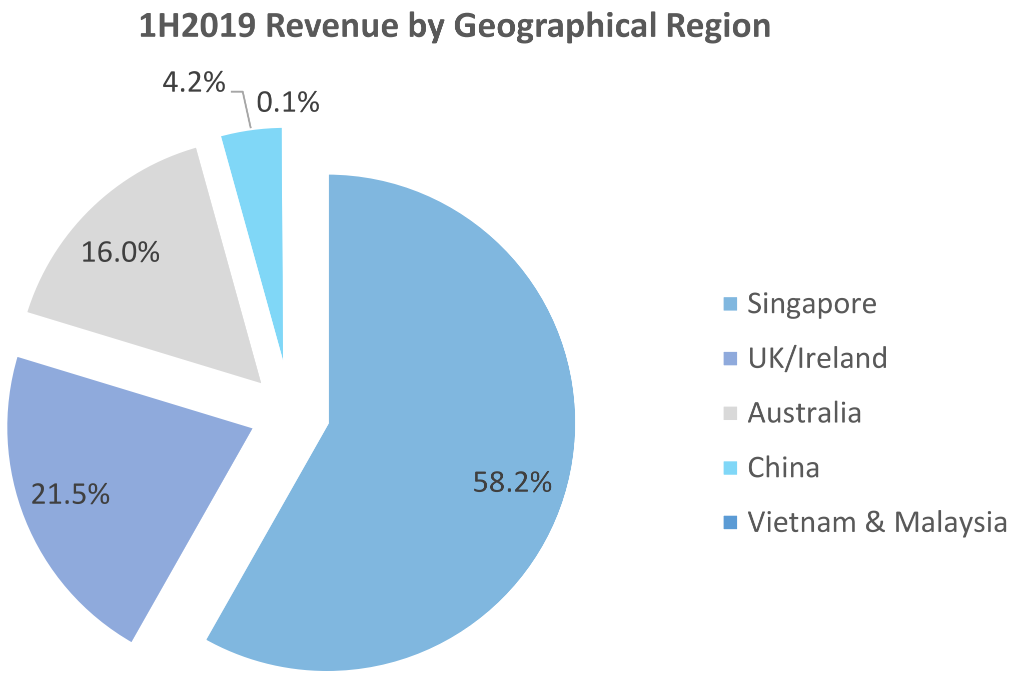


No new non-essential capital commitments are being made

- Taxi – SG taxi fleet renewal and replacement under hybrid vehicle programme committed in 2019 continued
- Buses – purchase of hybrid bus fleet in AU and UK for fleet replacement

Revenue by Geographical Region

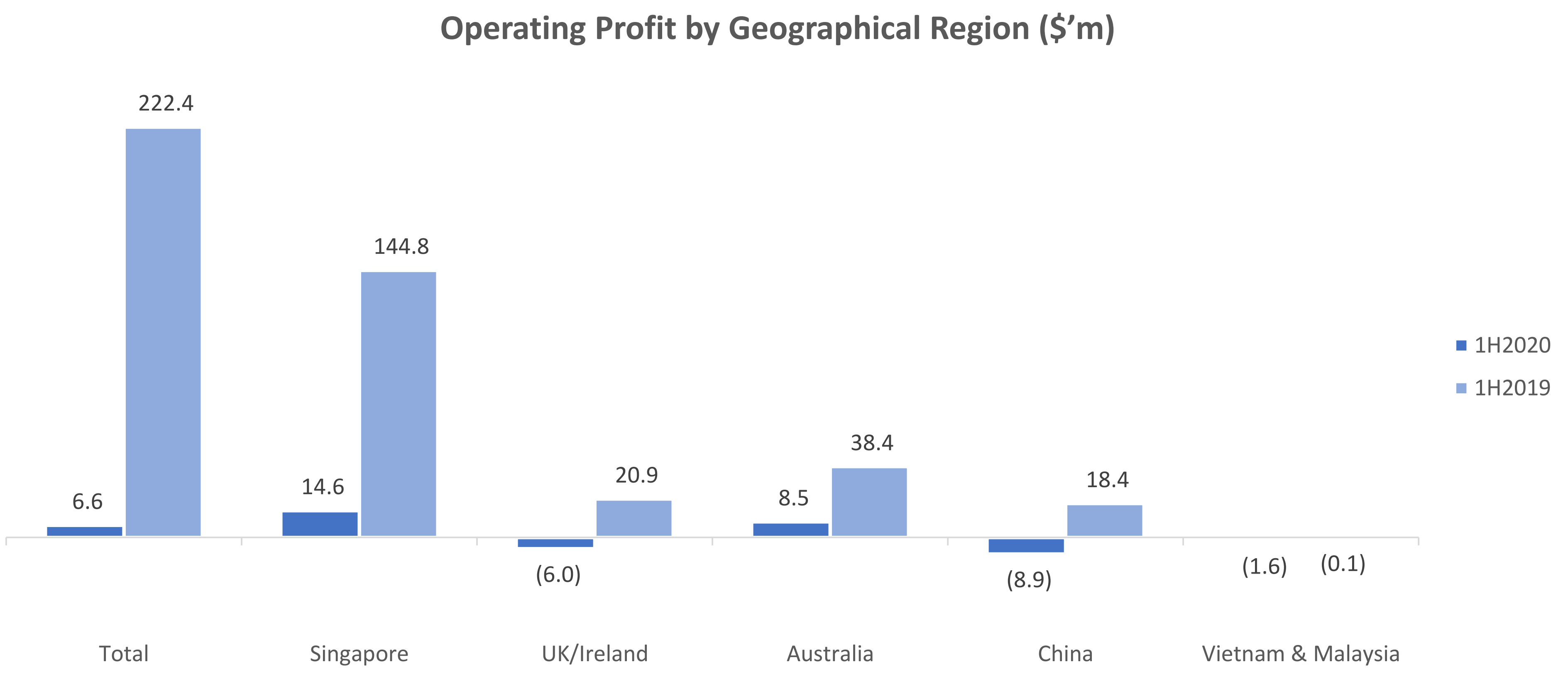




- 1H2020 overseas revenue contribution of 44.3% (1H2019 : 41.8%)

COMFORTDELGRO

Operating Profit by Region

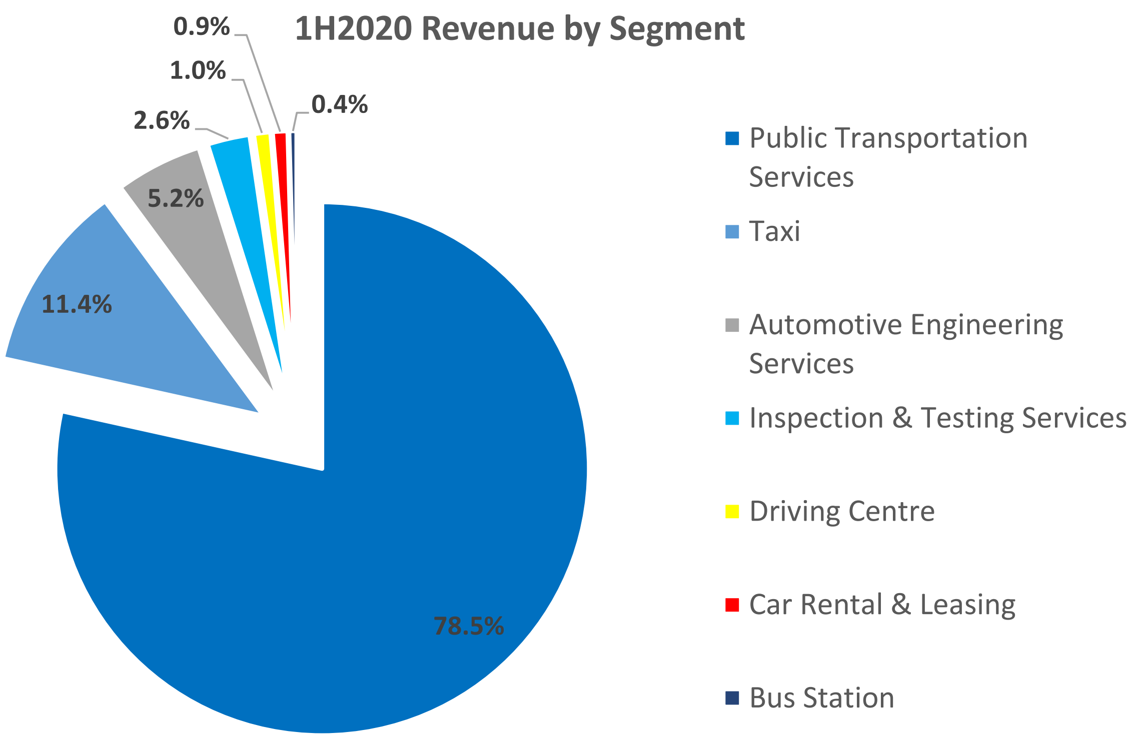


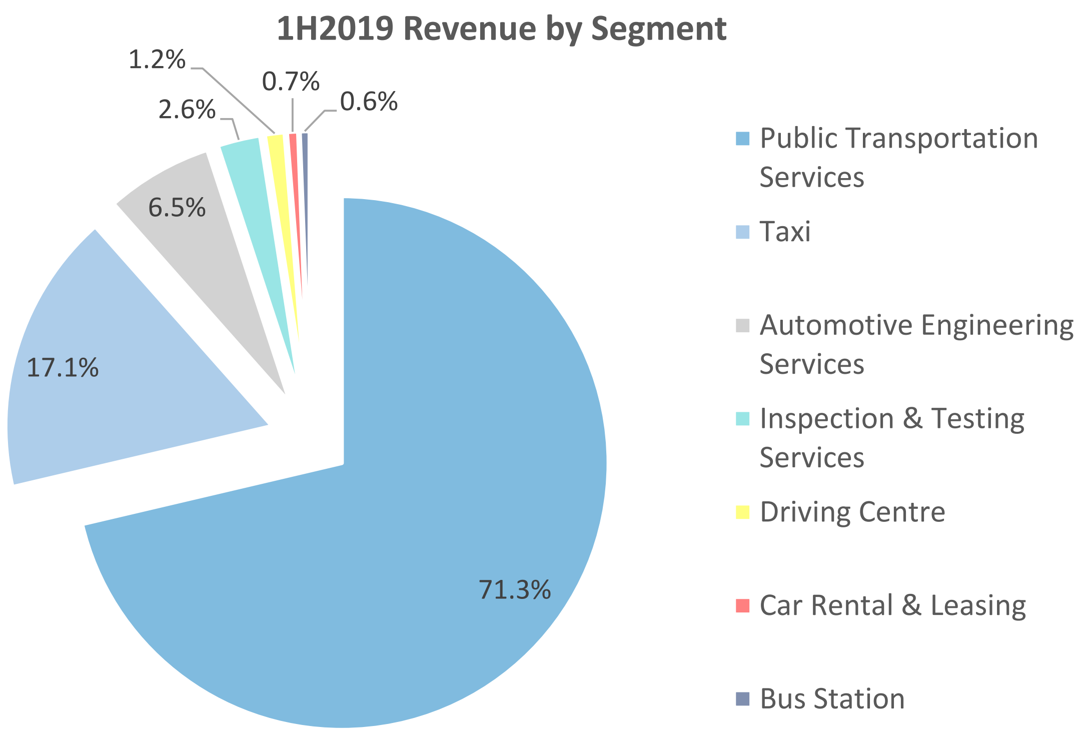
Financial Summary

- **Public transportation services and taxi down from COVID-19**
  - 1H2020 Group LATMI ($6.0m)
  - LATMI before government relief of ($66.1m)
- **Lockdowns in Singapore, Australia, UK and China significantly hurt 1HFY2020 business**
  - Impairments triggered, will continue to monitor and review as conditions develop
  - Current impairment provisions do not consider 2nd lockdowns or any significant deterioration of present situation
  - Current levels of Government relief will continue in the short term; long term relief remains to be seen
- **Strong Group Balance Sheet**
  - Small net debt position ($21.9m)
  - Net gearing 0.8%
- **Group continues to be cash generating**
  - 1H2020 Free Cash Flow $171.1m
    - EBITDA $246.8m – net capex ($55.5m) – tax ($23.6m) + net interest $3.4m
- **30 June 2020 cash and available facilities of >$1.3b**
  - Cash $0.6b
  - Available facilities $0.7b
- **No interim dividend declared due to net loss in 1H2020**
  - Final dividend to be reviewed end of FY2020

PERFORMANCE BY BUSINESS SEGMENT

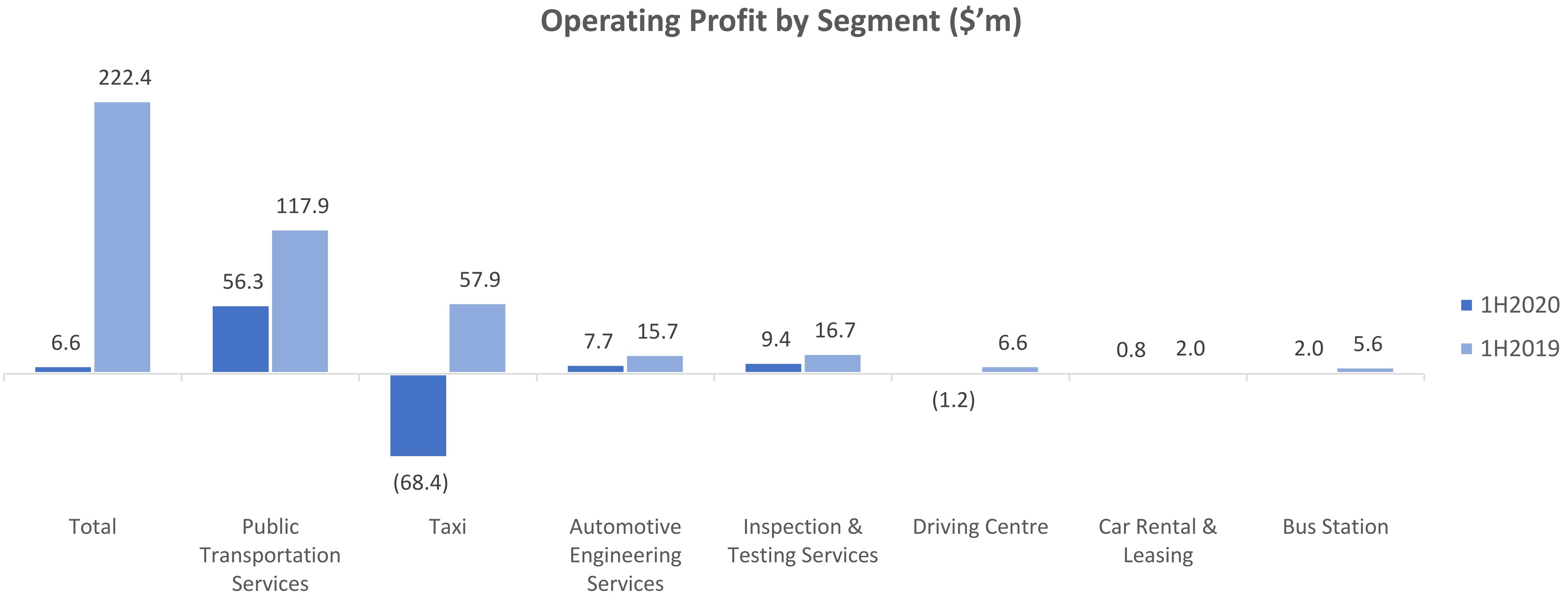
Revenue by Segment





- Public transportation services % increased due to reducing taxi revenues
- Taxi % decreased mainly due to COVID-19 rental waivers in China and Singapore

Operating Profit by Segment



- As with revenue, public transport services % increased due to reductions in taxi
- Taxi % decrease mainly due to COVID-19 impact in China and Singapore

Public Transport Services

- Revenue decreased by ($181.2m) or (12.9%)
  - Singapore – Ridership and schedules reduced drastically in Singapore during Circuit Breaker (CB) period, slowly recovering during phase 2 re-opening to around ~50% of January levels; lower service fees from fuel indexation
  - UK - weekend schedules running on public bus services, fewer routes compared to 2019
  - Australia – weaker A$ and some reduction in services due to COVID-19
- COVID-19 Government reliefs helped to partially mitigate lower revenues
- Fuel indexation revenue continues to be impacted by ongoing low oil prices from oversupply

$'m	1H2020	1H2019
Revenue	1,227.3	1,408.5
Operating Costs	(1,234.3)	(1,290.6)
	(7.0)	117.9
COVID-19 Government relief	63.3	-
Operating Profit	56.3	117.9

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Taxi

- Revenue decreased by ($159.6m) or (47.2%)
  - Smaller Singapore fleet, also impacted by COVID-19 relief schemes from Feb, including full rental waiver during CB period
  - China taxis rental reduced to virtually rent-free in response to COVID-19 lockdowns
  - UK continues to suffer from COVID-19 measures and Brexit impact on B2B segment persists, B2C/B2P segment landscape remains competitive especially in London
  - Australia faced extremely low demand during lockdown period
- Operating costs optimised but depreciation and maintenance costs are inelastic
- Impairment provisions recognised for Singapore and Vietnam assets and Australia goodwill as ongoing disruption challenges were exacerbated by COVID-19

$'m	1H2020	1H2019
Revenue	178.6	338.2
Operating Costs	(233.3)	(280.3)
	(54.7)	57.9
Impairment	(22.8)	-
	(77.5)	57.9
COVID-19 Government relief	9.1	-
Operating (Loss)/Profit	(68.4)	57.9

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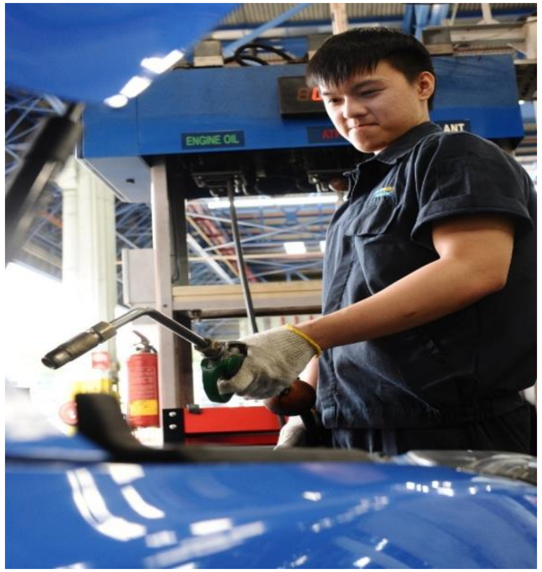
Automotive Engineering Services

- Revenue decreased by ($46.2m) or (36.0%) mainly due to smaller Singapore taxi fleet
- Operating profit margin softer due to lower business volumes
- Partial closure due to CB period, essential services continue at lower volumes

$’m	1H2020	1H2019
Revenue	82.1	128.3
Operating Costs	(77.0)	(112.6)
	5.1	15.7
COVID-19 Government relief	2.6	-
Operating Profit	7.7	15.7



Inspection & Testing Services

- Revenue decreased by ($11.3m) or (22.1%)
  - Reduction in activity levels during CB period especially for non-vehicle testing
- Impairment provision recognised for goodwill in inspection & testing business in China

$’m	1H2020	1H2019
Revenue	39.9	51.2
Operating Costs	(32.3)	(34.5)
	7.6	16.7
Impairment	(2.0)	-
	5.6	16.7
COVID-19 Government relief	3.8	-
Operating Profit	9.4	16.7

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Driving Centre

- Revenue decreased by ($8.0m) or (34.0%) due to full closure during CB period until 22 June as deemed a non-essential service
- Singapore business is recovering after re-opening, but China business continues to remain under pressure
- Impairment provision recognised for driving school assets in Chengdu, China

$'m	1H2020	1H2019
Revenue	15.5	23.5
Operating Costs	(14.7)	(16.9)
	0.8	6.6
Impairment	(4.8)	-
	(4.0)	6.6
COVID-19 Government relief	2.8	-
Operating (Loss)/Profit	(1.2)	6.6

COMFORTDELGRO

Car Rental & Leasing

- Revenue increased y-o-y due to larger fleet size, albeit at lower rental rates
- Operating profit reduced due to rental rate discounts
- COVID-19 continues to impact the rental and leasing business
- For Singapore, potentially significant impact in 2H2020 from
    - Upcoming deregulation / disruption
    - Repatriation cycles of expats for customers
- Impairment provision for China business assets

$'m	1H2020	1H2019
Revenue	13.9	13.3
Operating Costs	(12.2)	(11.3)
	1.7	2.0
Impairment	(1.2)	-
	0.5	-
COVID-19 Government relief	0.3	-
Operating Profit	0.8	2.0

COMFORTDELGRO

Bus Station

- Lower CN bus station revenue ($4.9m) or (41.9%)
  - Much lower activity levels in lockdown conditions
- Operating profit and margin reduced as a result
- Operations re-commenced in 2Q, albeit at lower activity levels due to ongoing travel restrictions

$'m	1H2020	1H2019
Revenue	6.8	11.7
Operating Costs	(5.2)	(6.1)
	1.6	5.6
COVID-19 Government relief	0.4	-
Operating Profit	2.0	5.6

COMFORTDELGRO

DIVIDEND PAYOUT AND SHAREHOLDER RETURN

Financial Year 2020 Dividend Payout

	FY2020 (cents)	FY2019 (cents)	Increase / (decrease)
Interim Dividend	-	4.50	(4.50) / NM
Dividend payout ratio	NA	66.6%	NM / NM
Dividend yield	NA	3.38%[a]	NM / NM

- No interim dividend declared for FY2020 due to net loss in 1H2020 and ongoing COVID-19 uncertainty
- The Company maintains its dividend policy to pay out 50% of PATMI
- 2020 Final dividend will be reviewed at the end of 2H2020

a) ComfortDelGro share price of $2.66 as at 28 Jun 2019

BUSINESS OUTLOOK

Business Outlook

- The full economic impact of COVID-19 is still unfolding, the scale and duration of which remains uncertain. Activity levels are recovering slowly during the gradual and cautious reopening post Circuit Breaker period in Singapore and lockdown in UK.
- However, the resurgence of COVID-19 cases, as experienced in some cities in China and Australia recently, that resulted in reinstatement of lockdown measures is likely to recur until a vaccine is available.
- Governments have provided significant temporary relief for the near-term but the sustainability of such reliefs is uncertain.
- The future Global economy post-COVID-19 will be different arising from socio-economic factors such as work from home arrangements and changes to supply chain management, while governments and financial markets focus on rebuilding and recovering from the pandemic.
- With the challenging outlook, revenues are expected to remain depressed and margins under pressure. The Group is monitoring the situation and adapting to the changing circumstances by ensuring its service levels are maintained while refining its internal cost structures and operational efficiencies.
- Notwithstanding the current uncertainties, 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.

THANK YOU

Appendix - Segments

(S$m)	1H2020 Revenue	1H20219 Revenue	1H2020 Operating Profit / (Loss)	1H2019 Operating Profit
Public Transportation Services	1,227.3	1,408.5	56.3	117.9
Taxi	178.6	338.2	(68.4)	57.9
Automotive Engineering Services	82.1	128.3	7.7	15.7
Inspection & Testing Services	39.9	51.2	9.4	16.7
Driving Centre	15.5	23.5	(1.2)	6.6
Car Rental & Leasing	13.9	13.3	0.8	2.0
Bus Station	6.8	11.7	2.0	5.6
Elimination[1]	(37.4)	(47.7)	-	-
Total	1,526.7	1,927.0	6.6	222.4

1. Elimination of inter-segment services