



2021 Financial Results Presentation

28 February 2022

COMFORTDELGRO

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Contents

- Review of Financial Results
- Business Outlook



REVIEW OF FINANCIAL RESULTS

Income Statement – 2021

	2H2021	2H2020 ¹	Fav/(Adv)	2021	2020 ¹	Fav/(Adv)
Revenue (\$'m)	1,795.8	1,708.9	86.9 / 5.1%	3,538.3	3,242.6	295.7 / 9.1%
Operating Costs (\$'m)	(1,499.2)	(1,349.5)	(149.7) / (11.1%)	(2,903.0)	(2,629.4)	(273.6) / (10.4%)
Depreciation and Amortisation (\$'m)	(195.8)	(220.2)	24.4 / 11.1%	(401.6)	(432.0)	30.4 / 7.0%
Operating Profit excl. non-recurring items ("OPE")	100.8	139.2	(38.4) / (27.6%)	233.7	181.2	52.5 / 29.0%
Net Gain/(Loss) on Disposal (\$'m)	(16.4)	(5.8)	(10.6) / (182.8%)	(14.7)	(11.2)	(3.5) / (31.3%)
Impairment (\$'m)	(9.0)	(17.5)	8.5 / 48.6%	(9.0)	(48.3)	39.3 / 81.4%
Operating Profit (\$'m)	75.4	115.9	(40.5) / (34.9%)	210.0	121.7	88.3 / 72.6%
Profit After Tax (\$'m)	52.4	90.7	(38.3) / (42.2%)	160.0	91.7	68.3 / 74.5%
Profit After Tax and MI (\$'m)	39.1	67.4	(28.3) / (42.0%)	130.1	60.8	69.3 / 114.0%
EBITDA (\$'m) ²	296.6	359.4	(62.8) / (17.5%)	635.3	613.2	22.1 / 3.6%

Operating Profit/(Loss) before COVID-19 Government relief (\$'m)	48.0	28.9	19.1 / 66.1%	125.4	(47.6)	173.0 / 363.4%
COVID-19 Government relief (\$'m)	27.4	87.0	(59.6) / (68.5%)	84.6	169.3	(84.7) / (50.0%)
Operating Profit after COVID-19 Government relief (\$'m)	75.4	115.9	(40.5) / (34.9%)	210.0	121.7	88.3 / 72.6%

OPE excl. Government Relief (\$'m)	73.4	52.2	21.2 / 40.6%	149.1	11.9	137.2 / 1,152.9%
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Income Statement – 2021

2H2021 vs 2H2020

- Revenue ↑\$86.9m or 5.1%
 - Excluding Government relief, Revenue ↑\$91.5m or 5.4% - Public Transport Services ↑\$100.4m; Taxi ↓(\$20.5m); Automotive Engineering Services ↑\$10.1m; Inspection & Testing ↑\$5.5m
 - Includes Government relief of \$9.9m (2020: \$14.5m)
 - Relief for unhired taxis, property tax and rental in Singapore – \$5.5m
 - Revenue support for charter bus businesses in the UK – \$4.1m
 - VAT exemption in China – \$0.3m
- Operating Costs ↑(\$149.8m) or (11.1%)
 - Excluding Government relief, Total Operating Costs ↑(\$94.8m) or (6.7%) - Public Transport Services ↑(\$83.5m); Taxi ↓\$6.6m; Automotive Engineering Services ↑(\$14.0m); Inspection & Testing ↑(\$4.0m)
 - Includes Government relief of \$17.5m (2020: \$72.5m)
 - Jobs Support Scheme and waiver of Foreign Worker Levy in Singapore – \$17.1m
 - Employee furlough scheme in the UK – \$0.4m
- Depreciation ↓\$24.4m or 11.1% – from tightly controlled CAPEX spending during the pandemic
- Net Loss on Disposal of (\$16.4m)
 - Mostly from loss on disposal of 241 diesel buses in Singapore Public Transport as part of Downtown Line transition to NRFF V2 agreement (\$15.8m)
- Impairment provisions of (\$9.0m) on various businesses
 - (i) Taxi businesses in Australia – (\$5.5m); (ii) Driving Centre businesses in China – (\$3.5m)

Income Statement – 2021

2021 vs 2020

- Revenue ↑\$295.7m or 9.1%
 - Excluding Government relief, Revenue ↑\$293.9m or 9.1% - Public Transport Services ↑\$232.7m; Taxi ↑\$27.6m; Inspection & Testing ↑\$14.8m; Automotive Engineering Services ↑\$12.4m; Driving Centre ↑\$11.1m
 - Includes Government relief of \$21.6m (2020: \$19.8m)
 - Revenue support for charter bus businesses in the UK – \$13.0m
 - Relief for unhired taxis, property tax and rental in Singapore – \$7.0m
 - VAT exemption in China – \$1.6m
- Operating Costs ↑(\$273.6m) or (10.4%)
 - Excluding Government relief, Total Operating Costs ↑(\$187.1m) or (6.7%) - Public Transport Services ↑(\$177.3m)
 - Includes Government relief of \$63.0m (2020: \$149.5m)
 - Jobs Support Scheme and waiver of Foreign Worker Levy in Singapore – \$59.3m
 - Employee furlough scheme in the UK – \$3.7m
- Depreciation ↓\$30.4m or 7.0% – from tightly controlled CAPEX spending during the pandemic
- Net Loss on Disposal of (\$14.7m)
 - Mostly from loss on disposal of 241 diesel buses in Singapore Public Transport as part of Downtown Line transition to NRFF V2 agreement (\$15.8m)
- Impairment provisions of (\$9.0m) on various businesses
 - (i) Taxi businesses in Australia – (\$5.5m); (ii) Driving Centre businesses in China – (\$3.5m)

Balance Sheet

	Dec 21	Dec 20 ¹	Fav/(Adv)
Cash and short-term deposits (\$'m)	919.1	742.8	176.3 / 23.7%
Other current assets (\$'m)	669.2	681.4	(12.2) / (1.8%)
Non-current assets (\$'m)	3,366.7	3,534.4	(167.7) / (4.7%)
Total Assets (\$'m)	4,955.0	4,958.6	(3.6) / (0.1%)
Current liabilities (\$'m)	990.1	1,012.5	22.4 / 2.2%
Non-current liabilities (\$'m)	828.6	877.4	48.8 / 5.6%
Total Liabilities (\$'m)	1,818.7	1,889.9	71.2 / 3.8%
Total Equity (\$'m)	3,136.3	3,068.7	67.6 / 2.2%
Net Asset Value per ordinary share (cents)	124.90	122.15	2.75 / 2.3%

- Decrease in non-current assets mainly due to depreciation partially offset by net capex
- Decrease in total liabilities mainly due to repayment of borrowings and lower Government relief in advance, partially offset by increase in trade and other payables
- Increase in total equity mainly due to profit for the period, partially offset by dividends paid

¹ 2020 has been restated due to a change in accounting policy

Cashflow

	2021 (\$'m)		2020 (\$'m)	
Cash from Operating Activities		732.2		632.2
<u>Utilisation of Cash:</u>				
Net CAPEX	(194.3)		(106.1)	
Dividends	(107.4)		(144.4)	
Tax	(67.0)		(82.7)	
Others	(12.7)		(3.0)	
Total Utilisation of Cash		(381.4)		(336.2)
Net Decrease in Borrowings		(174.5)		(147.4)
Net Cash Inflow		176.3		148.6

- 2021 Free Cash Flow (“FCF”) \$370.9m vs 2020 \$418.0m
 - 2021 FCF = EBITDA \$635.3m – net capex (\$194.9m) – tax (\$67.0m) – net interest (\$2.5m)
 - 2020 FCF = EBITDA \$613.2m – net capex (\$106.1m) – tax (\$82.7m) – net interest (\$6.4m)

Group Treasury Status

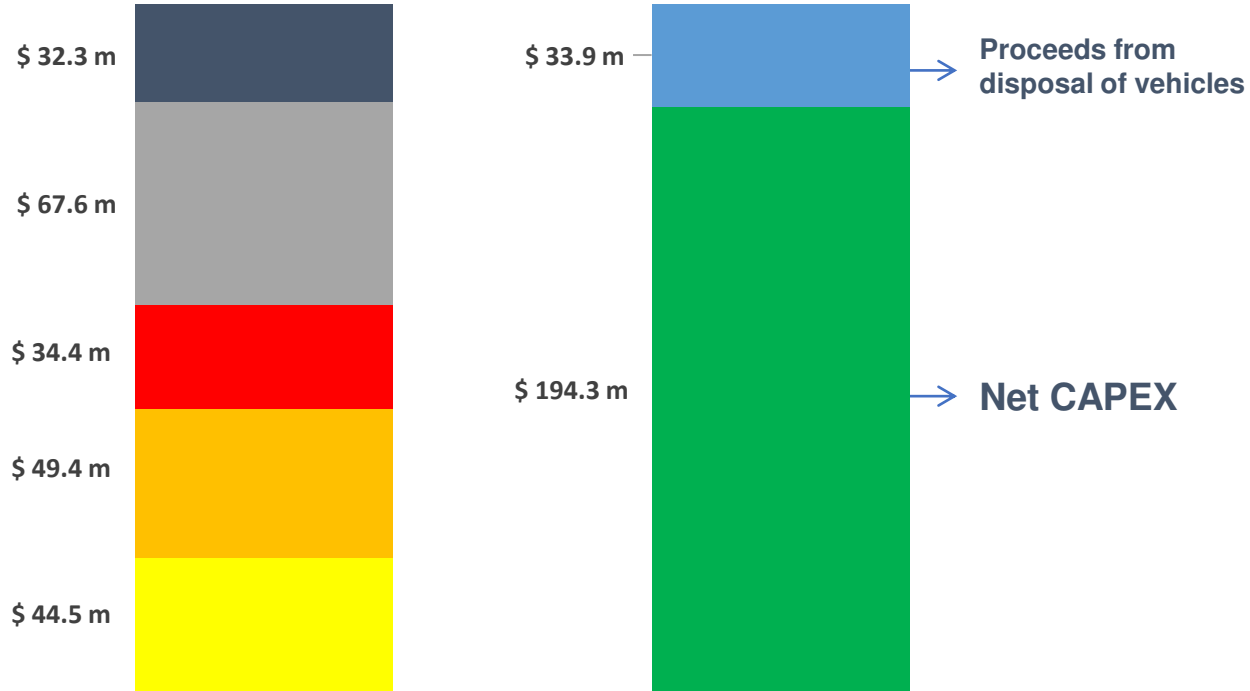
	Dec 21	Dec 20 ¹	Fav/(Adv)
Cash and short-term deposits	\$919.1m	\$742.8m	\$176.3m / 23.7%
Borrowings + finance leases	(\$399.3m)	(\$552.3m)	\$153.0m / 27.7%
Gross Gearing (gross debt / equity)	12.7%	18.0%	5.3% points
Committed facilities	\$225.0m	\$435.9m	(\$210.9m) / (48.4%)
Uncommitted facilities	\$544.7m	\$514.3m	\$30.4m / 5.9%
Total Available facilities	\$769.7m	\$950.2m	(\$180.5m) / (19.0%)

- Net cash position as at 31 Dec 2021 \$519.8m vs 31 Dec 2020 \$190.5m
 - Cash and short-term deposits increased from operating cashflows, net of 2020 final & 2021 interim dividends paid
 - Borrowings + finance leases decreased after scheduled repayments, other debts paid down where possible
- The Group has available facilities of ~\$770m in various currencies
 - Conscious effort to preserve facilities for risk management purposes

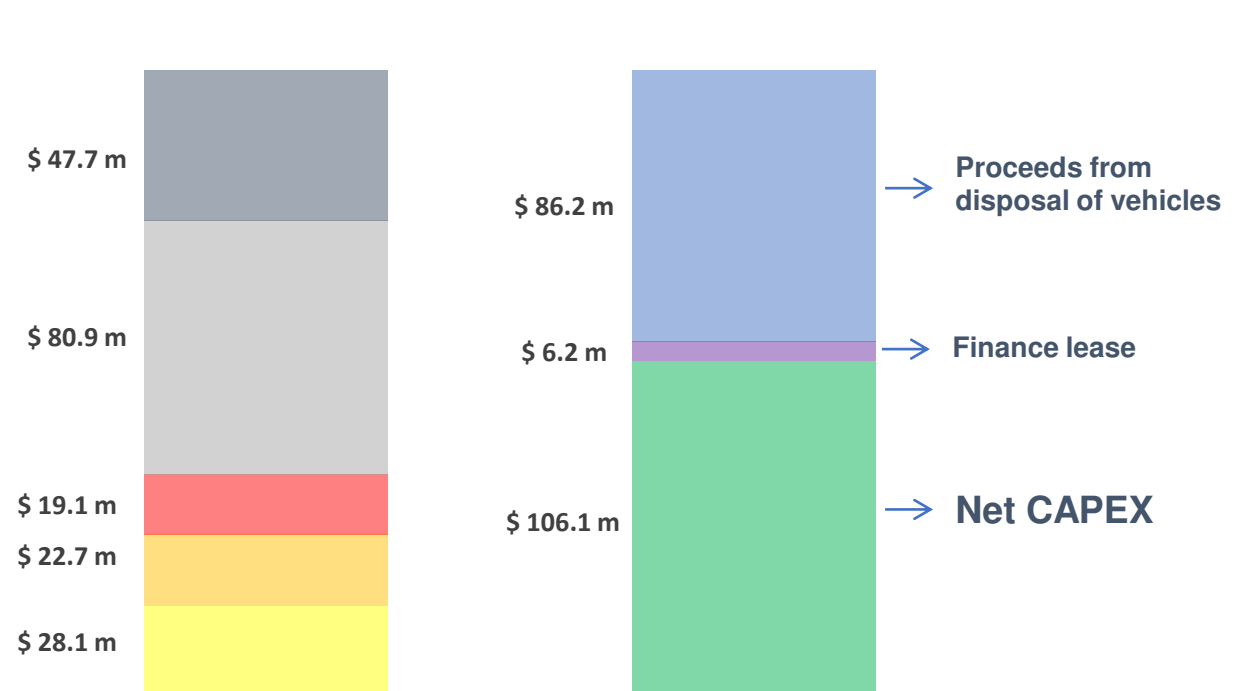
¹ 2020 has been restated due to a change in accounting policy

CAPEX Summary

2021
\$228.2m



2020
\$198.5m



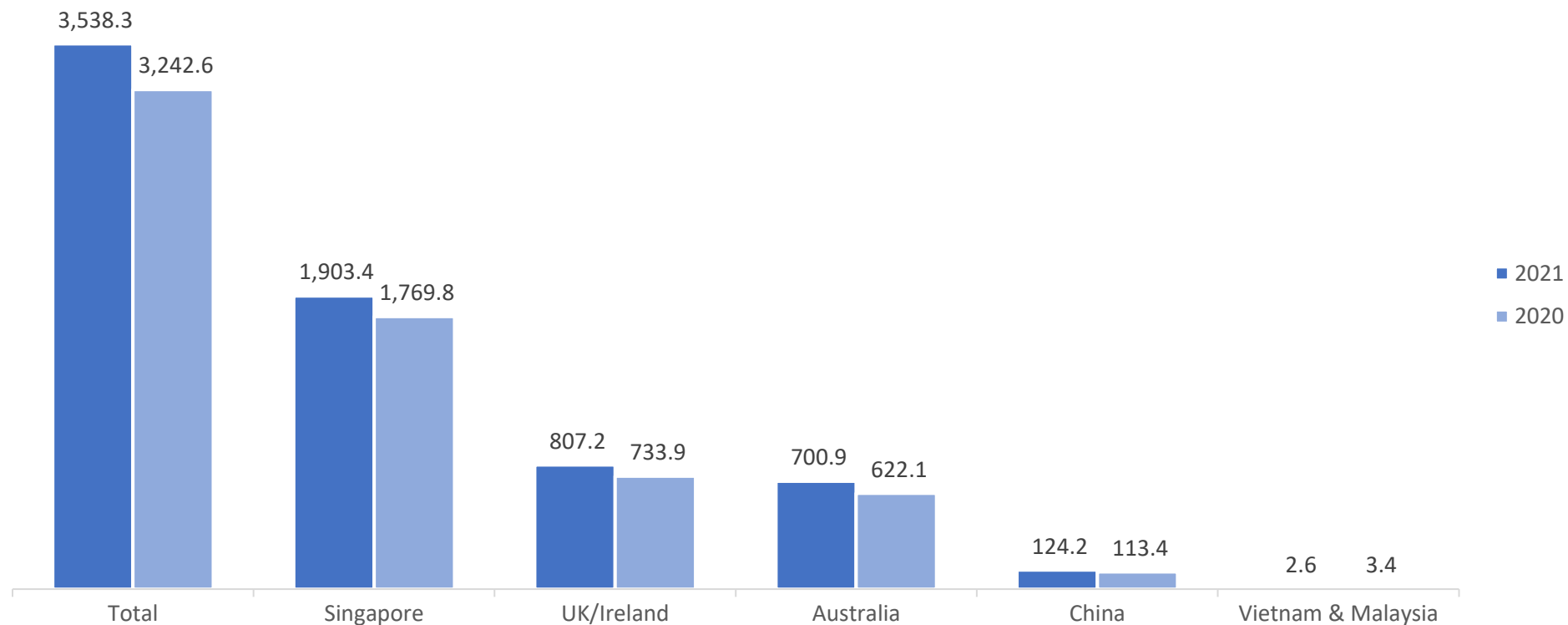
■ Buses
 ■ Taxis
 ■ Other vehicles
 ■ Land and buildings
 ■ Others

- Buses – purchase of hybrid bus fleet in AU for fleet replacement for transport authorities which are funded by contracts
- Taxi – SG taxi diesel to hybrid programme continued, further EV taxis purchased in China
- Other vehicles – new and replacement SG rental and driving school vehicles, non-emergency ambulances in SG and AU
- Land and buildings – new office building for SETSCO and depot/train station renovation works in SG/AU/UK

Page 11 Others includes equipment \$24.1m and Operational Technology \$18.7m

Revenue by Geographical Region

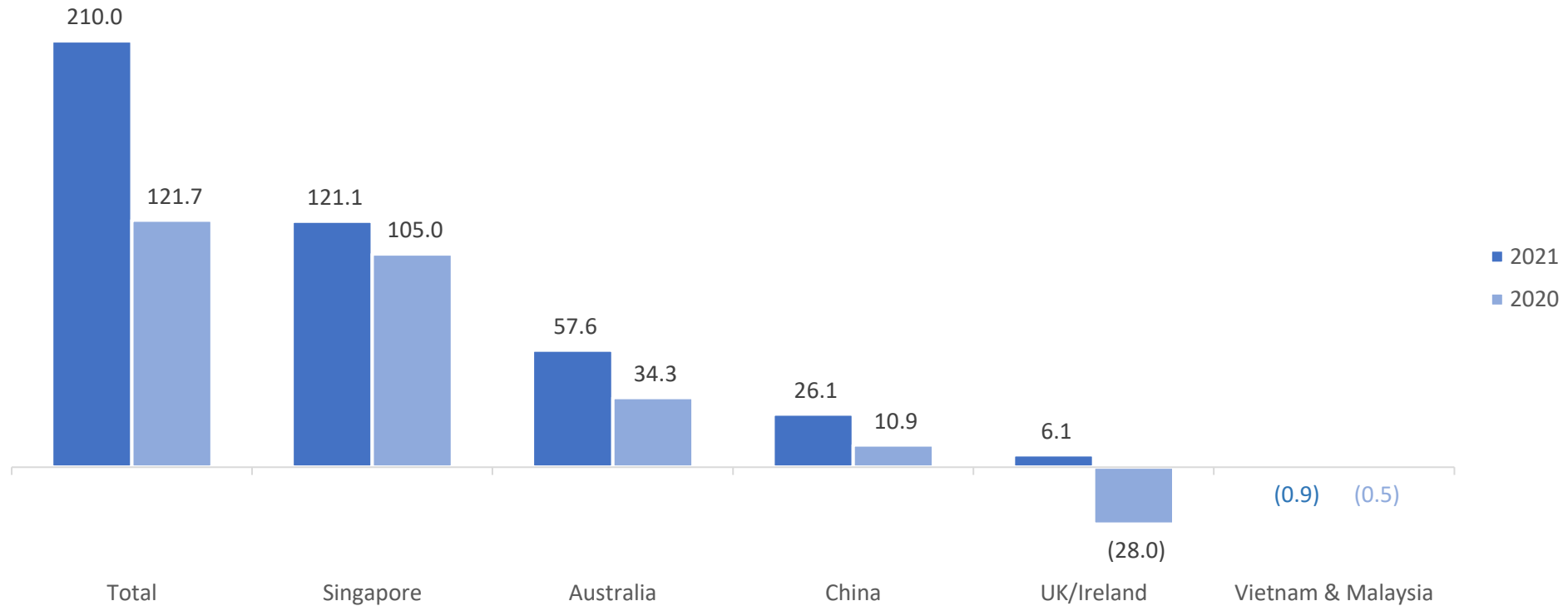
Revenue by Geographical Region (\$'m)



- 2021 overseas revenue contribution of 46.2% (2020 : 45.4%)

Operating Profit by Region

Operating Profit by Geographical Region (\$'m)



- Significant government reliefs in Singapore and China in 2020 cushioned COVID-19 impacts

Financial Summary

- **COVID-19**

- Vaccinations progressing well across major economies and nations
 - Fully vaccinated as of end Jan'22 – Singapore 85%; Australia 79%; UK 72%; China 87%
- Re-opening strategies continue, international travel resuming
- Spikes and mutations remain a worry

- **P&L – 2021 Group PATMI \$130.1m**

- Significant improvement on lockdown-hit 2020 as COVID-19 restrictions relaxed
- Government relief in 2021 of \$84.6m vs \$169.3m in 2020
- Revenue improved 9.1% year-on-year
- Operating Profit excl. non-recurring items and Government relief of \$149.1m vs \$11.9m in 2020

- **Balance Sheet**

- Balance sheet remains strong
- Free cash flows, cash and facilities adequate for business continuity and growth

BUSINESS OUTLOOK

Business Outlook

- The global recovery has taken root as more countries with high vaccination rates re-open their economies through a relaxation of restrictions and a cautious resumption of international travel. As the situation improves, many Government relief schemes, which had already been tapering off in 2021, have ended. Barring fresh outbreaks of any new viral strains, and subject to geopolitical conditions, the Group maintains a cautiously optimistic outlook for 2022.
- Public Transport Services revenues are expected to improve as rail ridership in Singapore, bus charter in Australia and coach services in the UK continue to recover with the relaxation of COVID-19 restrictions. The Group's New Zealand Rail joint-venture Auckland One Rail, also took over operations of the Auckland metro from January 2022. Higher operating costs resulting from inflation and rising energy prices will put margins under pressure, especially with the cessation of significant Government reliefs of recent years.
- Singapore Taxi revenues are expected to improve with the lowering of COVID-19 rental discounts. Driver earnings are expected to improve from the easing of restrictions and resumption of international travel. Taxi revenues in China are expected to remain stable as the country continues its gradual recovery under its "Zero-COVID" policy.
- Other business segments are expected to remain stable, with improved activity levels and earnings offset by anticipated inflation and higher fuel and electricity costs.
- With a strong balance sheet, the Group remains committed to its long-term strategy to strengthen its core, transform and build new capabilities in smart and green mobility, while looking for growth opportunities in overseas and adjacent segments.

THANK YOU

Appendix – Segments

(S\$m)	2021 Revenue	2020 Revenue ¹	2021 Operating Profit	2020 Operating Profit ¹
Public Transportation Services	2,822.2	2,582.6	130.7	124.1
Taxi	426.1	403.2	18.5	(64.4)
Automotive Engineering Services	174.4	163.4	10.7	18.1
Inspection & Testing Services	100.9	86.8	30.6	26.6
Driving Centre	52.3	41.3	14.9	8.6
Car Rental & Leasing	25.9	27.0	3.0	2.5
Bus Station	12.1	15.7	1.6	6.2
Elimination	(75.6)	(77.4)	-	-
Total	3,538.3	3,242.6	210.0	121.7

- Elimination relates to elimination of inter-segment services