

COMFORTDELGRO EXPANDS TAXI BUSINESS IN SHENYANG

5 February 2018 – ComfortDelGro Corporation Limited is acquiring 217 taxi licences and vehicles from Shenyang Tian Wen Taxi Co., Ltd, in a move which will grow its fleet in the capital of Liaoning Province by close to a-fifth to 1,503 taxis.

Costing RMB71.6 million (approximately S\$14.98 million), the acquisition will further reinforce the Group's position as the largest taxi operator in Shenyang.

ComfortDelGro Managing Director/Group CEO, Mr Yang Ban Seng, said: "In China, cities like Shenyang, have clear policies aimed at creating a level playing field for both the traditional taxi industry and the new private hire industry. Notwithstanding the ride-hailing competition, our taxi fleet is still fully hired out. Together with the strong regulatory environment, it gives us confidence to invest and expand our fleet. We believe that both taxis and private hire vehicles have their roles to play in providing mobility services in the City."

Since the Central Government issued its broad guidelines and regulations on the taxi and private hire industries in 2015, individual Provincial and City Governments like Shenyang have issued their own implementation regulations to ensure the peaceful and sustainable co-existence of both industries, with strict regulations governing all operators. These include measures which control the type, size and age of the vehicles, as well as the selection and training of drivers. For example, private hire vehicles must have engine capacities of at least 1,600cc while those in Shanghai must cost at least RMB140,000 (S\$29,300).

With strong policies in place, the Group's two taxi companies in Shenyang – Shenyang ComfortDelGro Taxi Co., Ltd and CityCab (Shenyang) Co., Ltd – and nearby Jilin City have been experiencing fully hired out fleets for several years now. We are also the leading taxi operator in Jilin City.

To meet the strong demand and to improve our service support to our taxi drivers in Jilin ComfortDelGro Taxi Co., Ltd, we are also investing in a new vehicle repair workshop in Jilin City. The 2,200 square metre facility, which is expected to cost RMB5.3 million (S\$1.1 million), will be used to service the Group's 729 Jilin taxi fleet as well as provide repair and maintenance services to third parties.

Background

ComfortDelGro is one of the world's largest land transport companies with a total fleet size of over 43,500 buses, taxis and rental vehicles. Headquartered in Singapore, the Group also has operations in China, the United Kingdom, Ireland, Australia, Vietnam and Malaysia. Currently, overseas ventures account for 44.8% of Group operating profit.

For further clarification, please call:

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