



# Business Update for 1Q2023

15 May 2023

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# Contents

- Business Update for 1Q2023
- Financial Update for 1Q2023
- Performance by Business Segments for 1Q2023



# BUSINESS UPDATE FOR 1Q2023

# Business Update

## Overall

- Cost challenges from inflation and manpower shortages remain
- Interest rates remain elevated, the Group retains its net cash position but continues to monitor
- Oil and gas prices lower but volatile due to Ukraine conflict / OPEC
- Countries treating COVID-19 as endemic

## Operating Geographies

- Singapore – signs of slowing economic growth
- Australia – driver shortages, new terms from successful re-tenders
- UK/Ireland – improving after a tumultuous 2022, recovery underway / progressing
- China – post-COVID reopening after most restrictions lifted in early-2023

# FINANCIAL UPDATE FOR 1Q2023

# Income Statement

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
<b>Revenue</b>	<b>887.5</b>	<b>955.8</b>	<b>960.3</b>	<b>977.2</b>	<b>906.4</b>
Operating Costs	(731.9)	(801.6)	(815.8)	(840.6)	(767.5)
Depreciation and Amortisation	(88.3)	(89.3)	(88.3)	(91.3)	(88.8)
<b>Operating Profit excl. non-recurring items ("OPE")</b>	<b>67.3</b>	<b>64.9</b>	<b>56.2</b>	<b>45.3</b>	<b>50.1</b>
Net Gain/(Loss) on Disposal	37.9	1.0	(0.2)	(2.4)	0.8
<b>Operating Profit</b>	<b>105.2</b>	<b>65.9</b>	<b>56.0</b>	<b>42.9</b>	<b>50.9</b>
<b>Profit After Tax</b>	<b>84.8</b>	<b>50.9</b>	<b>44.6</b>	<b>38.2</b>	<b>43.6</b>
<b>Profit After Tax and MI</b>	<b>76.1</b>	<b>39.2</b>	<b>32.3</b>	<b>25.5</b>	<b>32.8</b>

- 1Q2023 Operating Profit ↑\$8.0m or 18.6% vs 4Q2022
  - Public Transport Services recovery partially offset by taxi seasonality
  - 1Q2023 Revenue ↓(\$70.8m) or (7.2%); Operating Costs ↓\$73.1m or 8.7%
  - Mainly from Public Transport Services from seasonality, fuel indexation and FX impacts
- 1Q2023 Operating Profit ↓(\$54.3m) or (51.6%) vs 1Q2022
  - 1Q2022 includes exceptional gain on disposal of Alperton property in London of \$37.2m, before full impact of post-COVID inflation and Ukraine conflict
  - 1Q2023 Revenue ↑\$18.9m or 2.1%; Operating Costs ↑(\$36.0m) or (4.9%)
  - Mainly from inflationary cost pressures on Public Transport Services

# Balance Sheet

\$'m	Mar 23	Dec 22	Fav/(Adv)
Cash and short-term deposit	1,010.4	967.0	43.4 / 4.5%
Other current assets	694.7	677.7	17.0 / 2.5%
Non-current assets	3,003.1	3,056.1	(53.0) / (1.7%)
<b>Total Assets</b>	<b>4,708.2</b>	<b>4,700.8</b>	<b>7.4 / 0.2%</b>
Current liabilities	1,035.0	1,040.8	5.8 / 0.6%
Non-current liabilities	642.7	660.6	17.9 / 2.7%
<b>Total Liabilities</b>	<b>1,677.7</b>	<b>1,701.4</b>	<b>23.7 / 1.4%</b>
Share Capital	694.4	694.4	- / -
Retained Earnings	2,006.6	1,973.3	33.3 / 1.7%
Other equity reserves	329.5	331.7	(2.2) / (0.7%)
<b>Total Equity</b>	<b>3,030.5</b>	<b>2,999.4</b>	<b>31.1 / 1.0%</b>
<b>Net Asset Value per ordinary share (cents)</b>	<b>119.6</b>	<b>118.6</b>	<b>1.0 / 0.8%</b>

- Total assets remained stable with increase in cash and short term deposits and receivables mostly offset by depreciation for the period
- Decrease in total liabilities mainly due to repayment of borrowings and payments settled
- Increase in total equity mainly due to profit for the period



# Cashflow

\$'m	1Q2023		1Q2022 <sup>1</sup>	
<b>Cash from Operating Activities</b>		<b>136.7</b>		<b>146.7</b>
<u>Utilisation of Cash:</u>				
Net CAPEX	(47.1)		0.4*	
Tax	(12.8)		(9.8)	
Acquisitions	(1.0)		(11.4)	
Dividends to NCI of subsidiaries	-		(11.6)	
Others	(2.0)		(1.5)	
<b>Total Utilisation of Cash</b>		<b>(62.9)</b>		<b>(33.9)</b>
<b>Net Decrease in Borrowings</b>		<b>(28.8)</b>		<b>(19.7)</b>
<b>Net effect of exchange rate changes in consolidating subsidiaries</b>		<b>(1.6)</b>		<b>0.4</b>
<b>Net Cash Inflow</b>		<b>43.4</b>		<b>93.5</b>

\* Net of proceeds from disposal of Alperton property in London of \$44.8m

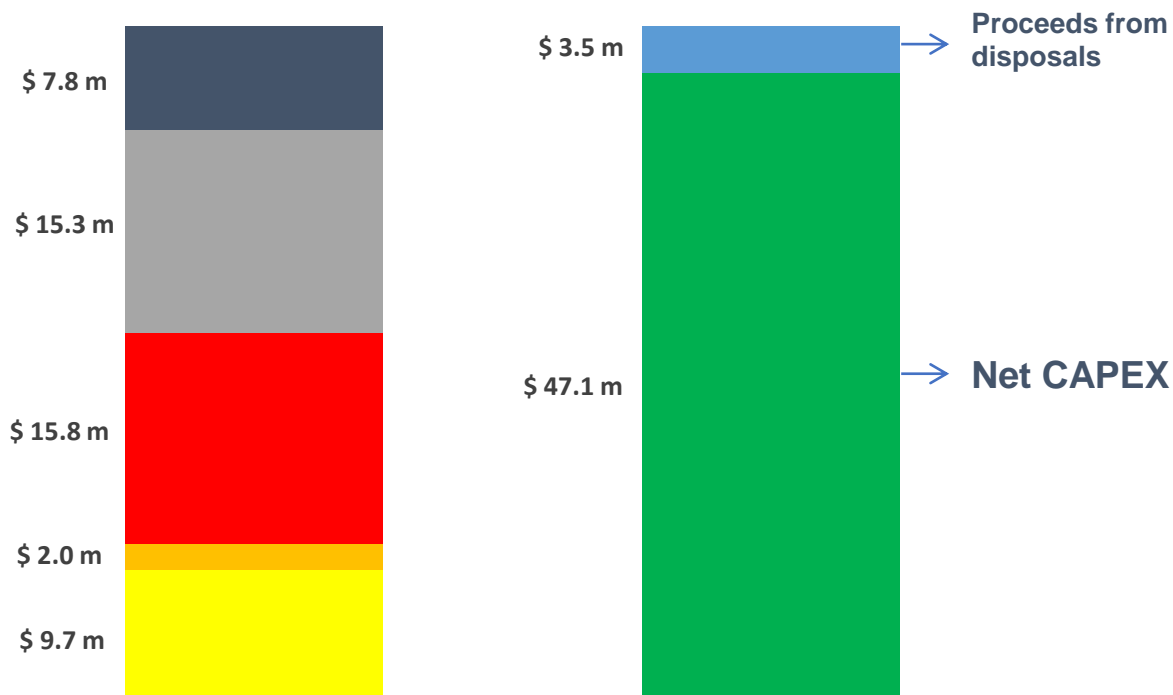
# Group Treasury Status

\$'m	Mar 23	Dec 22	Fav/(Adv)
<b>Cash and short-term deposits</b>	<b>1,010.4</b>	<b>967.0</b>	<b>43.4 / 4.5%</b>
Borrowings + finance leases	(295.9)	(313.6)	17.7 / 5.6%
Gross Gearing (gross debt / equity)	9.8%	10.5%	0.7% points
<b>Total Available facilities</b>	<b>775.0</b>	<b>775.4</b>	<b>(0.4) / (0.1%)</b>

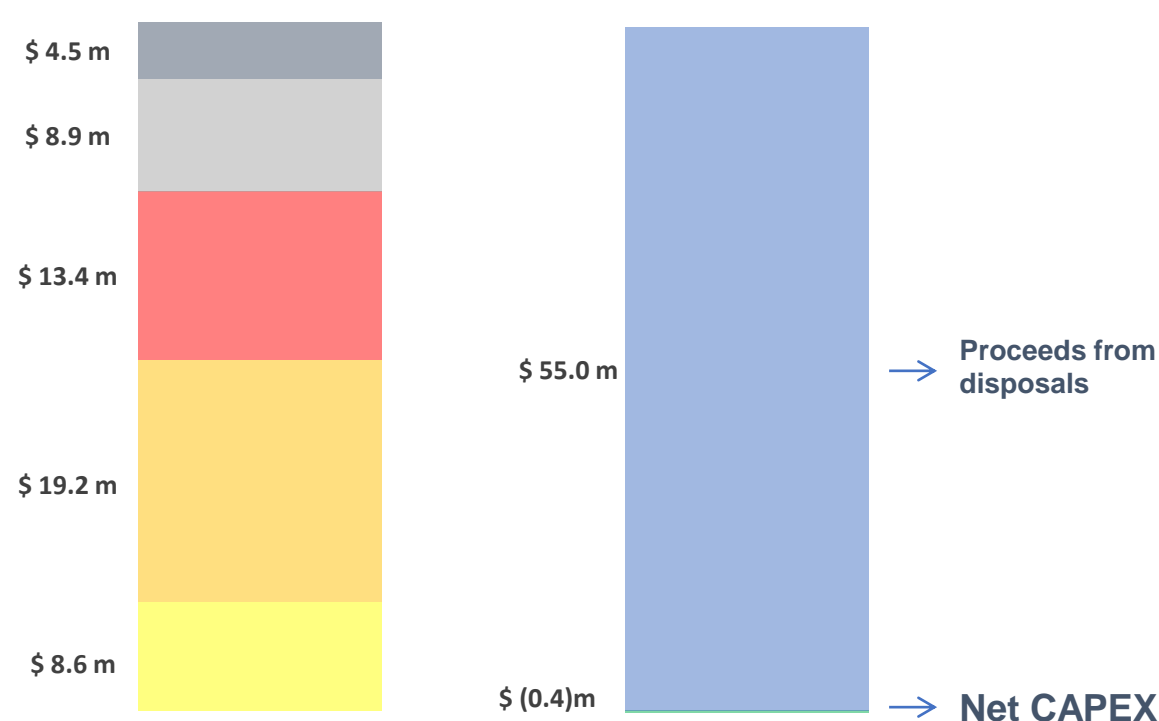
- Net cash position as at 31 Mar 2023 \$714.5m vs 31 Dec 2022 \$653.4m
  - Cash and short-term deposits increased from operating cashflows
  - 2022 final and special dividends totalling \$91.4m to be paid in 2Q2023
- The Group has available facilities of ~\$775m in various currencies
  - Conscious effort to preserve facilities for risk management purposes

# CAPEX Summary

**1Q2023**  
**\$50.6m**



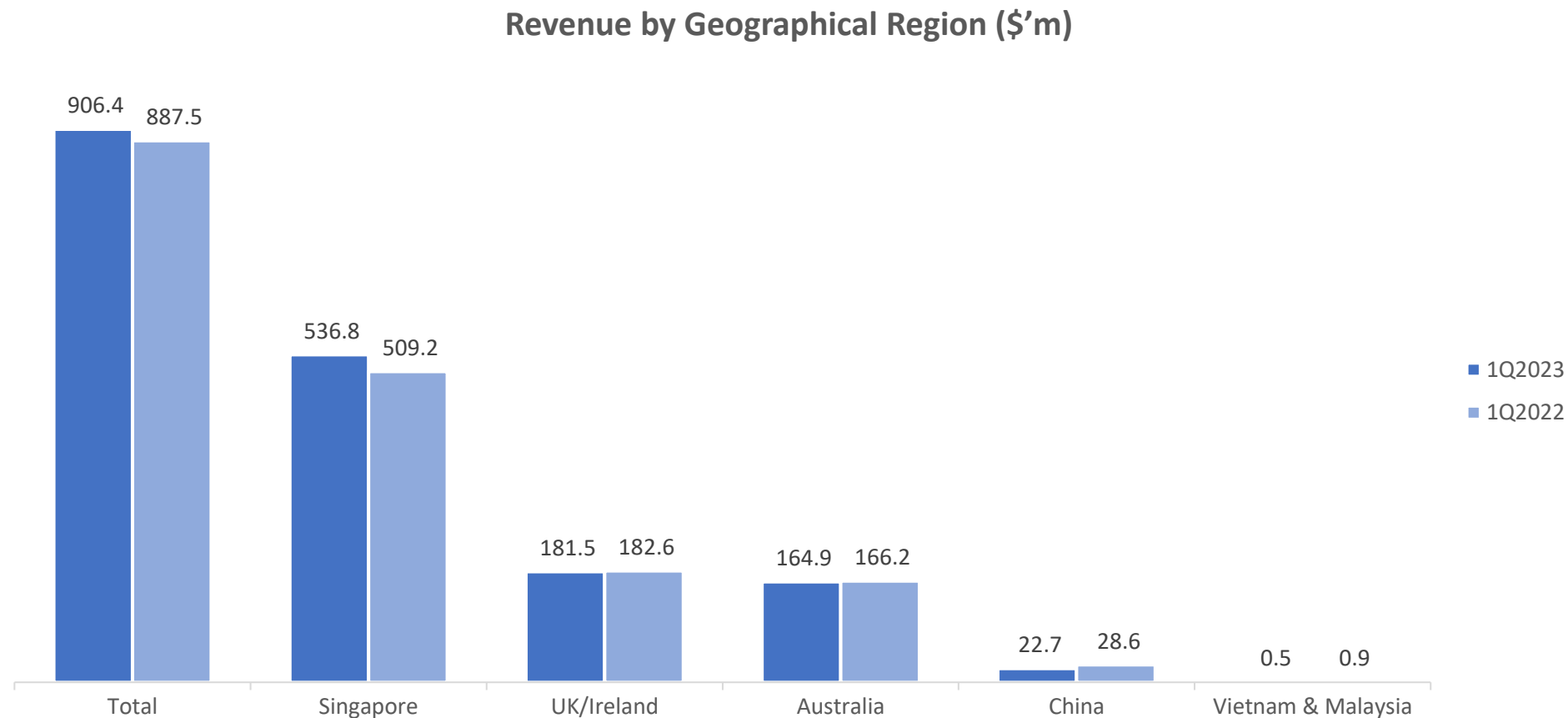
**1Q2022<sup>1</sup>**  
**\$54.6m**



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

- Buses – fleet replacement and bus accessories for transport authorities which are funded by contracts
- Taxi – SG taxi diesel to EV/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 – mainly relates to renovation and electrification upgrades for depots, 1Q2022 mainly relates to purchase of Athlon Road property in London to replace the disposed Alperton property
- Others includes equipment \$4.6m and Information/Operational Technology \$4.7m
- Proceeds from disposals – mainly proceeds disposal of vehicles, 1Q2022 mainly from sale proceeds of Alperton property \$44.8m

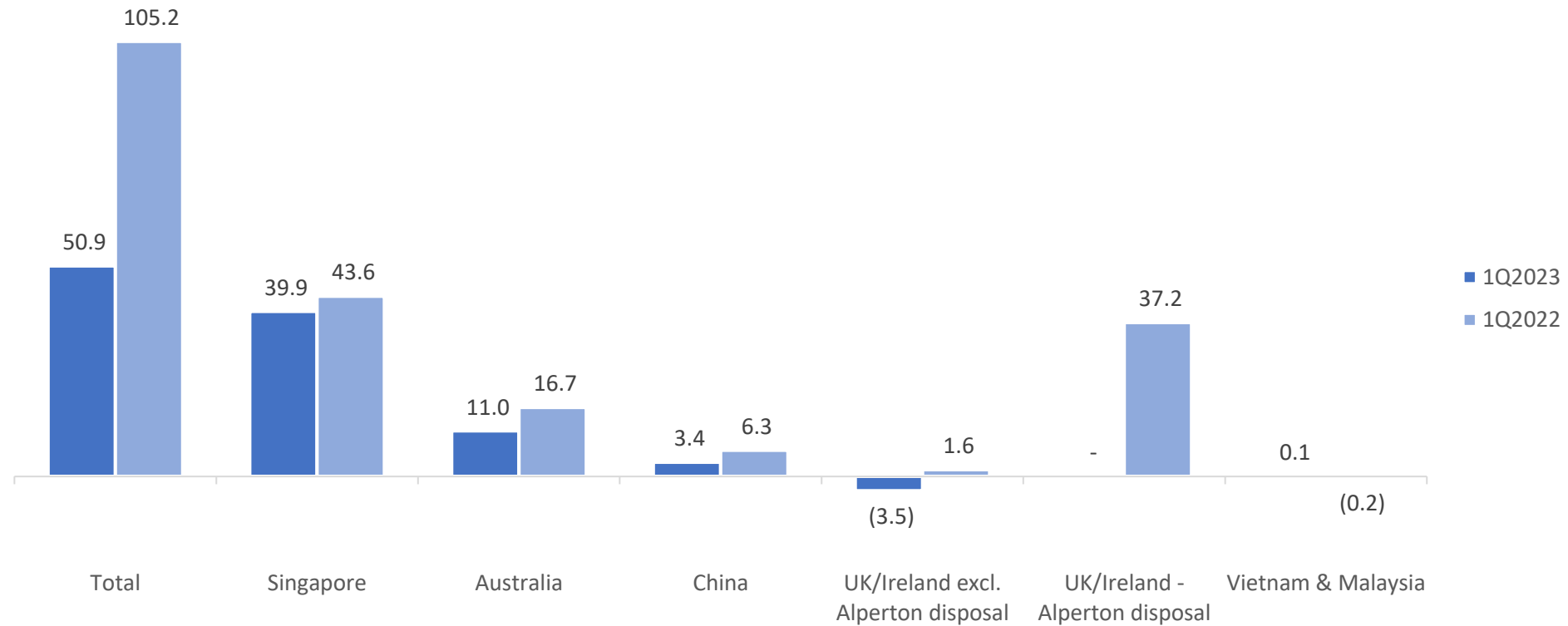
# Revenue by Geographical Region



- 1Q2023 overseas revenue contribution of 40.8% (1Q2022 : 42.7%)

# Operating Profit by Region

Operating Profit by Geographical Region (\$'m)



- 1Q2022 operating profits not affected by inflation / Ukraine conflict
  - Also benefitted from pent up demand after lifting of COVID-19 restrictions in Singapore and one-off exceptional gain on disposal of Alpertown property in London \$37.2m

# PERFORMANCE BY BUSINESS SEGMENT FOR 1Q2023

# Public Transport Services

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Revenue	703.6	765.9	763.3	781.1	714.3
Operating Costs	(663.8)	(725.6)	(739.1)	(769.3)	(693.1)
Operating Profit excl. non-recurring items ("OPE")	39.8	40.3	24.2	11.8	21.2
<i>OPE Margin %</i>	<i>5.7%</i>	<i>5.3%</i>	<i>3.2%</i>	<i>1.5%</i>	<i>3.0%</i>
Net Gain/(Loss) on Disposal	37.6	0.6	(0.1)	0.7	0.3
Operating Profit ("OP")	77.4	40.9	24.1	12.5	21.5

- 1Q2023 OPE ↑\$9.4m or 79.7% vs 4Q2022
  - Mainly due to improved margins in UK after driver pay deal back pay in 4Q2022
  - 1Q2023 Revenue ↓(\$66.8m) or (8.6%); Operating Costs ↓\$76.2m or 9.9%
  - Mainly from seasonality, fuel indexation and FX impacts
- 1Q2023 OPE ↓(\$18.6m) or (46.7%) vs 1Q2022
  - 1Q2023 Revenue ↑\$10.7m or 1.5%
    - Improved rail ridership and fare increase offset by;
    - Contract renewals in Australia at lower margins
    - Lower Singapore Bus margins on 5 bus packages as part of DTL settlement
  - Operating Costs ↑(\$29.3m) or (4.4%) due driver shortages, increased wages and inflation

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Revenue	106.3	105.0	112.3	114.2	109.4
Operating Costs	(94.6)	(95.3)	(95.9)	(97.2)	(96.7)
Operating Profit excl. non-recurring items ("OPE")	11.7	9.7	16.4	17.0	12.7
<i>OPE Margin %</i>	<i>11.0%</i>	<i>9.2%</i>	<i>14.6%</i>	<i>14.8%</i>	<i>11.6%</i>
Net Gain/(Loss) on Disposal	(0.1)	(0.1)	(0.4)	(2.1)	(0.1)
Operating Profit ("OP")	11.6	9.6	16.0	14.9	12.6

- 1Q2023 OPE ↓(\$4.2m) or (24.9%) vs 4Q2022
  - 1Q2023 Revenue ↓(\$4.8m) or (4.2%); Operating Costs ↓\$0.6m or 0.6%
  - Mainly due to seasonality and lower Singapore job volumes (1Q2023 ~8m vs 4Q2022 ~9m)
- 1Q2023 OPE ↑\$1.0m or 8.5% vs 1Q2022
  - 1Q2023 Revenue ↑\$3.1m or 2.9%
    - Taxi trip commissions in Singapore introduced May 2022, partially offset by lower utilisation levels in China
  - Operating Costs ↑(\$2.1m) or (2.2%)
    - Higher operating costs due to inflation and increased IT costs



# Automotive Engineering Services

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Revenue	46.5	53.6	51.8	50.5	47.0
Operating Costs	(44.4)	(51.0)	(49.3)	(47.2)	(44.8)
Operating Profit excl. non-recurring items ("OPE")	2.1	2.6	2.5	3.3	2.2
<i>OPE Margin %</i>	4.5%	4.9%	4.8%	6.5%	4.7%
Net Gain/(Loss) on Disposal	-	-	-	-	0.1
Operating Profit ("OP")	2.1	2.6	2.5	3.3	2.3

- 1Q2023 OPE ↓(\$1.1m) or (33.3%) vs 4Q2022
  - 1Q2023 Revenue ↓(\$3.5m) or (6.9%); Operating Costs ↓\$2.4m or 5.1%
  - Mainly due to fuel sales as pump price adjustments lagged oil price increases
- 1Q2023 OPE ↑\$0.1m or 4.8% vs 1Q2022
  - 1Q2023 Revenue ↑\$0.5m or 1.1%; Operating Costs ↑(\$0.4m) or (0.9%)

# Inspection & Testing Services

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Revenue	26.0	27.3	27.4	27.6	27.7
Operating Costs	(18.0)	(18.8)	(19.2)	(18.9)	(19.6)
Operating Profit excl. non-recurring items ("OPE")	8.0	8.5	8.2	8.7	8.1
<i>OPE Margin %</i>	<i>30.8%</i>	<i>31.1%</i>	<i>29.9%</i>	<i>31.5%</i>	<i>29.2%</i>
Net Gain/(Loss) on Disposal	-	-	-	(0.8)	-
Operating Profit ("OP")	8.0	8.5	8.2	7.9	8.1

- 1Q2023 OPE ↓(\$0.6m) or (6.9%) vs 4Q2022
  - 1Q2023 Revenue ↑\$0.1m or 0.4%; Operating Costs ↑(\$0.7m) or (3.7%)
  - Mainly due to inflationary cost pressures
- 1Q2023 OPE ↑\$0.1m or 1.3% vs 1Q2022
  - 1Q2023 Revenue ↑\$1.7m or 6.5%; Operating Costs ↑(\$1.6m) or (8.9%)

# Driving Centre

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Revenue	13.3	13.0	13.3	12.9	13.2
Operating Costs	(8.6)	(8.8)	(8.3)	(8.1)	(8.1)
Operating Profit excl. non-recurring items ("OPE")	4.7	4.2	5.0	4.8	5.1
<i>OPE Margin %</i>	35.3%	32.3%	37.6%	38.0%	38.6%
Net Gain/(Loss) on Disposal	0.1	-	-	-	-
Operating Profit ("OP")	4.8	4.2	5.0	4.8	5.1

- 1Q2023 OPE ↑\$0.2m or 4.1% vs 4Q2022
  - 1Q2023 Revenue ↑\$0.3m or 2.3%; Operating Costs ↑(\$0.1m) or (1.3%)
- 1Q2023 OPE ↑\$0.4m or 8.5% vs 1Q2022
  - 1Q2023 Revenue ↓(\$0.1m) or (0.8%); Operating Costs ↓\$0.5m or 5.8%

# Car Rental & Leasing

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Revenue	7.2	8.0	9.2	10.4	11.7
Operating Costs	(6.7)	(7.6)	(8.7)	(9.8)	(10.8)
Operating Profit excl. non-recurring items ("OPE")	0.5	0.4	0.5	0.6	0.9
<i>OPE Margin %</i>	6.9%	5.0%	5.4%	5.8%	7.7%
Net Gain/(Loss) on Disposal	0.3	0.5	0.3	0.1	0.5
Operating Profit ("OP")	0.8	0.9	0.8	0.7	1.4

- 1Q2023 OPE ↑\$0.3m or 50.0% vs 4Q2022
  - 1Q2023 Revenue ↑\$1.3m or 12.5%; Operating Costs ↑(\$1.0m) or (10.2%)
  - Increased PHV fleet and increased rental rates
- 1Q2023 OPE ↑\$0.4m or 80.0% vs 1Q2022
  - 1Q2023 Revenue ↓(\$0.1m) or (0.8%); Operating Costs ↓\$0.5m or 5.8%
  - Increased PHV fleet and increased rental rates

# Bus Station

\$'m	1Q2022	2Q2022	3Q2022	4Q2022	1Q2023
Revenue	2.7	1.5	2.3	1.2	1.9
Operating Costs	(2.2)	(2.3)	(2.9)	(2.1)	(2.0)
Operating Profit excl. non-recurring items ("OPE")	0.5	(0.8)	(0.6)	(0.9)	(0.1)
<i>OPE Margin %</i>	18.5%	-53.3%	-26.1%	-75.0%	-5.3%
Net Gain/(Loss) on Disposal	-	-	-	(0.3)	-
Operating Profit ("OP")	0.5	(0.8)	(0.6)	(1.2)	(0.1)

- 1Q2023 OPE ↑\$0.8m or 88.9% vs 4Q2022
  - 1Q2023 Revenue ↑\$0.7m or 58.3%; Operating Costs ↓\$0.1m or 4.8%
  - COVID-19 restrictions lifted in early 2023
- 1Q2023 OPE ↓(\$0.6m) or (120.0%) vs 1Q2022
  - 1Q2023 Revenue ↓(\$0.8m) or (29.6%); Operating Costs ↓\$0.2m or 9.1%

# Financial Summary

- **P&L – 1Q2023 Group PATMI \$32.8m**

- Operating Profit excl. non-recurring items of \$50.1m in 1Q2023 vs \$45.3m in 4Q2022
  - Improvements in Public Transport Services after exceptional cost items in 4Q2022
- Operating Profit excl. non-recurring items of \$50.1m in 1Q2023 vs \$67.3m in 1Q2022
  - Mainly due to Public Transport Services
    - Improved rail ridership and fare increase offset by;
    - Contract renewals in Australia at lower margins
    - Lower Singapore Bus margins on 5 bus packages as part of DTL settlement

- **Balance Sheet**

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

THANK YOU

# Appendix – Segments

\$m	1Q2023 Revenue	1Q2022 Revenue	1Q2023 Operating Profit	1Q2022 Operating Profit
Public Transport Services	714.3	703.6	21.5	77.4
Taxi	109.4	106.3	12.6	11.6
Automotive Engineering Services	47.0	46.5	2.3	2.1
Inspection & Testing Services	27.7	26.0	8.1	8.0
Driving Centre	13.2	13.3	5.1	4.8
Car Rental & Leasing	11.7	7.2	1.4	0.8
Bus Station	1.9	2.7	(0.1)	0.5
Elimination	(18.8)	(18.1)	-	-
<b>Total</b>	<b>906.4</b>	<b>887.5</b>	<b>50.9</b>	<b>105.2</b>

- Elimination relates to elimination of inter-segment services