



# Business Update for 3Q2023

14 November 2023

**COMFORTDELGRO**

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# Contents

- Executive Summary
- Financial Update for 3Q2023
- Performance by Business Segment for 3Q2023



# EXECUTIVE SUMMARY

# Executive Summary

## Strong 3Q2023 financial performance, extends the continuing recovery YTD Sep2023

### 3Q2023 Financial Highlights

- Revenue \$996.6m, ↑3.8% from 3Q2022/\$960.3m
  - Up 4.3% from 2Q2023/\$955.9m
- PATMI \$49.9m, ↑54.5% from 3Q2022/\$32.3m
  - Up 9.2% from 2Q2023/\$45.7m
- PATMI margin 5.0%, vs 3.4% in 3Q2022
  - 2Q2023 PATMI margin 4.8%

### YTD Sep'23 Financial Highlights

- Revenue of \$2.86b, ↑2.0% from YTD Sep'22
- PATMI \$128.4m, ↑9.6% from normalised\* YTD Sep'22
  - \*1Q2022 included one-off \$30.5m disposal gain
- PATMI margin 4.5%, vs 4.2% for normalised\* YTD Sep'22

# Key Business Updates

- **Public Transport** improved
  - UK renewals & indexation continue to improve margin
- **Taxi & Private Hire** demand remains high, but competition is increasing
  - Platform fees introduced on Zig app from July 2023
  - Singapore taxi fleet size holding firm, market share slightly increased
  - China post-COVID re-opening continues, lower rental discounts given and fleet size increased
- **Recent Developments**
  - CDG Engie partnership with Yinson GreenTech, adding 400 EV chargers in Malaysia
  - CDG Ventures invests US\$2m in Drive lah, will supply ≤3,000 vehicles to Drive mate in Australia
  - SBST retained Bukit Merah bus package, to operate 8 out of 14 packages from September 2024

# FINANCIAL UPDATE FOR 3Q2023

# Income Statement

| \$'m  | 3Q2023       | 2Q2023       | 1Q2023       | 4Q2022       | 3Q2022 <sup>1</sup> | 2Q2022 <sup>1</sup> | 1Q2022 <sup>1</sup> |
|---|--------------|--------------|--------------|--------------|---------------------|---------------------|---------------------|
| <b>Revenue</b>  | <b>996.6</b> | <b>955.9</b> | <b>906.4</b> | <b>977.2</b> | <b>960.3</b>        | <b>955.8</b>        | <b>887.5</b>        |
| Operating Costs   | (833.4)      | (798.8)      | (767.5)      | (840.6)      | (815.8)             | (801.6)             | (731.9)             |
| Depreciation and Amortisation                             | (89.6)       | (91.8)       | (88.8)       | (91.3)       | (88.3)              | (89.3)              | (88.3)              |
| <b>Operating Profit excl. non-recurring items ("OPE")</b> | <b>73.6</b>  | <b>65.3</b>  | <b>50.1</b>  | <b>45.3</b>  | <b>56.2</b>         | <b>64.9</b>         | <b>67.3</b>         |
| Net Gain/(Loss) on Disposal                               | 1.8          | 1.0          | 0.8          | (2.4)        | (0.2)               | 1.0                 | 37.9                |
| <b>Operating Profit</b>                                   | <b>75.4</b>  | <b>66.3</b>  | <b>50.9</b>  | <b>42.9</b>  | <b>56.0</b>         | <b>65.9</b>         | <b>105.2</b>        |
| Net Interest Income/(Expense)                             | 1.5          | 2.6          | 3.0          | 2.3          | 0.5                 | (0.3)               | (0.6)               |
| Share of Results of Associates and Joint Ventures         | 0.4          | 0.6          | 0.3          | 0.2          | 0.1                 | 0.2                 | 0.3                 |
| <b>Profit Before Tax</b>                                  | <b>77.3</b>  | <b>69.5</b>  | <b>54.2</b>  | <b>45.4</b>  | <b>56.6</b>         | <b>65.8</b>         | <b>104.9</b>        |
| <b>Profit After Tax</b>                                   | <b>62.1</b>  | <b>56.4</b>  | <b>43.6</b>  | <b>38.2</b>  | <b>44.6</b>         | <b>50.9</b>         | <b>84.8</b>         |
| <b>Profit After Tax and MI</b>                            | <b>49.9</b>  | <b>45.7</b>  | <b>32.8</b>  | <b>25.5</b>  | <b>32.3</b>         | <b>39.2</b>         | <b>76.1</b>         |

- **3Q2023 PATMI ↑9.2% vs 2Q2023**

- Public Transport Services improvement mainly due to UK indexation and higher margin contract renewals, partially offset by revised contract margins in Australia
- Taxi/PHV mainly due to newly introduced Singapore platform fees and lower rental discounts in China
- Other Private Transport segment generally stable except for Singapore private bus which remains challenged with ongoing driver shortages and elevated costs
- Singapore driving school, media and expenses timing contributed to improvements in Other segments



# Income Statement

| \$'m  | YTD Sep'23     | YTD Sep'22 <sup>1</sup> |
|---|----------------|-------------------------|
| <b>Revenue</b>  | <b>2,858.9</b> | <b>2,803.6</b>          |
| Operating Costs   | (2,399.7)      | (2,349.3)               |
| Depreciation and Amortisation                             | (270.2)        | (265.9)                 |
| <b>Operating Profit excl. non-recurring items ("OPE")</b> | <b>189.0</b>   | <b>188.4</b>            |
| Net Gain/(Loss) on Disposal                               | 3.6            | 38.7                    |
| <b>Operating Profit</b>                                   | <b>192.6</b>   | <b>227.1</b>            |
| Net Interest Income/(Expense)                             | 7.1            | (0.4)                   |
| Share of Results of Associates and Joint Ventures         | 1.3            | 0.6                     |
| <b>Profit Before Tax</b>                                  | <b>201.0</b>   | <b>227.3</b>            |
| <b>Profit After Tax</b>                                   | <b>162.1</b>   | <b>180.3</b>            |
| <b>Profit After Tax and MI</b>                            | <b>128.4</b>   | <b>147.6</b>            |

- **Normalised PATMI ↑\$11.3m or 9.6% vs YTD Sep'22**
  - YTD Sep'23 Revenue ↑\$55.3m or 2.0%; Operating Costs ↑(\$50.5m) or (2.1%)
  - Mainly from Public Transport Services and Taxi/PHV recovery
  - Net interest income ↑\$7.5m from higher deposit rates
- YTD Sep'23 PATMI ↓(\$19.2m) or (13.0%) vs YTD Sep'22
  - YTD Sep'22 includes exceptional gain on disposal of Alpertons property in London of \$30.5m – distributed in full as special dividend

# Balance Sheet

| \$'m  | Sep 23         | Dec 22 <sup>1</sup> | Fav/(Adv)              |
|---|----------------|---------------------|------------------------|
| Cash and short-term deposit                       | 849.9          | 967.0               | (117.1) / (12.1%)      |
| Other current assets                              | 726.4          | 677.7               | 48.7 / 7.2%            |
| Non-current assets                                | 3,052.4        | 3,056.9             | (4.5) / (0.1%)         |
| <b>Total Assets</b>                               | <b>4,628.7</b> | <b>4,701.6</b>      | <b>(72.9) / (1.6%)</b> |
| Current liabilities                               | 990.2          | 1,040.8             | 50.6 / 4.9%            |
| Non-current liabilities                           | 691.6          | 656.1               | (35.5) / (5.4%)        |
| <b>Total Liabilities</b>                          | <b>1,681.8</b> | <b>1,696.9</b>      | <b>15.1 / 0.9%</b>     |
| Share Capital                                     | 694.4          | 694.4               | - / -                  |
| Retained Earnings                                 | 1,952.4        | 1,977.6             | (25.2) / (1.3%)        |
| Other equity reserves                             | 300.1          | 332.7               | (32.6) / (9.8%)        |
| <b>Total Equity</b>                               | <b>2,946.9</b> | <b>3,004.7</b>      | <b>(57.8) / (1.9%)</b> |
| <b>Net Asset Value per ordinary share (cents)</b> | <b>116.8</b>   | <b>118.8</b>        | <b>(2.0) / (1.7%)</b>  |

- Decrease in total assets mainly due to decrease in cash and short-term deposits after dividend payments
- Decrease in total liabilities mainly due to payments settled, partially offset by lease renewals and deferred grants
- Decrease in total equity mainly due to:
  - 2022 final and special dividends, and 2023 interim dividends, offset by profit for the period
  - FX reserve movements due to the strength of S\$ against both A\$ and £

# Cashflow

| \$'m   | 3Q2023 |                | YTD Sep'23 |                |
|--|--------|----------------|------------|----------------|
| <b>Cash from Operating Activities</b>                                    |        | <b>141.0</b>   |            | <b>403.0</b>   |
| <u>Utilisation of Cash:</u>  |        |                |            |                |
| Net CAPEX  | (61.2) |                | (213.3)    |                |
| Dividends  | (79.1) |                | (197.0)    |                |
| Tax  | (32.4) |                | (79.8)     |                |
| Acquisitions   | (0.6)  |                | (13.6)     |                |
| Others   | (4.7)  |                | (11.2)     |                |
| <b>Total Utilisation of Cash</b>   |        | <b>(178.0)</b> |            | <b>(514.9)</b> |
| <b>Net Increase/(Decrease) in Borrowings</b>                             |        | <b>12.0</b>    |            | <b>0.7</b>     |
| <b>Net effect of exchange rate changes in consolidating subsidiaries</b> |        | <b>(2.1)</b>   |            | <b>(5.9)</b>   |
| <b>Net Cash (Outflow)/Inflow</b>   |        | <b>(27.1)</b>  |            | <b>(117.1)</b> |

- 3Q2023 net cash outflow of \$27.1m – mainly due to 2023 interim dividends and net capex; offset by cash from operations
- YTD Sep'23 net cash outflow of \$117.1m – mainly due to 2022 final and special dividends, 2023 interim dividends, net capex and tax; offset by cash from operations

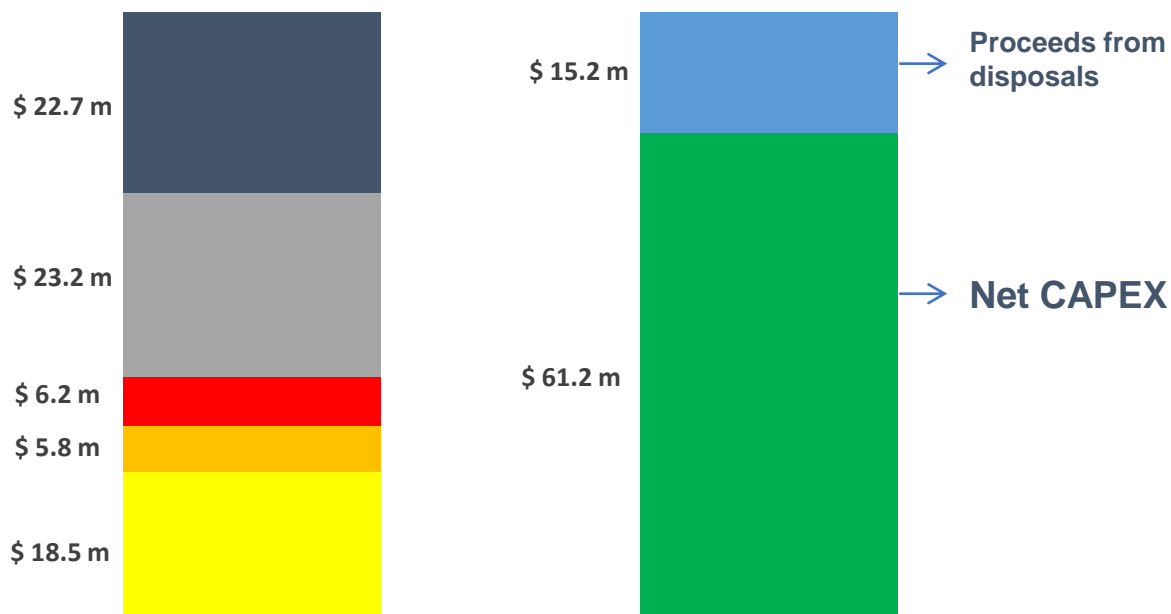
# Group Treasury Status

| \$'m                                       | Sep 23       | Dec 22       | Fav/(Adv)                |
|--|--------------|--------------|--------------------------|
| <b>Cash and short-term deposits</b>        | <b>849.9</b> | <b>967.0</b> | <b>(117.1) / (12.1%)</b> |
|  |              |              |                          |
| Borrowings + finance leases                | (349.6)      | (313.6)      | (36.0) / (11.5%)         |
| <b>Net Cash</b>                            | <b>500.3</b> | <b>653.4</b> | <b>(153.1) / (23.4%)</b> |
|  |              |              |                          |
| <b>Gross Gearing (gross debt / equity)</b> | <b>11.9%</b> | <b>10.5%</b> | <b>(1.4%) points</b>     |
| Total Available facilities                 | 702.5        | 775.4        | (72.9) / (9.4%)          |

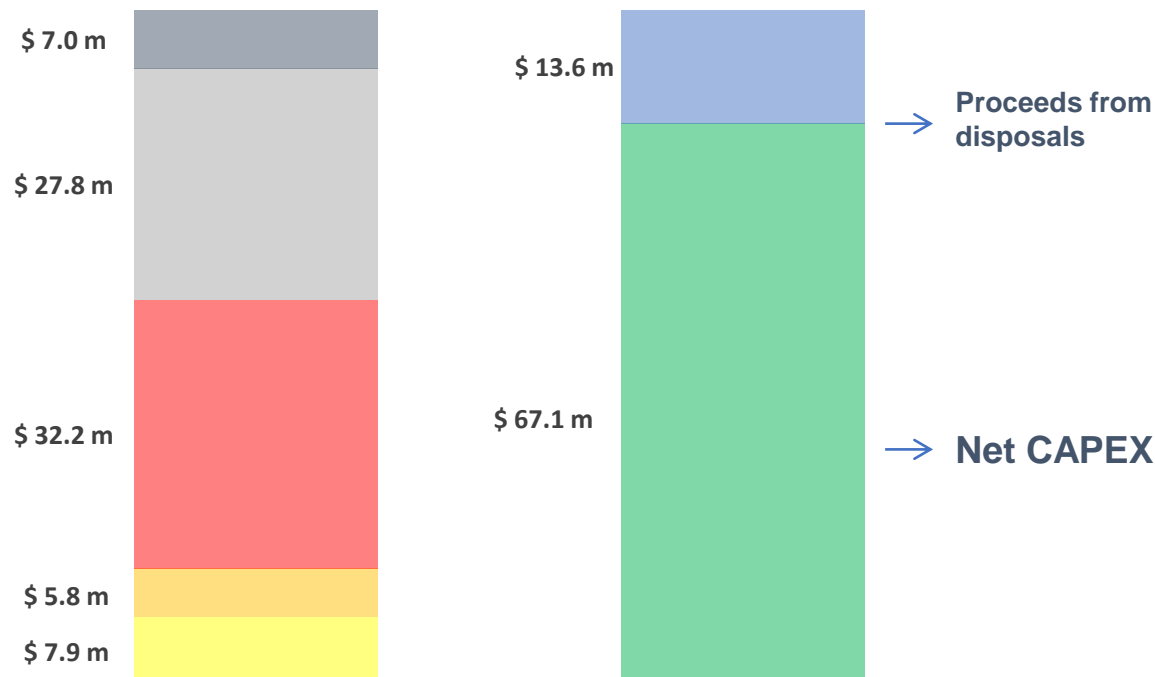
- Net cash position as at 30 Sep 2023 \$500.3m vs 31 Dec 2022 \$653.4m
  - 2022 final and special dividends totalling \$91.4m paid in 2Q2023
  - 2023 interim dividends totalling \$62.8m paid in 3Q2023

# CAPEX Summary – 3Q2023

**3Q2023**  
**\$76.4m**



**3Q2022<sup>1</sup>**  
**\$80.7m**



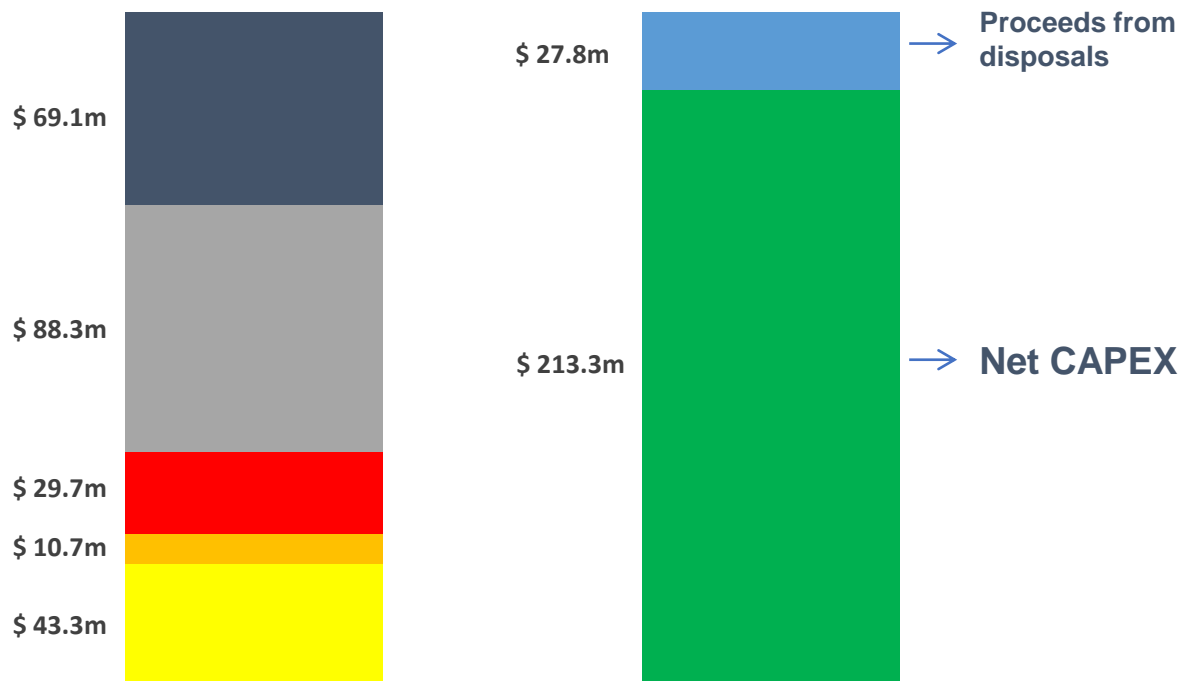
■ Buses   
 ■ Taxis   
 ■ Other vehicles   
 ■ Land and buildings   
 ■ Others

- Buses – fleet replacement and bus accessories for transport authorities which are funded by contracts. Includes ~23 EV buses in UK and SG
- Taxi – SG taxi diesel to EV/hybrid programme continued with ~100 conversions, further ~500 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
- Others includes equipment \$9.7m and Information/Operational Technology \$8.2m
- Proceeds from disposals – mainly proceeds disposal of vehicles

# CAPEX Summary – YTD Sep'23

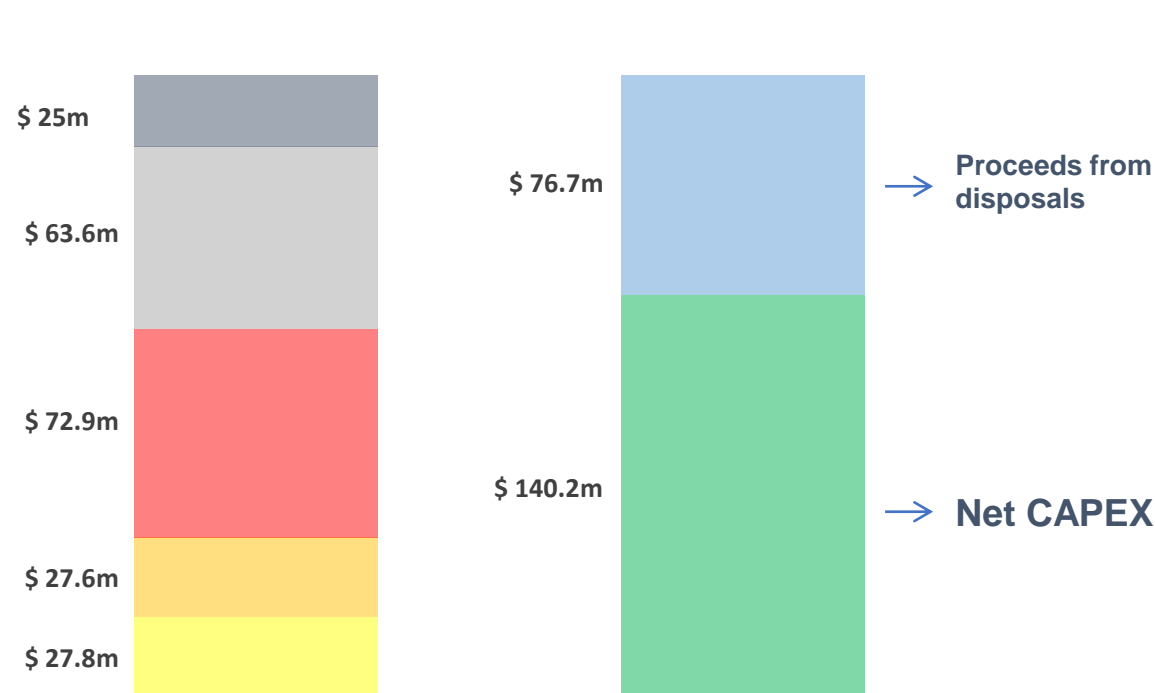
**YTD Sep'23**

**\$241.1m**



**YTD Sep'22<sup>1</sup>**

**\$216.9m**

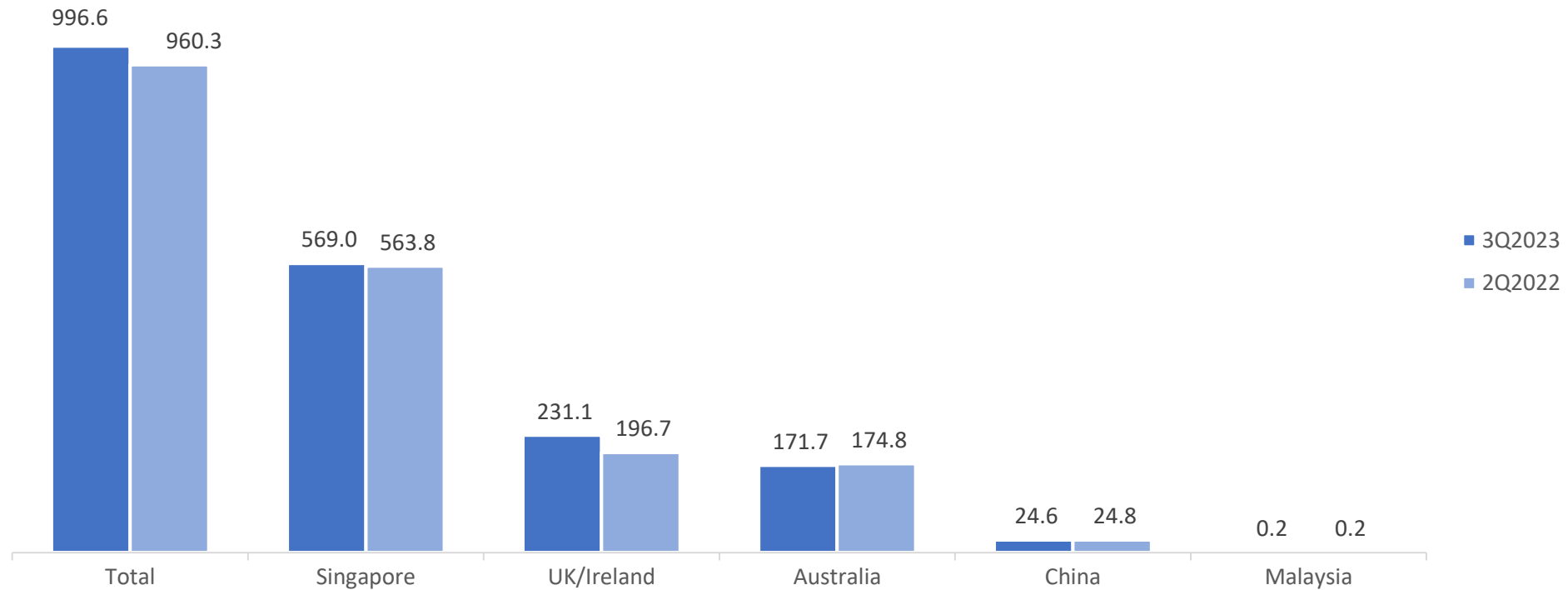


■ Buses   
 ■ Taxis   
 ■ Other vehicles   
 ■ Land and buildings   
 ■ Others

- Buses – fleet replacement and bus accessories for transport authorities which are funded by contracts. Includes ~83 EV buses in UK and SG
- Taxi – SG taxi diesel to EV/hybrid programme continued with ~280 conversions, further ~2,200 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, YTD Sep'22 mainly relates to purchase of Athlon Road property in London to replace the disposed Alperton property
- Others includes equipment \$22.7m and Information/Operational Technology \$19.5m
- Proceeds from disposals – mainly proceeds disposal of vehicles, YTD Sep'22 includes sale proceeds of Alperton property \$44.8m

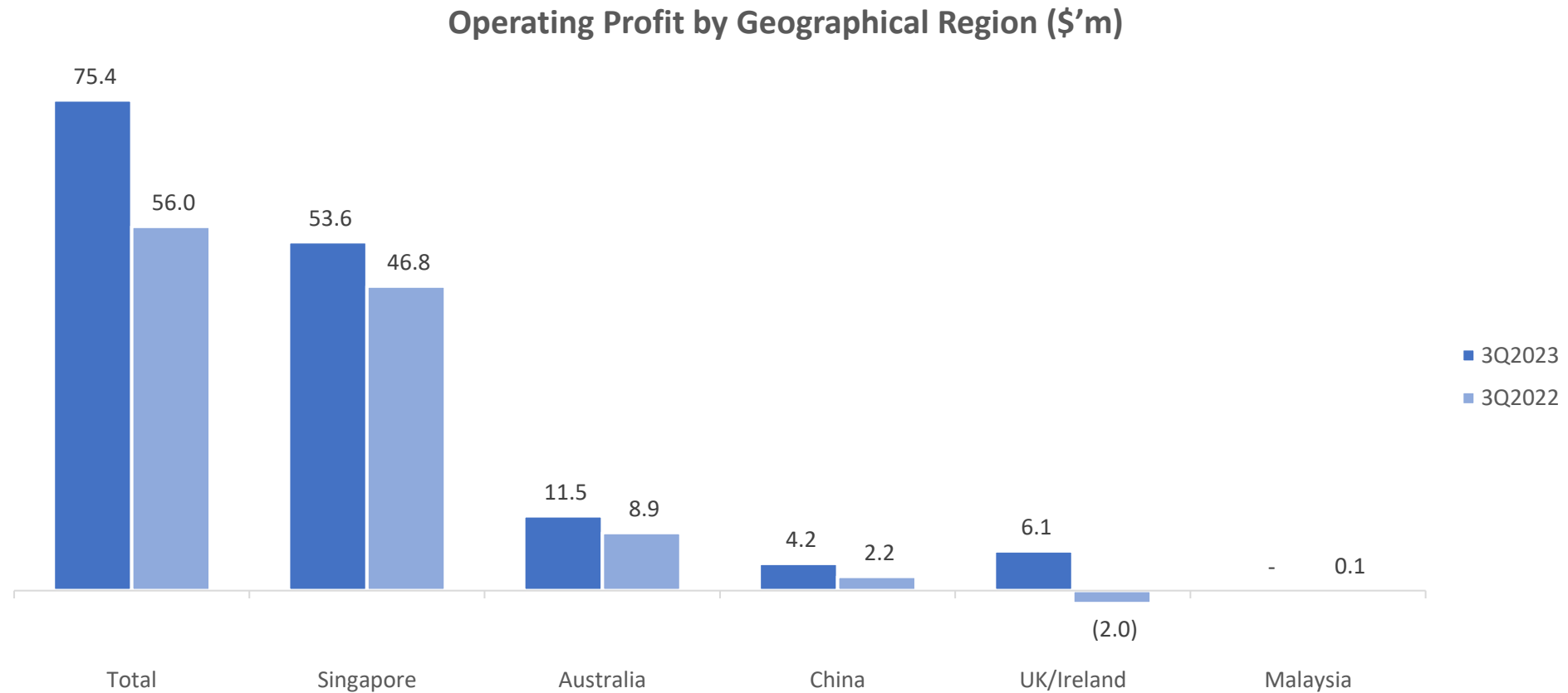
# Revenue by Geographical Region – 3Q2023

Revenue by Geographical Region (\$'m)



- 3Q2023 overseas revenue contribution remained stable at 42.9% (3Q2022 : 41.3%)

# Operating Profit by Region – 3Q2023

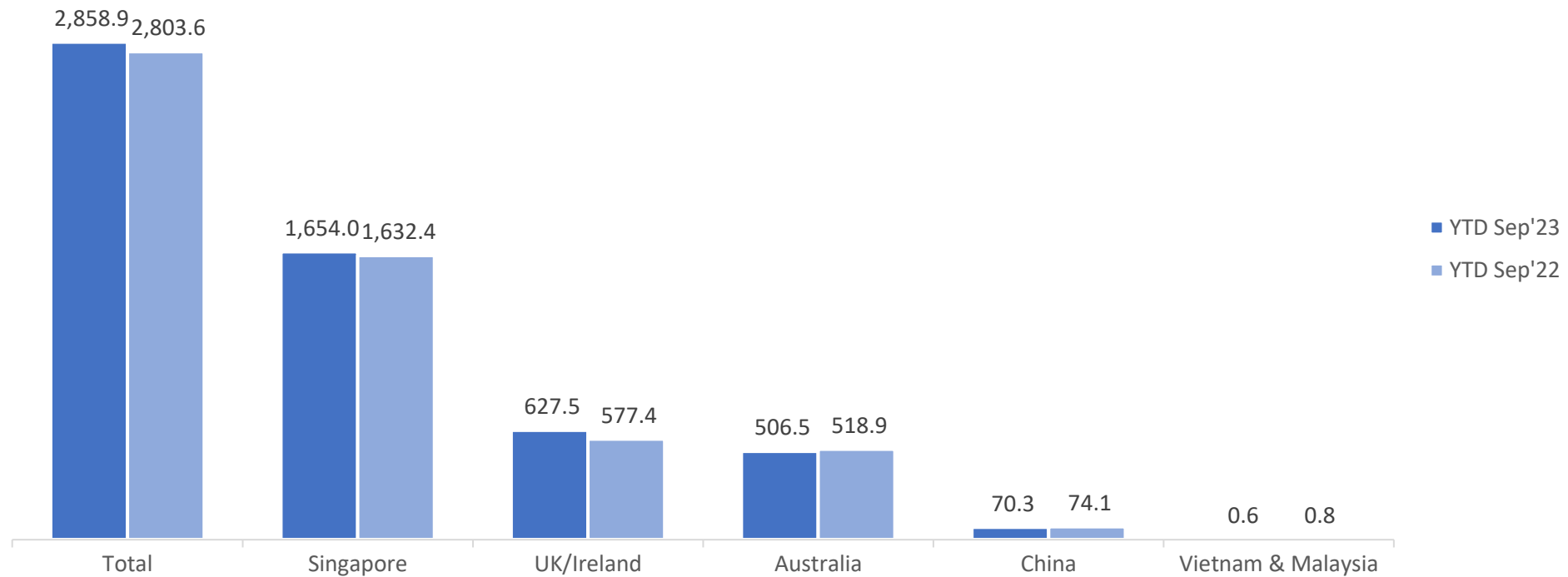


- 3Q2022 operating profits affected by inflation / Ukraine conflict



# Revenue by Geographical Region – YTD Sep'23

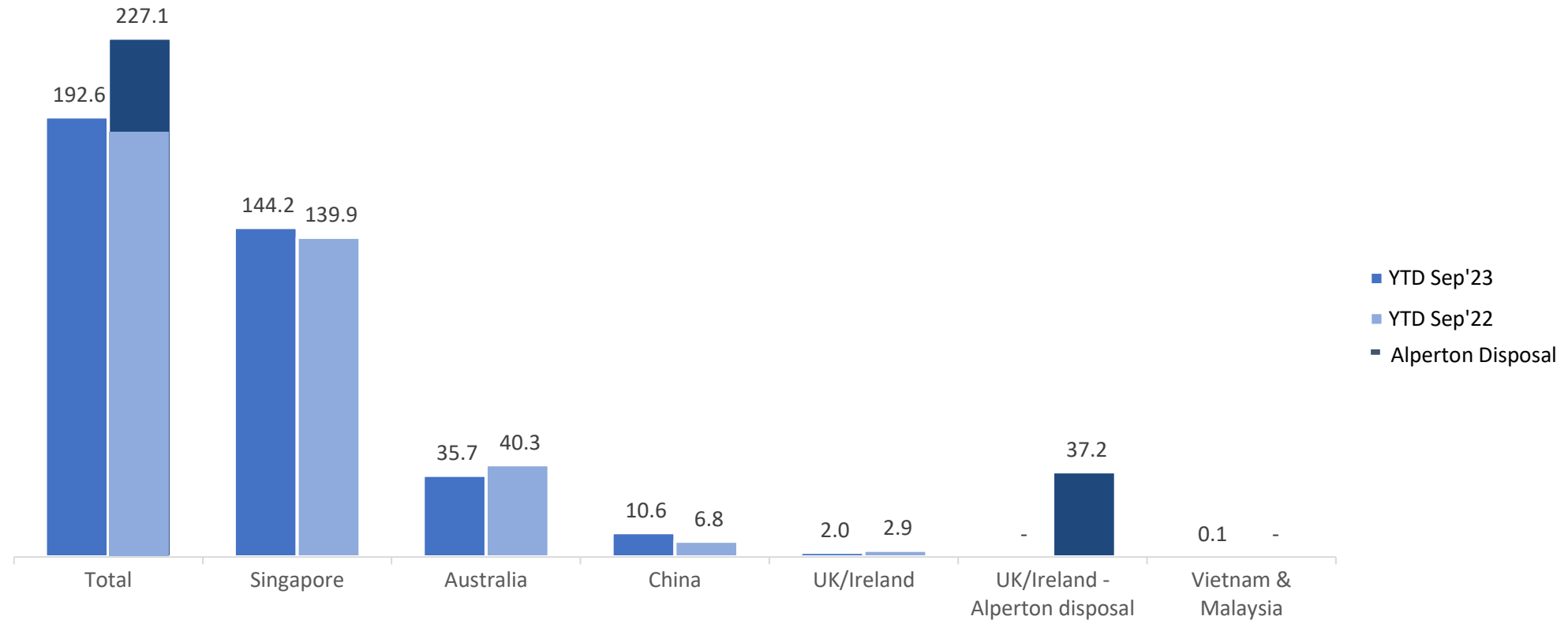
Revenue by Geographical Region (\$'m)



- YTD Sep'23 overseas revenue contribution remained stable at 42.1% (YTD Sep'22 : 41.8%)

# Operating Profit by Region – YTD Sep'23

Operating Profit by Geographical Region (\$'m)



- 1H2022 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 Alperton property in London \$37.2m

# PERFORMANCE BY BUSINESS SEGMENT

# Public Transport

- **Main components: Public Bus, Public Rail, Scheduled Bus**

| \$'m   | 3Q2023      | 2Q2023      | 1Q2023      | 4Q2022      | 3Q2022      |
|--|-------------|-------------|-------------|-------------|-------------|
| Revenue  | 758.5       | 730.0       | 686.1       | 753.2       | 733.8       |
| Operating Costs                                    | (725.6)     | (701.1)     | (663.1)     | (737.9)     | (706.3)     |
| Operating Profit excl. non-recurring items ("OPE") | 32.9        | 28.9        | 23.0        | 15.3        | 27.5        |
| <i>OPE Margin %</i>                                | <i>4.3%</i> | <i>4.0%</i> | <i>3.4%</i> | <i>2.0%</i> | <i>3.7%</i> |
|  |             |             |             |             |             |
| Net Gain/(Loss) on Disposal                        | 0.9         | 0.2         | 0.3         | 3.1         | (0.2)       |
| Operating Profit ("OP")                            | 33.8        | 29.1        | 23.3        | 18.4        | 27.3        |

- 3Q2023 OPE ↑\$4.0m or 13.8% vs 2Q2023
  - 3Q2023 Revenue ↑\$28.5m or 3.9%; Operating Costs ↑(\$24.5m) or (3.5%)
  - UK renewals & indexation continue to improve margin

# Taxi & Private Hire

- Main components: Taxi Rental, PHV Rental, Platform Services, Engineering Services, Fuel Sales

| \$'m   | 3Q2023       | 2Q2023       | 1Q2023       | 4Q2022       | 3Q2022       |
|--|--------------|--------------|--------------|--------------|--------------|
| Revenue  | 147.6        | 140.8        | 137.1        | 142.6        | 142.9        |
| Operating Costs                                    | (119.1)      | (115.0)      | (120.3)      | (118.9)      | (122.3)      |
| Operating Profit excl. non-recurring items ("OPE") | 28.5         | 25.8         | 16.8         | 23.7         | 20.6         |
| <i>OPE Margin %</i>                                | <i>19.3%</i> | <i>18.3%</i> | <i>12.3%</i> | <i>16.6%</i> | <i>14.4%</i> |
| Net Gain/(Loss) on Disposal                        | 0.2          | 0.1          | (0.0)        | (1.9)        | (0.6)        |
| Operating Profit ("OP")                            | 28.7         | 25.9         | 16.8         | 21.8         | 20.0         |

- 3Q2023 OPE ↑\$2.6m or 10.0% vs 2Q2023
  - 3Q2023 Revenue ↑\$6.8m or 4.8%; Operating Costs ↑(\$4.1m) or (3.6%)
  - Mainly due to platform fees introduced for Singapore taxi from 1 July 2023 and lower rental discounts in China
  - Singapore booking volumes of ~8.1m vs ~8.1m in 2Q2023

# Other Private Transport

- Main components: Private Bus, Non-Emergency Patient Transport, Corporate Vehicle Leasing

| \$'m   | 3Q2023 | 2Q2023 | 1Q2023 | 4Q2022 | 3Q2022 |
|--|--------|--------|--------|--------|--------|
| Revenue  | 37.9   | 35.4   | 34.1   | 33.4   | 35.6   |
| Operating Costs                                    | (39.1) | (36.2) | (34.9) | (36.9) | (38.2) |
| Operating Profit excl. non-recurring items ("OPE") | (1.2)  | (0.8)  | (0.8)  | (3.5)  | (2.6)  |
| OPE Margin %                                       | -3.2%  | -2.3%  | -2.3%  | -10.5% | -7.3%  |
|  |        |        |        |        |        |
| Net Gain/(Loss) on Disposal                        | 0.7    | 0.7    | 0.5    | (2.2)  | 0.6    |
| Operating Profit ("OP")                            | (0.5)  | (0.1)  | (0.3)  | (5.7)  | (2.0)  |

- 3Q2023 OPE ↓(\$0.4m) or (50.0%) vs 2Q2023
  - 3Q2023 Revenue ↑\$2.5m or 7.1%; Operating Costs ↑(\$2.9m) or (8.0%)
  - Other Private Transport segment generally stable except for Singapore private bus which remains challenged with ongoing driver shortages and elevated costs

# Inspection & Testing Services

- **Main components: Vehicle and Non-vehicle Inspection**

| \$'m   | 3Q2023       | 2Q2023       | 1Q2023       | 4Q2022       | 3Q2022       |
|--|--------------|--------------|--------------|--------------|--------------|
| Revenue  | 26.6         | 27.6         | 27.1         | 27.0         | 26.8         |
| Operating Costs                                    | (18.7)       | (19.1)       | (19.0)       | (18.2)       | (18.7)       |
| Operating Profit excl. non-recurring items ("OPE") | 7.9          | 8.5          | 8.1          | 8.8          | 8.1          |
| <i>OPE Margin %</i>                                | <i>29.7%</i> | <i>30.8%</i> | <i>29.9%</i> | <i>32.6%</i> | <i>30.2%</i> |
|  |              |              |              |              |              |
| Net Gain/(Loss) on Disposal                        | -            | -            | -            | (0.8)        | -            |
| Operating Profit ("OP")                            | 7.9          | 8.5          | 8.1          | 8.0          | 8.1          |

- 3Q2023 OPE ↓(\$0.6m) or (7.1%) vs 2Q2023
  - 3Q2023 Revenue ↓(\$1.0m) or (3.6%); Operating Costs ↓\$0.4m or 2.1%
  - Mainly due to lower non-vehicle testing volumes from economic slowdown

# Other Segments

- Main components: Driving Centre, Bus Station, Insurance, Media, Logistics, EV Charging

| \$'m   | 3Q2023       | 2Q2023       | 1Q2023       | 4Q2022      | 3Q2022       |
|--|--------------|--------------|--------------|-------------|--------------|
| Revenue  | 26.0         | 22.1         | 22.0         | 21.1        | 21.1         |
| Operating Costs                                    | (20.5)       | (19.2)       | (19.0)       | (20.1)      | (18.6)       |
| Operating Profit excl. non-recurring items ("OPE") | 5.5          | 2.9          | 3.0          | 1.0         | 2.5          |
| <i>OPE Margin %</i>                                | <i>21.2%</i> | <i>13.1%</i> | <i>13.6%</i> | <i>4.7%</i> | <i>11.8%</i> |
| Net Gain/(Loss) on Disposal                        | -            | -            | -            | (0.5)       | -            |
| Operating Profit ("OP")                            | 5.5          | 2.9          | 3.0          | 0.5         | 2.5          |

- 3Q2023 OPE ↑\$2.6m or 89.7% vs 2Q2023
  - 3Q2023 Revenue ↑\$3.9m or 17.6%; Operating Costs ↑(\$1.3m) or (6.8%)
  - Mainly due to increased enrolment in Singapore driving school, increased media revenues and expenses timing



THANK YOU