

**COMFORTDELGRO PAYS TRIBUTE TO
FOUNDING MANAGING DIRECTOR/GROUP CEO KUA HONG PAK**

1 November 2018 – ComfortDelGro Corporation's Founding Managing Director/Group CEO, Mr Kua Hong Pak, passed away last night at the age of 74 after a long illness.

For 14 years, Mr Kua guided the Group through thick and thin, seeing it through several crises including the 2003 outbreak of severe acute respiratory syndrome (SARs). Despite the challenges, he never lost faith in the strength of the Group. As a result, ComfortDelGro's revenue during his tenure doubled from \$2.02 billion in 2003 to \$4.06 billion in 2016, with a compound annual growth rate of 5.1 per cent. The Group's total assets grew from \$2.67 billion to \$5.12 billion.

Mr Kua, who stepped down in 2017 but remained as Senior Advisor, also oversaw the Group's international expansion. It was under his stewardship that the Group made its first investment in New South Wales, Australia, in 2005 and expanded its footprint in China and the United Kingdom.

Today, ComfortDelGro is in seven countries and has the broadest geographical footprint amongst its global peers.

Group Chairman, Mr Lim Jit Poh, who came up with the idea of merging the then Comfort Group and DelGro Corp with Mr Kua all those years ago, recalls: "He was a man with exemplary attributes of hard work, dedication, commitment and passion. All these qualities came together and helped to propel the Group to what it is today. ComfortDelGro has much to thank him for."

Back in 2002, Mr Lim, who was then the Chairman of the Comfort Group as well as a Director of DelGro, and Mr Kua, who was a fellow Director on the DelGro board, saw the strength and possibilities in joining the two transport companies. They knew that a merger would result in economies of scale, combined financial strength and greater credibility on the international stage.

“Comfort and DelGro were competing against each other...‘Why are we doing this? The Koreans don’t do this, the Japanese don’t do this, why are Singapore companies doing this?’” Mr Kua said in a book commemorating the Group's 5th anniversary in 2008.

Their prescience stood the company in good stead. Over the years, the size, strength and combined war-chests of the merged entity allowed it to weather severe head winds.

One of the biggest challenges came almost immediately after the 2003 merger. Singapore was facing an outbreak of SARs – a public health crisis unprecedented in the small densely-packed city state. Because the disease was spread through droplets in the air, taxi drivers who ferried patients were at risk. In fact, on 19 April that year, a taxi driver had died at home. The demand for taxis plummeted. In addition to their fears of ferrying patients who could be infected, taxi drivers had to worry about their daily takings. To help them, Mr Kua cut their daily rental, lowered the cost of diesel and passed on all savings that the Government had handed out the Group.

“Everybody was shocked,” recalled Mr Kua in the 5th anniversary book. “I didn’t talk to anybody or consult anybody. I didn’t think how much it would cost us. I was making a decision with my head on the block.”

The SARS crisis cost the Group \$30 million, but what it gained in return was beyond measure. It sealed the relationship between management and cabbies, showing them that management would stand by them in hard times.

In 2005, when oil prices hit US\$100 a barrel, it was Mr Kua who directed the Group to hedge Comfort's oil requirements. That action saved the Group \$23 million, about 7 per cent of its profit before tax. He took a hands-on approach to the hedging and even while he was jogging, he would take calls about fuel-hedging decisions.

Named after a fearsome panther, Mr Kua was a tough taskmaster.

Mr Yang Ban Seng, who took over from Mr Kua as Managing Director/Group CEO in 2017, said in his email to staff this morning: “Mr Kua was stern and no-nonsense in many ways but for the many of us who have worked with him and know him, he will always be

remembered for being a very kind person. He always had the interests of his staff at heart. Indeed, Mr Kua had touched the hearts of many through his work.”

Indeed, one of his greatest achievements, in his own words, was the fact that he never had to retrench anyone during his 14 years with the Group.

When he stepped down as Managing Director/Group CEO in May last year, Mr Kua said: "Every staff member was able to go home at the end of each day, sleep peacefully and wake up in the morning knowing that his job is waiting for him. This has been my credo and I am happy to be able to live by it."

Paying tribute to his long-time friend, Mr Lim, who last saw Mr Kua on Sunday, 28 October 2018, before he left for an overseas trip, said: “He was a rare breed – with a strong head and a soft heart. He was a good man and a dear friend. I saw him often when he was ill and he was always put on a brave front. He was a fighter. I will miss him.”

The Group expresses its deep and heartfelt condolences to Mr Kua's family. In joining them in mourning the loss of a corporate titan, all ComfortDelGro Group websites will be blackened and a minute of silence will be observed.

Background

ComfortDelGro is one of the world’s largest land transport companies with a total fleet size of about 43,000 buses, taxis and rental vehicles. Headquartered in Singapore, the Group also has operations in China, the United Kingdom, Ireland, Australia, Vietnam and Malaysia.