



**COMFORTDELGRO CORPORATION LIMITED  
(Company Registration No. 200300002K)  
(Incorporated in the Republic of Singapore)**

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**RESPONSES TO QUESTIONS FROM SHAREHOLDERS  
IN RELATION TO THE COMPANY'S 23<sup>rd</sup> ANNUAL GENERAL MEETING**

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ComfortDelGro Corporation Limited (the “**Company**”) wishes to thank shareholders for submitting their questions in advance of the Company’s 23<sup>rd</sup> Annual General Meeting which will be convened and held on Friday, 24 April 2026 at 10.00 a.m. by way of electronic means and in person at the following venue:

**Cassia Main Ballroom, Level 3  
Sands Expo & Convention Centre  
10 Bayfront Avenue  
Singapore 018956**

Please refer to the Annex for our responses to the questions submitted by shareholders.

**BY ORDER OF THE BOARD  
COMFORTDELGRO CORPORATION LIMITED**

Angeline Joyce Lee Siang Pohr  
Cher Ya Li Sheryl  
Company Secretaries

17 April 2026

**Q1 How does the increase in fuel costs affect the company's profits and is there a sensitivity calculation that can be shared**

A1 For the Public Transport segment, our contracts with the transport authorities contain fuel-indexation mechanisms that mitigate fluctuations in fuel prices. Although there may be some short-term timing differences between fuel price increases and contractual indexation adjustments, the Group utilises hedges to manage near-term volatility.

For the Taxi/Private Hire Vehicle ("PHV") segment, vehicle hirers fund their own daily fuel consumption through fares collected. In light of higher fuel costs, the Group has been providing support to the drivers by passing on fuel surcharges through temporary fare increases.

The Group will continue to monitor the impact of escalating fuel prices and calibrate its hedging strategies accordingly.

**Q2 CDG's 2023 to 2025 annual reports indicate that dividends have been paid out above free cash flow, which is understandable in light of the CAPEX required for fleet electrification. That said, while debt servicing does not appear to be an immediate concern, how does management intend to improve balance sheet resilience?**

A2 Although a portion of the Group's capital expenditure (CAPEX) is funded through debt, much of the CAPEX for Public Transport segment is reimbursed by the transport authorities over the life of the asset under contractual arrangements. The respective debt used to purchase these assets is matched with the respective contractual cashflows. Many Public Transport contracts also provide that if the Group does not retain the prevailing contracts in future tenders, the relevant assets would be transferred to the new operator at a fair market value.

Dividend payments are supported by operating cashflow from the operations and maintenance of the public transport contracts as well as other operating businesses.

The Group maintains a healthy level of leverage on its balance sheet with adequate cash and facilities to cater for fleet capital expenses, electrification and other suitable M&A opportunities. Management and the Board continue to manage the Group's leverage conservatively while improving earnings and repaying outstanding debt, where appropriate.

**Q3 What are the strategies to increase the ROE for the group, without taking on more debt/liabilities? and any plans to increase the dividends and share then with shareholders annually?**

**A3** The Group's Return on Equity ("ROE") increased from 8.1% in 2024 to 8.9% in 2025, mainly driven by higher year-on-year profits.

The Group aims to further enhance ROE through continued profit growth while maintaining total equity at a stable level. This is supported by the Group's dividend policy of paying out at least 70% of annual profits, and its recent track record of proposing dividend payout ratios of 80% of profits.

When setting the dividend amounts, the Company considers its financial performance, cash flow position, capital requirements, and future growth plans. The Board remains committed to delivering sustainable and equitable returns to shareholders, consistent with its dividend policy.

**Q4 1. Can you address the interest cost trend from 2026. Is the effective interest rate likely to decline or increase in 2026?  
2. How has the oil price increase recently affect the company's operating margins in Singapore, UK and Australia in 2026?  
3. What is the strategy for the taxi business in Singapore? Should I expect the taxi profit to continue to decline in 2026?"**

**A4** 1. Net finance costs are expected to decline in FY2026 due to scheduled debt repayments and lower underlying benchmark rates in our operating geographies compared to FY2025. However, the Group remains vigilant regarding the effects of the recent geopolitical and trade tensions on interest rates and will implement appropriate measures as required.

2. Please refer to A1 above.

3. For the Singapore Taxi/PHV sector, we expect the Business-to-Business ("B2B") segment to remain stable while the Business-to-Customer ("B2C") segment is expected to be under pressure from the intense competition from other ride hailing companies. While there has been improvement in driver productivity and trips per vehicle, the Group's taxi fleet size continues to decline year-on-year in line with the overall taxi population of Singapore.

Moving forward, the Singapore Taxi/PHV business will focus on expanding its B2B offerings by leveraging on capabilities from other regions within the Group. The plans include increasing the premium six-seater cars and limousines to the fleet. Adjustments to commission and fee structures will also be evaluated to ensure optimisation of driver supply and customer demand.

Furthermore, the Group will continue to invest in Autonomous Vehicle (AV) capabilities by scaling up and commercialising existing operations, with the aim

of supplementing human drivers and responding to demand pockets that are currently underserved.

**Q5 Please advise on the impact of the Iran war on the business and how the risks will be mitigated. Thank you**

A5 The Iran War has mainly affected the Group through escalating energy costs for its Public Transport businesses, supply chain disruption and air travel interruptions.

As mentioned in A1, contractual fuel indexation mechanisms and hedging strategies have helped in mitigating rising fuel and energy costs. However international travel disruptions have impacted our UK Taxi/PHV business airline customers leading to lower Taxi/PHV volume requirements.

The Group continues to monitor the impact of the Iran War situation on fuel prices, foreign exchange and interest rates. We will be ready with appropriate measures to execute its strategy.

**Q6 1. In view of higher costs of energy due to the ongoing war in the Middle East, is the company's operating costs going to rise significantly in the year ahead?**

**2. Is the company considering any initiative to unlock value, such as an IPO of its Australia operations?**

**3. Is the company currently pursuing any major rail or bus contract? Please highlight a few.**

**4. Does the company expect to see lower finance costs for FY26?**

A6 1. Please refer to A1 above.

2. The Company is not currently pursuing an IPO of any of its local or overseas subsidiaries. We will continue to monitor market conditions while considering our global capital allocation.

3. The Group is participating in the ongoing Liverpool and West Yorkshire public bus franchise tenders in the UK, as well as the Copenhagen Metro tender through its consortium with RATP Dev.

4. Please refer to A4 above.

**Q7** 1. Trading and inspection brings in 2.8% of the revenue but contribute 14% of the profit. Will management seek to expand such services as there seems to be a demand.

2. Borrowings have increased from \$491.1 (2024) to \$1184.8 (2025). Kindly clarify how funds were utilised.

**A7** 1. Inspection & Testing services are conducted under our listed subsidiary, VICOM Ltd. VICOM is well positioned to expand its existing capabilities and invest in new opportunities as they arise.

2. The net increase in borrowings of \$477.5 million in FY2025 is mainly related to CAPEX investments, including purchase of a fleet of 452 funded buses for Metroline Manchester and 271 EV buses in London, and the acquisition of the remaining shares in CityCab.

**Q8** 1. Given the raising energy cost, what is the impact to Comfortdelgro, especially the Public Transport segment?

2. Regarding the pilot on driverless, can you share more results?

3. Why Comfortdelgro willing to pay \$17.4m above the valuation, given the challenging environment in SG Taxi segment?

**A8** 1. Please refer to A1 above.

2. In Singapore, we are undergoing the familiarisation phase on public roads in Punggol and public rides can be booked via the Zig app. In Guangzhou China, our fully operational robotaxis have been ferrying passengers and generating fare revenue. The pilot programme has helped us gain deeper knowledge in developing the Standard Operating Procedures for dispatch/return, grid/ground safety, remote operator functions and operating and commercialising the technology. The success in China has built our confidence to scale our operations to other cities beyond Guangzhou and we are exploring further trials and deployment opportunities.

3. The acquisition of remaining shares of CityCab Pte. Ltd. will strengthen the Group's core point-to-point ("P2P") business in Singapore and allow the Group to better integrate, streamline and shape its global P2P business, adapting to market demands and enhancing profit contribution.

**Q9 Is there more capex slated for the public transport division for buses? Noted that CDG’s capex was high for buses at S\$397.1 million for 2025, significantly more than 2024’s S\$129.6 million. CDG stated that it intends to participate in the ongoing Liverpool and West Yorkshire public bus franchise tenders.**

**A9** The CAPEX for the Public Transport sector is mainly related to purchasing buses as part of contractual obligations which are funded through secured contracts, inclusive of any associated financing costs. We expect to see further CAPEX for fully funded replacement buses under our contractual obligations going forward.

The higher bus CAPEX in 2025 was attributable to the purchase of an incumbent bus fleet for Metroline Manchester which commenced service in January 2025. As with our other public bus contracts, the buses and their associated financing costs for Metroline Manchester are fully funded under the secured contracts.

If we are successful in future public bus tenders, there may be further requirements to invest in purchasing incumbent bus fleets from the previous operators, which should also be fully funded under secured contracts. Transport authorities may also elect to own the contract assets directly while granting access to the operators to run the day-to-day operations under the contract.

**Q10 When are the 8 bus packages coming up for renewal? What is the renewal schedule? Can we confirm that SBS Transit’s competitors are Go-Ahead Group and Tower Transit?**

**a. What is the % of revenue that these contracts currently take up for 2025?**

**b. Also, when are the upcoming domestic bus tenders and which regions are these for?**

**A10** The Group currently operates 8 public bus packages in Singapore under its subsidiary, SBS Transit Ltd (“SBST”). The Tampines bus package will be handed over to a new operator from mid-2026 after the completion of the tender exercise in 2025. The remaining 7 public bus package contracts contain extension options available to the Land Transport Authority (“LTA”) at its discretion.

There is currently 1 public bus package tender ongoing for the Serangoon-Eunos bus package with submissions due in April 2026.

There are currently 4 public bus operators running public bus packages in Singapore. They are, SBST, SMRT, Go-Ahead and Tower Transit.

**Q11 For the Australian public transport sub-division, the AR 2025 mentioned that “driver shortages remain a significant challenge across the industry”. How is CDG tackling this problem? What is the turnover rate for drivers? Are there plans to increase the base salary + benefits for drivers and how will this move impact the division’s margins?**

A11 The shortage of bus drivers in Australia is industry-wide and not specific to the Group. We have stepped up efforts to recruit and train new drivers. While improvements have been seen, the industry-wide shortage is expected to persist in the short term.

We negotiate driver salaries and benefits with the relevant state transport unions based on prevailing market trends. Our existing public bus contracts include indexation mechanisms for wages, generally linked to labour indexes.

**Q12 With the rail fare increases granted by the PTC from December 2025, how will this price increase boost revenue and EBIT for the division?**

A12 The annual Singapore public transport fare review exercise undertaken by the Public Transport Council (“PTC”) is intended to compensate for inflationary cost increases incurred by operators in line with a prescribed formula. While increased fares will benefit CDG’s rail business revenues as fares are collected by the operator, under the New Rail Financing Framework, the variable licence charge paid by the operator to LTA may be adjusted, requiring operators to pay higher licence charges if profits exceed projections. CDG also expects to see inflationary increases in staff wages and certain costs during FY2026.

**Q13 Can you provide more details on the Copenhagen metro tender? When will it be held and what does it involve? How much capex is anticipated should CDG win the tender (ballpark range)?**

A13 The Copenhagen Metro tender relates to the operations and maintenance contract for Copenhagen Metro. The tender is ongoing with the contract expected to commence in late-2027. Given that the contract would be limited to operations and maintenance, the related CAPEX is expected to be relatively low.

**Q14 Stockholm E40 metro contract will contribute in full for 2026 - Can we find out what operating margin CDG is targeting for this contract?**

A14 The Stockholm E40 Metro contract awarded in November 2025 was tendered according to the global public transport tender margins. As the contract was secured by Connecting Stockholm, a joint venture with Go-Ahead Group, CDG will account only for its share of the entity’s profits under the equity accounting method.

**Q15** What happened with the taxi/PH segment? Excluding Addison Lee's contribution, EBIT would have plunged by 30.3% year on year. What are the challenges faced by CDG in this segment, and how can these be mitigated in 2026? Will we see margins going back to 2024's level of 17.6% (before PPA amortisation and net gain/loss on disposal)? [2025's EBIT margin = 13.3%]

A15 Excluding Addison Lee's contributions, the Taxi/PHV segment's EBIT did decrease year-on-year but by less than 30.3% as stated in question 15.

The main challenge faced for the Taxi/PHV segment in 2025 stems from competitive market conditions and overall decline in taxi fleet in Singapore. According to LTA statistics, the overall Singapore taxi population decreased from 13,117 as of 31 December 2024 to 12,161 as of 31 December 2025. CDGs Singapore taxi fleet decreased from 8,424 as of 31 December 2024 to 7,602 as of 31 December 2025.

Given the competitive landscape in Singapore and the increased contributions from the acquired A2B and Addison Lee which operate at lower margins compared to Singapore as dictated by local market conditions, it is unlikely that the historical percentage EBIT margins can be sustained going forward.

**Q16** CDG's taxi fleet is around 7,600 in 2025; how much did this increase or decrease versus 2024? How does the fleet compare with its competitors such as TransCab and other smaller players? How about the PHV fleet? Is it growing in size and is this sub-segment profitable?

A16 As highlighted in our reply in A15 above, LTA statistics had demonstrated that the overall Singapore taxi population decreased from 13,117 as of 31 December 2024 to 12,161 as of 31 December 2025. CDG's Singapore taxi fleet decreased from 8,424 as of 31 December 2024 to 7,602 as of 31 December 2025.

CDG's PHV fleet continues to remain profitable and remained stable at approximately 600 vehicles throughout 2025.

**Q17** How many users are on CDG's Zig app? What has the growth been for the number of users and number of paying users?

A17 CDG Zig currently has more than 1 million monthly active users and a total unique user population of over 2 million users. The number of users remained stable during 2025.

**Q18** For Taxi/PH segment, how will CDG review the fee and commission structure to effectively compete against large incumbents such as Grab and Gojek?

A18 CDG will monitor and consider adjustments to commission and fee structures in line with market conditions to optimise driver supply and customer demand.

**Q19** Why is the operating margin so thin for “Other private transport” division? Is this division making a net loss after factoring in other expenses below the EBIT line? Has the acquisition of CMAC helped to improve overall margins? Because the improvement in EBIT margin was just 0.2 ppt from 3.7% to 3.9% (and 2025 had the benefit of 12 months of CMAC contribution versus 11 months in 2024).

A19 Other Private Transport segment reported an operating loss of \$1.6m in 2023, prior to the acquisition of CMAC in February 2024. This was mainly due to challenges faced by CDG’s Singapore private bus business.

Following the acquisition of CMAC in 2024, the Other Private Transport segment was profitable in 2024 and 2025.

**Q20** Will CDG take up more debt for acquisitions in 2026? What are the criteria for assessing these acquisitions and how does CDG monitor the post-acquisition performance?

A20 CDG will continue to explore suitable M&A opportunities through evaluation of financial and non-financial metrics depending on the relevant operating segment.

If a suitable M&A opportunity arises, CDG may consider raising additional debt to fund the acquisition taking into account, additional financing costs and overall M&A returns.

CDG will update stakeholders via public announcements on any significant development relating to M&A activities in line with SGX regulations.

**Q21** With the fuel price increase due to the Iran war, how will this negatively impact CDG? Expenses will increase by how many % and EBIT margin will shrink by how much? Can the impact be mitigated in any way? E.g. cost pass-through to consumers?

A21 Please refer to A1 above.

- Q22** What is the status and progress of the autonomous vehicle (AV) sub-segment? Is it revenue-generating yet? What is the timeline for this sub-division to begin contributing more materially to overall revenue and EBIT?
- A22 CDG's Autonomous Vehicle ("AV") trials in both China and Singapore are ongoing. The Group continues to work closely with local regulators to scale and commercialise these operations.