

20

LOCKDOWN BUT NOT SHUTDOWN

20

A black and white photograph of a busy office hallway. The image is heavily blurred, capturing the motion of people walking. In the foreground, a person in a dark skirt and high-heeled shoes is walking from left to right. In the background, another person is walking from right to left. The hallway has a tiled floor and a wall with large glass panels. The ceiling has recessed lighting. The text "We've been busy this entire time" is overlaid in the center of the image in a bold, white, sans-serif font.

We've been busy this entire time

“

The world was confronted
by a global pandemic
the likes of which have not been
seen for over a century.

”

LIM JIT POH
CHAIRMAN, COMFORTDELGRO

OUR VISION

To Be The World's Land
Transport Operator Of Choice

OUR STRATEGIES FOR SUCCESS

LOOK BEYOND THE HORIZON

- Innovate and be receptive to new ideas and opportunities
- Solve problems in a prompt and effective manner
- Anticipate and embrace change

DO THE RIGHT THINGS - RIGHT

- Never take our eyes off the ball
- Deploy people and assets for value enhancement
- Admit and learn from mistakes

GROW OUR TALENT BASE

- Set the performance bar above industry norms
- Give credit where credit is due
- Reward equitably

OUR CORE VALUES

RESULTS ORIENTATION

We will:

- Set challenging and realistic goals
- Focus on results
- Identify and solve problems
- Have a sense of urgency and ownership

INTEGRITY AND ETHICS

We will:

- Conduct our affairs in a manner consistent with the highest ethical and professional standards
- Engage in fair and honest business practices
- Show respect for each other, our customers, business partners, suppliers, shareholders, the authorities and the communities we operate in
- Communicate in a factual, honest and prompt manner
- Be open and transparent in our dealings
- Exhibit strong environmental stewardship

COMMITMENT

We will:

- Anticipate our customers' needs and constantly upgrade ourselves to provide outstanding service
- Foster an environment of trust by engaging the communities we serve
- Reward our shareholders by delivering steady and sustainable results through growth in our businesses
- Care for our staff by providing a challenging environment with ample opportunities for growth and development. Build on staff capabilities through effective recruitment, training and career planning so as to develop their full potential. Promote teamwork, initiative and creativity
- Stay committed to the authorities by complying with regulatory requirements

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GLOBAL FOOTPRINT

UNITED KINGDOM

ABERDEEN • BARRY • BIRKENHEAD • BRECON
BRIDGEND • CARDIFF • DUNDEE • GLASGOW • GOWER
INVERNESS • LIVERPOOL • LONDON • NEATH
NEWPORT • PERTH • PONTYPRIDD • POWYS
RHONDDA • STIRLING • SWANSEA • TREForest

Total Investment
S\$447.3 million

Total Operating Fleet Size
8,149

Total Number of Employees
5,666

IRELAND

CORK • DUBLIN
GALWAY • LIMERICK

Total Investment
S\$3.1 million

Total Operating Fleet Size
22

Total Number of Employees
14

MALAYSIA

KUALA LUMPUR

Total Investment
S\$3.8 million

Total Operating Fleet Size
97

Total Number of Employees
40

7
COUNTRIES

67
LOCATIONS

40,127
VEHICLES

23,721
EMPLOYEES

CHINA

BEIJING • CHENGDU • GUANGZHOU
JILIN CITY • NANJING • NANNING
SHANGHAI • SHENYANG • SUZHOU

Total Investment
S\$261.2 million

Total Operating Fleet Size
11,277

Total Number of Employees
774

VIETNAM

HO CHI MINH CITY

Total Investment
S\$6.5 million

Total Operating Fleet Size
163

Total Number of Employees
73

SINGAPORE

Total Investment
S\$428.2 million

Total Operating Fleet Size
15,955

Total Number of Employees
13,288

AUSTRALIA

ALICE SPRINGS • BALLARAT • BALLINA • BLUE MOUNTAINS
BILLINUDGEL • BROKEN HILL • BYRON BAY • CANBERRA
COFFS HARBOUR • DARWIN • EDGEWORTH • GEELONG • GLADSTONE
GRAFTON • JABIRU • MELBOURNE • MILDURA • MORISSET • NARRABRI
PERTH • QUEANBEYAN • SAWTELL • SINGLETON • SUNSHINE COAST
THORNTON • TORONTO • SYDNEY • WEE WAA • WOOLGOOLGA • YASS

Total Investment
S\$1.17 billion

Total Operating Fleet Size
4,464

Total Number of Employees
3,866

“

Global business took a deep dive. Lockdowns and the near-suspension of international cross-border travel were the order of the day with businesses almost at a standstill. Second, third and fourth waves of the spread of the virus also occurred.

”



CHAIRMAN'S STATEMENT

GLOBAL CHANGES

(i) TRADE, ECONOMY AND POLITICS

The trade war between the United States of America (USA) and the People's Republic of China (China) which I mentioned in my Statement last year accelerated throughout 2020 and even extended from the macro to the micro level affecting Chinese technology companies in the USA. There were attempts to sanction, curtail and scrutinise their business activities and in some cases, even threats made to expel and delist their shares from exchanges in the USA.

Though the United Kingdom (UK) had left the European Union (EU) in January 2020, the protracted and fraught negotiations on the trade agreement were only concluded towards the end of 2020. It is a Free Trade Agreement of "zero-tariff-zero-quota" deal.

There was also a shadow trade war between China and Australia. The relations between the two countries have since deteriorated. Diplomatic and trade relations between the two countries have sunk to their lowest levels.

Nearer home, the geopolitical tension started to feature more loudly in the South China Sea with the USA trying to exert greater influence. Domestic issues in Hong Kong and Taiwan appeared to be targets of contention. So were the territorial disputes between China and a few member states of the Association of South East Asian Nations (ASEAN).

(ii) COVID-19 CRISIS

Against that political background, the world was also confronted by a global pandemic the likes of which have not been seen for over a century. From China in December 2019, we in Singapore experienced the effect at the end of January 2020. Our major overseas operations in the UK and Australia followed suit.

Global business took a deep dive. Lockdowns and the near-suspension of international cross-border travel were the order of the day with businesses almost at a standstill. Second, third and fourth waves of the spread of the virus also occurred.

A number of vaccines have been developed and a few have been in use since the end of 2020.

As at early-March 2021, it has caused 2.6 million recorded deaths with many more unrecorded. Global economic output is at least 7% lower than it would have been, the biggest slump since the second World War. Unemployment and retrenchments have been on the rise. Large and established companies in the aviation sector, especially airlines and tourist-related entities, have been very badly affected by the pandemic. The International Air Transport Association has forecast that the return of business to pre-pandemic levels would only be expected in 2024. Even then, economic recovery is expected to be weak, gradual and uneven. Government assistance, provided in practically every country during the crisis, is expected to continue to help the population and the industry face the challenges.

(iii) CURRENCY

Currency exchange rates were in favour of the Singapore Dollar as seen by these numbers of average rates of our three operating currencies for the respective years:

	2020	2019	VARIANCE
1 Sterling Pound	S\$1.7695	S\$1.7413	+1.6%
1 Renminbi	S\$0.1999	S\$0.1975	+1.2%
1 Australian Dollar	S\$0.9515	S\$0.9484	+0.3%

CORPORATE GOVERNANCE

(i) CODE OF CORPORATE GOVERNANCE (CODE 2018)

The implementation of Rule 210(5)(d)(iii) of the SGX-ST's Listing Manual in respect of the nine-year rule for independent directors will come into effect on 1 January 2022, and directors who have served a total of nine or more years in their tenure as of that date will be designated as non-independent unless prior approvals have been obtained from Shareholders. We have three Directors out of 10 in ComfortDelGro Corporation Limited, three out of 10 in SBS Transit Ltd

CHAIRMAN'S STATEMENT

(two of whom are retiring at the upcoming 2020 Annual General Meeting (AGM)) and two out of 10 in VICOM Ltd that fall in this category.

In the 12th Annual Governance and Transparency Index Survey 2020 which assesses listed companies on corporate governance disclosures and practices, as well as timeliness, accessibility and transparency of their financial results announcements, our three listed companies continued to do well. In fact, they all ranked within the top 20 companies – translating into the top 3% of all the 577 listed companies in 2020.

ComfortDelGro's score advanced to 110 from 103 in 2019, SBS Transit jumped to 106 from 87 and VICOM reached 107 from 101. The average for all the listed companies was 67.9, a meaningful improvement from 59.3, a year ago. All our three companies also improved their respective rankings: ComfortDelGro 13th (2019: 14th), SBS Transit 17th (2019: 40th) and VICOM 16th (2019: 17th).

A new committee, the Digitalisation Committee, was established at the Board level in 2020, in addition to the existing Investment Committee and the three mandated committees of Audit and Risk, Remuneration, and Nominating. The Board and these committees conduct their own evaluations yearly. The Board also adopted a Code of Business Conduct and a Whistle Blowing Policy. All these measures are in place to ensure that we operate at the highest standards of governance.

(ii) SINGAPORE STOCK EXCHANGE (SGX)

We continued to be one of the 30 stocks of the Straits Times Index (ST Index) in 2020. Unfortunately, we were dropped from the MSCI Singapore Index. In terms of market capitalisation, out of 706 listed companies on the SGX as at 31 December 2020, we were ranked as follows: ComfortDelGro 37th (2019: 33rd), SBS Transit 88th (2019: 91st) and VICOM 101st (2019: 125th). Our market capitalisations were S\$3,618.4 million, S\$950.9 million and S\$765.9 million respectively. For ComfortDelGro, there was a significant drop of S\$1,537.1 million or 29.8% and this was mainly due to the adverse effect

of the pandemic on all our businesses, both locally and abroad. SBS Transit also suffered a dip of S\$243.5 million or 20.4%, falling below the S\$1 billion-mark which was attained last year. VICOM, however, saw a rise of S\$80.7 million or 11.8%. This could probably be due to the effect of its share split.

Quarterly reporting ceased from 7 February 2020. We however continued to provide some basic financial figures as substitutes in the first and third quarters to keep Shareholders and Investors informed of our progress. As a result of restrictions imposed by the COVID-19 crisis, our AGMs were held virtually through electronic means. It was not entirely satisfactory as we were not able to mingle with our Shareholders after the meetings as we had done in the past. There were also no follow-up questions after each advanced question was answered. Come 30 April 2021, we will be conducting AGM proceedings via webcast and in-person so that there will be some interaction between the Shareholders and the Board. Subject to prevailing national guidelines and regulations, the number of Shareholders who would be able to attend in person will be limited. It is my hope that the pandemic will soon be contained and we will be able to hold our AGM physically for all Shareholders.

(iii) COUNCIL FOR BOARD DIVERSITY

In its latest report released in March 2020, the Council for Board Diversity reflected that the pace of increase of women directors slowed down from previous years. Among the 100 largest listed companies in SGX, women on average made up 16.2% of directors as at end of 2019. I am pleased to advise that our percentage in all our three listed companies is of the order of 30%, well above the target stipulated by the Council.

(iv) DIRECTORS

Our director renewal process, which began in 2017, has taken its planned path well. Only two out of seven founding directors including me are still with the Board. The Board is well balanced in terms of tenure, age, gender and cultural ethnicity. They are experts in a whole gamut of key fields, including artificial intelligence, internet technology,

accountancy, law and sustainability. They are also well represented in terms of tripartite experience from the government, labour and business sectors. Coupled with these qualities, our Directors are also well equipped in international business experience.

With the nine-year rule coming into effect in January 2022, Ms Adeline Sum and I will be offering ourselves for re-election at the forthcoming AGM in April 2021 as independent directors for continuity. Ms Lilian Tham and Mr Mark Greaves will be retiring under our usual Constitutional regulations. They will also seek re-elections at the forthcoming AGM. I seek your support in our re-elections of the four retiring Directors.

We shall be having our Biennial Retreat in 2021. This is very timely in light of COVID-19. Significant topics like new business models, the enhanced role of technology, the expanded role of government, the impact of international relations, the future of globalisation, working arrangements and future black swans including pandemics will be reviewed and debated.

(V) AUDIT AND RISK COMMITTEE (ARC)

I continued my practice of meeting up with the External Auditors together with the three Chairpersons of our three ARCs in the absence of Management staff. Our staff continued to provide the necessary support, assistance and cooperation to facilitate their work. With most of our staff working from home and restrictions on global travel, the Internal Audit team had to rely more on technology and innovative ways to conduct their checks.

Consequently, some overseas internal audit activities were outsourced to reputable firms in the various locations. Despite these handicaps, we managed to conduct 32 internal audit checks, 10 of which were on our overseas entities. No major issues surfaced out of these internal audits.

(VI) INVESTOR RELATIONS (IR)

Despite the curtailment of business activities and constraints in physical meetings, our IR unit continued to be active with 13 research houses tracking

our stocks and producing some 120 reports. There were also six virtual investor conferences and non-deal roadshows.

Some of the major issues surfaced included non-declaration of interim dividend, continued loss on the Downtown Line (DTL) and impairments to our Singapore and overseas taxi businesses. There was also interest shown in our future touching on such subjects as our progress in investments in technology, impact of electric vehicles (EVs) and autonomous vehicles (AVs) and transformation made so far.

ECOSYSTEM

We live and work in a global ecosystem. Everything we do has a knock-on effect – be it on someone else, on the environment or on society at large. We all have a responsibility to make fair and accountable decisions, regardless of whether we are Shareholders, Authorities, Directors or Management.



CHAIRMAN'S STATEMENT

For our planet and mankind to survive, sustainability has to be taken seriously and acted on urgently. Part of the sustainability ecosystem rests on our shoulders given the nature of our business. Mankind's actions have had a significant adverse impact on the environment and we have already started to feel the consequences. COVID-19 has taught us the crucial importance of these interrelated chains of actions for our existence and survival. We therefore decided to feature this phenomenon in our annual report.

LAND TRANSPORT DEVELOPMENT

(I) ELECTRIC VEHICLES

It was announced in the Singapore Budget 2021 that S\$30 million would be set aside over the next five years for EV related initiatives. Measures include narrowing the cost differential between EVs and combustion engine vehicles as well as proliferating charging points in private premises. We are phasing out our diesel taxis and have replaced them with hybrids to reduce our carbon footprint whilst taking advantage of tax concessions. We are also involved in electric taxi and bus trials and have two electric charging stations set up. Interestingly, Hyundai has decided to set up a plant in Singapore to produce EVs.

The Land Transport Authority (LTA) of Singapore, which owns all the public buses in Singapore, has committed to buying green buses henceforth – with a view to have the entire fleet of public buses run on cleaner energy by 2040. Presently, there are 5,800 public buses where 40 are fully electric buses and 50 are hybrids on the road. We run 20 electric and 25 hybrid buses. On infrastructure, the Government will work with the private sector to roll out more EV charging points, notably in public carparks. A tender has been called to install 628 such points. We will participate in the tender. By 2030, there will be 28,000 points from the present 1,600.

We have been operating electric buses in London since 2016. There are 90 of them running on two routes. Soon we will have hydrogen-driven vehicles on trial too. Australia does not have any EVs yet but we operate 40 Euro-6 hybrid buses there, which is Australia's largest fleet to-date. Plans are afoot to introduce EVs and possibly hydrogen buses soon.

In China, the Central Government has stated that all replacement taxis must be electric-driven. Not all cities have adhered to this policy guideline given the high cost of EVs. Operators tend to go the EV route when there are subsidies provided by the local Authorities since rental rates for EVs are no different from diesel or Compressed Natural Gas (CNG) taxis. Consequently, the take up rate of EVs has been slow. We have 946 electric taxis out of our total fleet of 9,391 vehicles. We will increase the fleet size as and when the vehicles are due for replacements.

(II) AUTONOMOUS VEHICLES

Of our three pilot AV projects which I mentioned in my last Statement, the one in Sentosa ended last year while the other in Jurong Island is now operating a pilot revenue service until April 2021 as an initiative under the national Emerging Stronger Taskforce. We are involved with ST Engineering in these two projects. The third was with EasyMile of France at the National University of Singapore, which ended its passenger service trial in January 2021. The experience gained will put us in good stead for future tenders in this area.

(III) RAIL DEVELOPMENT

The Singapore Authorities are fully aware that the two rail operators are incurring huge losses in their operations. We continue to engage the Authorities in seeking a review of the business model. It is going to be more difficult in 2021 as fares will not be increased given the COVID-19 situation. Hopefully, ridership will increase with the economy opening up more amidst the vaccine rollout.

Despite the challenges in the rail business, the Group continues to see potential in this sector overseas – especially in developed countries and ASEAN countries with densely populated urban cities. In this respect, we have signed an agreement with RATP Développement S.A. (RATP Dev), a French Government-owned company and the largest rail operator in Paris, to jointly tender for rail projects. For starters, we will jointly bid for two new rail lines in Paris and new business opportunities.

We have also invited SMRT Corporation Ltd to tender for a rail project in Sydney, partnering an Australian company, UGL, a services specialist subsidiary of CIMIC Group. In addition, we have also tendered with UGL for an existing rail business in Auckland, New Zealand.

(IV) RIDE HAILING DISRUPTORS

The two ride-hailing pioneer disruptors, Uber Technologies, Inc. and Lyft, Inc. of USA, though listed, are trading well below their IPO (Initial Public Offer) prices. The former is also struggling with its global battles while the latter has yet to venture abroad.

In South East Asia, Grab Holdings Inc. and GOJEK are still in fund-raising stage and have yet to be listed. Competition between them is still intense with Grab venturing into food delivery and fintech services and GOJEK in both transport and food delivery.

In China, Didi Chuxing Technology Co., and Meituan operate reasonably well with the traditional taxis. It is reported that they are also toying with the idea of seeking public listings.

In Australia, start-ups like Ola and GoCatch are struggling to find their niche. In the UK, Uber continued to dominate the ride-hailing market but has yet to make any inroads outside of the capital City. Ola, a newcomer is still struggling to gain market share as the market has shrunk as a result of COVID-19.

(V) PRIVATE HIRE

In Singapore, the Point-to-Point Passenger Transport Industry Act, which aims to level the playing field between traditional taxi and private hire came into effect on 30 October 2020. The LTA now requires private hire drivers to be Singaporeans of at least 30 years of age – a move that aligns with that of the taxi industry. The competitive field between taxi and private hire is thus gradually levelled. The difference still lies in the age and frequency of inspections of the vehicles.

SINGAPORE BUSINESSES

We continued to have 12 business interests in 2020. These are (i) Scheduled Bus, (ii) Unscheduled Bus, (iii) Rail, (iv) Taxi, (v) Car Rental and Private Hire, (vi) Engineering, (vii) Fuel Sale and Electric Charging, (viii) Driver Education, (ix) Vehicle Testing, (x) Technical Testing, (xi) Vehicle and Outdoor Advertising and (xii) Insurance Broking.

2020 was unprecedented in business activities. The occurrence of COVID-19 changed the entire atmosphere of business undertakings. Not only was the Circuit Breaker and lockdowns implemented within Singapore, extreme restrictions on cross-border travels were also imposed. It was indeed a nightmare. Work from home was a new phenomenon and separate teams working in separate locations was practised. Mask wearing, temperature checking and general cleanliness were also practised.

Against such a backdrop, the Singapore Government provided S\$100 billion worth of aid to all the companies and self-employed persons. These were essentially in the form of Jobs Support Scheme in which Government supported staff salaries from 25% to 75% depending on the nature of the business. Other operating costs incurred in respect of rental reliefs were also provided. The returns expected of the Government were to avoid staff retrenchments, to restructure and transform companies and businesses and to train, retrain and upgrade staff.

CHAIRMAN'S STATEMENT

(i) SCHEDULED & UNSCHEDULED BUS

In Scheduled Bus, we operated 226 services with 3,193 scheduled buses out of a holding fleet of 3,531 buses in 2020. On trial were 25 hybrid buses and 20 EVs.

As reported in my Statement last year, we submitted bids for two parcels under the new cluster system. The objective of cluster tendering was to give smaller operators an opportunity to win and level the playing field between large and small operators.

Though we made lowest bids for both the individual and combined parcels, we lost out. An existing foreign operator, Tower Transit of Australia, with their only one parcel being included in the tender, submitted the next lowest combined bid, and was awarded. The difference in price was S\$22.0 million or 2.2% over the five-year period.

Tower Transit Singapore has therefore increased its portfolio to two parcels. SMRT, being the operator of the other tendered parcel, lost out. In the market place today, we are still the major operator with nine parcels or about 61% of the market share, SMRT and Tower Transit are now next with two parcels each and Go-Ahead Singapore Pte Ltd, the second foreign operator, has only one parcel.

In Unscheduled Bus operations, we continued to be the leading operator with 333 buses. We provided services to schools, companies, tour groups and large-scale public events like the National Day Parade and General Election 2020. Our aim is to leverage technologies and data by fully digitising all our business and operation processes to re-position ourselves as a high-tech mobility solution provider.

(ii) RAIL

We continue to operate 83km of rail networks in Singapore – the North East Line (NEL), DTL and the Sengkang-Punggol Light Rail Transit (SPLRT) systems. This is about 30.6% of current market. At the peak of the crisis, we suffered an

86% drop in passenger load. In December 2020, ridership was just 72.7% of what was registered a year earlier.

In train service reliability, our lines performed better than the industry. In 2020, DTL achieved a Mean Kilometre Between Failure (MKBF) of 2.09 million train-km while NEL clocked 2.04 million train-km, both of which outperformed the nationwide MRT network's average of 1.45 million train-km. The SPLRT achieved 426,000 train-km compared to the LRT's network average of 227,000 train-km.

As mentioned earlier, we intend to grow our rail business significantly. In this respect, we had signed an agreement with RATP Dev, a French Government owned company and the largest train operator in Paris, to tender for new business opportunities in Singapore.

A more detailed report of these two business areas (Scheduled Bus and Rail) can be found in our subsidiary, SBS Transit's Annual Report.

(iii) TAXI, CAR RENTAL AND PRIVATE HIRE

Taxi was the hardest hit of our businesses during the ongoing COVID-19 crisis. Earnings of hirers and taxi drivers were hit badly so much so that quite a significant number of them has exited the industry. Ever since the start of the pandemic, we have been monitoring the daily takings and health of our drivers and working closely with them to supplement their income. We also subsidised their rental – even waiving rental completely during the two Circuit Breaker months. As a result, we registered our first ever loss during the year. Our fleet as at December 2020 had been reduced to 9,447, a drop of 11.7% from December 2019, compared to the industry's drop of 13.6%. However, we are still the market leader with 61.2% of the market share in operating fleet, as of October 2020.

The Point-to-Point Passenger Transport Industry Act came into force on 30 October 2020. Four companies, including us, were granted the Ride-hail Service Operator Licence (RSOL) while the six

existing taxi operators had their existing licences automatically converted to Street-hail Service Operator Licences (SSOL). Previously, all taxis could use the services of RSOL except ours which was confined to our own taxis. One taxi operator with 129 EVs is reported to be leaving the market, reducing the number of operators to five.

The Car Rental business also suffered setbacks. We are building up our fleet of private hire vehicles in tandem with the implementation of the Point-to-Point Passenger Transport Industry Act and the intention of the Authorities to further level the playing field between traditional taxis and private hire vehicles.

Our prime mover business, which we started up in 2019, is performing well. The fleet of five will be further expanded.

(IV) ENGINEERING AND FUEL SALES

The reduction of our taxi fleet also affected this aspect of our business. However, we continue to undertake engineering services for external clients.

The volume of diesel sales was reduced with the gradual phase out of our diesel taxi fleet. About 42.4% of our taxi fleet is now diesel-powered. Even as diesel sales dropped, our petrol sales increased. Our two electric charging stations were installed for the electric taxis that we have on trial as well as for members of the public who own EVs. We shall bid for the recent announcement by the Urban Development Authority to install 628 charging points within public car parks.

(V) DRIVER EDUCATION

This business sector was performing well with strong demand for its new Simulator Centre until the Circuit Breaker period which saw the school close its doors for two months. Training has now resumed and is back to normal.

(VI) VEHICLE AND TECHNICAL TESTING

COVID-19 also forced the Vehicle Inspection business to slow down for a while. The personal mobility devices (PMD) testing, which was slated for

commencement in April 2020, was delayed till September 2020. The Private Hire Vehicle Testing, which was to commence in July 2020, has been shelved for now. We continued to be the leader in the Vehicle Testing business with a market share of 75.2% (2019: 74.0%).

Technical Testing was very badly affected by COVID-19 and lockdowns. The availability of foreign workers in our employment was also a major issue. Without Government financial assistance, this business would have incurred an operating loss for the year.

Renovation work on our newly acquired premises was delayed by about six months because of COVID-19. It will be completed in the second quarter of 2021.

A more detailed report of the two businesses of Vehicle Testing and Technical Testing can be found in our subsidiary, VICOM's Annual Report.

(VII) VEHICLE ADVERTISING AND INSURANCE BROKING

Again, the taxi fleet reduction, coupled with a poor economy, negatively affected advertising sales. Until such time when the economy recovers, this sector will continue to face challenges.

The reduction in our taxi fleet also affected our insurance broking business. We are exploring a foray into the adjacent B2C market.

The year under review had not been very good for our businesses in Singapore, mainly due to COVID-19. We took advantage of the opportunity to consolidate our efforts, reflect and recalculate our position.

The Government had been very sympathetic and helpful through its various assistance schemes and generous supplementary Budgets.

On our part, the safety and security of our workforce, commuters and business partners ranked as our top priorities.

CHAIRMAN'S STATEMENT

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Despite the unfortunate bushfires and the pandemic crisis, Australia was the best performing overseas location in 2020.

”



The Bus Contracting Model helped us greatly but the Rail Model made it more difficult for us as a result of the Circuit Breaker and lockdowns. Hardest hit was our taxi hirers who are our business partners. Just as the Government helped us to protect jobs and business, we tried our best to help our hirers protect their livelihood. At its worst during the Circuit Breaker period, we waived all our rental charges. We contributed close to S\$120 million in rental rebates.

Staff also played their part. Senior staff took a 10% pay cut for five months, Managing Director and Group Chief Executive Officer (MD/Group CEO) took a higher 15% reduction while our three listed Boards of Directors took the highest 20% cut in their directors' fees.

OVERSEAS BUSINESSES

(A) DEVELOPMENT

We continued to operate seven major business areas overseas in 2020. These are (i) Public Transport Services (bus and coach), (ii) Taxi and Taxi Circuit, (iii) Car Rental and Private Hire, (iv) Non-Emergency Ambulance Services, (v) Bus Depot, (vi) Driving Education and (vii) Vehicle and Outdoor Advertising. We also have a small testing laboratory. The number of overseas countries remained unchanged at six with major destinations being Australia, the UK, and China and minor investment sites being Ireland, Vietnam and Malaysia.

Australia continued to be the leading country in our overseas investment portfolio. We are consolidating the bus business and putting in concerted effort to expand the taxi business in locations where it has been deregulated, especially Melbourne and Perth.

In the UK, we continued to look aggressively at the bus business in larger counties outside London in a bid to complement our existing operations in London.

We made one important acquisition in Wirral, near Liverpool – a £7 million taxi and private hire company with 714 vehicles. Together with our existing taxi fleet of 392 vehicles, we are now the largest such operator in Liverpool.

We plan to expand our rail business. In this respect we partnered French Government-owned company, RATP Dev, to tender for new rail projects in Paris. We also partnered Australian company, UGL, to tender for rail projects in Sydney, Australia and Auckland, New Zealand.

(B) OPERATIONS

Just as it did on our Singapore operations, the pandemic wreaked havoc on our overseas operations too. China was the first to be hit but recovered in the last quarter of the year. The UK, with its unending Brexit issue, coupled with the COVID-19 problems, fared very badly. This was especially so for the Coach business which caters to tourists, both internationally and domestically. Australia suffered two major setbacks in the bushfires and the pandemic crisis. However, it managed to meet the difficulties well. The other two smaller overseas locations in Vietnam and Malaysia showed no further progress.

(I) AUSTRALIA

Our Australian operations, which are headquartered in Melbourne, comprise mainly a well-structured Bus business and a Taxi business which is facing some challenges. Plans are afoot to unlock the Australian assets for a more aggressive expansion.

We continue to have four business interests: Scheduled and Unscheduled Bus, Non-Emergency Patient Transport Services, Taxi and Taxi Circuit and Vehicle Advertising. We are in New South Wales, Victoria, Northern Territory, Queensland, Western Australia and Australian Capital Territory. Despite the unfortunate bushfires and the pandemic crisis, Australia was the best performing overseas location in 2020.

CHAIRMAN'S STATEMENT

The Scheduled Bus business is doing well but the Unscheduled Charter Bus business is facing difficulties. We have 2,606 buses, which is about 73.8% of Singapore's fleet size. Close to 84% of our buses operate on contract routes. We have been busy with tendering for new routes, especially those that are being privatised by the Authorities in Sydney. Some of our existing contracts are also being negotiated for extensions.

In Non-Emergency Patient Transport Services, synergies have been achieved with co-locations in available bus depot sites. Our in-house workshops have also been busy equipping ambulances where before this was outsourced. We have 202 vehicles in Melbourne, Sydney and Perth. In locations where we are presently not providing the services and where we have our bus operations, we are seeking approvals from the local Authorities to offer our services.

We are slowly building up our own taxi fleet. We have a total size of 397 vehicles compared to earlier years where we were just a taxi circuit operator. Today, we are in both these business undertakings. It is our plan to expand further as a significant fleet owner like we are in Singapore.

Our Vehicle Advertising business is headquartered in Sydney and leverages on our entire fleet as an advertising platform.

(ii) UNITED KINGDOM/IRELAND

We continue to have four business interests: Scheduled Bus, Coach, Taxi Circuit and private hire and are in five cities: Aberdeen, Cardiff, Glasgow, Liverpool and London.

Our Scheduled Bus business in London, Metroline Limited, operates 95 services with 1,592 buses including 90 EVs. There are plans to operate hydrogen-run vehicles in 2021. We have a market share of 17.4%. Our London fleet is about 45.1% of Singapore's and 61.1% of Australia's. We are the third largest operator in

London after UK's Go-Ahead Group plc at 24.2% and Germany's Arriva plc at 17.8%. Trailing us are UK's Stagecoach Group plc, France's RATP Group, Dutch firm Abellio UK and Australia's Tower Transit.

Our Coach business, as expected, did not do well in 2020 because of the pandemic crisis. The domestic coach service within Scotland and the inter-city services were hit by the lockdowns and border closures. Similarly, our coach services in Wales and London West Bus also performed poorly. It was the same situation in Ireland.

In the Taxi Circuit and Private Hire sector, Cityfleet Networks Limited in London and Aberdeen were the casualties of the pandemic crisis. So was Flightlink International Limited, our private hire arm in London. However, our Liverpool circuit together with the newly acquired Argyle Satellite in Wirral, performed satisfactorily.

(iii) PEOPLE'S REPUBLIC OF CHINA

We continue to have four business interests: Taxi, Bus Station, Driving School and Car Rental. We also continue to operate in nine cities: Beijing, Shenyang and Jilin City in the North, Guangzhou and Nanning in the South, Shanghai, Suzhou and Nanjing in the East and Chengdu in the West.

Our biggest and most significant investment is in Taxi where we are operating in eight cities except Guangzhou. Though we have 10,931 taxi licences, 9,391 are utilised, 8,694 vehicles are hired out, giving an unhired rate of about 7.4%.

We are still the leading overseas taxi operator in China. Our rankings in the various cities remain unchanged, being the leaders in Shenyang, Nanning and Jilin City, second in Chengdu, third in Beijing and fourth in Nanjing. Taxi operations continue to face competition from private hire vehicles although the Authorities have taken steps to regulate the industry.

Our Bus Station and Driving Schools took a hit as a result of the pandemic as lockdowns were imposed. In the case of the Bus Station, passenger and bus traffic continued to drop despite the fact that seven competing stations closed down. Our Car Rental business in Chengdu is being wound down.

Doing business in China is becoming more challenging as the country makes progress. Our earlier advantages are slowly being eroded. We are still exploring more business in the taxi sector, perhaps in second or third tier cities or towns.

(IV) ASEAN: VIETNAM AND MALAYSIA

The taxi industry in Ho Chi Minh City is performing poorly because there is quite simply a gross oversupply of vehicles. Together with Private Hire Vehicles which have flooded the market, the number of vehicles has quadrupled in the last five years. Taxi fares are regulated and fixed while private hire fares are dynamic. We are facing great difficulty to survive. It is likely that we will exit the business soon. The Car Leasing business in Kuala Lumpur, Malaysia, continues to face challenges. We are also handicapped being a non-Bumiputra company and government contracts are out of our reach.

MANPOWER

Staff well-being, both mental and physical, was a key concern as the pandemic raged. At the beginning of the crisis, Singapore assumed the lead role in ordering and stockpiling the essential health and safety items including face masks. In the early days of the pandemic, Singapore was able to despatch supplies to our businesses in China, the UK and Australia as they ran low. Later, when our Singapore operations fell short of supplies, the reverse became true. It is times of crisis where the value of teamwork and the strength of a global presence becomes obvious.

Despite all our efforts at keeping our staff and drivers safe, we had 14 fatalities in the Group as a result of COVID-19 –

two in Singapore and 12 in the UK. Every assistance was extended to the bereaved families.

In the unusual situation where the Johor-Singapore Causeway was suddenly closed, our Malaysian staff who commuted daily to work chose to stay behind in Singapore to run our services. We sprang into action and managed to secure hotel accommodation for them, making sure that the sudden move which essentially tore them from their families back home was as painless as possible.

The Group's manpower strength in 2020 was 23,721 compared to 24,329 in 2019, a drop of 608 or 2.5%. In terms of nationalities, Singaporeans continued to be the highest at 31.1%. Our next door neighbour, Malaysia, was next at 19.6%. The next three categories are from our overseas investment countries: British 15.8%, Australians 14.3% and PRC nationals 6.8%. The average staff cost per day is S\$4.3 million, a drop of 10.2% from 2019.

Three new senior staff were recruited in 2020. One is to head our newly created Digitalisation Unit. The other is an Australian and will handle Business Development and Bus Tendering. The third is to assume the Group Human Resource position. Practically all Group Officers under the late Founding MD/ Group CEO had retired or left us. A new team is in fact in place to drive the Group forward. More recruitments are expected in the years ahead to fill the gaps and new openings presented by the changed business activities.

As the global pandemic crisis ground almost all our businesses to a halt, the financial assistance provided by the respective governments proved to be invaluable. In turn, we offered financial assistance to our taxi hirers so that they could continue to survive. In the final analysis, it was a collective effort that kept the ecosystem going without any staff retrenchments.

CHAIRMAN'S STATEMENT

FINANCE

Because of the COVID-19 crisis, Management undertook a worst case scenario planning exercise with respect to cash flows and kept the Board of Directors fully updated. Business Units were advised not to commit any capital expenditure items which were not mission critical. The objective was to conserve cash. Even mid-year interim dividends for all our three listed companies were not declared. On top of that, Senior staff ranked Vice-President and above took a 10% pay cut for five months while MD/Group CEO took a higher 15% reduction. Directors of our three listed companies took a 20% cut in their annual directors' fees. This is how we lead by example.

The 2020 financial results therefore could not be better than or even close to the 2019 levels. In fact, the Group incurred an operating loss of S\$46.2 million compared to an operating profit of S\$415.8 million previously if Government grants were not included. This is the first time the Group has registered an operating loss since incorporation in 2003. I expect that Shareholders will understand that these are extraordinary times.

Group revenue for 2020 was S\$3.2 billion, a decline of S\$672.5 million or 17.2% from 2019. Including Government grants, Group operating profit was S\$123.1 million – a far cry from 2019's S\$415.8 million – a reduction of S\$292.7 million or 70.4%. A substantial amount was incurred in supporting our taxi hirers through rental waivers and subsidising accommodation for our Malaysian staff who had to stay behind in Singapore. Most of our businesses registered an operating loss. Hence Group profit before tax dived precipitously to S\$117.2 million, S\$289.4 million or 71.2% lower than 2019's figure of S\$406.6 million. Similarly, profit attributable to shareholders also fell by S\$203.3 million or 76.7% to S\$61.8 million.

Overseas revenue represented 45.2% of Group revenue. This is 3.1 percentage points higher than 2019. However, Overseas operating profit was 14.7% of Group operating profit. This is 19.0 percentage points lower than 2019.

Public Transport Services (Bus, Coach and Rail) continued to be the leading sector in generating Group revenue. Its contribution of 79.5% is 5.7 percentage points higher than 2019. The next sector is Taxi which contributed about 12.5% of the Group revenue. It has declined from 2019 by 4.5 percentage points. This is to be expected because of the pandemic crisis which curtailed private individual travels. Even then, these two sectors continued to contribute 92.0% of Group revenue compared to 90.8% in 2019. In Group Total operating profit, the contributions by these two sectors – Public Transport Services and Taxi – are a combined 49.7%. This is comparatively lower than 2019's combined 79.0%.

Earnings per share for 2020 was 2.85 cents. This is far lower than 2019's 12.24 cents. The net asset value per share was 120.31 cents compared to 119.80 cents in 2019. This is largely due to the S\$48.3m impairments taken in 2020 in respect of vehicles and goodwill. Obviously, returns to both equity and total assets were weak at 2.4% and 1.7% respectively compared to the higher figures of 10.2% and 6.1% achieved in 2019.

As Management decided to incur expenditure only on critical mission items, capital expenditure was S\$198.5 million. This is far lower than the S\$506.7 million spent in 2019. The main item was still the accelerated replacements of diesel taxis in Singapore which commenced prior to the pandemic crisis in March 2020.

The Balance Sheet maintained its healthy status despite the pandemic crisis. Group Total Assets decreased by S\$70.5 million to S\$5,308.5 million, a small decrease of 1.3%. Group Total borrowings and Lease liabilities from financial institutions also decreased to S\$552.3 million, a decrease of 12.9%. I am therefore pleased to advise that we are in a net cash positive position of S\$190.5 million compared to a net debt position of S\$40.0 million in 2019. The Group gross gearing ratio is 18.2% compared to 21.1% a year ago.

Government financial support is intended to protect jobs and businesses. The Board believes that it would be neither

appropriate nor ethical to use such support for either staff bonus or dividend payment to Shareholders. Most of our companies are still incurring losses and recovery remains uncertain; the Board therefore remains inclined towards caution. We shall therefore use only our actual profit as consideration for dividend payment. Accordingly, the Board is pleased to announce a first and final dividend of 1.43 cents per share. This is still in accordance with our declared policy of distributing at least 50% of our earned profit as dividend. Against the year-end closing price of S\$1.67, the yield is 0.9%, reflecting our unprecedented decision to not declare an interim dividend. I am sorry for this but these are extraordinary times and I hope Shareholders understand and appreciate our position.

TRANSFORMATION

Crises tend to serve as a good time for reflection and recalibration. We took the opportunity to accelerate our digitalisation activities. A new Board standing committee on Digitalisation was established. It is made up of more than half the Board's composition so as to empower it to focus and decide on its activities without further reference to the Board.

Our efforts to develop a super app named Zig is taking shape nicely. It had its soft launch recently. It is our hope that with this super-app, we will be able to marshal all our business activities onto one platform for the convenience of the users and to extend beyond land transport to cover other related activities connected with lifestyle like food and beverage, shopping, entertainment and so on. We are excited with this development and look forward to greater participation by commuters.

SUSTAINABILITY

The health and safety of our people and customers, as well as the financial and mental well-being of our people including taxi drivers, took on new significance with the onset of the COVID-19 pandemic. Despite the economic meltdown caused

by the pandemic, the Group extended over S\$1.5 million in financial assistance to our staff, drivers and the communities we operate in during the year.

For the second year running, we were selected for inclusion in the prestigious Dow Jones Sustainability Index (Asia Pacific). We are one of the five Singaporean companies to be recognised with a listing in this Index.

We are on track to achieving our target of a reduction in Greenhouse Gas (GHG) emission intensity from the 2015 level by 20% in 2023 and up to 50% by 2030. There will be a greater imperative to invest in clean energy. We can also expect the electrification of land mobility to gain momentum. In this respect, we will continue to replace our taxi fleets with clean vehicles like hybrids and eventually, electric. Electric buses are on trial in Singapore even though London already has a fleet of 90 such vehicles. In Australia, Euro-6 diesel-hybrids are in operation while in London, hydrogen bus trials will be delayed till 2021.

Our aim now is to go beyond compliance and reporting. The megatrend of sustainable development will gain momentum. Land mobility will undergo tectonic transformation with digitalisation, electrification and automation. We must therefore integrate sustainability into our business strategy. A full and separate report on Sustainability is being produced to complement this annual report. It will be our sixth report.

OUTLOOK

At the time of writing, the outlook looks uncertain with international travel still very much curtailed. Global economic recovery is expected to be gradual and uneven. Geopolitics is also uncertain and divided. These uncertainties are not conducive for business undertakings.

Competition in the land transport industry remains intense. Disruptors with strong financial backing continue to be a force

CHAIRMAN'S STATEMENT

to be reckoned with whilst evolution in modes of transport perpetuated by the advent of technology continues to be something we watch closely.

Should our super-app, Zig, take off smoothly, we shall open up an entirely new horizon of undertakings. This should be exciting and hopefully rewarding. We will continue to explore for new investments. We may even have to start with some greenfield projects on a small scale as exploratory ventures before growing them further.

APPRECIATION

Management has been under great stress ever since the start of the pandemic. Besides guarding our own businesses, both locally and abroad, Management had to be concerned with the well-being of not only our staff but also commuters, partners and other stakeholders. Civilisation as we know it is under threat and we have to play our part.

On behalf of the Board of Directors, I wish to thank the entire Management and staff in all our locations under the capable leadership of MD/Group CEO Yang Ban Seng for doing an excellent job in keeping the morale high and discharging their responsibilities and duties well. Special thanks go out to our many frontline staff who put their own health on the line as they go about their daily work.

I also wish to thank all the respective Governments and Authorities for all their assistance, financial and otherwise, in helping us through this difficult time. Teamwork has been strong throughout the crisis and it has helped make a very difficult situation slightly less challenging.

I also wish to express my deepest appreciation to all the staff unions that worked with us during these trying times.

I would also like to thank my fellow Directors for their invaluable contributions during this difficult time. And finally, to our Shareholders, thank you for your continued support.

It is my hope that 2021 will be a better year as we continue to face the pandemic.

LIM JIT POH
Chairman
MARCH 2021

GROUP FINANCIAL HIGHLIGHTS



GROUP FINANCIAL HIGHLIGHTS

FINANCIAL SUMMARY

	2016	2017	2018	2019	2020
Revenue* (S\$'mil)	3,633.2	3,571.2	3,796.4	3,901.1	3,228.6
Operating Costs* (S\$'mil)	3,171.0	3,162.0	3,357.6	3,485.3	3,105.5
Operating Profit (S\$'mil)	462.2	409.2	438.8	415.8	123.1
Profit Attributable to Shareholders (S\$'mil)	317.1	301.5	303.3	265.1	61.8
EBITDA** (S\$'mil)	860.1	814.1	823.2	864.2	599.2
Issued Capital (S\$'mil)	676.9	688.2	691.1	692.2	693.4
Capital and Reserves (S\$'mil)	2,475.5	2,618.2	2,613.6	2,595.0	2,606.8
Capital Disbursement (S\$'mil)	466.5	365.4	325.0	466.3	192.3
Return on Shareholders' equity (%)	13.2	11.8	11.6	10.2	2.4
Earnings Per Ordinary Share (cents)	14.72	13.95	14.01	12.24	2.85
Net Asset Value Per Ordinary Share (cents)	114.77	121.01	120.70	119.80	120.31
Interim Dividend Per Ordinary Share (cents)	4.25	4.35	4.35	4.50	-
Final Dividend Per Ordinary Share (cents)	6.05	6.05	6.15	5.29	1.43
Total Dividend Per Ordinary Share (cents)	10.30	10.40	10.50	9.79	1.43
Dividend Cover (number of times)	1.4	1.3	1.3	1.3	2.0

* Certain comparative figures have been reclassified to conform to current year's presentation

** Group operating profit before depreciation and amortisation, net loss/(gain) on disposal of vehicles, premises and equipment and provision for impairment on vehicles and goodwill

GROUP REVENUE BY BUSINESS SEGMENT

	2016		2017		2018		2019		2020	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Public Transport Services	2,305.8	63.5	2,398.9	67.2	2,710.3	71.4	2,878.6	73.8	2,567.9	79.5
Taxi	918.0	25.3	803.7	22.5	726.5	19.1	664.7	17.0	403.2	12.5
Automotive Engineering Services	204.8	5.6	171.1	4.8	166.1	4.4	159.2	4.1	89.4	2.8
Inspection and Testing Services	103.7	2.9	100.7	2.8	99.7	2.6	100.9	2.6	84.2	2.6
Driving Centre	39.7	1.1	42.0	1.2	43.3	1.2	48.1	1.2	41.2	1.3
Car Rental and Leasing	34.3	0.9	29.2	0.8	26.4	0.7	27.8	0.7	27.0	0.8
Bus Station	26.9	0.7	25.6	0.7	24.1	0.6	21.8	0.6	15.7	0.5
Group	3,633.2	100.0	3,571.2	100.0	3,796.4	100.0	3,901.1	100.0	3,228.6	100.0

GROUP REVENUE BY GEOGRAPHICAL SEGMENT

	2016		2017		2018		2019		2020	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Singapore	2,133.7	58.7	2,107.1	59.0	2,232.8	58.8	2,258.9	57.9	1,769.8	54.8
United Kingdom / Ireland	911.8	25.1	855.5	24.0	890.8	23.4	853.8	21.9	733.9	22.7
Australia	385.5	10.6	421.8	11.8	503.2	13.3	627.6	16.1	608.1	18.9
China	191.7	5.3	178.9	5.0	164.2	4.3	155.7	3.9	113.4	3.5
Vietnam	7.6	0.2	5.3	0.1	2.9	0.1	2.6	0.1	1.4	-
Malaysia	2.9	0.1	2.6	0.1	2.5	0.1	2.5	0.1	2.0	0.1
Group	3,633.2	100.0	3,571.2	100.0	3,796.4	100.0	3,901.1	100.0	3,228.6	100.0

**ANNUAL REPORT
2020**

OPERATING PROFIT BY BUSINESS SEGMENT

	2016		2017		2018		2019		2020	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Public Transport Services	178.3	38.6	180.1	44.0	216.5	49.3	224.3	53.9	125.5	102.0
Taxi	167.5	36.2	134.0	32.7	129.4	29.5	104.2	25.1	(64.4)	(52.3)
Automotive Engineering Services	50.7	11.0	33.9	8.3	25.3	5.8	27.8	6.7	18.1	14.7
Inspection and Testing Services	34.8	7.5	32.6	8.0	39.8	9.1	30.6	7.4	26.6	21.6
Driving Centre	10.6	2.3	9.8	2.4	11.8	2.7	14.6	3.5	8.6	7.0
Car Rental and Leasing	8.1	1.8	6.9	1.7	4.9	1.1	4.3	1.0	2.5	2.0
Bus Station	12.2	2.6	11.9	2.9	11.1	2.5	10.0	2.4	6.2	5.0
Group	462.2	100.0	409.2	100.0	438.8	100.0	415.8	100.0	123.1	100.0

OPERATING PROFIT BY GEOGRAPHICAL SEGMENT

	2016		2017		2018		2019		2020	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Singapore	275.1	59.5	243.9	59.6	282.7	64.4	275.8	66.3	105.0	85.3
United Kingdom / Ireland	80.7	17.5	60.7	14.8	53.0	12.1	41.2	9.9	(28.0)	(22.8)
Australia	57.3	12.4	60.1	14.7	64.1	14.6	78.0	18.7	35.7	29.0
China	47.4	10.2	44.0	10.8	39.5	9.0	20.6	5.0	10.9	8.9
Vietnam	1.2	0.3	-	-	(0.9)	(0.2)	(0.2)	-	(0.7)	(0.6)
Malaysia	0.5	0.1	0.5	0.1	0.4	0.1	0.4	0.1	0.2	0.2
Group	462.2	100.0	409.2	100.0	438.8	100.0	415.8	100.0	123.1	100.0

VALUE-ADDED FOR THE GROUP

	2016		2017		2018		2019		2020	
	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%	S\$'mil	%
Suppliers of Capital - Loan Interest and Dividends	244.4	9.9	294.1	12.0	291.1	11.1	295.5	10.9	159.1	7.1
Taxation to the Government	243.8	9.9	212.7	8.7	198.3	7.6	193.0	7.1	116.6	5.2
Retained Earnings	528.4	21.3	450.2	18.3	463.4	17.8	489.0	18.1	413.4	18.5
Employees - Salaries and Other Staff Costs	1,458.0	58.9	1,495.2	61.0	1,656.1	63.5	1,726.2	63.9	1,550.1	69.2
Total Value-Added	2,474.6	100.0	2,452.2	100.0	2,608.9	100.0	2,703.7	100.0	2,239.2	100.0
Number of Employees	22,176		21,983		23,308		24,513		24,025	
Value-Added Per Employee (S\$'000)	111.6		111.5		111.9		110.3		93.2	

COVID-19

THE PANDEMIC
SENT SHOCKWAVES
THROUGHOUT THE
WORLD AND CHANGED
THE WAY WE LIVED.







AIR TRAVEL GROUND TO A HALT

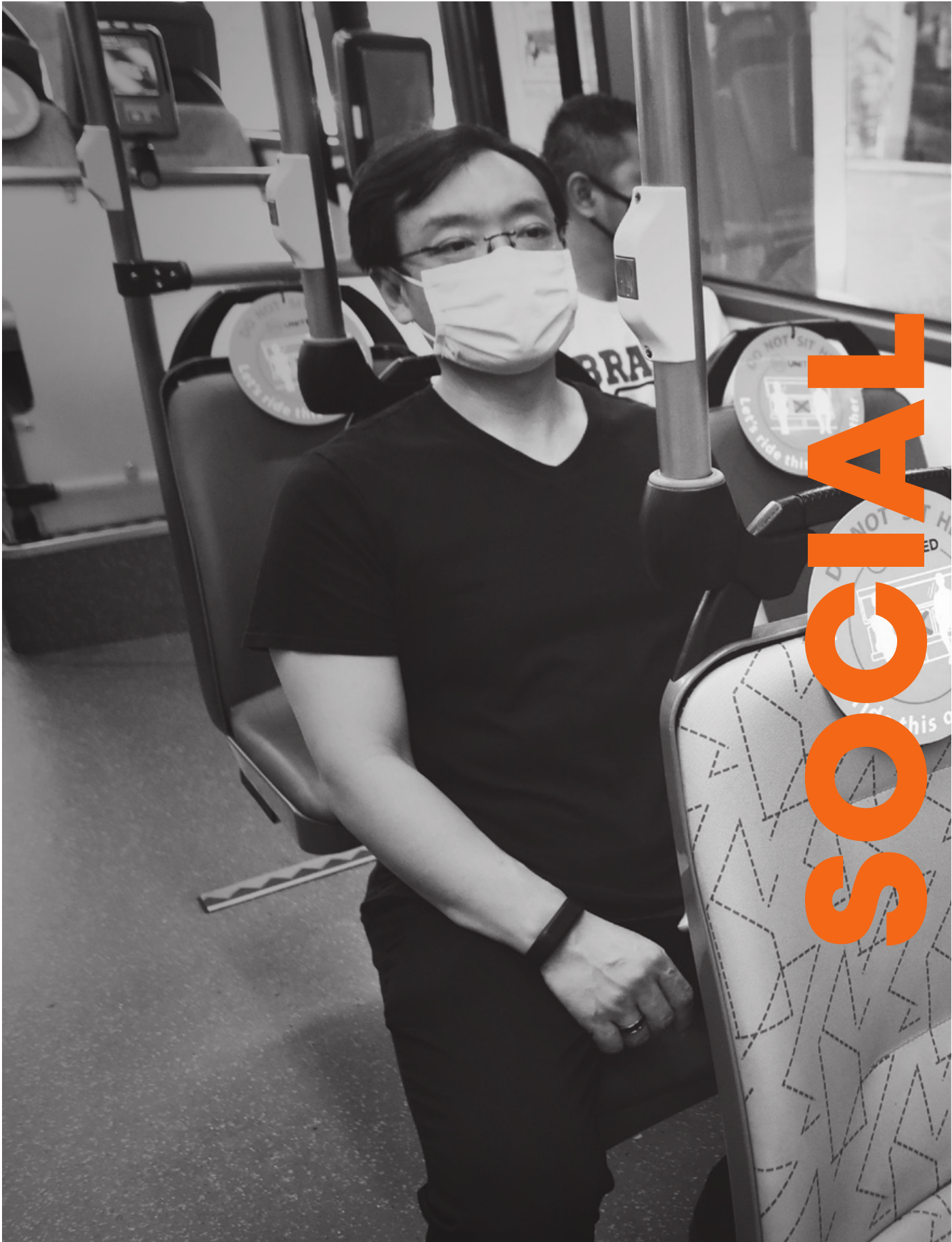


**BUSINESSES
SUFFERED**

SCHOOLS CLOSED



STREETS EMPTIED





DISTANCING

**BECAME THE
NEW NORM**



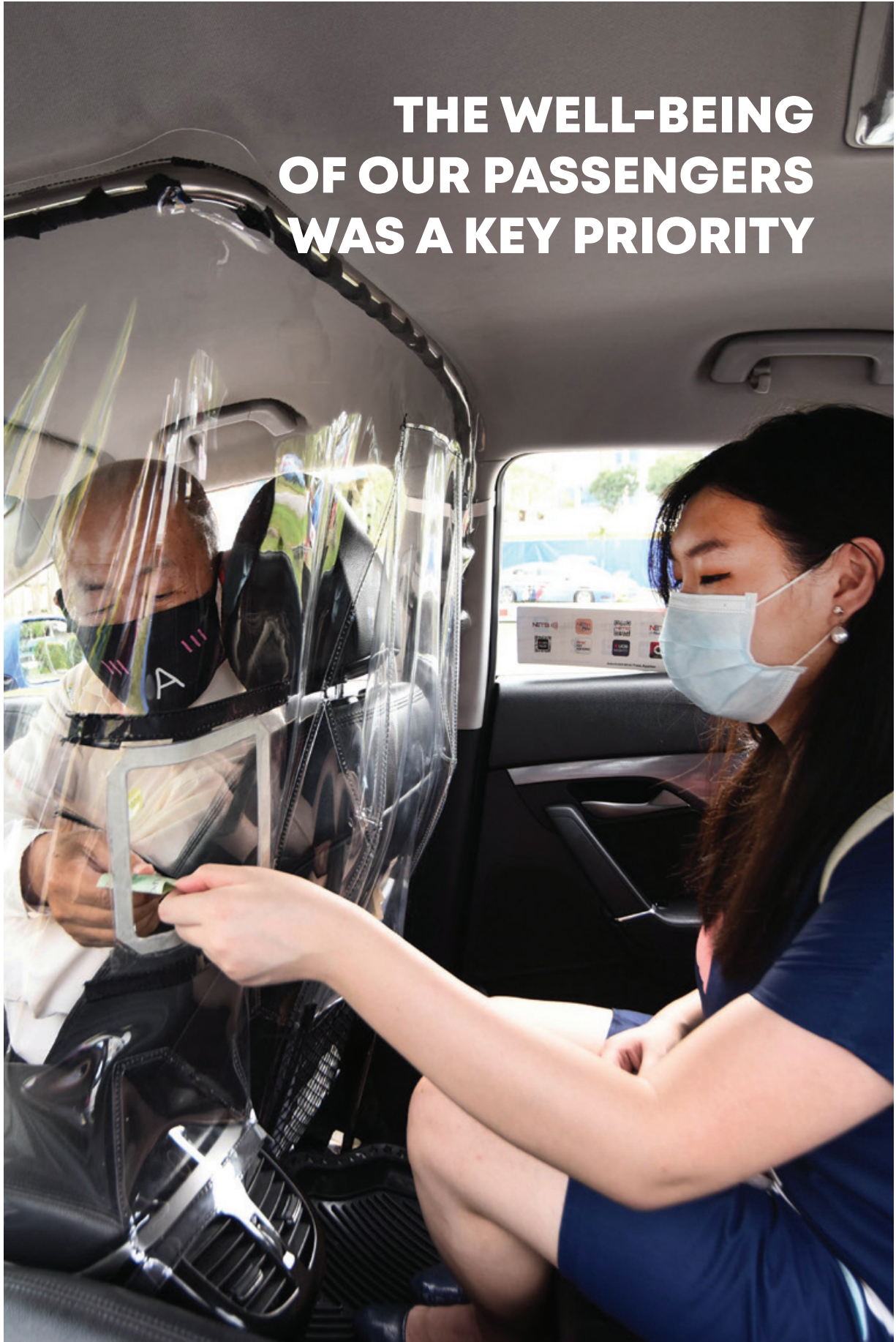
**WE WERE
IN THE MIDST
OF A GLOBAL
CRISIS**



**COMFORTDELG
HAS BEEN ON
EMPLOYEES, CU
OTHER STAKEHO
THIS UNPRECE
IN THE SAFEST**

**RO'S KEY FOCUS
HELPING OUR
STOMERS AND
LDERS WEATHER
DENTED STORM
WAY POSSIBLE**

THE WELL-BEING OF OUR PASSENGERS WAS A KEY PRIORITY





**SO TOO THE
HEALTH AND
SAFETY OF OUR
STAFF AND
DRIVERS**



**WE REMAINED
NIMBLE IN A
CHANGING
ENVIRONMENT**

ALL THE WHILE REMAINING ON THE LOOKOUT FOR OPPORTUNITIES FOR GROWTH







Cheng Siak Kian ...

YimCheng

Jess

Lilian Tan

ANGSH

valerie tan

Yeo Sung Sung, Eliz...

Doreen (Grp OD)

COVID-19

What started as a sneeze and cough quickly became a lot more sinister in the early months of 2020. The world now knows it as COVID-19 and it has changed life as we all know it.

It is a virus which needs no introduction. It has changed the way we work and play, the way we interact with one another and certainly, the way we, at ComfortDelGro Corporation Limited, do business and deliver our services.

We bring you a snapshot of how COVID-19 has made us transform, as we work hard to keep our staff, our drivers, and our communities safe.



SINGAPORE



Singapore's index case was discovered on 26 January 2020. A tourist who was residing in one of the hotels in Sentosa island, was tested positive and contact tracing commenced immediately.

The discovery of Singapore's first COVID-19 case had direct impact on ComfortDelGro Bus Pte Ltd, which operates the shuttle service on the island. It immediately began contact tracing and implemented temperature screening for all its drivers. The buses also underwent enhanced cleaning and disinfection. Thankfully none of our staff was infected.

At the same time, the rest of the Group ramped up its business continuity action plans, making sure there was sufficient stockpile of essentials like face masks, thermometers, disinfectants and sanitisers. We actively coordinated the supply of essentials across geographies. Disposable masks, surgical gloves and thermometers were shipped from Singapore to China in January when the businesses there were short of supplies at the peak of the pandemic. When the stockpile of masks ran low in Singapore later, our Chinese and other overseas businesses returned the favour and sent inventories.



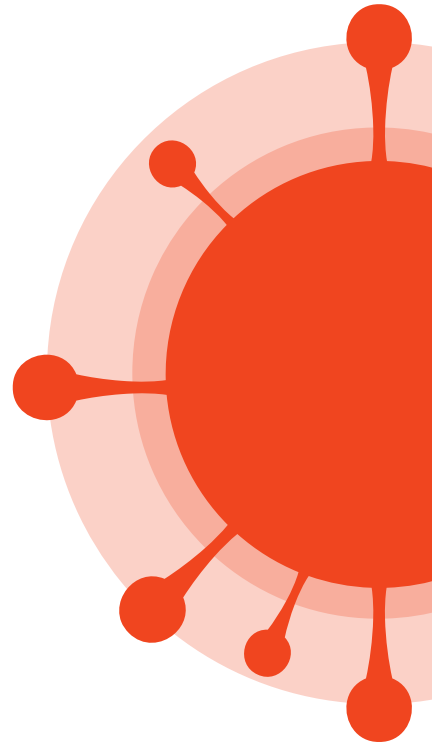
As more infections surfaced in Singapore, our businesses stepped up their preventive measures. Staff were reminded to adhere to personal hygiene practices and to seek medical attention when exhibiting respiratory illnesses symptoms. Workplace arrangements were reviewed to enable social distancing amongst staff.

Our various Business Units ensured that our entire fleet of buses, taxis, trains, private and training cars was thoroughly disinfected, stepped up cleaning on all high traffic places in our various locations was implemented and social distancing enforced strictly.

With the declaration of DORSCON Orange, our businesses were ordered to prepare for escalated measures, including split team work arrangements and telecommuting. Table top exercises were held to brainstorm the various scenarios and to formulate responses.

The preparations proved useful when a Circuit Breaker was ordered by the Government in early-April, following rising community infections and the emergence of infection clusters in the foreign workers' dormitories. Over the weekend, remote working arrangements were set up to enable corporate staff to work from home.

Our challenges were compounded when the Federal Government in Malaysia ordered the imposition of Movement Control Order (MCO), thereby restricting the daily cross-border commute of our Malaysian bus captains and technicians.



COVID-19



SINGAPORE



SBS Transit Ltd and other businesses had to arrange for alternative accommodation for stranded staff while they continued working in Singapore to ensure critical services carried on undisturbed. At the same time, VICOM Ltd had to re-locate its foreign workers after infection clusters were uncovered in the dormitories that they were housed in.

The two-month Circuit Breaker grounded almost all business activities. We suspended operations at our driving centre and all vehicle inspection centres. Corporate car rentals and private bus bookings were hit with border closures and event cancellations. Several private bus contracts that ferried foreign workers were also suspended after the dormitories were gazetted as isolated areas.



Taxis plied empty streets as non-essential services were ordered to close, and dining out was prohibited. Ridership of our public bus and rail services dropped to less than 30% of pre-COVID levels.

The Government and Authorities recognised the dire situation and rolled out various relief assistance across industries. Beyond the Job Support Scheme that co-funded part of our employees' salaries, there were transport sector-based schemes where the Land Transport Authority (LTA) waived the licence fee for point-to-point operators, and provided relief to taxi companies to help defray the cost of unhired vehicles. Private bus operators were also given a one-year road tax rebate.

For our taxis, the LTA provided a S\$300 per vehicle per month special relief fund from February to September 2020. Cabbies could also apply for the Self-Employed Person Income Relief, and receive course fee support and allowance should they subscribe to training courses.

The Group empathised with the plight of the cabbies, and knew that the livelihoods of many of our long serving cabbies were at stake. Beyond matching the LTA's relief, ComfortDelGro Taxi took the unprecedented decision to waive the full taxi rental during the Circuit Breaker. It also partnered various food and beverages outlets to provide delivery services via its newly developed web-based ComfortDelivery platform. The take-up rate was encouraging as it helped to supplement our cabbies' income over the Circuit Breaker period.

As a land transport operator, ensuring the health and safety of our people and commuters was a top priority. All frontline staff were provided with masks, sanitisers and Vitamin Cs.



With safety assured, the Group was able to continue its public transport services. Our taxis continued to ferry patients to and from hospitals, and ComfortDelGro Bus carried on operating its shuttle services at the Singapore General Hospital.



CHINA

The Group also supported Temasek Foundation's #BYOBClean campaign by having staff volunteers distribute water-based sanitisers at key bus interchanges.

A total of 22 staff were infected by COVID-19 in Singapore. All have fully recovered. There were no infection clusters uncovered at our workplaces and facilities. Eight cabbies were also infected, of whom two unfortunately passed on. The other six have fully recovered. We have extended our condolences and provided support to the bereaved families.

By December, public transport ridership had recovered to about 70% of pre-COVID levels. Phase 3 Re-opening and the introduction of more travel bubbles will contribute towards the recovery of the transport sector. While the Group is cautiously optimistic of the recovery in Singapore, we remain vigilant of the pandemic risk as resurgence waves of infection rage on in other parts of the world.

**BY DECEMBER, PUBLIC
TRANSPORT RIDERSHIP HAD
RECOVERED TO ABOUT**

70%

OF PRE-COVID LEVELS



From the first report of the COVID-19 infection in Wuhan, the virus spread rapidly across all Chinese cities, including Beijing, Shenyang, Shanghai, Guangzhou, Chengdu and other cities that the Group operates in. As the number of confirmed infections and fatalities continued to grow nationwide, many cities were put under partial or full lockdown.

Both our driving schools in Nanjing and Chengdu were ordered by the local Authorities to close at the peak of the COVID-19 outbreak. With the lockdown in February, taxi trips plummeted across cities. Our staff at the various taxi businesses set up disinfection points to help cabbies disinfect their vehicles and to distribute masks. Staff in non-critical divisions were asked to work from home.

At the Guangzhou Xin Tian Wei Transportation Development Co., Ltd's Tianhe Bus Station, ridership fell by close to 60% as Authorities banned some inter- and intra-provincial bus routes in February and March, and imposed a "50% load factor" rule for safe distancing.

COVID-19



CHINA

Our businesses worked closely with the local Authorities and the taxi associations to provide rental relief to the affected cabbies. Free rental was provided during the lockdown periods. In return, the local Governments waived social insurance payments, and offered property tax and value-added tax rebates from January to March.

Fortunately, there were no infections amongst our staff and cabbies in China. However, several cabbies were put on quarantine as they ferried COVID-19 patients to medical facilities.

By early-March, with confirmed cases and fatalities sharply reduced, the Central Government decided to progressively lift the lockdown in major cities. Workers returned back to work and businesses reopened, including our driving schools.

By early-October, when China traditionally celebrated "Golden Week", social activities had resumed to almost pre-COVID levels. Strict controls were still in place to screen and quarantine foreign visitors. With the pandemic under control, the Group's businesses in the various Chinese cities have recovered to near pre-pandemic levels. The taxi fleet hired-out rates stand at more than 90%.



AUSTRALIA



In January 2020, when the infection rate was still very low in Australia, the official position was focussed on the screening and isolation of foreign visitors and returning nationals. But as infection numbers rose rapidly at the end of February, the Australian Government declared a national health emergency and activated its COVID-19 lockdown of non-essential activities on 23 March.

The Metro Bus business across major states such as Victoria and New South Wales were marginally affected as local Authorities ordered the continuation of bus services despite the cessation of non-essential activities. Notwithstanding, ComfortDelGro Corporation Australia Pty Ltd (CDC) had to engage more staff to support the additional fleet cleaning and sanitisation.

Similarly, taxi call bookings in Perth and Melbourne fell significantly over the lockdown period. Our Non-Emergency Patient Transport business also saw a fall in demand in the last two weeks of March as health authorities mandated the cessation of elective surgeries in order to ensure that beds were available in the event of a pandemic surge.

With the measures imposed, Australia managed to curb the spread of the COVID-19 virus by end-May, clearing the way for the resumption of business and social activities. But just as recovery was underway, the second largest city of Melbourne was put into lockdown in early-July after an outbreak pushed daily new cases to more than 700. The City was placed under a night-time curfew, schools were closed and large parts of retail, manufacturing and hospitality were ordered to shut. The restrictions were lifted at the end of October.





UNITED KINGDOM

CDC activated its pandemic preparedness and business continuity plans early, enabling it to stockpile personal protective equipment ahead of the supply shortage in Australia.

At the height of the pandemic, rental assistance was extended to the cabbies in Perth, and disinfection stations were rolled out to facilitate the cleaning of the vehicles.



The key government assistance to businesses was the JobKeeper Payment Scheme, where the Government co-funded the salary for each staff that was retained in employment. Given that this tiered relief scheme was targeted at smaller businesses worst hit by the pandemic, Swan Taxis Pty Ltd was the only Australian business that qualified for this grant.

In Australia, there were 13 cases of infection – seven from the Bus business and six from the Non-Emergency Patient Transport business.

The United Kingdom (UK) remains one of the worst-hit countries of the COVID-19 pandemic. Given that public healthcare is a devolved system with England, Scotland, Wales and Northern Ireland having their own policies and systems, there was also some disparity in the outbreak severity.

The UK Government imposed a stay-at-home order in March, banning all non-essential travel and closing most gathering places. Those exhibiting respiratory symptoms were told to self-isolate at home, in order to avoid overwhelming the national healthcare system. By late-April, the number of daily deaths slowly declined. But, the infection spread surged in August. Various levels of lockdowns were imposed across the countries from October, in tandem with the discovery of a more transmissible variant.

As public transport was designated as an essential service, Metroline Limited and other businesses that had received government support continued to operate as contracted throughout the pandemic. Transport for London (TfL) committed to maintaining a high level of service to enable the commute of key-sector workers, although some routes were reduced to Sunday frequencies during the lockdown.



COVID-19



UNITED KINGDOM



Other businesses such as coach services that operate on a purely commercial model virtually ceased operating. Coach services operated by Scottish Coaches CityLink Limited and ComfortDelGro Irish CityLink Limited were either scaled back or suspended temporarily following the announcement of the lockdown.

Notwithstanding, we continued to provide a skeleton service in Scotland to enable far flung communities to remain connected and provided transport facilities for essential workers. Similarly, with the cancellation of discretionary events, 37 out of 45 coaches at our Westbus business were mothballed.

The Taxi and Private Hire businesses witnessed dramatic reductions in call and job volumes. Ridership fell by 70% to 80% across our London, Aberdeen and Liverpool taxi markets. The gradual re-opening from early-June helped to mitigate the business impacts of the pandemic, in tandem with increased activities during the summer months. The resurgence of infection numbers at the end of August halted business recovery as restrictions were re-imposed across the country.

From the start of the pandemic, our UK businesses had adopted a range of health and safety measures, ranging from enhanced vehicle cleaning, introduction of improved vinyl screens for bus driver cabins, temperature screening of staff and the provision of face masks and sanitisers. In addition, Metroline worked with TfL to implement middle-door boarding in order to minimise interaction between the drivers and passengers. We also worked with the Union on sick leave payment to encourage those feeling unwell to see a doctor and stay home, and put in place

furlough arrangements for vulnerable staff, in particular those in their 70s.

The key government relief in the UK was the COVID-19 Jobs Retention Scheme, where the Government paid a percentage of staff wages via furloughing. A similar scheme was implemented in Ireland. Besides the Jobs Retention Scheme, there was also the COVID-19 Corporate Financing Facility, as well as transport-related government support, including continuing support for concessionary schemes and fuel cost subsidy. Most of our businesses benefited from such assistance.

Metroline made a commitment to work with TfL to enforce safe distancing measures across its garages. It also carried out risk assessments of vulnerable driver groups and provided health screening and furlough support where necessary.

There were 14 staff fatalities arising from the COVID-19 pandemic in the UK, including bus drivers and operational staff at its garages across London.

The University College Institute of Health Equity independent review commissioned by the local Government established that many of the drivers who died were suffering from underlying health conditions, and were from boroughs with above average levels of COVID-19 death rates.





MALAYSIA

In Malaysia, the Movement Control Order (MCO) was ordered on 18 March 2020 to curb the spread of COVID-19. Some restrictions were gradually lifted from early-May.

Since mid-September, an outbreak amongst communities in various states led to a resurgence of COVID-19 cases. The situation has since worsened. By December 2020, COVID-19 clusters were reported at a medical glove manufacturing plant and among healthcare workers. The deteriorating situation led to the Federal Government declaring a State of Emergency on 13 January 2021.

Given that CityLimo Leasing (M) Sdn Bhd's client base is mainly multinationals and corporate clients on long-term leases, the business has been slightly more resilient. Notwithstanding, there were some cancellations and non-renewal at the expiry of some short-term monthly leases.

All of CityLimo staff are on work-from-home arrangements using web-based systems to telecommute and provide 24-hour emergency support services to its clients. CityLimo has also extended medical insurance coverage to include COVID-19 tests for its staff, and provided personal protective equipment such as masks and sanitisers.

There is, fortunately, no reported infection from CityLimo.



VIETNAM

Since its first COVID-19 infection was reported in January, Vietnam has taken a series of measures to detect and contain the spread of infections.

By end-April, the country had successfully contained the pandemic as it took decisive actions to restrict travel, impose quarantine, while scaling up the testing and contact tracing abilities to stem the spread of the virus.

When infections continued rising in March, the health authorities mandated the wearing of masks in public and the need for all foreign visitors to be quarantined. More restrictions were progressively imposed, including the closures of pubs, gymnasiums and restaurants. A lockdown "Social Distancing" campaign was imposed from 1 April 2020. Except for emergencies, all public transportation such as buses, taxis and private hire vehicles were suspended.

Ho Chi Minh City, the largest City in Vietnam where Vietnam Taxi Co., Ltd (Vinataxi) operates, had been one of the most severely-impacted localities by the pandemic. The service sector was hit particularly hard after the Government suspended entry for all foreign nationals. Taxi trips dropped by more than 50%, and Vinataxi had to correspondingly reduce its rental rates. With the imposition of the lockdown, Vinataxi suspended its operation.

The Social Distancing campaign was lifted at the end of April, and taxi operations were allowed to resume, but with safety measures in place, including requiring the masking up and health declaration by passengers. Business has since recovered, but ridership is still below that of pre-COVID levels.

Over the course of the outbreak, Vinataxi actively distributed masks, gloves and Vitamin C tablets to its frontline staff and cabbies. It stepped up the cleaning and disinfection of its premises, and introduced temperature screening for all its staff, drivers and visitors. Taxis and all other vehicles entering its premises had to be disinfected. With the comprehensive measures taken, there was no reported infection amongst any of our staff or cabbies.



BITS & BYTES

REALISING THE POWER
OF DIGITALISATION.





**DIGITALISATION HAS
SPURRED US TO FIND
NEW WAYS TO SERVE
AND ENGAGE OUR
CUSTOMERS**





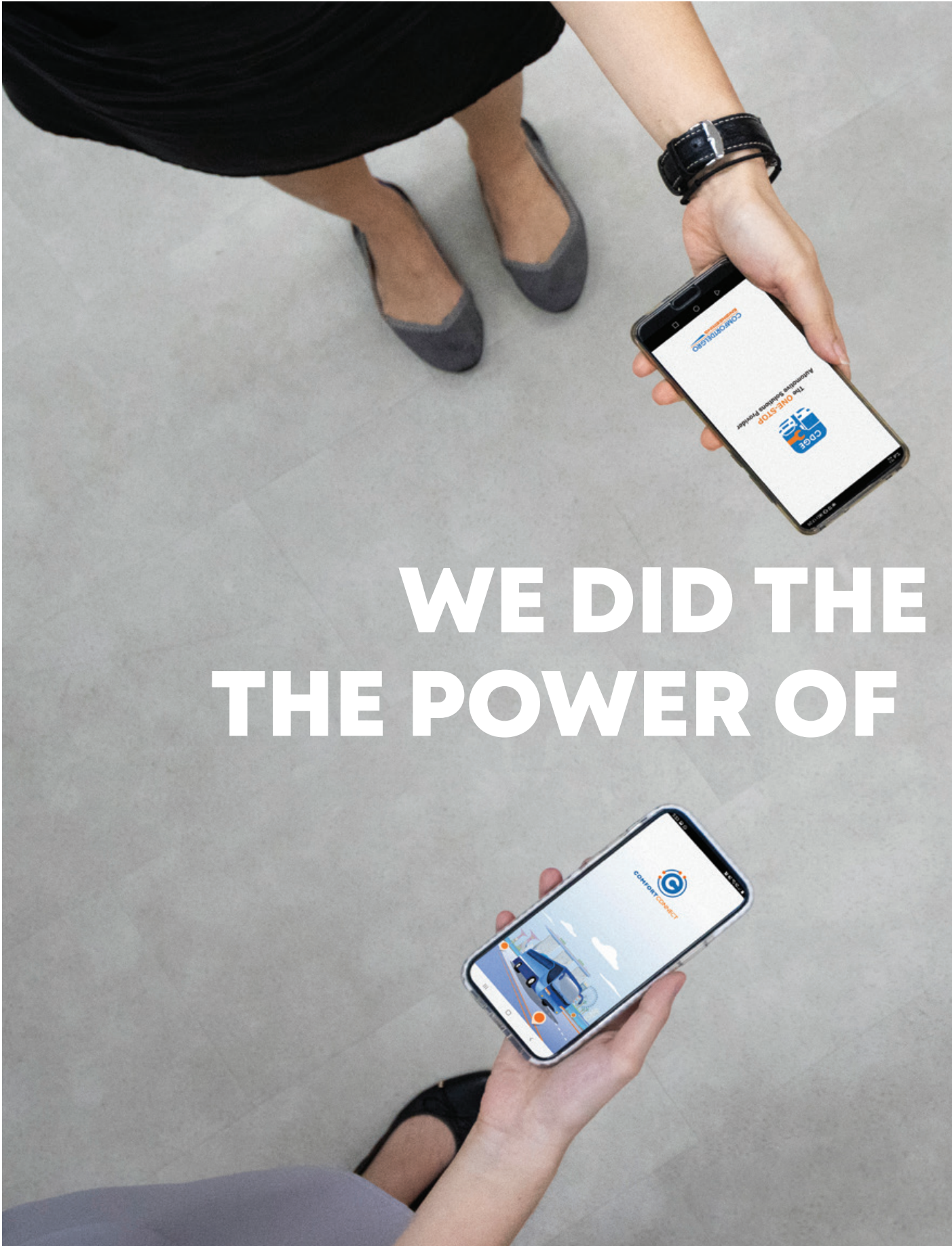
OR OUT



**DELIVERING
FOOD**



OR MEDICATION



WE DID THE THE POWER OF



SE THROUGH DIGITALISATION



BITS & BYTES

At ComfortDelGro Corporation Limited, we embrace technology and innovation not as a concept – but as a way of life. As a Group that has its foundations steeped in technology, we have never been averse to change. From the vehicles that we use to transport the millions of commuters every day, to the systems and processes that we have introduced to improve efficiency and productivity, we have always embraced technological innovations.

In a year marked by a global pandemic, we took the opportunity to step up our digital transformation. Here are some of our key initiatives across the Group:

COMFORTDELGRO CORPORATION



ACCELERATING DIGITAL TRANSFORMATION

The Group adopted a cloud-first strategy for new systems and took advantage of cloud technology to drive system harmonisation and standardise business processes.

PURCHASES UNDER ONE SYSTEM



We rolled out a Group-wide procurement system across all Business Units in Singapore with plans to onboard overseas Business Units next. Called ComPASS, it enables the Group to have a holistic view on all its major spends, thereby resulting in better cost management.



IMPROVING CUSTOMER RELATIONSHIPS WITH TECHNOLOGY

A new Customer Relationship Management (CRM) system is being rolled out to build a 360° view of our customers' journeys and experiences. The CRM has the ability to pool together and leverage on customer data so as to provide clearer visibility of all potential contracts and business opportunities.



The Group launched Zig, a mobility and lifestyle platform, on 2 March 2021. Zig brings together journey planning, taxi booking and lifestyle discovery seamlessly into a convenient all-in-one app. It provides personalised social features such as recommendations for restaurants, eateries, entertainment experiences and shopping deals.

ZIG – AN ALL-IN-ONE MOBILITY AND LIFESTYLE APP

ENGAGING STAFF ON SOCIAL MEDIA PLATFORM



Staff communications went fully digital at the start of 2021 when our in-house newsletter, ONE, was replaced with Microsoft Yammer – an enterprise social media platform that will enable corporate divisions and Business Units across the Group to communicate, collaborate and share meaningful information – in real time.

BITS & BYTES

COMFORTDELGRO CORPORATION AUSTRALIA

EMPLOYEE ENGAGEMENT ON “THE INTERCHANGE”



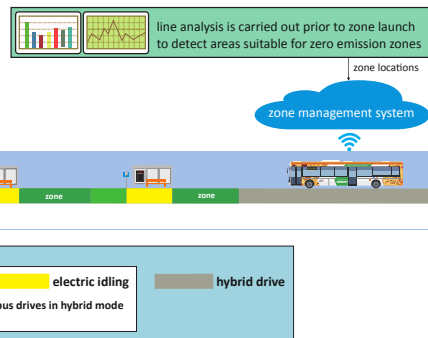
ComfortDelGro Corporation Australia launched its employee communications App across the Northern Territory (NT) and Queensland businesses in February 2020. Called The Interchange, the App is accessible via mobile and desktop.

Employees submit leave applications, incident and defect reports via the App in real time, making for better business tracking and a more efficient system all round. To-date, 85% of its workforce has signed up for the App and it enjoys a consistently high engagement rate every month.

There are plans to integrate a Learning Management System (LMS) into The Interchange. The LMS will enable employees to access and undertake e-learning modules from the comfort of home via the App.

Prior to embarking on its digital transformation, businesses in the NT and Queensland utilised spreadsheets and paper forms. Today, 99% of its forms are accessed and completed online and routed automatically to those responsible within the business for action.

SELF-CHARGING HYBRID ELECTRIC BUSES

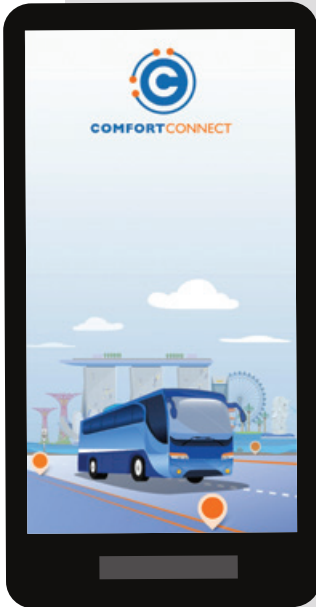


Following the launch of Volvo’s Zone Management System, 9 of 40 locally built self-charging hybrid electric buses, the largest in Australia, were fitted with technology to achieve zero emissions in designated zones. This not only made Victoria’s public transport network a greener, more sustainable network, but also improved passenger experience for commuters.

Volvo’s Zone Management System, powered by geofencing technology and telematics, is a first for the entire Asia Pacific region. It revolutionises and optimises CDC Victoria’s hybrids without relying on the electricity grid or requiring expensive infrastructure for charging.

These state-of-the-art buses have been deployed on popular routes like 605 which runs into Melbourne’s Central Business District, the Botanical Gardens and the Shrine of Remembrance, as well as Route 630 which serves busy Monash University and Huntingdale Station. The remainder will be fitted with the same technology and deployed over the next four months.

COMFORTDELGRO BUS



CONNECTING PEOPLE TO BUSES

ComfortDelGro Bus launched ComfortConnect – an on-demand app that provides customers with bus booking and chartering services, and enables them to monitor their bookings from start to end. With ComfortConnect, ComfortDelGro Bus successfully secured a contract to operate on-demand bus service in Jurong Island despite stiff competition. The same App is also used for our on-demand operations in CDC NSW.

FLEET MANAGEMENT SYSTEM

ComfortDelGro Bus developed a Fleet Management System (FMS) for the first time to digitalise and automate its business and operational processes. It enables the Company to integrate the FMS with Group-level systems so as to improve productivity and save cost. It is also part of its efforts to equip its staff with digital skills.

COMFORTDELGRO DRIVING CENTRE

FIRST LEARNERS' APP IN SINGAPORE

ComfortDelGro Driving Centre launched "myCDC" mobile app on 1 September 2020.

The first-of-its-kind here, the App enables learners to log in just once with their learner identification and password and book not only lessons such as theory, practical, evaluation and simulator training, but also theory and practical test dates with the Traffic Police.

For those learning to drive, the App also enables them to track their progress digitally as every completed lesson that is recorded on the driving instructor's tablet is synced to the learner's profile in the App.

To help learners keep track of their scheduled bookings, push notifications are sent to them twice via the App – a day in advance and an hour in advance. In addition, learners can cancel or reschedule bookings, top up their stored-value accounts, and update personal details through the app. There is even an online merchandise shop that learners and non-learners alike can purchase accessories on-the-go.

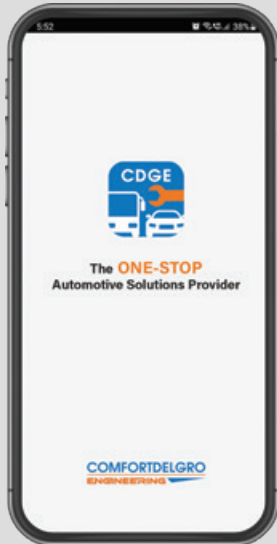




BITS & BYTES

COMFORTDELGRO ENGINEERING

FIRST END-TO-END WORKSHOP APP



ComfortDelGro Engineering launched Singapore's first end-to-end workshop app for all its customers in November 2020. Called the CDGE App, it enables customers to book appointments, track the status of car repairs in real time, receive and approve repair quotations, and "shop" for car care related products and services.

A SMARTER DIGITAL SYSTEM FOR STAFF

Complementing the CDGE App is the Smart Workshop Digital System (SWorDs) App. With this, the service staff "checks in" the car digitally when the customer sends it in for servicing. Photographs of the car are taken at various stages of checking in using a 10-inch tablet before it is assigned to an available technician, who receives the job in real time via a pocket-sized tablet. This replaces the checking in and servicing process that was previously paper based. The system also has a "chat" function for quick communication between service staff.

COMFORTDELGRO TAXI

OVERSEAS DEVELOPMENT CENTRES

ComfortDelGro Taxi has two overseas software development centres in India and Myanmar which provide technical support for the development of its booking and driver apps, as well as its despatch system.



ENHANCEMENTS TO TAXI BOOKING APP

The latest enhancements included the multiple stop feature in the App for booking jobs. Rolled out in early-January 2021, this new feature allows customers to add another destination while booking a taxi. The App then tabulates the fares automatically.

Our taxi booking app was also successfully launched on the DBS PayLah! App in 2020.

IMPROVING JOB ACCEPTANCE RATE WITH TECHNOLOGY

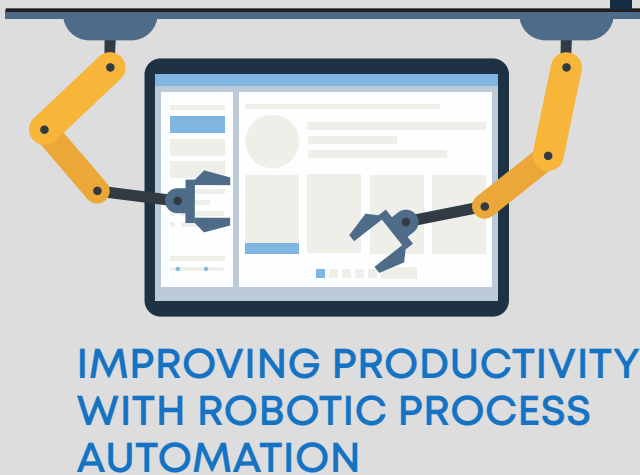
To improve job acceptance rate, further enhancements were made to the Mobile Data Terminal and driver app to not only automatically bid for booking jobs but also accept them automatically.



COMFORTDELGRO TAXI

TAPPING ON DIGITAL TOOLS

Clevertap, a digital marketing tool, was launched, enabling the Marketing Team to better target specific groups of consumers. It has also enabled customised advertisements to be pushed out easily onto the booking app. Clevertap also allows for online contract renewal for cabbies – meaning they no longer need to return to the office to do so.



Robotic Process Automation (RPA) is now used in the transfer of accident data from the Fleet Safety Department to the insurers on a daily basis, cutting turnaround time from 60 to a mere 10 minutes.

RPA had also been applied to checking the validity of the taxi drivers' vocational licences. Where it used to take about 60 minutes to scan the names of 100 cabbies, it takes about half the time now with RPA.

METROLINE

ENGAGING DRIVERS IN THE BLINK OF AN EYE

Blink, an employee engagement App, was rolled out to all staff across all Metroline, Westbus and New Adventure Travel garages. Through it, Staff and Management could communicate directly. They also have easy access to rosters, policy and training documents, electronic payslips and annual leave forms.

Other enhancements made to the App were as follows:

- Single sign-on function;
- Trapeze OnBoard, a driver allocation system;
- GreenRoad, a driver behavioural monitoring system that leverages on telematics; and
- A paperless garage system.

In the pipeline are plans to introduce other systems such as the digitalisation of training, as well as defect and incident reporting.



SBS TRANSIT

ENHANCING BUS RELIABILITY

To improve bus reliability for our commuters, we have invested in a new monitoring system that uses data analytics to pinpoint problem areas so that we can undertake intervention efforts.

To-date, we have achieved an improvement of up to 20% in our performance.



BITS & BYTES

SETSCO

SETSCO started to digitalise its operations with new report testing systems to accommodate the complexity and breath of its testing services from the Construction, Mechanical and Biochemical domains. These help to improve the turnaround time and transparency for testing deliverables.

SELF-SERVICE CERTIFICATION LABEL REQUEST SYSTEM

A self-service certification label request system was introduced to enable customers to request for the certification of labels and upload supporting documents online through it.

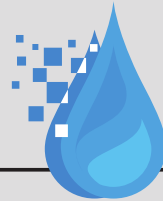
USING SMARTS

The newly launched SETSCO Microbiology Archival Report Testing System (SMARTS) enables customers to submit their orders and track order fulfilment online. It manages the collection of samples, testing results, report approval and delivery to customers.



CONSTRUCTION WATER ABSORPTION TESTING SYSTEM

SETSCO integrated its testing equipment to enable digital straight-through processing. This digital solution captures test results from the weighing balance directly to generate test reports for approval and distribution.



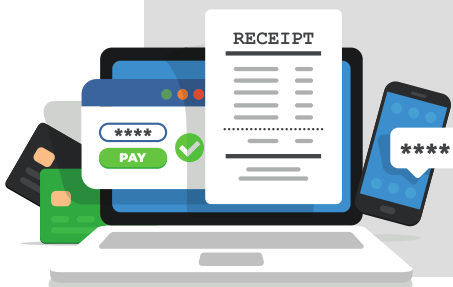
VICOM

The VICOM Group has also begun adopting an Automation First Strategy as part of its digitalisation effort. By implementing RPA to routine processes, it was able to streamline existing workflow and improve productivity with better accuracy and faster turnaround speed, thereby freeing up valuable manpower resources to focus on other higher value-added services.



ONLINE BOOKING SERVICES

It launched a booking service for pre-owned car inspection on its website, which not only reduces waiting time but also supports operations planning and improves inspection queue management.



MORE DIGITAL PAYMENT OPTIONS

In January 2020, VICOM rolled out an online payment system with Diners Club to enable motorists to pre-pay the inspection fees via its website. In July 2020, VICOM further enhanced the online payment system to accept PayNow, giving motorists another cashless option to minimise contact between customers and cashiers in the midst of the COVID-19 situation.

CORPORATE INFORMATION

BOARD OF DIRECTORS

LIM JIT POH
CHAIRMAN

YANG BAN SENG
MANAGING DIRECTOR/
GROUP CHIEF EXECUTIVE OFFICER

JESSICA CHEAM
CHIANG CHIE FOO
MARK CHRISTOPHER GREAVES (Appointed on 23 May 2020)
LEE KHAI FATT, KYLE
ONG AH HENG (Retired on 22 May 2020)
OOI BENG CHIN
SUM WAI FUN, ADELINE
THAM EE MERN, LILIAN
WANG KAI YUEN

AUDIT AND RISK COMMITTEE

LEE KHAI FATT, KYLE
CHAIRMAN (Appointed on 23 May 2020)

SUM WAI FUN, ADELINE
CHAIRMAN (Stepped down on 23 May 2020)

CHIANG CHIE FOO
MARK CHRISTOPHER GREAVES (Appointed on 23 May 2020)
ONG AH HENG (Stepped down on 22 May 2020)
SUM WAI FUN, ADELINE
THAM EE MERN, LILIAN
WANG KAI YUEN (Appointed on 1 September 2020)

REMUNERATION COMMITTEE

WANG KAI YUEN
CHAIRMAN

LIM JIT POH
ONG AH HENG (Stepped down on 22 May 2020)
OOI BENG CHIN
SUM WAI FUN, ADELINE

NOMINATING COMMITTEE

LIM JIT POH
CHAIRMAN

JESSICA CHEAM
CHIANG CHIE FOO
MARK CHRISTOPHER GREAVES (Appointed on 1 September 2020)
LEE KHAI FATT, KYLE

INVESTMENT COMMITTEE

LIM JIT POH
CHAIRMAN

JESSICA CHEAM
CHIANG CHIE FOO (Appointed on 1 September 2020)
MARK CHRISTOPHER GREAVES (Appointed on 23 May 2020)
OOI BENG CHIN
THAM EE MERN, LILIAN
WANG KAI YUEN (Stepped down on 1 September 2020)
YANG BAN SENG

DIGITALISATION COMMITTEE (FORMED ON 1 SEPTEMBER 2020)

THAM EE MERN, LILIAN
CHAIRMAN (Appointed on 1 September 2020)

JESSICA CHEAM
LEE KHAI FATT, KYLE
OOI BENG CHIN
SUM WAI FUN, ADELINE
WANG KAI YUEN
YANG BAN SENG

CORPORATE DIRECTORY

REGISTERED OFFICE
205 Braddell Road
Singapore 579701
Mainline: (65) 6383 8833
Facsimile: (65) 6287 0311
Email: info@comfortdelgro.com
Website: www.comfortdelgro.com
Company Registration Number:
200300002K

JOINT COMPANY SECRETARIES
Angeline Joyce Lee Siang Pohr
Chan Wan Tak, Wendy

SHARE REGISTRAR
B.A.C.S. Private Limited
8 Robinson Road #03-00
ASO Building
Singapore 048544

AUDITORS
Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
6 Shenton Way,
OUE Downtown 2
#33-00
Singapore 068809

Partner-in-Charge:
Cheung Pui Yuen

Date of Appointment:
26 April 2018

BOARD OF DIRECTORS



LIM JIT POH

**CHAIRMAN
(INDEPENDENT NON-EXECUTIVE DIRECTOR)**

DATE OF APPOINTMENT AS DIRECTOR
OF THE COMPANY: **1 JANUARY 2003**

DATE OF LAST RE-ELECTION AS DIRECTOR
OF THE COMPANY: **26 APRIL 2019**

Mr Lim Jit Poh is the Chairman and an Independent Non-Executive Director of ComfortDelGro Corporation Limited.

Mr Lim is the Chairman of both the Nominating Committee and the Investment Committee, and a member of the Remuneration Committee. Mr Lim is also the Chairman of the Company's two listed subsidiaries, SBS Transit Ltd and VICOM Ltd. These companies have business interest in bus and rail and inspection and testing services respectively. Mr Lim is also the Chairman of several non-listed companies owned by the National Trades Union Congress (NTUC) and CapitaLand Limited Group.

Mr Lim was a former top civil servant and a Fulbright Scholar. He was awarded the Public Administration Medal in 1972 and the Public Service Star (BBM) in 2015 by the President of the Republic of Singapore, as well as four awards by NTUC, namely the Friend of Labour Award in 1986, the Meritorious Service Award in 1990, the Distinguished Service Award in 2000 and the Distinguished Service (Star) Award in 2014. In 2006, he was also one of the recipients of the Distinguished Science Alumni Award from the National University of Singapore.

In his previous employment as Executive Director of two public listed companies, Mr Lim had been directly involved in negotiations with business partners and relevant authorities on various joint venture projects in the ASEAN region, as well as in China, Hong Kong, the United Kingdom, Australia and Mauritius. He was also involved in the management of these operations. Mr Lim was a Council Member of the Singapore Chinese Chamber of Commerce and Industry and the National University of Singapore, and a Member of the Singapore British Business Council. He was also very active in community work being Chairman of a community centre management committee. Presently, he is a Trustee of the Singapore National Employers Federation and a Member of the Board of Management of Pei Chun Public School.

Mr Lim holds a Bachelor of Science (Hons) in Physics from the University of Singapore and a Master of Education from the University of Oregon, USA.



YANG BAN SENG
MANAGING DIRECTOR /
GROUP CHIEF
EXECUTIVE OFFICER
(NON-INDEPENDENT
EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
1 MAY 2017

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
22 MAY 2020

Mr Yang Ban Seng is the Managing Director/ Group Chief Executive Officer of ComfortDelGro Corporation Limited. He is a Non-Independent Executive Director of the Company and a member of both the Investment Committee and the Digitalisation Committee. Concurrently, he is also the Deputy Chairman of SBS Transit Ltd and VICOM Ltd.

Prior to his current appointment, Mr Yang was the Chief Executive Officer of Taxi Business in Singapore where he oversaw the operations of Comfort Transportation Pte Ltd and CityCab Pte Ltd. Prior to joining the Group in 1989, Mr Yang served as Assistant Director of the Ministry of Education, Deputy Director of the Ministry of Home Affairs and the National Trades Union Congress' (NTUC) Secretary for Co-operatives. At the NTUC's May Day Awards in 2013, he was awarded the Medal of Commendation.

He holds a Bachelor of Science (Operations Research and Statistics) (Hons) from the University of Manchester and a Master of Business Administration from the National University of Singapore.



JESSICA CHEAM
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
1 JANUARY 2019

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
26 APRIL 2019

Ms Jessica Cheam is an Independent Non-Executive Director of ComfortDelGro Corporation Limited. Ms Cheam is also a member of the Nominating Committee, the Investment Committee and the Digitalisation Committee.

Ms Cheam is the Founder and Managing Director of Eco-Business, Asia Pacific's leading independent media and business intelligence organisation dedicated to sustainable development. She has more than 15 years of experience in media, sustainable development and environmental, social and corporate governance (ESG) issues globally. She is a regular columnist for national newspapers.

She serves as ESG Venture Partner to Asian private equity firm Tembusu Partners; Strategic Advisor to Blue Planet Environmental Solutions, a member of the International Women's Forum Singapore, and is founding Director of EB Impact, a non-profit dedicated to positive sustainable development impact in Asia.

She is also a member of the Singapore Institute of Directors, and a member of its ESG and Communications committees. Ms Cheam specialises in advising the Boards of a wide range of government and multi-national organisations on ESG strategy, and has a particular interest in issues at the intersection of sustainability, technology, diversity and equality. She is the published author of 'Forging a Greener Tomorrow: Singapore's journey from slum to eco-city' and also directs and produces documentaries. She chairs the Climate Action SG Alliance – a national initiative advocating climate action.

Ms Cheam also has a passion for driving sustainability innovation and building start-up ecosystems, including leading The Liveability Challenge, a global search for sustainability solutions in the urban tropics.

She was previously a political correspondent at The Straits Times and a Singapore Press Holdings scholar. She has been recognised in many regional and international journalism and media awards, including Women of the Future Southeast Asia Awards and LinkedIn's Power Profiles, and is frequently invited to speak at and host discussions across the globe on her areas of expertise.

She studied at the University of Warwick and University of London's Goldsmiths College, and more recently completed a Cambridge University Judge Business School executive programme on Data and Business Analytics.

BOARD OF DIRECTORS



CHIANG CHIE FOO
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
1 MAY 2018

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
26 APRIL 2019

Mr Chiang Chie Foo is
an Independent
Non-Executive

Director of ComfortDelGro Corporation Limited. Mr Chiang is a member of the Audit and Risk Committee, the Nominating Committee and the Investment Committee.

Mr Chiang is the Chairman of Singapore's Central Provident Fund Board, a world-class social security organisation, PUB (Singapore's National Water Agency), Ascendas Property Fund Trustee Pte Ltd which manages Ascendas India Trust (a property trust which owns seven IT parks and six modern warehouses in India) and AETOS Holdings Pte Ltd. Mr Chiang is a Director on the Board of the Lee Kuan Yew Exchange Fellowship, Epworth Community Services and a Senior Advisor to the Republic of Singapore's Ministry of Defence and a Trustee Member of the APB Foundation. Mr Chiang served in the Singapore Government's Administrative Service, holding various senior appointments in the Ministries of Education, Home Affairs, Defence and Prime Minister's Office.

He was awarded the Public Administration Medal (Gold) in 1997, the Long-Service Medal in 2004, the Meritorious Service Medal in 2007 and the Distinguished Service Order in 2019 by the President of the Republic of Singapore.

Mr Chiang holds a Bachelor of Engineering (First Class Honours) from the University of Western Australia, Australia and a Master in Public Administration from Harvard University, USA.



**MARK CHRISTOPHER
GREAVES**
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
23 MAY 2020

Mr Mark Christopher
Greaves is an
Independent
Non-Executive
Director of

ComfortDelGro Corporation Limited. He is a member of the Audit and Risk Committee, the Nominating Committee and the Investment Committee.

Upon graduation in Economics from the University of Cambridge in 1977, Mr Greaves joined global merchant banking group, N M Rothschild & Sons, where he spent the first 25 years of his career working in London, Hong Kong and Singapore. He became a member of the Group's main Board of Directors in London and Head of its Asian operations, serving on all the Group's boards across the region from Japan to Australia.

In 2003, he founded Anglo FarEast Group Pte. Ltd., a specialist corporate consulting and strategic advisory practice based in Singapore, of which he is the Managing Director. Through Anglo FarEast, Mr Greaves works with the owners, major shareholders and boards of large companies, as well as family offices, focussing primarily on cross-border opportunities between Asia, particularly ASEAN, the United Kingdom (UK) and continental Europe.

He is also a Non-Executive Director of Hanson China Partners Limited and has previously served on a number of listed company Boards in various jurisdictions, including WBL Corporation Limited and Malaysia Smelting Corporation Berhad.

Mr Greaves, who is a fluent French speaker, holds a Master of Arts in Economics from the University of Cambridge and an LLB with First Class Honours from the Open University in the UK. He is a Member of both the Institute of Directors of the UK and the Singapore Institute of Directors.



LEE KHAI FATT, KYLE
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
1 MAY 2017

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
22 MAY 2020

Mr Lee Khai Fatt, Kyle
is an Independent
Non-Executive Director

of ComfortDelGro Corporation Limited. Mr Lee is the Chairman of the Audit and Risk Committee and a member of both the Nominating Committee and the Digitalisation Committee. Mr Lee is also an independent Director of Great Eastern Holdings Limited, Great Eastern Life Assurance Company Ltd, CapitalLand Mall Trust Management Limited and FEO Hospitality Trust Management Pte Ltd (manager of Far East Hospitality Trust).

Mr Lee trained as a Chartered Accountant in London and, in his professional career spanning 36 years, he has worked in both the United Kingdom and Singapore. He served as a partner of Price Waterhouse and PricewaterhouseCoopers LLP for 20 years including five years as a Practice Leader for Business Advisory Services.

He is a Fellow of the Institute of Chartered Accountants in England and Wales, the Institute of Singapore Chartered Accountants and the Singapore Institute of Directors. Additionally, he has a Master of Science in International Management from SOAS London and Master of Business Administration from Imperial College London.



OOI BENG CHIN
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
1 MAY 2018

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
26 APRIL 2019

Professor Ooi
Beng Chin is an
Independent

Non-Executive Director of ComfortDelGro Corporation Limited. Professor Ooi is a member of the Remuneration Committee, the Investment Committee and the Digitalisation Committee.

Professor Ooi is a Distinguished Professor of Computer Science, Faculty Member of the National University of Singapore (NUS) Graduate School and Director of Smart Systems Institute (SSI@NUS) at the NUS, and an Adjunct Chang Jiang Professor at Zhejiang University, China.

He is a Co-Founder of yzBigData in 2012 for Big Data Management and Analytics, and Shentilium Technologies in 2016 for artificial intelligence and data-driven financial data analytics, and an Advisory Council Member of a fintech company, Cynopsis Solutions Pte Ltd.

Professor Ooi's research interests include database, blockchain, distributed processing, machine learning and large scale analytics, in the aspects of system architectures, performance issues, security, accuracy and correctness. He is also interested in exploiting IT in production and process reengineering (e.g. Just in Time fabric printing, healthcare innovation, food analysis and smart city).

He is a Fellow of the Association for Computing Machinery (ACM), the Institute of Electrical and Electronic Engineers (IEEE), and the Singapore National Academy of Science. He has received numerous awards in the field of computer science.

Professor Ooi was awarded the Public Administration Medal (Silver) in 2013 and the Long Service Medal in 2018 by the President of the Republic of Singapore.

Professor Ooi holds a Bachelor of Science (First Class Honours) and a Doctor of Philosophy from Monash University, Australia.

BOARD OF DIRECTORS



SUM WAI FUN, ADELINE
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
1 JANUARY 2007

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
26 APRIL 2019

Ms Sum Wai Fun,
Adeline is an
Independent

Non-Executive Director of ComfortDelGro Corporation Limited. She is a member of the Audit and Risk Committee, the Remuneration Committee and the Digitalisation Committee. Ms Sum is presently the Chief Executive Officer of Singapore Labour Foundation and the Deputy Chief Executive Officer of NTUC Enterprise Co-operative Limited. She holds directorships in the NTUC Enterprise portfolio.

Ms Sum was awarded the Public Service Medal in 2014 by the President of the Republic of Singapore.

Ms Sum holds a Bachelor of Arts (History) from the National University of Singapore, a Master of Business Administration (Accountancy) from the Nanyang Technological University and a Master of Public Administration from Harvard University.



THAM EE MERN, LILIAN
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
1 AUGUST 2017

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
26 APRIL 2018

Ms Tham Ee
Mern, Lilian is an
Independent
Non-Executive

Director of ComfortDelGro Corporation Limited. Ms Tham is the Chairman of the Digitalisation Committee and a member of both the Audit and Risk Committee and the Investment Committee.

Ms Tham is the Chief Operating Officer (COO) at Eastspring Investments (Singapore) Limited with responsibility for operations, technology, digital, data and administrative support, as well as other strategic growth and change initiatives. She is a member of the Board and Executive Management Committee.

Prior to Eastspring Investments, Ms Tham worked at Schroders for 26 years where, most recently, she was the Asia Pacific COO. She was also a member of the firm's Global Operations Committee, responsible for setting the global operations strategy of the firm. She held a variety of technology and operational roles during her time at Schroders, including COO for Singapore and Head of Operations & Technology for Asia Pacific.

Prior to joining Schroders, she was a Management Consultant with Coopers & Lybrand (now PricewaterhouseCoopers) focussing on IT consultancy in the financial and manufacturing industries.

Ms Tham is presently a Board Member of Home Nursing Foundation and is a Fellow of the Institute of Banking and Finance Singapore.

Ms Tham holds a Bachelor of Science in Information Systems from the National University of Singapore.



WANG KAI YUEN
(INDEPENDENT
NON-EXECUTIVE DIRECTOR)

DATE OF APPOINTMENT AS
DIRECTOR OF THE COMPANY:
18 FEBRUARY 2003

DATE OF LAST RE-ELECTION AS
DIRECTOR OF THE COMPANY:
22 MAY 2020

Dr Wang Kai Yuen is
an Independent
Non-Executive

Director of ComfortDelGro Corporation Limited. Dr Wang is the Chairman of the Remuneration Committee and a member of both the Audit and Risk Committee and the Digitalisation Committee.

He was also a former Member of Parliament for Bukit Timah Single Member Constituency. He is the Chairman of both HLH Group Ltd and Ezion Holdings Ltd., and a Director of COSCO Corporation (Singapore) Ltd.

When he was Managing Director of Fuji Xerox Singapore Software Centre, Dr Wang managed a software centre with 150 employees. In that capacity, he interacted with senior managers of business and product development divisions in the United States, China and Japan of the global office equipment company. Dr Wang is familiar with the American and Asian cultures, international business practices, and corporate finance and governance. Dr Wang has also participated in many international meetings of parliamentarians. He has wide business and political contacts in China, having led many grassroots delegations to visit numerous city and provincial governments.

Dr Wang holds a Bachelor of Engineering (Electrical Engineering) (Hons) from the University of Singapore and a Master of Science (Industrial Engineering), a Master of Science (Electrical Engineering) and a PhD (Engineering) from Stanford University, USA.

KEY MANAGEMENT

SINGAPORE – CORPORATE OFFICE



KOH THONG HEAN, DEREK
GROUP CHIEF
FINANCIAL OFFICER

Mr Derek Koh was appointed Group Chief Financial Officer on 1 March 2020. Prior to that he was the Acting Group Chief Financial Officer from 1 October 2019. Mr Koh is a Fellow of the Institute of Chartered Accountants, England and Wales with over 30 years of broad experience in professional practice and industry. Prior to joining the Group, he headed various functions in the leadership team including Finance, Internal Controls, Corporate Affairs, and Information Technology in multi-national and Asian companies. He also has Audit, Corporate Finance & Recovery, as well as Risk Management experience from professional practice. Mr Koh holds a degree in Economics - Accounting & Finance from The London School of Economics.

TAN LAI WAH, RUDY
GROUP CHIEF
STRATEGY OFFICER



Mr Tan Lai Wah, Rudy, was appointed Group Chief Strategy Officer on 1 March 2021. He is concurrently the Chief Executive Officer of CityFleet Networks Limited. As Group Chief Strategy Officer, Mr Tan's responsibility is in developing, communicating, executing, and sustaining corporate strategic initiatives for the entire Group. Prior to joining the Group, Mr Tan was the Chief Operating Officer of ST Kinetics, the land systems and specialty vehicles arm of the Singapore Technologies Engineering Group. During his 17 years with ST Engineering, Mr Tan served in several roles, heading different Business Units and corporate functions such as marketing, as well as business and corporate developments. He also oversaw its businesses in China, India and the United States. Mr Tan graduated from the Imperial College London. He also attended the Senior Executive Programme at London Business School and holds a Master of Business Administration from the University of Leicester. He is also a CFA Charterholder.

SIEW YIM CHENG
GROUP CHIEF DIGITAL OFFICER



Ms Siew Yim Cheng was appointed Group Chief Digital Officer on 17 February 2020. She is responsible for the Group's transformation roadmap and products, and oversees the digital transformation initiatives and Information Technology of the Group. Prior to joining the Group, Ms Siew was Global Vice President for Smart City with Envision Digital, where she was responsible for leading the development of Artificial Intelligence-Internet of Things and smart city products and solutions. Prior to that, she was also the Chief Digital Officer for JTC Corporation. Ms Siew holds a Bachelor of Engineering - EEE (First Class) from the National University of Singapore, and had attended the Cybersecurity Executive Education Programme with Harvard Kennedy School. She is also the President of IT Management Association, Deputy Chairman of Ngee Ann Polytechnic ICT Advisory Committee, Member of Ngee Ann Polytechnic's Digitalisation Sub-Committee, Member of Technical Expert Panel for Singapore International Mediation Centre, and Member of Council of Industry Leaders, Tech Talent Assembly.

LAU YIN CHENG
GROUP CHIEF HUMAN RESOURCE OFFICER



Mr Lau Yin Cheng was appointed Group Chief Human Resource Officer on 1 August 2020. He has extensive Human Resource & Organisation Development leadership experience in Hi-Tech, Telecommunications, Hospitality, and Supply Chain Management sectors across Asia Pacific, Europe, and North America, where he partnered C-level executives to realise their organisational goals. Early in his career, he has held appointments within the Ministry of Manpower. Prior to joining the Group, he was Head of Human Resource, Group Digital Life in Singtel. Mr Lau holds a Masters of Engineering (Electrical) from the National University of Singapore as well as a Graduate Diploma in Organisation Development from the Singapore Civil Service College (in partnership with the NTL Institute).

TAN I-LIN, TAMMY
GROUP CHIEF CORPORATE
COMMUNICATIONS OFFICER



Ms Tan I-Lin, Tammy was appointed Group Chief Corporate Communications Officer in March 2004. She is responsible for the Group's corporate communications functions, including promoting the Group's image, overseeing its various publications, coordinating requests for sponsorships and donations, and liaising with the media community. Ms Tan is the Group's Spokesman. She started her career with Singapore Press Holdings in 1995 and held several positions in The Straits Times, including Deputy Money Editor and Deputy News Editor. Ms Tan holds a Bachelor of Social Sciences (Hons) from the National University of Singapore.

PETER LODGE
GROUP CHIEF BUSINESS DEVELOPMENT
OFFICER (BUS AND RAIL)

Mr Peter Lodge was appointed the Group Chief Business Development Officer (Bus and Rail) on 1 January 2021. He is responsible for the expansion of the Group's footprint beyond Singapore, particularly in the Bus and Rail business segments as well as the future development and sustainable growth of the Group through tendering, Mergers & Acquisitions and new business lines. Prior to joining the Group, Mr Lodge held various senior roles with a major Australian transport operator for over 20 years covering Operations, Business Development, Legal and Commercial. His experience spans rail, light rail, bus, ferry and on-demand transport services in Australasia. Mr Lodge holds Bachelor degrees in Law and Economics from the University of Adelaide, South Australia.



CHONG YEW FUI, ADRIAN
GROUP CHIEF INTERNAL AUDIT
OFFICER

Mr Adrian Chong is the Group Chief Internal Audit Officer. Prior to joining the Group, he was Senior Vice President of Hyflux Ltd. Mr Chong has spent many years in the audit profession with extensive commercial, operations and overseas experience, particularly in corporate governance, systems risks and process controls. Mr Chong holds a Bachelor of Commerce (Accounting and Finance) from Murdoch University. He is a member of CPA Australia and is a Certified Information Systems Auditor. Mr Chong is also an ISACA Member.



CHUA BENG PENG, CLEMENT
GROUP CHIEF INSURANCE OFFICER

Mr Clement Chua Beng Peng was appointed Group Chief Insurance Officer on 17 February 2020, where he oversees all aspects of the Group's insurance-related activities including claims management and the development of risk transfer solutions. He is also the Chief Executive Officer of ComfortDelGro Insurance Brokers Pte Ltd. Mr Chua joined the Group in 2005 where he has held various positions and responsibilities with diversified experience in insurance broking, operations, claims handling, risk management, business development, corporate planning and services. He holds a Bachelor of Economics Degree from the University of Western Australia, a Diploma in Insurance from the Chartered Insurance Institute, and is a Certified Professional Risk Manager from the Asia Risk Management Institute.



CHOO PENG YEN
GROUP CHIEF BUSINESS
DEVELOPMENT OFFICER

Mr Choo Peng Yen is currently the Group Chief Business Development Officer. He was previously the Group Chief Investor Relations Officer. He was also the General Manager of the North East China Business Unit. Mr Choo joined the Group in 1978 and was the Senior Vice President (Group Business Development) prior to his appointment in China. He holds a Bachelor of Business Administration from the University of Singapore and attended the International Executive Programme at INSEAD (France).



JACKSON CHIA
GROUP CHIEF RISK &
SUSTAINABILITY OFFICER

Mr Jackson Chia was appointed the Group Chief Risk & Sustainability Officer on 5 November 2018. He is concurrently Senior Vice President of Group Transformation Office. Mr Chia joined the Group in 2017 after a 28-year career with the Singapore Armed Forces, where he held various senior appointments in the Republic of Singapore Navy. He holds a Bachelor of Social Science (First Class) degree in Economics and Statistics from the University of Birmingham, and a Master of Arts from the Fletcher School of Law and Diplomacy. Mr Chia also attended the International Executive Programme at INSEAD, France in 2008.



KEY MANAGEMENT

SINGAPORE – CORPORATE OFFICE



ANGELINE JOYCE LEE
GROUP GENERAL
COUNSEL
& JOINT COMPANY
SECRETARY

Ms Angeline
Joyce Lee joined
the Group on

7 September 2020 as Group General Counsel and Joint Company Secretary to oversee the Group's legal and corporate secretariat matters, as well as compliance and corporate governance to facilitate business processes and organisational efficiency. In 1993, Ms Lee joined Singapore Press Holdings (SPH) to set up the Legal Department and has held different positions such as Head of Legal and Corporate Affairs in SPH Magazines, Head of Risk Management and Compliance and Vice President of SPH Legal-Secretariat Division. Ms Lee holds a Master in Business Law from the University of Westminster in United Kingdom and is a Chartered Secretary and Certified Risk-based Auditor.



**CHAN WAN TAK,
WENDY**
SENIOR VICE
PRESIDENT OF GROUP
FINANCE
& JOINT COMPANY
SECRETARY

Ms Chan Wan Tak,

Wendy joined the Group in September 2007 as Vice President of Group Finance. She is currently Senior Vice President of Group Finance. She is also the Joint Company Secretary. Prior to joining the Group, Ms Chan was the Vice President of Finance and Operations of k1 Ventures Limited. Before this, she was with Deloitte & Touche LLP as Senior Audit Manager. Ms Chan holds a Bachelor of Accounting and Finance (Hons) from the University of Glamorgan, United Kingdom. She is a Chartered Accountant of the Institute of Singapore Chartered Accountants and a Fellow of the Chartered Association of Certified Accountants.

SINGAPORE – BUSINESS UNITS



CHENG SIAK KIAN
CHIEF EXECUTIVE OFFICER
SBS TRANSIT

Mr Cheng Siak Kian was appointed Chief Executive Officer of SBS Transit on 1 March 2021. He was previously the acting Chief Executive Officer. He first joined the Company in September 2015 and

served as Senior Vice President in the bus operations division where he was an integral member of the tender team that was successful in its bid for the Seletar Bus Package. In December 2016, he was posted to Australia to helm ComfortDelGro's New South Wales operations. He returned to SBS Transit in July 2019 to assume the appointment of Chief Operating Officer and was promoted to Acting Chief Executive Officer on 1 March 2020. Prior to joining the ComfortDelGro Group, Mr Cheng served in a number of senior appointments in the Ministry of Defence and the Republic of Singapore Air Force. He obtained a Bachelor of Electrical and Electronic Engineering (First Class) from the University of Manchester, United Kingdom and a Master of Business Administration from the Massachusetts Institute of Technology, USA.

ANG WEI NENG
CHIEF EXECUTIVE OFFICER
COMFORTDELGRO TAXI



Mr Ang Wei Neng was appointed Chief Executive Officer of Taxi Business in Singapore on 1 May 2017. Prior to his appointment, he was Head of Bus Operations and Senior Vice President of SBS Transit Limited. He had also held key positions in Service Development, Operations Development as well as General Manager of District Operations since he joined SBS Transit in 2004. Previously, he held various managerial positions in operations and business development in diverse industries, covering countries in Southeast Asia, Hong Kong and China. Mr Ang, a Public Service Commission (PSC) Scholar, served in the Singapore Police Force before joining the private sector. He holds a Bachelor of Social Sciences (Hons) from the National University of Singapore and a Master of Business Administration (MBA) from the Nanyang Technological University. Mr Ang is also a Member of Parliament for West Coast Group Representation Constituency.



SIM WING YEW
CHIEF EXECUTIVE OFFICER
VICOM

Mr Sim Wing Yew was appointed Chief Executive Officer of VICOM Ltd on 1 May 2012. Prior to this appointment, he was Chief Operating Officer of ComfortDelGro Engineering Pte Ltd since August 2008 before assuming the role as Chief Executive Officer on 1 March 2011. Mr Sim first joined the Group in September 2002 as a General Manager in charge of two maintenance workshops in SBS Transit Ltd's Fleet Management Department. In June 2006, he assumed responsibility as the General Manager for all five SBS Transit's workshops. Mr Sim holds a Bachelor of Engineering (Hons) in Mechanical and Production Engineering from the Nanyang Technological University and a Master of Business Administration from the University of Hull, United Kingdom.

ANG SOO HOCK
CHIEF EXECUTIVE OFFICER
COMFORTDELGRO ENGINEERING



Mr Ang Soo Hock was appointed Chief Executive Officer of ComfortDelGro Engineering Pte Ltd on 1 January 2018. Prior to this appointment, he was the Chief Operating Officer. Mr Ang first joined the Company as an Engineer in July 1998. In 2003, he assumed the responsibility of Branch Manager, Sin Ming, overseeing the maintenance of both the taxi fleet and private cars, and the operation of four diesel kiosks. In June 2007, he was tasked to oversee all maintenance workshops for the Group's entire taxi fleet in Singapore, and in September 2009, he took on the added responsibility of managing diesel sale operations as well. Mr Ang holds a Bachelor of Engineering (Hons) in Mechanical and Production Engineering from the Nanyang Technological University and a Specialist Diploma in Franchise Management from the Ngee Ann Polytechnic.



STEPHEN CHOW
CHIEF EXECUTIVE OFFICER
COMFORTDELGRO BUS

Mr Stephen Chow was appointed Chief Executive Officer of ComfortDelGro Bus on 1 March 2021. He was previously its Chief Operating Officer. Prior to this appointment, he was the Founder and Chief Executive Officer of an AI start-up. Mr Chow also held various senior appointments in the Republic of Singapore Navy (RSN) previously. During his tenure with RSN, he successfully transformed several maritime security capabilities on the national and international level. He is a graduate of the Indonesian Naval Senior Command and Staff College, and speaks fluent Bahasa Indonesia. Mr Chow holds a Bachelor of Arts Degree from the National University of Singapore, and a Masters of Business Administration in Investment and Finance from the University of Hull, United Kingdom.



LIM TIEN HOCK
CHIEF EXECUTIVE OFFICER
COMFORTDELGRO
DRIVING CENTRE
COMFORTDELGRO
MEDCARE

Mr Lim Tien Hock was appointed Chief Executive Officer of ComfortDelGro Driving Centre Pte Ltd on 1 August 2018 and was made Chief Executive Officer of ComfortDelGro MedCare Pte Ltd on 1 March 2021. He was previously Senior Vice President, Group Human Resource, ComfortDelGro. Prior to joining the Group in June 2012, Mr Lim served in a number of senior appointments in the Ministry of Defence, Singapore and the Singapore Armed Forces covering stints in training, operations and human resource. He graduated from University College London, United Kingdom and holds a Master in Engineering (Electrical and Electronic). Mr Lim also holds a Master of Business Administration from Nanyang Fellows - MIT Sloan Programme.

**ONG BENG TIN,
MARY**
CHIEF EXECUTIVE OFFICER
COMFORTDELGRO
RENT-A-CAR



Ms Ong Beng Tin, Mary joined the Group in 1996 and is the Chief Executive Officer of ComfortDelGro Rent-A-Car. Prior to her appointment, she was the Chief Operating Officer and served as the Head of Sales and General Manager in the Company. She has 20 years' experience in the car rental industry, beginning her career as a Sales Manager in Ken-Air's Auto Services Division. Ms Ong holds a Bachelor of Arts from the National University of Singapore.

KEY MANAGEMENT

SINGAPORE – BUSINESS UNITS



LIEW WEI CHEE
CHIEF EXECUTIVE OFFICER
CDG ZIG

Mr Liew Wei Chee was appointed Chief Executive Officer of CDG Zig Pte Ltd - a new corporate venture of the ComfortDelGro Group that created Zig, a mobility and lifestyle app - on 1 March 2021. He was previously Senior Vice

President, Group Transformation Office where he led business development initiatives in digital and hydrogen fuel. Prior to joining the Group, Mr Liew had spent 25 years in a multinational energy group where he held key management positions and worked on significant merger, acquisition and divestment deals, including stints in London, England, The Hague, Netherlands and Kuala Lumpur, Malaysia. Mr Liew obtained a Bachelor of Science degree in Business Administration (First Class Honours) from the University of Wales, College of Cardiff and a Master of Business Administration (with Distinction) from the University of Hull, United Kingdom. He has attended in-campus management programmes at the Institute for Management Development Business School, Switzerland and INSEAD, France.

JAYNE KWEK
CHIEF EXECUTIVE OFFICER
MOOVE MEDIA

Mrs Jayne Kwek joined the Group in October 2004 and is currently the Chief Executive Officer of Moove Media Pte Ltd. She is an Executive Council Member of the Institute of Advertising Singapore and has won many prestigious advertising awards, including the Singapore Media Award and the Singapore Hall of Fame Advertising Awards. She has also been voted one of Singapore's 20 Most Influential Marketing Personalities. Mrs Kwek graduated with a Degree of Associate in Science (Fashion Merchandising) from the Daytona Beach Community College, Florida, USA.



CHUA BENG PENG, CLEMENT
CHIEF EXECUTIVE OFFICER
COMFORTDELGRO INSURANCE BROKERS

Mr Clement Chua Beng Peng was appointed Chief Executive Officer of ComfortDelGro Insurance Brokers Pte Ltd on 1 March 2018, and is responsible for delivering customer-focussed and cost effective insurance broking,

claims advocacy and risk management services to its external corporate clients. Mr Chua joined the Group in 2005 where he has held various positions and responsibilities with diversified experience in insurance broking, operations, claims handling, risk management, business development, corporate planning and services. He is also concurrently the Group Chief Insurance Officer. He holds a Bachelor of Economics Degree from the University of Western Australia, a Diploma in Insurance from the Chartered Insurance Institute, and is a Certified Professional Risk Manager from the Asia Risk Management Institute.

OVERSEAS – BUSINESS UNITS

AUSTRALIA



**YAP SOON HUA,
NICHOLAS**
**CHIEF EXECUTIVE
OFFICER**
AUSTRALIA BUSINESS
UNIT

Mr Yap Soon Hua, Nicholas, was appointed Chief Executive Officer of Australia Business Unit on 1 July 2019. Prior to this appointment, he was the Chief Executive Officer of ComfortDelGro Corporation Australia Pty Ltd (CDC) (VIC), General Manager of CDC Victoria and Chief Operating Officer of ComfortDelGro Cabcharge Pty Ltd. Mr Yap joined the Group in 1994 and was Vice President, Group Business Development, before his posting to Australia. He also served as a Manager in the Service Development Department of SBS Transit Ltd. Mr Yap holds a Bachelor of Economic and Social Studies (Hons) from the University of Wales in Accounting and Law. He also completed the Executive Programme in Transportation Management from the Nanyang Technological University & Chartered Institute of Transport, Singapore.

CHINA

**MICHAEL
HUANG CHOR TZE**
**CHIEF EXECUTIVE
OFFICER**
CHINA BUSINESS UNIT



Mr Huang Chor Tze, Michael, was appointed Chief Executive Officer of China Business Unit on 1 January 2021. He oversees all our operations in China. Prior to his appointment, Mr Huang was Vice President with the Group Business Development and the Group Transformation Office where he drove digital transformation efforts of the Group in the areas of smart mobility and autonomous vehicles. Mr Huang joined the Group in 2006 as Assistant to the General Manager. From 2008 to 2015, he was General Manager of Nanjing ComfortDelGro Dajian Taxi Co., Ltd. Before joining ComfortDelGro, Mr Huang worked in Sembcorp Industries Limited where he managed projects in oil and gas. He has had extensive overseas working experience, having spent 15 years in China and Indonesia. Mr Huang has a Bachelor of Science in Chemical Engineering from the Illinois Institute of Technology, USA.



**UNITED KINGDOM/
IRELAND**

SEAN O'SHEA
CHIEF EXECUTIVE OFFICER
METROLINE LIMITED

Mr Sean O'Shea is the Chief Executive Officer of Metroline Limited. Prior to this, he was the Chief Operating Officer. Mr O'Shea joined London Bus Services Limited as a graduate management trainee in 1990 after obtaining a degree in Mathematics and Philosophy from the University of Liverpool. Following a comprehensive training in all aspects of bus operations, Mr O'Shea undertook several roles within Metroline Travel, and was appointed Commercial Director for Metroline Travel and Metroline London Northern in 2001.

**UNITED KINGDOM/
IRELAND**

TAN LAI WAH, RUDY
CHIEF EXECUTIVE OFFICER
CITYFLEET NETWORKS



Mr Tan Lai Wah, Rudy, is the Chief Executive Officer of CityFleet Networks Limited. He is concurrently the Group Chief Strategy Officer for the ComfortDelGro Group. Prior to joining the Group, Mr Tan was the Chief Operating Officer of ST Kinetics, the land systems and specialty vehicles arm of the Singapore Technologies Engineering Group. During his 17 years with ST Engineering, Mr Tan served in several roles, heading different Business Units and corporate functions such as marketing, as well as business and corporate developments. He also oversaw its businesses in China, India and the United States. Mr Tan graduated from the Imperial College London. He also attended the Senior Executive Programme at London Business School and holds a Master of Business Administration from the University of Leicester. He is also a CFA Charterholder.



VIETNAM

LIM CHAI HWEE
GENERAL DIRECTOR
VIETNAM TAXI

Mr Lim Chai Hwee is the General Director of Vietnam Taxi Co., Ltd. Mr Lim joined the Group in 2006. He held appointments in Operations, Route Group Development and Safety departments of the bus business area of SBS Transit Ltd. Prior to joining the Group, Mr Lim has had stints in the security and financial industries. Mr Lim holds a Bachelor Degree in Engineering from the Nanyang Technological University.

MALAYSIA

CHIA WING TOO, ERIC
GENERAL MANAGER
MALAYSIA BUSINESS UNIT



Mr Chia Wing Too, Eric joined the Group in May 2008 as General Manager of the car rental & leasing business in Malaysia. Mr Chia has had more than 30 years of experience in the automotive industry and has held appointments in various organisations, including senior management positions at Inchcape Motors Limited, Champion Motors (1975) Pte Ltd and Komoco Motors Pte Ltd. Prior to joining the Group, Mr Chia was the General Manager of Trans Eurokars Pte Ltd. Mr Chia holds a Master of Business Administration from the Macquarie University, Australia.

OPERATIONS REVIEW



SINGAPORE

**PUBLIC TRANSPORT SERVICES (BUS & RAIL) • TAXI
AUTOMOTIVE ENGINEERING SERVICES
INSPECTION & TESTING SERVICES
DRIVING CENTRE • CAR RENTAL & LEASING
INSURANCE BROKING SERVICES • OUTDOOR ADVERTISING**

1.77

**REVENUE
(S\$'BILLION)**

15,955

**TOTAL OPERATING
FLEET SIZE**

13,288

**TOTAL NUMBER OF
EMPLOYEES**

PUBLIC TRANSPORT SERVICES

ComfortDelGro Corporation Limited is a leading provider of land transport and related services in Singapore.

SCHEDULED BUS

SBS Transit Ltd remained the major public bus operator in Singapore with a market

share of 61%. In 2020, it managed 226 bus routes, which was three more than in 2019, and operated about 31,000 bus trips on an average weekday. In all, SBS Transit operated from 17 bus interchanges and 14 bus terminals.



For the year under review, SBS Transit worked with the Land Transport Authority (LTA) to put 45 new and more environmentally friendly buses on the roads. These comprised 25 hybrid buses and 20 fully electric ones. The total fleet size as at end-December 2020 was 3,531.

In the area of autonomous vehicles (AV), SBS Transit was part of the pilot driverless bus revenue service on Jurong Island with ST Engineering where its bus captains (BCs) served as safety operators on board.

It also joined two consortiums for bids in the AV Call for Collaboration by the LTA and the Economic Development Board.



During the year, SBS Transit rolled out the iSafe system fleet-wide to track the driving behaviour of its BCs in providing safe and comfortable rides for commuters. Using technology as an independent assessor, this system collates data from two of its landmark systems – SAGE, a telematics system that monitors the smoothness and comfort of bus rides and Mobileye, an advanced driver assistance system that alerts the driver to potential collisions – to present an assessment of the individual BCs' driving competency.

These efforts had proven to be effective in enhancing the safety levels of its services. Its Tampines Bus Package was awarded merit in the "Safe Bus Operator of the Year" category by the LTA in 2020.

More details on our scheduled bus operations can be found in SBS Transit's 2020 Annual Report.

OPERATIONS REVIEW



The screenshot shows a mobile application interface. At the top, a black status bar displays the time 5:53 and various icons. Below this is a white header area with the ComfortConnect logo, which consists of a blue 'C' inside a circle with three orange dots, and the text 'COMFORTCONNECT' in blue and orange. The main content area features a blue bus driving on a road towards the viewer. In the background, there is a cityscape with a Ferris wheel and a large building. The bottom of the screen shows a white navigation bar with three icons: a list icon, a home icon, and a back arrow.

UNSCHEDULED BUS

The Group's wholly-owned subsidiary, ComfortDelGro Bus Pte Ltd, operates employee and school bus charters as well as overland bus services to West Malaysia. It also operates premium bus services, and shuttle bus services for industrial parks, shopping malls, educational institutions and condominiums.

For the year under review, revenue from its tour bus bookings and scheduled bus services fell drastically. However, ComfortDelGro Bus was able to secure short-term contracts to provide transport for COVID-19 related projects.

The Company successfully secured contracts to operate on-demand shuttle services in Jurong Island. It also won bus charters tenders and provided bus services for large scale events such as the 2020 Singapore General Elections and National Day Parade.

In November 2020, ComfortDelGro Bus commenced an AV tractor trial with Changi Airport Group and provided safety operators to ensure the safe operation of the AV. The trial will last till mid-2021.

ComfortDelGro Bus digitalised most of its operations during the year, making both its processes and operations more efficient. The ComfortConnect App, a one-stop booking platform for users to book and manage their transport needs, was launched in October 2020.

The Company also implemented a Fleet Management System to better monitor its operations and deliver its services.

More information about its digitalisation efforts can be found in the Bits & Bytes section of this Annual Report.



RAIL

In 2020, SBS Transit continued to operate 83km of rail networks in Singapore – the North East Line (NEL), Downtown Line (DTL) and the Sengkang-Punggol Light Rail Transit (SPLRT) systems. It operated 78 stations with a fleet of 192 trains and has a current market share of 30.6%.

At the peak of the COVID-19 crisis, SBS Transit suffered an 86% drop in passenger load. In December 2020, ridership was just 72.7% of what was registered in 2019.

In terms of train reliability, however, its lines performed better than the industry. The DTL achieved a Mean Kilometre Between Failure (MKBF) of 2.09 million train-km while the NEL clocked 2.04 million train-km, both of which outperformed the nationwide MRT network's average of 1.45 million train-km. The DTL improved on its reliability by about 83% and the NEL by some 48% over their 2019 performances. The SPLRT achieved 426,000 train-km compared to the nationwide LRT's network average of 227,000 train-km. It also improved on its reliability by about 70% over that of its performance in 2019.

In fact, the NEL and DTL achieved all the Rail Operating Performance Standards stipulated by the regulator, the LTA.

During the year, SBS Transit signed a Teaming Agreement with RATP Développement S.A., a French Government-owned company and the largest rail operator in Paris, to

explore new business opportunities and deliver world-class metro services in Singapore. It also signed a Memorandum of Understanding with Thales, a French multinational company that designs and builds electrical systems and provides services for various industries including transportation, to employ new digital technologies for safer and more comfortable passenger journeys.

More details on our rail operations can be found in SBS Transit's 2020 Annual Report.

TAXI

ComfortDelGro Taxi remained Singapore's largest taxi operator with a combined fleet of about 10,000 Comfort and CityCab taxis.

Travel restrictions brought about by the COVID-19 global pandemic hit the Singapore taxi industry hard, and ComfortDelGro Taxi was not spared. Leisure travel came to a standstill and business activities were suspended. Taxi ridership plummeted as a result.

When community cases spiked and Singapore entered the two-month Circuit Breaker lockdown, ComfortDelGro Taxi extended a full rental waiver to its cabbies for the entire period – a move that pushed it into the red for the very first time. In the subsequent stages of Phase 2 and 3 Re-opening, ComfortDelGro Taxi collected partial rental from its cabbies. Call levies for booking jobs were also waived from March to December 2020. In all, ComfortDelGro Taxi forked out close to S\$120 million in financial aid.

OPERATIONS REVIEW



To help supplement income, the Government also eased the point-to-point regulations to allow cabbies to engage in food and grocery deliveries. In response, ComfortDelGro Taxi partnered various food and beverages (F&B) outlets and online delivery platforms such as Lazada, RedMart, foodpanda, Kentucky Fried Chicken and McDonald's Singapore, to provide cabbies with delivery jobs.

ComfortDelGro Taxi also launched its own delivery service platform – ComfortDelivery – in just two weeks. It did not take any commission for each delivery job. Every cent earned went to its cabbies. Over 2,000 cabbies and 1,200 merchants signed up for ComfortDelivery. A total of 32,000 deliveries were completed, which generated a gross total income of S\$426,000 for its cabbies. When

taxi demand gradually recovered, ComfortDelivery was decommissioned on 30 November 2020.

Apart from daily temperature taking, issuing surgical face masks, hand sanitisers and disinfectants to its cabbies, ComfortDelGro Taxi facilitated contact tracing efforts by displaying SafeEntry QR codes in all its taxis.

The impact of the global pandemic and Circuit Breaker dampened overall trip volume in the corporate travel segment, particularly from April to May 2020. However, with the easing of the Circuit Breaker measures from June 2020, ComfortDelGro Taxi saw an uptick in its corporate ridership as

more companies allowed the partial resumption of their workforce in the office. While corporate ridership in 2020 did not reach pre-COVID levels, ComfortDelGro Taxi observed a year-on-year growth in trip volume for the essential services sectors such as F&B, Pharmaceutical, Healthcare and Security.



In May, ComfortDelGro Taxi trialled a cabin shield – a locally-manufactured shield made up of an unbreakable material trademarked by Moove Media Pte Ltd – in 400 of its taxis.

OPERATIONS REVIEW

In the area of digital transformation, ComfortDelGro Taxi continued to work on improving its booking and driver apps, vehicle despatch system as well as its digital marketing capabilities. Its Agile team, together with its offshore development centres in Chennai, India and Yangon, Myanmar, released a total of 41 app versions for iOS and 36 app versions for Android.

To make taxi booking services even more accessible to commuters, ComfortDelGro Taxi collaborated with DBS on 25 June 2020 to enable users to book and pay for its taxi rides directly and seamlessly through an integrated in-app booking function in the DBS PayLah! App. This complements the roll-out of DBS PayLah! as an in-app payment in the ComfortDelGro Taxi Booking App in March 2020, where passengers could select DBS PayLah! as a default QR Code payment option within the App.

To appeal to a younger customer base, ComfortDelGro Taxi collaborated with partners such as Lazada Group, Shopee Pte Ltd and Wildlife Reserves Singapore to promote its promo codes and vouchers. In addition, it also started monetising advertising spaces on its booking app.

In August 2020, a new feature, "Auto Accept", was introduced to allow the booking system to accept jobs automatically on behalf of its cabbies. This meant that cabbies no longer need to manually accept jobs on their Driver App or the Mobile Data Terminal (MDT), once this feature is turned on. Within two months, eight in 10 cabbies had turned on the "Auto Accept" feature and about 40% of the jobs that were despatched to them were made via this new feature.



During the Circuit Breaker, ComfortDelGro Taxi suspended both its Taxi Driver's Vocational Licence (TDVL) and Private Hire Car Driver's Vocational Licence (PDVL) courses that were usually held in classrooms. But these courses soon resumed by Phase 1 Re-opening with strict management measures in place. In all, over 23,000 trainees attended these courses, with a high pass rate of at least 90% during the year. Throughout the year, ComfortDelGro Taxi continued to offer contract schemes to its existing hirers. About 80% of them took up the offer.

ComfortDelGro Taxi also continued with its tradition of defraying the educational fees of its cabbies' children. In 2020, 530 Primary and Secondary level students received more than S\$112,000 worth of study achievement awards.

As part of the Company's 'Go Green' initiatives, ComfortDelGro Taxi replaced its diesel taxis with petrol-electricity hybrid ones. Its hybrid taxi fleet accounted for more than half of its entire fleet as at end-December 2020. It remains on track to replace all diesel taxis with hybrid models by 2023.

AUTOMOTIVE ENGINEERING SERVICES

Our automotive engineering subsidiary, ComfortDelGro Engineering Pte Ltd, maintains the Group's taxis, unscheduled buses, training and rental cars, as well as private vehicle fleet in Singapore.

With the Government's push towards greener vehicles, ComfortDelGro Engineering began moving away from diesel sales to introducing more petrol refuelling points to support the growing fleet of petrol-electric hybrid taxis. It ceased its diesel sales operations at three SBS Transit depots as well as its fuel kiosks at Senoko and Bedok in 2020. Another kiosk at Bukit Merah will cease its diesel sales operations when the new self-help fuel kiosk at Pandan becomes operative in March 2021.



In July 2020, a second electric vehicle (EV) charging station was installed at its Loyang branch. Unlike the first charger installed at Braddell, which has an output of 50kW per hour, this charger boasts 100kW per hour power output and is by far Singapore's fastest public charger. Both chargers are used by the Group's EV taxis as well as over 70 privately-owned EVs.

OPERATIONS REVIEW

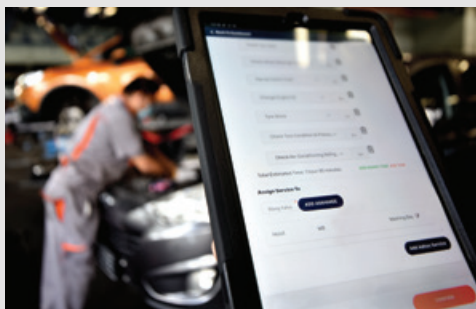
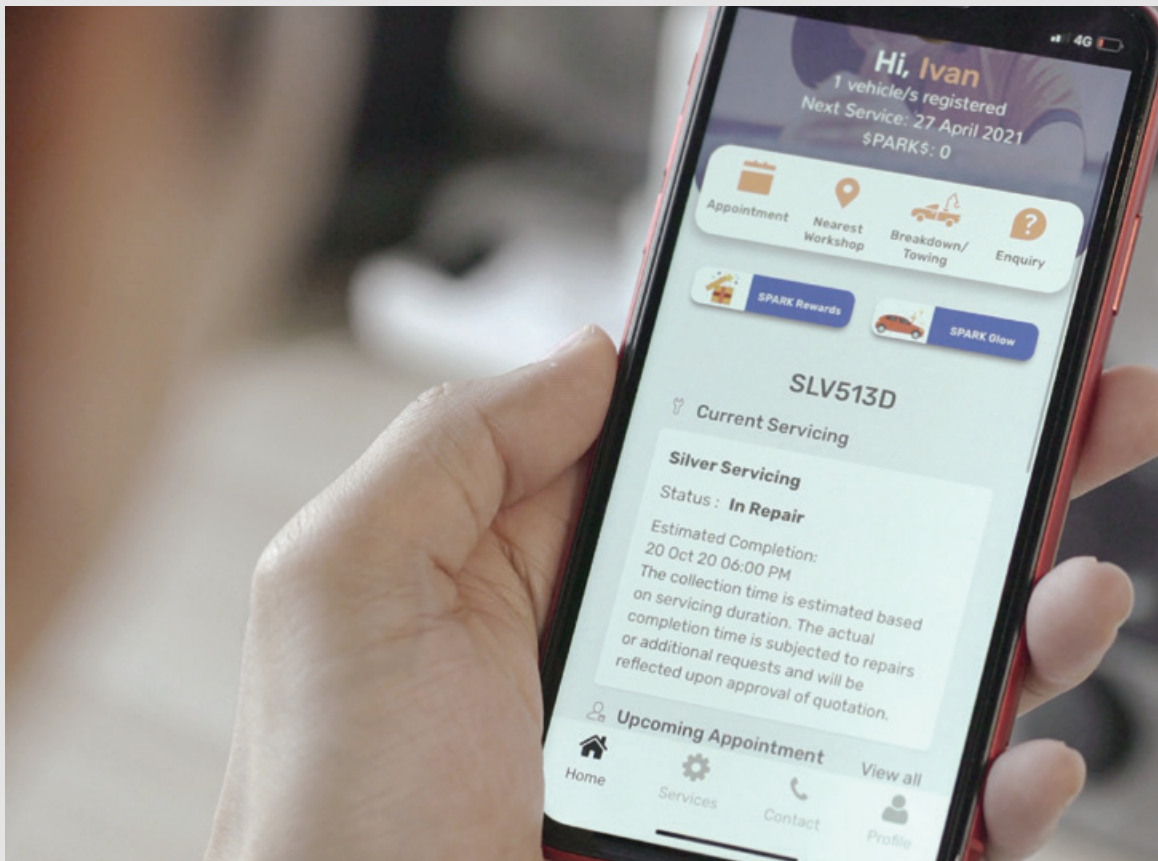
Demand for its external car care business increased in 2020 due to increased advertising and direct marketing efforts.

In the area of corporate fleet maintenance, repair jobs were affected by the COVID-19 global pandemic which had caused many fleet customers to slow down their business activities during the Circuit Breaker period.

In the area of bus maintenance, besides maintaining the buses belonging to

ComfortDelGro Bus, ComfortDelGro Engineering partnered the Singapore School Transport Association to offer its pool of more than 1,000 members customised quick lubrication as well as tyre and battery services. Over 300 buses were maintained as a result.

After venturing into rail-related works for SBS Transit's NEL trains in 2019, the component reconditioning department increased its throughput in 2020.



ComfortDelGro Engineering has been embarking on its digital transformation journey to stay ahead of competition since 2018. The COVID-19 global pandemic only served to accelerate these efforts. In October 2020, it launched two mobile apps – the CDGE App and the Smart Workshop Digital System (SWorDS). Details of both apps can be found in the Bits & Bytes section of this Annual Report.



INSPECTION AND TESTING SERVICES

During the two-month Circuit Breaker, VICOM's vehicle inspection business continued to operate as it was deemed an essential service.

Private vehicles due for inspection during that period of time were granted a six-month deferment by the LTA and re-scheduled for inspection from July to December after the Circuit Breaker was lifted. This brought about a backlog of 50,000 private cars that had to be inspected between July and December, but VICOM successfully cleared all vehicles.



As a result, 493,520 vehicles were inspected during the year, representing an increase of 30,802 vehicles or 7% from 2019. Market share grew to 75.2%, higher than the 74.0% in 2019.

OPERATIONS REVIEW

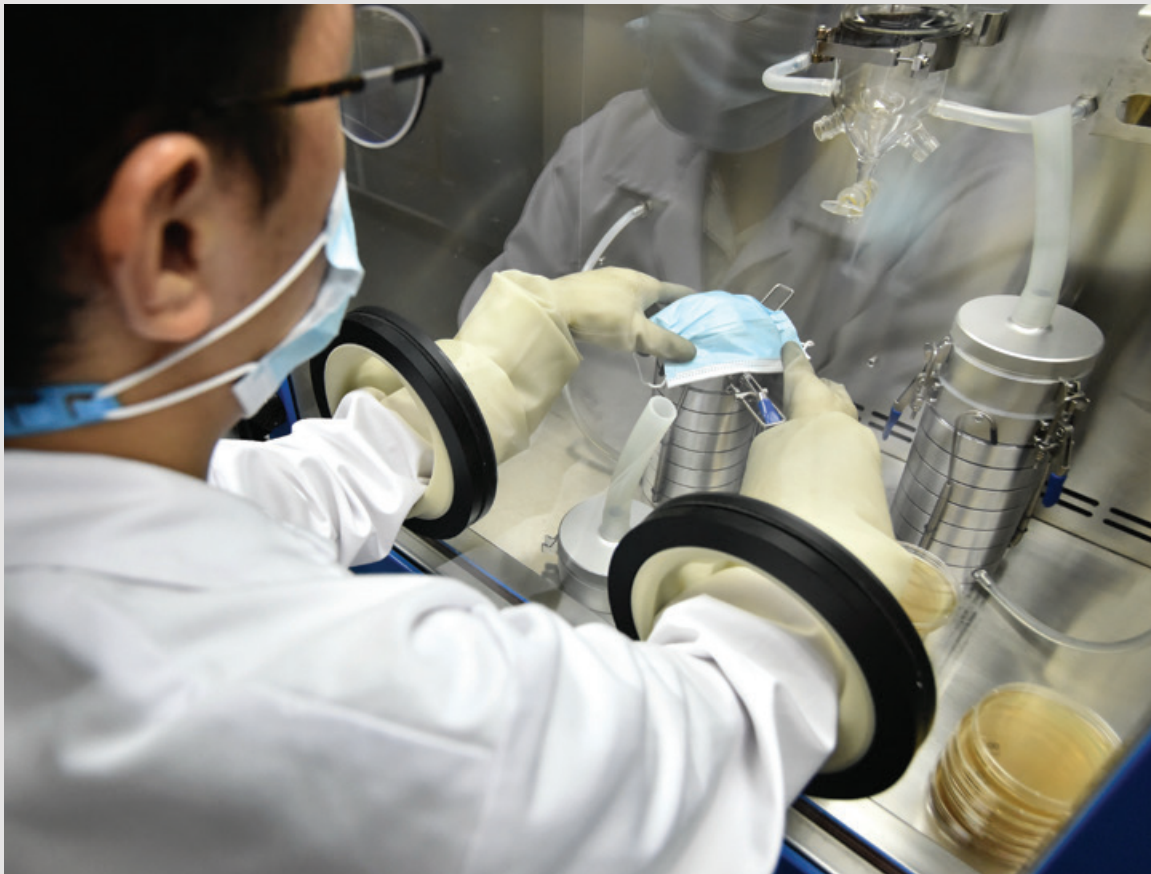
However, the suspension of Certificate of Entitlement (COE) bids from April to June 2020 resulted in a drop in demand for vehicle type approval inspection and emission testing services, while VICOM Assessment Centre conducted fewer accidents and surveys as many people worked from home and traffic on the roads was reduced. The impact continued even after the Circuit Breaker, albeit to a lesser extent.

The mandatory inspection of Personal Mobility Devices (PMDs), which was supposed to have commenced in April 2020, was delayed by five months. It eventually commenced in September 2020.

VICOM's wholly-owned subsidiary, Setsco Services Pte Ltd (SETSCO), was hit hard by the general economic slowdown resulting from the pandemic.

Business demand started to fall towards the tail end of the first quarter. There were delays in the Construction industry as a result of a disruption in supply chain arising from the lockdowns of several cities in China in February 2020.

As Singapore came out of the Circuit Breaker, business also gradually recovered, though it was uneven for the different sectors that it served especially the Construction sector where work progress was hampered often by several start-stops as a result of resurgent COVID-19 cases in the dormitories between August and September.



But every cloud has a silver lining. The COVID-19 pandemic also presented SETSCO with a new business opportunity. It not only acquired capabilities to test surgical masks for manufacturers and suppliers, but it was also engaged by the National Environment Agency to screen wastewater from the dormitories for SARS-CoV-2, the causative virus for COVID-19.

More details can be found in VICOM's 2020 Annual Report.



DRIVING CENTRE

ComfortDelGro Driving Centre Pte Ltd, which provides learner driver training services in Singapore, achieved about 19% increase in learner driver enrolment in 2020 despite the COVID-19 pandemic.

As the pandemic intensified and physical classroom lessons were disrupted due to the Circuit Breaker, the enrolment for courses grew as learners could not physically come to the Centre to enrol for courses. As part of safe management measures, an e-Appointment system was implemented on 16 July 2020 during Phase 2 Re-opening to allow learners to make appointments so as to reduce crowd density and adhere to safe management measures.

ComfortDelGro Driving Centre also pivoted towards conducting all available theory lessons online, resulting in a five-fold increase in capacity. Instead of just one instructor to a physical classroom of 10, they were able to conduct the online class for 50 learners at one time. Even when operations resumed after the Circuit Breaker was lifted, ComfortDelGro Driving Centre continued its online lessons, while making in-person lessons available with smaller class capacities.

It went on to revamp its e-learning system in August 2020 to include Android and iOS users so that more learners could access it. There are plans to introduce new features, such as gamification, in future.

On 1 September 2020, ComfortDelGro Driving Centre launched its first mobile app – myCDC. More details

about the App can be found in the Bits & Bytes section of the Annual Report.

To enhance customer experience, it revamped its website with a new look and a more user-friendly interface. It even added a chatbot to answer frequently asked questions to bolster customer service. It plans to progressively implement a Live Agent system to bring personalisation to customer interactions and improve service satisfaction.

To appeal to younger learners, ComfortDelGro Driving Centre launched a set of 26 Motorcar practical training videos. Produced based on the Centre's Class 3 and 3A practical curriculum, the videos show key lesson pointers in bite-sized five-minute snippets. Learners can stream and view these videos anytime, anywhere.



OPERATIONS REVIEW

CAR RENTAL & LEASING

In 2020, our car rental & leasing subsidiary, ComfortDelGro Rent-A-Car Pte Ltd operated a fleet of 1,106 cars, including self-drive and private hire cars.

With a slowdown in the economy exacerbated by the global pandemic, corporate clients tightened their budgets. The Company experienced higher rates of return of vehicles as many corporate clients prematurely terminated their contracts due to staff repatriation. As such, ComfortDelGro Rent-A-Car focussed its efforts on Government contracts and short-term rentals through direct sales and tie-ups with its partners.

For fleet renewal, ComfortDelGro Rent-A-Car secured its own COEs in small tranches and negotiated with distributors for better rates.

To improve its work processes and productivity, ComfortDelGro Rent-A-Car implemented eTask, a programme that allows its operation assistants to go paperless while carrying out vehicular movements. With eTask, data input into tablet devices are synced with the backend system wirelessly.

During the year, its digital marketing efforts on Facebook and LinkedIn proved effective as the volume of enquiries increased seven-fold.

Take up for the five prime movers under the Haulio venture was also slow at the beginning of the year but picked up from July 2020. There are plans to expand the fleet for Inter-Terminal Trucking jobs in 2021.



INSURANCE BROKING SERVICES

ComfortDelGro Insurance Brokers Pte Ltd, our wholly-owned insurance brokerage, performed reasonably well for the year under review despite the global pandemic and resulting economic slowdown.

For the Company's traditional business-to-business (B2B) insurance broking services for internal and external clients, it was mostly business as usual. In Singapore, ComfortDelGro Insurance Brokers continued to assist the Group's Business Units in Singapore and overseas in structuring cost-effective insurance and claims management programmes. In doing so, millions of dollars of premium

savings were secured for the Group and its subsidiaries. Outside of the Group, it successfully secured an account with a major group of companies as its insurance broker, adding to its growing list of external clientele.

The pandemic accelerated the Company's digital efforts. It embarked on developing apps and digital solutions to augment its business to business insurance broking services, which will be ready to launch in 2021. The Company also explored the use of robotic process automation (RPA) and optical character recognition (OCR) technology to increase its operational efficiency.



OUTDOOR ADVERTISING

Moove Media Pte Ltd was hit hard by the impact of the global pandemic, but is anticipating a substantial recovery in 2021.

As advertising spending was reactive and sensitive to consumer behaviour, out-of-home (OOH) advertising business shrank almost instantly when lockdown measures were introduced to slow down the spread of COVID-19.

As a result, Moove Media experienced a drop in demand across its bus, taxi and rail advertising as clients shifted towards digital advertising instead. Once restrictions in Singapore lifted, and ridership slowly increased, advertisers appeared to have made a comeback to using OOH platforms.

During the year, Moove Media partnered Moving Walls to pilot MOOVE SMART, an OOH commuter analytics and insight platform. The partnership gave Moove Media a digital boost to its transit OOH advertising, as it could have access to Moving Wall's omnichannel and hyperlocal mobile advertising platform while providing accountability and measurement.

Recognising that more clients were shifting from traditional to digital advertising, Moove Media continued to augment its OOH advertising products with digital capabilities. It secured approval from the LTA in 2020 for a large digital screen at Dhoby Ghaut MRT Station, its first digital initiative for the rail advertising.

OPERATIONS REVIEW

AUSTRALIA

ALICE SPRINGS • BALLARAT • BALLINA • BLUE MOUNTAINS
BILLINUDGEL • BROKEN HILL • BYRON BAY • CANBERRA
COFFS HARBOUR • DARWIN • EDGEWORTH • GEELONG • GLADSTONE
GRAFTON • JABIRU • MELBOURNE • MILDURA • MORISSET • NARRABRI
PERTH • QUEANBEYAN • SAWTELL • SINGLETON • SUNSHINE COAST
THORNTON • TORONTO • SYDNEY • WEE WAA • WOOLGOOLGA • YASS

BUS • TAXI • NON-EMERGENCY PATIENT TRANSPORT SERVICES
OUTDOOR ADVERTISING



- CDC Victoria
- CDC NSW
- Buslink
- Blanch's Bus Company
- Blue Mountains Transit
- Forest Coach Lines
- Moove Media Australia
- Coastal Liner Coaches
- National Patient Transport
- Qcity Transit and Transborder Express
- Swan Taxis
- Taxi Fleet Management

608.1

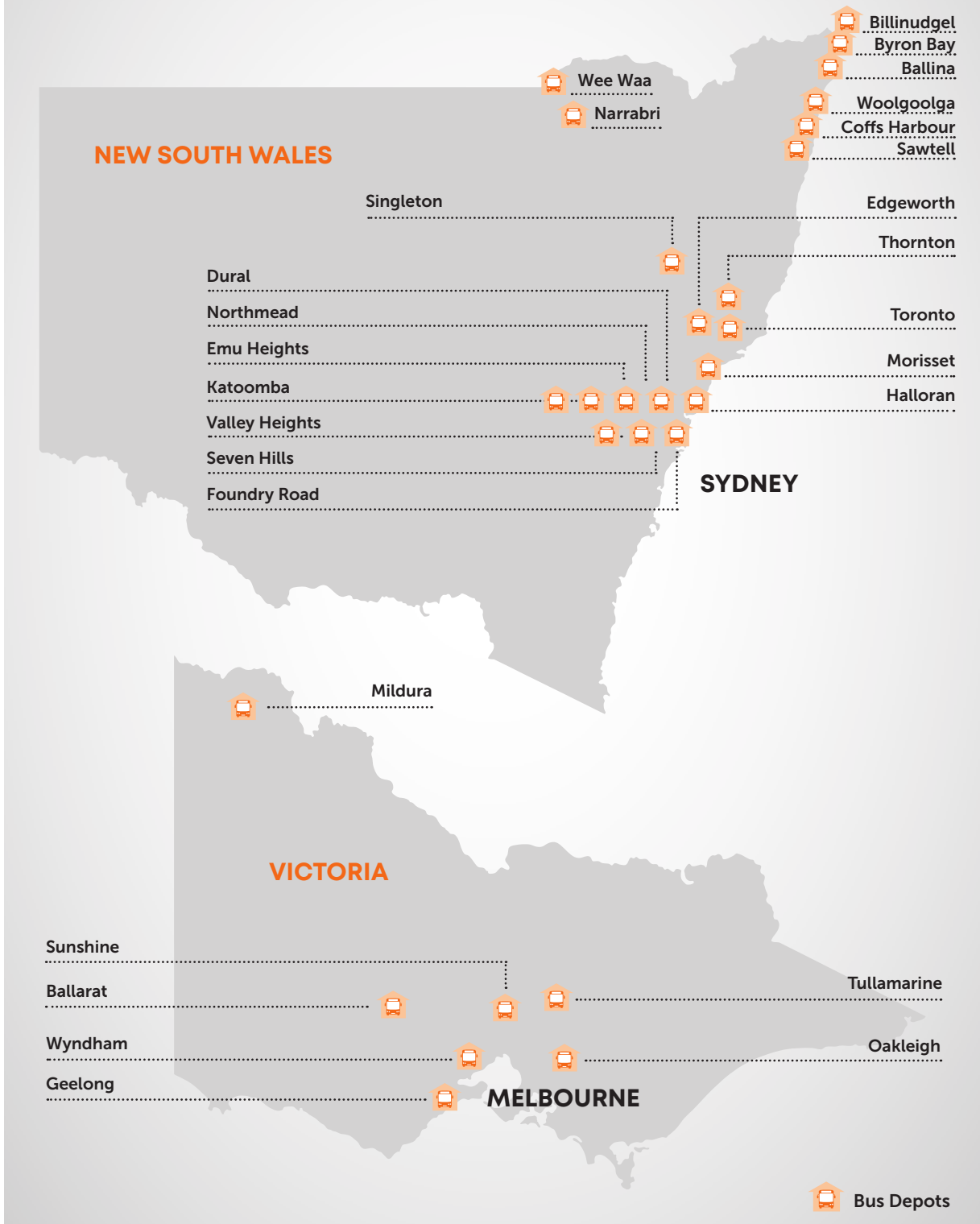
REVENUE
(S\$'MILLION)

4,464

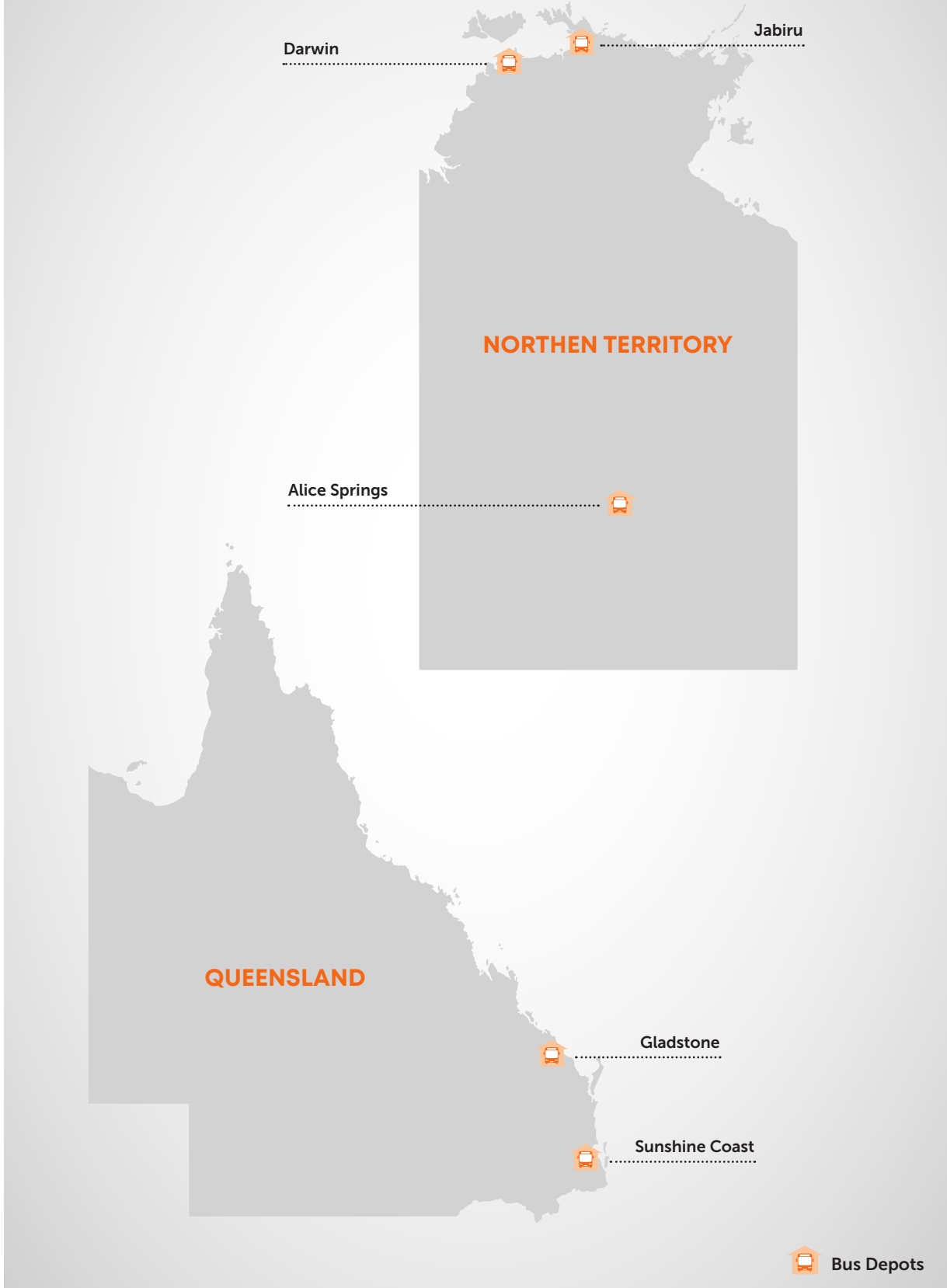
TOTAL OPERATING
FLEET SIZE

3,866

TOTAL NUMBER OF
EMPLOYEES



OPERATIONS REVIEW



NEW SOUTH WALES SYDNEY

BUS

We operate bus services in Sydney, New South Wales (NSW), through ComfortDelGro Corporation Australia Pty Ltd (CDC), which has been the Group's wholly-owned subsidiary since February 2017.

CDC NSW, a subsidiary of CDC, operates Hillsbus and Forest Coach Lines in Sydney, as well as other regional bus companies like Blue Mountains Transit, Hunter Valley Buses, Blanch's Bus Company on the North Coast and QCity Transit in Queanbeyan.

Due to the COVID-19 outbreak, patronage across the CDC NSW Group fell substantially. At the peak of the pandemic, demand for scheduled services decreased by as much as 85%. Non-scheduled bus services such as school and corporate charters were also badly affected. Fortunately, the New South Wales State Government maintained funding for transport operators throughout the year.

The Sydney State Government also continued to release tenders for bus contracts despite the global pandemic. CDC NSW has submitted proposals for both the Zero Emissions Bus Expressions of Interest (EOI) Trial, which will involve the wider deployment of electric buses, as well as the Westmead Electric On Demand EOI, which will trial EVs for on-demand transport.

The Company continued to come up with innovative ways to improve its performance and safety, including trialling a state-of-the-art fatigue detection

system called 'Guardian Seeing Machines' for half a year. This Artificial Intelligence-based system detects and alerts drivers if it senses that they are drowsy, fatigued or distracted. It also simultaneously sends an alert to the Operations & Customer Centre. From there, additional measures are enacted to manage the immediate safety of the driver and passengers.

As part of efforts to improve internal staff communication, CDC NSW launched an internal driver communication platform called Blink. The Blink App helps deliver company news to bus drivers more effectively, especially when they are not at the depots. Drivers are also able to perform administrative tasks such as applying for annual leave and sending online communication forms via Blink. Uptake of the App has been positive so far.

CDC NSW continued to support the wider community in 2020, focussing on providing support to the Aboriginal community. It partnered the Kinchela Boys Home Aboriginal Corporation by introducing an apprenticeship programme, as well as offering free maintenance of its buses and free transfers for their events.

NON-EMERGENCY PATIENT TRANSPORT SERVICES

National Patient Transport Pty Ltd (NPT) which is headquartered in Melbourne, operates across Victoria, NSW and Western Australia (WA). It offers a range of healthcare transport services to state government ambulance utilities and to major metropolitan hospital networks. These include walker, hoist and stretcher transport services and specialist services for high acuity and complex patients. It also runs a registered training facility that offers a range of Non-Emergency healthcare transport, first aid and



OPERATIONS REVIEW

resuscitation courses in Australia. NPT has been the first private provider of patient transport services to NSW Health, which is responsible for the public health system in NSW, since 2016.

OUTDOOR ADVERTISING

Moove Media Australia Pty Ltd started the year achieving record high revenue in the first quarter but dropped by more than 50% in the second and third quarters of the year due to the onset of the COVID-19 pandemic. As restrictions lifted towards the end of the year, demand in the last quarter picked up significantly.

Despite reduced demand for OOH advertising campaigns during the lockdowns in Australia, the Company continued to seek business growth through expansion and diversification. For example, it leveraged on CDC's growing bus fleet and expanded its coverage area by including CDC Forest buses as part of its service offerings.

When advertising installations were restricted, Moove Media Australia assisted clients by adjusting schedules and the duration of advertising campaigns that best catered to their needs. It also tapped on HubSpot, an online customer relationship management platform, to enhance its sales and marketing efforts.



VICTORIA MELBOURNE

BUS

CDC operates essential bus services across the Western and Eastern suburbs of Melbourne, as well as Ballarat, Geelong and Mildura. In 2020, it continued to retain its position as the third largest operator in Melbourne, representing about 16% of market share in the City. It added another seven hybrid buses to its fleet in 2020, bringing its total fleet of such green buses to 40. Another five will be delivered in 2021.

COVID-19 had a significant impact on CDC's charter and taxi businesses during the year due to a State of Emergency that was declared in March, followed by lockdowns with travel restrictions, as well as the closure of schools and entertainment venues. A second wave of COVID-19 further impacted Victoria from July to October, resulting in further lockdowns. Fortunately, existing contracted route services remained in operation, limiting the financial impact.

The Government extended the existing 10-year bus contracts for Geelong, Ballarat, and Mildura by another year. They were originally due to expire on 30 June 2021. CDC also continued to actively participate in other tender exercises throughout the year.

As part of its commitment to achieve a greener and more sustainable network, CDC also rolled out Volvo's Zone Management System on its hybrid buses in 2020. This system taps on geofencing technology and telematics, a first for Australia and within the Asia Pacific region. More about this system is featured in the Bits & Bytes section of the Annual Report.

TAXI

CDC started operating taxis in Melbourne through its subsidiary, CDC Fleet Pty Ltd, after acquiring Tullamarine Bus Lines in 2018. It operates a fleet of 59 taxis. Demand fell during year largely due to the COVID-19 pandemic.



NON-EMERGENCY PATIENT TRANSPORT SERVICES

During the year, NPT provided critical COVID related transfers as part of the frontline management of the global pandemic. However, due to the restrictions imposed on elective surgeries and the increased take-up rate of telehealth consultations, the demand for transport services to public and private hospitals dropped. As a strong partner to Ambulance Victoria, NPT

continued to work closely with the public hospital sector to provide high acuity services.

NPT HEART, the training division of NPT, is a registered training provider which offers nationally accredited training courses. During COVID-19, there was a need for the business to shift its training online and it did so in a matter of days.

OPERATIONS REVIEW

NORTHERN TERRITORY DARWIN

BUS

Buslink NT Pty Ltd is the largest bus operator in the Northern Territory (NT). The contract in Darwin is made up of 46 urban buses, 77 school buses and 26 special needs buses and represented 60% of the urban network and 100% of the school and special needs network. Its current contract, which was due to expire by end-February 2021, was given a 12-month extension.

The Alice Springs' urban contract comprises five buses and represents 100% of the urban services there. In 2020, an order was placed for a new urban bus and it is expected to arrive in early-2021.

Buslink NT also operates five school buses in Jabiru, which is a remote community 250km from Darwin. Buslink NT was also awarded a 12-month contract to provide services for the US Marines during the year.

The charter market witnessed a large decline in 2020 due to COVID-19. For about three months, charters consisted solely of airport transfers for passengers placed under quarantine. As restrictions gradually lifted, Buslink NT also experienced an increase in demand.

A digitalisation project saw the improvement of work processes and better support to contract and fleet management across the NT and Queensland businesses. An advanced telematics package for fleet management and driver training was also implemented on Buslink NT's urban fleet. Called Verizon Connect, the system provides detailed vehicle tracking with advanced mapping and tracks excessive idling to reduce emissions and fuel consumption.

In February 2020, a new employee communications App called 'The Interchange' was rolled out across the NT and Queensland businesses. This App keeps employees abreast of company news and provides them with a more convenient way of submitting employee-related forms online. It has been well-received so far. A new learning management system which enables drivers to train online was also trialled.

QUEENSLAND GLADSTONE AND SUNSHINE COAST

BUS

CDC Queensland provides school services on the Sunshine Coast out of four depots. It also operates a depot in Gladstone, which is located about 400km to the North of the Sunshine Coast, offering public passenger bus services, school services and special needs bus services.





Buslink was rebranded as CDC Queensland in October 2020. The livery of its buses was changed and a new website was launched.

To better serve the community, CDC Queensland undertook the largest school network change in over five years for the Sunshine Coast region – amending about 60% of its routes in all.

Due to COVID-19, passenger numbers as well as school and urban service demand dropped significantly from March to April 2020. The charter business was also affected. Fortunately, TransLink, the Public Transport Authority, continued to operate all services and fully funded operations.

CDC Queensland acquired two new school contracts in the Gladstone area and commenced its services there in January 2020.

As part of the fleet replacement programme, the Company ordered three new buses, which will be delivered in the first quarter of 2021. It is also looking to procure more minibuses to support the growing development of the charter business in Queensland.

To improve efficiency levels of its special needs and contracted charter services, CDC Queensland also invested in an Electronic Student Monitoring system which allows the Company to create manifests, record absences and automatically re-route its bus drivers to the next required stop. This system was also implemented in NT.

OPERATIONS REVIEW

WESTERN AUSTRALIA PERTH

TAXI

About two-thirds of Perth's 1,800 registered taxis are on our 100%-owned subsidiary, Swan Taxis Pty Ltd's network.

During the year, the WA taxi industry introduced the Passenger Transport Driver (PTD) authorisations as the final part of the transition to the Transport (Road Passenger Services) Act 2018. This was part of its move to provide a "fair and level" playing field for on-demand transport operators. These PTD authorisations, which must be renewed on a yearly basis, replace the previous F and T driver licence extensions that permit someone to drive for fares.

Demand for taxi services in 2020 was severely impacted due to the COVID-19 outbreak. Compared to 2019, street hail demand dropped by 58% in March, 87% in April and 83% in May while booking jobs dropped by an average of 50% over the same periods.

The contraction of ridership, coupled with the fact that many cabbies in WA were making the switch to become 'independent' drivers, resulted in a challenging year for the Company. In September 2020, Mandurah Taxis also ended its bureau partnership with Swan Taxis.

Amidst a highly competitive environment, Swan Taxis formed an alliance with rideshare operator, Shofer, to lease



vehicles to the Company through CDS Fleet Management. This allows both platforms to share bookings. That arrangement has since expanded to include Ola Cabs.

Swan Taxis also embarked on a trial partnership with 'Drive Yello' in December 2020, allowing drivers on our network access to parcel and food delivery bookings on the Yello platform.

During the year, the Company provided support to its drivers by extending rank fee free periods to those who took time off for medical reasons and offered discounted rank fees for those who chose to work through the pandemic. New offerings for drivers such as bulk insurance schemes and a lease-to-buy scheme for those with older vehicles were also rolled out.

Swan Taxis upgraded its current in-vehicle MDT despatch terminal with a 12-inch tablet that allows for Google navigation integration. To keep costs down, CDS also outsourced the maintenance of the fleet, allowing drivers the flexibility to now have their vehicle serviced at a number of locations across Perth instead.

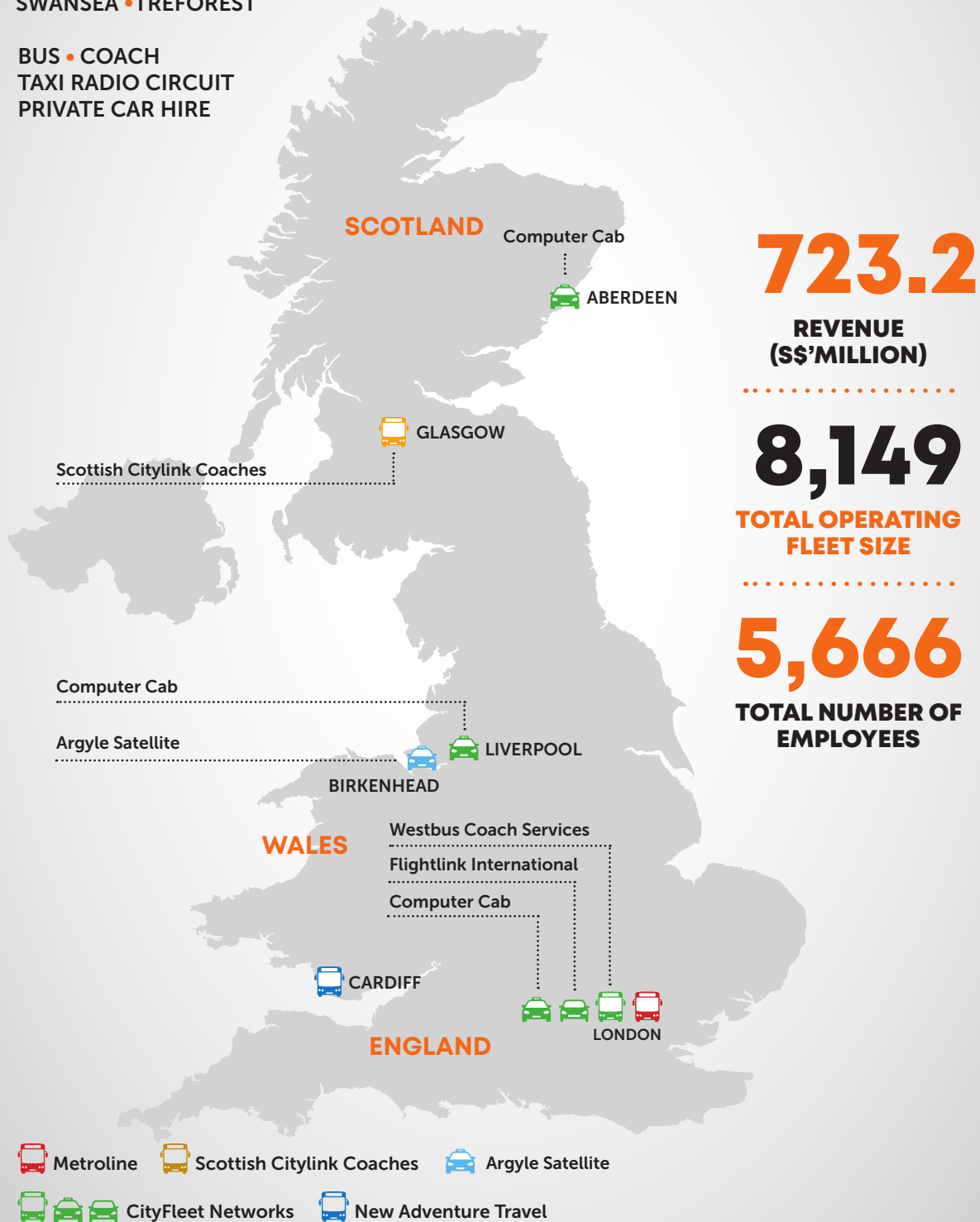
NON-EMERGENCY PATIENT TRANSPORT SERVICES

The Group operates Non-Emergency Patient Transport services in Perth. It also operates a registered training organisation that is qualified to deliver and assess a range of Non-Emergency healthcare transport, first aid and resuscitation courses in Australia. Its key customers include WA Health, the State's public health system and St John of God WA.

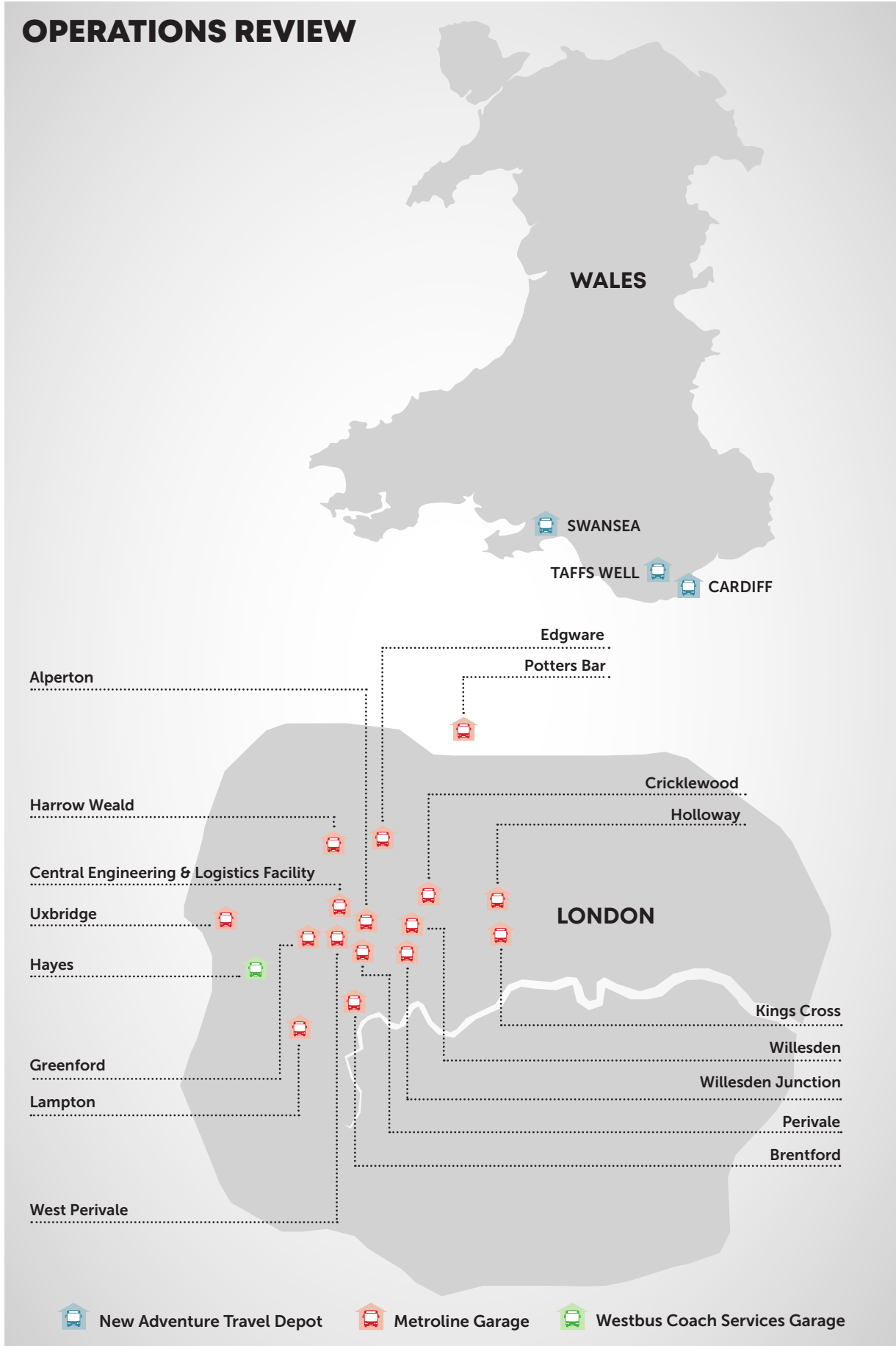
UNITED KINGDOM

ABERDEEN • BARRY • BIRKENHEAD • BRECON • BRIDGEND
CARDIFF • DUNDEE • GLASGOW • GOWER • INVERNESS
LIVERPOOL • LONDON • NEATH • NEWPORT • PERTH
PONTYPRIDD • POWYS • RHONDDA • STIRLING
SWANSEA • TREFOREST

BUS • COACH
TAXI RADIO CIRCUIT
PRIVATE CAR HIRE



OPERATIONS REVIEW



ENGLAND
LONDON

BUS

In the United Kingdom (UK), our wholly-owned subsidiary, Metroline Limited, is the third largest bus operator in London with a fleet of close to 1,600 buses. It operates about 17% of London's scheduled bus mileage and plies routes in North, West and Central London.

Of the eight contracts that expired in 2020, Metroline successfully retained six and added two new routes. Bus services operated at broadly normal levels throughout the year, except during the lockdown in March 2020 when service

levels fell to 80% due to staff absences and furloughs.

On the technology front, Metroline's employee engagement app, Blink, came in handy during the lockdowns as it enabled staff and management to communicate directly whilst offering easy access to rosters, policy and training documents, e-payslips and annual leave forms.

Metroline also implemented a new driver telematics system, GreenRoad, across its entire fleet. Having utilised two separate systems previously, the new system aims to improve safety, driving standards and fuel economy. Metroline introduced a new scheduling system by HASTUS that was more cost-efficient.



Having been selected as the operational partner for Transport for London's (TfL) hydrogen fuel cell vehicles project in 2019, Metroline continued to work with TfL to introduce and manufacture double deck hydrogen fuel cell vehicles in 2020. The vehicles are anticipated to be delivered in the first half of 2021 as Metroline completes the construction of a hydrogen fuelling facility at its Perivale Garage in West London.

In recognition of its efforts, Metroline was shortlisted for two awards at the London Transport

Awards in March 2020, under the "Bus Operator of the Year" and "Excellence in Technology – Electric Bus Operation" categories.

To improve air quality in the capital City, the Ultra Low Emission Zone (ULEZ) that came into effect on 8 April 2019 will be extended to all TfL bus services operating throughout London after March 2021. In anticipation of this, all Metroline buses operating under contract to the TfL now meet or exceed Euro 6 emissions standards.

OPERATIONS REVIEW

COACH

Based in London, Westbus Coach Services Limited provides executive coach services across the UK and mainland Europe, catering to a wide spectrum of school, commuter, tourist and corporate coach passengers.

In 2020, business came to a virtual standstill as customers were either unable or unwilling to use its services due to the COVID-19 pandemic. The inbound tourism sector was near non-existent due to international travel restrictions. Government support was crucial during this time.

The school and university sector that Westbus Coach Services serves were also severely curtailed due to school closures that took place multiple times during the year. However, Westbus Coach Services continued to generate some revenue from rail replacement services utilising high-specification double deck vehicles.

TAXI RADIO CIRCUIT

ComfortDelGro's wholly-owned subsidiary, Computer Cab plc is London's largest black taxi operator. CityFleet Networks Limited operates the London taxi business under the Computer Cab (ComCab) and Dial-a-Cab brands. Refurbishment works for its new headquarters in West London was completed at the beginning of 2020. However, due to COVID-19 restrictions, staff only relocated to the new facility in September. This marks the consolidation of its operations from three locations into one, making

CityFleet Networks the only company in London with taxi and private hire operations located within the same building.

PRIVATE CAR HIRE

Flightlink International Limited provides hassle-free executive chauffeured car services for private hire and airport transfers under the ComfortExecutive brand.

LIVERPOOL

TAXI RADIO CIRCUIT

Computer Cab (Liverpool) Limited is the City's largest taxi circuit operator with a fleet of 400 black cabs, catering to both the corporate and individual clientele.

In March 2020, CityFleet Networks Limited completed the acquisition of Argyle Satellite Limited, the largest private hire service operator in the Wirral licensing area.

Combining its existing fleet of 400 taxis with Argyle Satellite's fleet of 750 cars, Computer Cab (Liverpool) owns the second largest total fleet in the Liverpool North West region. To facilitate the successful integration of both its processes, Argyle Satellite and Computer Cab (Liverpool) worked jointly to align its financial, management and administration processes. The sales and marketing functions from both entities were combined, which proved a win-win for both as it strengthened their partnerships with existing customers.



Both Argyle Satellite and Computer Cab (Liverpool) were not spared from the impacts of COVID-19. However, through the diversification of its business towards sectors such as the healthcare and public sectors, Computer Cab (Liverpool) managed to mitigate the ill effects of the economic slowdown. Driver retention measures also succeeded despite lower journey volumes during the lockdown.

In September, the entire Computer Cab (Liverpool) fleet successfully migrated to a new booking and despatch system, Autocab. This system utilises smart-phone technology for its drivers, instead of in-vehicle units. This, in turn, improved the customer-driver experience, and increased efficiency while reducing system maintenance expenses.

SCOTLAND

COACH

Scottish Citylink Coaches Limited, a 65:35 partnership with Stagecoach, is the leading provider of express coach services with 87 coaches in Scotland under the 'Scottish Citylink' and 'megabus.com' brands. It also operates a network of cross-border services between Scotland and major cities in England.

The COVID-19 pandemic had a significant impact on the Company's performance for the year under review. Service levels were reduced at the start of the global pandemic, while cross border services were suspended in early-April. With only 20% of the internal Scottish mileage in operations, the Company agreed on a suspended mileage rate to support its sub-contractors.

Pandemic notwithstanding, Scottish Citylink Coaches was recognised at the virtual Scottish Transport Awards 2020, bagging "Best Bus Service" for its Citylink 900 service. It was also shortlisted for the UK Coach Award 2020, although the awards were eventually cancelled due to the pandemic.

As at end-March 2020, Scottish Citylink Coaches also qualified for the Transport Scotland grant funding, which is applicable to services operating wholly within Scotland. The Grant enabled the Company to receive funding equivalent to the concessionary fares and Bus Service Operators Grant prior to COVID-19, in return for maintaining 30% of service levels. From June 2020, additional funding was provided to allow services to return to full pre-pandemic mileage on internal Scottish services, but on a breakeven basis.

To continue to reach out to more customers online, Scottish Citylink Coaches embarked on a revamp of its website and booking system, and plans to launch both platforms in the first half of 2021.



OPERATIONS REVIEW

ABERDEEN

TAXI RADIO CIRCUIT

Computer Cab (Aberdeen) Limited has the second largest fleet of taxis in Aberdeen. In July 2020, the Company migrated its booking and despatch systems to a new Autocab system, which utilises smart-phone technology, instead of in-vehicle units. As it is cloud-based, it also provides access to a myriad of customer and driver mobile apps, which rivals that of ride-hail companies. The new system aims to improve booking efficiency, provide automation, and assist with driver recruitment and onboarding.

WALES

CARDIFF

BUS AND COACH

The New Adventure Travel Group Limited (NAT Group) operated a fleet of 154 buses and coaches across three depots in Cardiff, Taff's Well and Swansea.

Despite significant challenges posed by the pandemic, NAT Group opened a new garage at Taff's Well. It also continued to undertake projects to improve its information technology and digital management system.

To improve efficiency, the Company introduced Trapeze, a new driver allocation and management software, as well as the GreenRoad vehicle telematics system, which uses real-time monitoring and cloud-based intelligence to enhance driver safety.

As a means to prevent fraud, the Company deployed a dedicated 'Revenue & Standards Inspector' in 2020 to conduct anti-fraud checks onboard its buses so as to identify any potential theft by drivers or fraudulent activities by passengers. This initiative successfully curbed such activities and there are plans for it to be expanded further in 2021.



CHINA

BEIJING • CHENGDU • GUANGZHOU • JILIN CITY
NANJING • NANNING • SHANGHAI • SHENYANG
SUZHOU

BUS STATION • TAXI • ONLINE CAR HAILING SERVICE
CAR RENTAL & LEASING • DRIVING CENTRE

NORTH CHINA BEIJING

TAXI

Beijing Jin Jian Taxi Service Co., Ltd, is the capital City's third largest taxi operator with a fleet of 5,520 taxis, translating into a market share of 8.3%. It also operated 297 private hire vehicles in 2020.

The capital City experienced two waves of COVID-19 in 2020, which resulted in a sharp decrease in taxi demand and hired-out rate. To mitigate the impact, rental waivers were given to cabbies. The Company also worked with a mapping and navigation service provider to direct more booking jobs to taxis to generate more income.

In accordance with the Beijing Municipal Government's plan for taxi companies to replace fuel-driven taxis that were due for replacement with fully-electric models, Beijing Jin Jian Taxi Service replaced 345 of its petrol taxis with fully-electric models in 2020. As a result, fees on 20% of the

licences were waived. The Company has plans to convert another 1,578 petrol taxis in 2021.

The conversion to EVs is not without its challenges. Due to lack of charging infrastructure, drivers have been slow to warm up to these vehicles. Whilst trying to get more drivers to jump on the EV bandwagon, the Company also extended the contracts of existing cabbies of petrol-driven taxis and continued to attract retirees and retrenched workers from state-owned enterprises to join its ranks.

JILIN CITY, JILIN PROVINCE

TAXI

Our 97%-owned subsidiary, Jilin ComfortDelGro Taxi Co., Ltd, is the City's largest taxi operator with a fleet of 729 taxis, translating to a 14.3% share of the market.

In 2020, the taxi market in Jilin City was affected by COVID-19. To help its cabbies

113.4

REVENUE
(S\$'MILLION)

11,277

TOTAL OPERATING
FLEET SIZE

774

TOTAL NUMBER OF
EMPLOYEES



OPERATIONS REVIEW

financially, the Company waived rentals for seven months, from February to August 2020.

As utilisation rate fell, the Company extended the repayment period for its cabbies, reduced the security deposit and relaxed the contract terms to prevent the premature termination of contracts.

With the Government committing to regulate the number of traditional taxis and online hailing cars, and the planned increase of taxi fares in 2021, business is expected to show some signs of improvement in the new year under review.

SHENYANG, LIAONING PROVINCE

TAXI

The Group's total fleet operated by Shenyang ComfortDelGro Taxi Co., Ltd and CityCab (Shenyang) Co., Ltd in the City was 1,516 taxis in 2020, with a combined hired-out rate of 97%.

The slight drop was due to COVID-19 safety measures such as the suspension of classes at schools, workplace closures and restrictions on inter-city travels. To help cabbies tide over the sharp drop in business, both companies reduced the rental of their taxis, and re-negotiated rental contracts with better terms such as allowing instalments to be made for advance payments.

The Company also continued to build up its brand by putting its cabbies through driver training and reducing accident rates with vehicle safety supervision. As a result, a total of 402 cabbies from both companies were commended by the Shenyang Transportation Bureau for their good service.

WEST CHINA CHENGDU, SICHUAN PROVINCE

TAXI

Our wholly-owned subsidiary, Chengdu ComfortDelGro Taxi Co., Ltd is the second largest taxi operator in the capital City. Following the Government's announcement in 2020 that rebates would be given for the conversion of petrol vehicles to EVs, the Company added 78 EVs to its fleet of 650 taxis, bringing the total number of taxis to 728 as at end-December 2020. This represented about 12% of its total fleet.

Apart from the impact of COVID-19, Chengdu's taxi industry continued to be plagued by the lack of regulations and enforcement by the Chengdu Municipal Government on third-party apps and illegal taxis. As such, to retain its cabbies, the Company continued to convert rental contracts from employee-based to vendor-based ones. The latter have proven more attractive as they come with lower rental rates. It also began offering a driver self-maintenance scheme to further



bring down rental costs, and rewarded staff and cabbies who successfully referred new cabbies to the Company.

CAR RENTAL & LEASING

The Group operates a motor vehicle rental and leasing business through its wholly-owned subsidiary ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd. The long-term vehicle leasing market in which the Company operates is in gradual decline due to changes to governmental policy that disallows government agencies and departments from entering into long-term vehicle leases. In addition, demand from major customer groups such as foreign-funded enterprises and joint ventures, has also dwindled in recent years.

DRIVING CENTRE

2020 was a challenging year for our 95%-owned driving subsidiary, Chengdu ComfortDelGro Qing Yang Driving School Co., Ltd. The lack of regulatory control in the industry meant that competition for students and instructors continued to remain stiff. This was exacerbated by the reduction in enrolment due to COVID-19.

EAST CHINA SHANGHAI

TAXI

Shanghai City Qi Ai Taxi Services Co., Ltd is one of the premium taxi operators in Shanghai with a fleet of 484 taxis. The Shanghai City Government reversed

its policy in September 2020 to allow non-locals to drive a taxi. This helped to mitigate the acute shortage of cabbies in Shanghai. As at end-December 2020, all its taxis were fully hired out.

Despite the push by local Authorities to have all taxis replaced by fully-electric ones by 2022, supporting policies have yet to be drawn out. There is also a lack of supporting EV infrastructure. As such, the Company has requested to delay the replacement of its 129 five-year-old taxis by another year, and will do so in 2021.

SUZHOU, JIANGSU PROVINCE

TAXI

Our 70%-owned subsidiary, Suzhou Comfort Taxi Co., Ltd operated a fleet of 72 vehicles after scrapping 100 taxis that had reached their statutory lifespan in 2020. It has yet to replace these taxis as it is evaluating the EVs recommended by the Government. While awaiting the Government's policy on the electrification of vehicles in 2021, five EVs have been put on trial.

NANJING, JIANGSU PROVINCE

TAXI

Our 70%-owned subsidiary, Nanjing ComfortDelGro Dajian Taxi Co., Ltd, is the City's fourth largest taxi company, operating a total of 380 Compressed Natural Gas taxis. As a result of the



OPERATIONS REVIEW

pandemic, growth in the number of private hire cars as well as aggressive competition brought about by third-party online hailing apps, old unhired taxis were scrapped.

To remain competitive, the Company reduced the taxi rental for new hirers and provided insurance coverage that protects the interest of its cabbies. It also participated in career fairs in Nanjing and nearby counties and offered incentives to existing hirers who recommended their friends to sign on as cabbies.

DRIVING CENTRE

Nanjing ComfortDelGro Xixia Driver Training Co., Ltd, a joint venture with Nanjing Qixia District Number 2 Passenger Transportation Co., Ltd (Nanjing Qixia), and Nanjing Bulk Lifting and Transportation (Group) Co., Ltd, started operations on 1 January 2019 with a fleet of 36 learner vehicles. Despite strong competition and the impact brought about by the COVID-19 global pandemic, Nanjing Xixia maintained its position as one of the top three driving centres in Nanjing with 33 training vehicles.

Due to COVID-19, the Centre was forced to stop operations from January to 22 March 2020. Although operations resumed on 23 March 2020,

undergraduate students, who form bulk of the enrolment population, were not allowed to leave their campuses as part of safe distancing measures. The drop in undergraduate demand was however mitigated by a growing demand for Class B2 licences, which entails truck driving. As such, the Centre invested in another truck in May 2020 to meet the growing demand. It also started replacing its vehicles that have reached the statutory requirement of 10 years with EVs that come with automatic gears given rising demand for such training courses.

SOUTH CHINA

GUANGZHOU, GUANGDONG PROVINCE

BUS STATION

Our 60%-owned Tianhe Bus Station in Guangzhou served a total of 3.2 million passengers in 2020, a 57% drop due to the pandemic. Student travellers which used to make up the largest passenger group stayed away as lessons stayed suspended. This was further exacerbated by the high speed rail and the LRT services, the growing car population, private hire cars and buses as well as the persistence of illegal bus operations.

Cargo traffic was similarly hit, with revenue falling by 43.5%.



Lower ridership in turn translated to a drop in footfall. Rental revenue fell as a result as tenants struggled to stay afloat. To help tenants, rental waivers were extended – in some cases for as long as nine months.

To generate revenue, Tianhe converted some of the bus parking lots into public parking lots in October 2020.

To mitigate the reduction in ridership, the Station introduced 37 new bus routes. It also offered early bird discounts for passengers who bought their tickets in advance and halved ticket prices for students during school holidays and peak periods.

Thankfully, the Government extended financial assistance in the form of grants and waivers. The Station was also exempted from property tax.

Despite the challenges, the Station successfully completed the construction of three satellite stations. The first was in Yantang in June. This was followed by a second one in the Armed Police Hospital in August and a third in Longdong in November. From these stations, 67 buses that serve 10 routes were introduced.

During the year, the Station installed 62 DC electric charging stations to provide charging services for the first batch of 40 fully-electric buses that is to be rolled out in 2021 by its partner, Guangzhou Public Transport Group. The charging service will also be available to the public for a fee.

NANNING, GUANGXI PROVINCE

TAXI

Our 80%-owned subsidiary, Nanning Comfort Transportation Co., Ltd, is the largest taxi operator in Nanning with a fleet of 854 taxis.



Utilisation rates fell during the year as the pandemic raged, falling to 87.7% in 2020, compared to 98.7% in 2019.

To help its cabbies, rental waivers were extended to them from February to May in accordance to the guidelines provided by the taxi associations. This came on top of the mandatory subsidies that the Company had to pay for each taxi. Cabbies' contracts that were due were also extended by another two months.

Apart from financial relief, the Company distributed masks and disinfectants to its staff and cabbies. It also set up a vehicle disinfection point on the roadside, where staff and cabbies took turns to disinfect the taxis daily. To further reduce the risk of infection, the Company accelerated its digital efforts by putting online its monthly driver safety training programme.

Fortunately, the Government extended financial aid in the form of grants and exemptions. The Company was exempted from paying insurance premiums and value-added tax. It further received subsidies for maintaining stable employment for its staff.

OPERATIONS REVIEW



IRELAND

CORK • DUBLIN
GALWAY • LIMERICK

INTER-CITY EXPRESS COACH

10.7

REVENUE
(S\$'MILLION)



22

TOTAL OPERATING
FLEET SIZE



14

TOTAL NUMBER OF
EMPLOYEES

ComfortDelGro Irish Citylink Limited, our wholly-owned express coach subsidiary in Ireland, runs a network of inter-city and Dublin Airport express routes linking cities such as Cork, Dublin, Galway and Limerick.

The onset of the COVID-19 pandemic was the main challenge faced by the Company in 2020. Following the outbreak in Ireland, severe lockdowns were imposed and operations were fully suspended from April to July. Various safety and enhanced cleaning protocols were implemented and staff underwent specific COVID-19 training. When operations resumed in August at reduced schedules, ridership

picked up and surpassed expectations. Unfortunately, new lockdown measures were imposed again in October 2020 and ridership took a hit once again.

During the lockdown, ComfortDelGro Irish Citylink did not sit idle. It continued looking at ways to improve its service offerings. For example, it introduced a new on-bus ticketing system across its fleet to enable contactless payments by credit and debit cards, resulting in quicker boarding and more flexible ticketing options while strengthening its cash and ticket controls. A new online booking engine was also planned although its implementation has been delayed to the first quarter of 2021.



VIETNAM

HO CHI MINH CITY

TAXI



1.4

REVENUE
(S\$ MILLION)

163

TOTAL OPERATING
FLEET SIZE

73

TOTAL NUMBER OF
EMPLOYEES

Ho Chi Minh City, the largest city in Vietnam where Vietnam Taxi Co., Ltd (Vinataxi) operates, was hit hard by the global pandemic.

A "Social Distancing" campaign was imposed from 1 to 15 April 2020. Except for emergencies, all public including taxis were suspended. The suspension was further extended till 23 April 2020. With the imposition of the lockdown, Vinataxi suspended all operations. The sale of its taxi vouchers to mini hotels in District 1 was also suspended.

The Company resumed operations immediately after the "Social Distancing" campaign ended. For the first two weeks after the campaign, the Company reduced its rental by about 70% to retain its cabbies. The pick-up point fees at airports

and hospitals were also further reduced by about 30 to 50% from April to June 2020. Business has since recovered, but ridership remained below that of pre-COVID levels.

On 30 July, Vinataxi partnered Be Group, the second largest ride-hailing firm in the city, to enable its users to book a Vinataxi via its BeTaxi platform.

Vinataxi retained its Co-Operative Partner Programme (CPP) that was launched in 2018. The CPP allows drivers who possess a household business licence to pay Vinataxi a management fee to operate point-to-point services using their own vehicles. In 2020, despite the COVID-19 pandemic, a total of 50 cars stayed on with the CPP.

OPERATIONS REVIEW

MALAYSIA

KUALA LUMPUR

AUTO LEASING
INSPECTION & TESTING SERVICES



2.0

REVENUE
(S\$'MILLION)

97

TOTAL OPERATING
FLEET SIZE

40

TOTAL NUMBER OF
EMPLOYEES

AUTO LEASING

Established in 1996, our subsidiary, CityLimo Leasing (M) Sdn Bhd, offers auto leasing services in Malaysia through a fleet of 97 vehicles. In spite of many challenges resulting from the global pandemic, it successfully retained the confidence and trust of its loyal clients. As a result, the utilisation of its vehicles was satisfactory in 2020.

CityLimo also provides both short- and long-term leasing for a full range of passenger cars, including sport utility and multi-purpose vehicles, as well as light commercial vehicles in Malaysia. It is one of the leading auto leasing service providers for multinational corporations, especially those in the oil & gas, logistics

and infrastructure industries. The Company specialises in dedicated telematics fleet management for clients with round-the-clock nationwide technical and roadside emergency assistance.

In keeping with the times, the Company gave its logo a fresh new look. It also revamped its website, making online transactions available for its customers for the very first time as part of its efforts to go digital.

INSPECTION & TESTING SERVICES

SetSCO Services Pte Ltd's wholly-owned subsidiary, SetSCO Services (M) Sdn Bhd, provides civil engineering, mechanical and NDT services in Peninsular Malaysia.



INVESTOR RELATIONS

We are committed to disseminating accurate and pertinent information to the market in a timely manner as part of good corporate governance. Our Investor Relations (IR) programme balances regular, effective and fair communications with Shareholders and the investment community with the need to safeguard commercial sensitivities. The IR team works closely with Senior Management to proactively carry out this engagement programme. Feedback and views gathered are regularly reported to Senior Management and the Board of Directors.

PROACTIVE COMMUNICATIONS

During the year, the IR team met some 260 groups of investors, analysts and equity sales personnel. The team also addressed queries from investors through emails, telephone calls and the online enquiry form.

Besides face-to-face office meetings and conference calls, we also participated in six virtual investor conferences and non-deal roadshows. These platforms provide direct access to a wide cross-section of existing and new institutional investors from around the world. To reach out to retail investors in Singapore, an investor presentation was organised with a local stockbroker.

We organised face-to-face briefings for the media and sell-side analysts for the full-year results and conducted dial-in conference calls with sell-side analysts for the other quarterly announcements.

ComfortDelGro attracts active research coverage from sell-side analysts and the stock is now covered by 13 local and international research houses. Some 120 reports on the Company and the industry were published during the year. The IR team has regular interactions with the analysts to ensure a thorough understanding of our business models and strategies, operations and financial performance and growth opportunities.

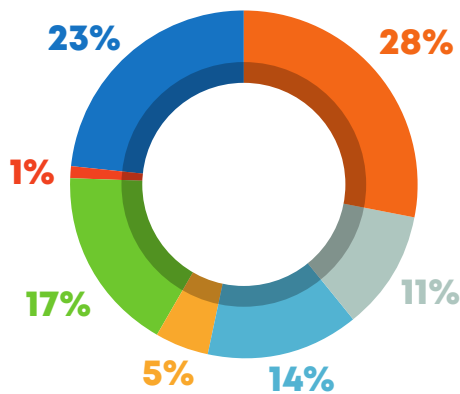
Shareholders have the opportunity to interact with the Board and Senior Management at our Annual General Meeting. Voting is by way of electronic polling for greater transparency in the voting process and the detailed results are announced immediately at the

Meeting and subsequently released to the Singapore Exchange.

All material announcements are posted in the IR section of the corporate website to ensure equal and timely access to information.

DIVERSE SHAREHOLDER BASE

We have a wide base of institutional and retail investors. Our large Shareholders are asset management companies in North America, the United Kingdom (UK) and Singapore.



- Singapore
- Asia (ex Singapore)
- UK
- Europe (ex UK)
- North America
- Rest of World
- Unanalysed

Note: Approximate figures based on analysis of Share Register as at 30 November 2020.

CORPORATE GOVERNANCE

ComfortDelGro Corporation Limited (“**ComfortDelGro**” or the “**Company**”, and together with its subsidiaries, the “**Group**”), believes that a fundamental measure of our success is about creating long-term shareholder value.

We will continue to:

- Focus relentlessly on our customers;
- Make corporate decisions to generate long-term value rather than for short-term considerations;
- Maintain our lean culture through cost efficiencies to drive value creation;
- Hire and retain skilled and dedicated Employees; and
- Look for sustainable ways to protect the environment.

CORPORATE GOVERNANCE STATEMENT

ComfortDelGro strongly believes that good Corporate Governance makes good business sense. To this end, the Company maintains the highest standards of Corporate Governance, professionalism and integrity as we build an organisation that our Shareholders, Employees, Business Partners, the Authorities and other Stakeholders can trust and be proud of.

The Company is committed and adheres to the Code of Corporate Governance issued by the Monetary Authority of Singapore dated 6 August 2018 (the “**Code**”) and ensures that it is upheld throughout the Group. The Company has adopted a Code of Business Conduct, which sets out the principles and policies upon which the Company’s businesses are to be conducted, and also implemented a Whistle Blowing Policy which provides a mechanism for Employees to raise concerns about possible improprieties in financial reporting or other improper business conduct, whilst protecting the whistleblowers from reprisal within the limits of the law.

This Report sets out the Corporate Governance practices that were in place during the Financial Year ended 31 December 2020 (**FY 2020**), with specific references to the Code. For the FY 2020, we are pleased to report that the Company complied in all material respects with the Code.

1. BOARD MATTERS

The Board of Directors (the “**Board**”) has a duty to protect and enhance the long-term value of the Company and achieve sustainable growth for the

Group. It sets the overall strategic direction of the Company and oversees the proper conduct of the business, performance and affairs of the Group. Board members are expected to act in good faith and exercise independent judgement in the best interests of the Company.

In appointing Directors, the Company seeks individuals who have integrity, expertise, business acumen, shareholder orientation and a genuine interest in the Group.

PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

BOARD’S ROLE AND RESPONSIBILITIES

At the helm of the decision-making process of the Company is the Board. The Board is headed by the non-executive and independent Chairman, Mr Lim Jit Poh (the “**Chairman**”), and is responsible for:

- (i) Providing entrepreneurial leadership and guidance, setting strategic directions and objectives of the Group (which include appropriate focus on value creation, innovation and sustainability) and ensuring that adequate financial and human resources are in place to achieve the objectives;
- (ii) Ensuring that appropriate and adequate systems of internal controls, risk management processes and Financial Authority Limits are in place to safeguard Shareholders’ interests and the Group’s assets, and to achieve an appropriate balance between risks and Company and its Group’s performance;
- (iii) Challenging Management constructively and monitoring its performance;
- (iv) Identifying the key Stakeholder groups and guiding Management in the Company’s strategy and approach in addressing the concerns of these key Stakeholder groups, and ensuring transparent and accountability to all Stakeholders;
- (v) Instilling an ethical corporate culture and ensuring the Company’s values, standards, policies and practices are consistent with the culture; and
- (vi) Considering environmental, social and governance issues as part of its strategic formulation on sustainability.

INDUCTION, TRAINING AND DEVELOPMENT OF DIRECTORS

Upon appointment as a Director, the Chairman will issue an official letter of appointment to the Director, which clearly sets out his/her role, duties and responsibilities as a director of the Company.

Management will conduct a comprehensive orientation programme for newly appointed Directors, which include duties as a director and how to discharge those duties, key aspects of the businesses, including financial and Corporate Governance policies are also discussed. Site visits will also be arranged for new Directors so that they can better familiarise themselves with the Group's operations. When a Director is appointed to a Board Committee, he/she is provided with its terms of reference.

If the newly appointed director has no prior experience as a director of a company listed on the Singapore Exchange Trading Limited (**SGX-ST**), training in relevant areas such as regulatory, finance and legal as well as industry-related areas will be provided. As required under the SGX Listing Rules, a new director who has no prior experience as a director of a company listed on the SGX-ST must undergo training as prescribed by the SGX-ST. Such training should be completed within one year of appointment.

Directors are encouraged to undergo continual professional development by attending relevant training programmes, seminars and courses organised by the Singapore Institute of Directors (**SID**) and other professional bodies to enhance their knowledge and skills and better equip themselves to effectively discharge their duties as a Director of the Company. The fees for the courses are paid for by the Company.

The Company Secretaries also update and brief the Board on Corporate Governance practices and changes in or updates to the relevant legal and regulatory requirements pertaining to the Group's businesses. External consultants are also engaged to conduct seminars on specific topics as and when necessary.

As the COVID-19 pandemic started in early-2020, there were no internal training programmes being organised in 2020 for the Directors. However, some Directors continued to attend external courses/seminars as listed below:

DATE	TRAINING PROVIDER	TOPIC	ATTENDED BY:
16 Jan 2020	SID	Audit Committee Seminar 2020	(1) Wang Kai Yuen and (2) Adeline Sum

Mr Greaves, who was appointed as Director of the Company on 23 May 2020, attended the essential Listed Entity Directors' (**LED**) Programmes organised by the SID as follows:

DATE	TRAINING PROVIDER	LISTED ENTITY DIRECTORS PROGRAMME
16 Jul 2020	SID	LED 1 – Listed Entity Director Essentials
17 Jul 2020	SID	LED 2 – Board Dynamics
8 Oct 2020	SID	LED 3 – Board Performance
20 Jul 2020	SID	LED 4 – Stakeholder Engagement
20 Jul 2020	SID	LED 5 – Audit Committee Essentials
15 Oct 2020	SID	LED 6 – Board Risk Committee Essentials
21 Oct 2020	SID	LED 7 – Nominating Committee Essentials

Regular presentations are made by Management to the Board to enable Directors to better familiarise themselves with the Group's businesses. Site visits for the Board are also organised from time to time to enable Directors to learn more about the Group's operations. During such visits, Directors spend time with Management to discuss key strategies and policies pertaining to, not just Company specific

operations, but also the Group's business in general. Such meetings help Directors to be better equipped to make informed decisions relating to the future direction of the Group.

RESERVED MATTERS

ComfortDelGro has adopted clear, established and documented internal guidelines setting forth certain

CORPORATE GOVERNANCE

matters that require the Board's approval. Under these guidelines, Board approval is required with regard to matters such as acquisition of businesses, disposal or changes in equity interests in existing subsidiaries/ associates, investment in financial instruments, tender for businesses above the prescribed limits, assessing and approving key business decisions, funding and investment initiatives and other corporate actions, including approval of the Financial Authority Limits, Annual Budget and Capital Expenditure and the release of Financial Results to the SGX-ST via SGXNET. In addition, the acceptance of credit facilities from banks, the establishment of capital market programmes and the issuance of debt instruments also require the approval of the Board.

The Board periodically reviews the adequacy and effectiveness of internal controls, Risk Management and Financial Authority Limits to ensure that while there is delegation of authority, there are sufficient checks and balances in place to monitor such delegation.

CONFLICTS OF INTEREST

All Directors are required to avoid situations where their own personal or business interests may conflict or appear to conflict with the interests of the Company. Where a Director has a conflict of interest, or it appears that he/she might have a conflict of interest in relation to any matter, he/she must immediately declare his/her interest at a meeting of the Directors or send a written notice to the Company containing details of his/her interest in the matter and the actual or potential conflict, and recuse himself/herself from participating in any discussion or decision on the matter.

DELEGATION BY THE BOARD

To assist the Board in the detailed consideration of the various issues at hand and to facilitate decision-making, five Board Committees were formed, namely, the Audit and Risk Committee (**ARC**), the Nominating Committee (**NC**), the Remuneration Committee (**RC**), the Investment Committee (**IC**) and the Digitalisation Committee (**DC**) which was formed on 1 September 2020 (collectively, the "**Board Committees**"). Ad hoc committees are also formed to look at specific issues from time to time.

Each Board Committee is governed and regulated by its own terms of reference, which sets out the scope of its authority, duties and responsibilities, regulations and procedures governing the manner in which the Board Committee is to operate and how decisions are to be taken.

The terms of reference and summary of the activities of the ARC, NC and RC are described in further detail in the relevant sections below. The IC's terms of reference are to assist the Board to review and recommend investment strategies and opportunities to deliver steady and sustainable results through growth in the Company's business. The IC is authorised to approve transactions within its delegated authority limit in relation to acquisitions and investments within the scope of existing and approved business as well as any divestment of existing businesses. The DC of the Company was formed on 1 September 2020 with specific terms of reference to assist the Board to oversee its group-wide digital strategy and associated execution plans to ensure that the Group leverages digitalisation as the catalyst for its strategic and business transformation agenda.

Although the Board Committees are empowered to make their own decisions, the Board is ultimately responsible for all decisions made by the Board Committees.

DIRECTORS' ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS

At least five scheduled Board Meetings are held every year at regular intervals for the purpose of reviewing the results and ongoing performance of the Group notwithstanding that the Financial Results are only announced semi-annually. The Board Meetings to approve the half yearly financial results are held within 45 days after the end of the first half of the financial year, and not later than 60 days after the end of the financial year for the full year financial results, while the Board Meeting to approve the Annual Budget is held in last quarter of each year after all the Budgets of the subsidiaries have been approved by their respective Boards. Ad hoc Board and Board Committee Meetings are also held from time to time when the need arises. The Board had planned off-site meetings in 2020 to conduct its Corporate Strategy Review and in particular, visit the Group's recently acquired business in Australia but these were shelved as a result of the COVID-19 pandemic.

Directors who are unable to attend meetings in-person, are able to participate in the discussions through video/audio/tele-conferencing. Decisions of the Board and Board Committees on matters in the ordinary course of business may also be obtained via circular Resolutions. Directors are free to seek clarifications and explanations from Management on the reports and papers submitted to the Board.

ATTENDANCE OF DIRECTORS AT ANNUAL GENERAL MEETING, BOARD AND BOARD COMMITTEE MEETINGS IN 2020

Name	BOARD		AUDIT & RISK COMMITTEE		NOMINATING COMMITTEE		REMUNERATION COMMITTEE		INVESTMENT COMMITTEE		DIGITALISATION COMMITTEE		ANNUAL GENERAL MEETING	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Lim Jit Poh	5	5	-		2	2	2	2	2	2	-	-	1	1
Yang Ban Seng	5	5	4	4 ^a	2	2 ^a	2	2 ^a	2	2	1	1	1	1
Jessica Cheam	5	5	-	-	2	2	-	-	2	2	1	1	1	1
Chiang Chie Foo	5	5	4	4	2	1	-	-	2	2	-	-	1	1
Mark Christopher^b Greaves	4	4	3	3	1	1	-	-	2	2	-	-	-	-
Lee Khai Fatt, Kyle	5	5	4	4	2	2	-	-	-	-	1	1	1	1
Ong Ah Heng^c	1	1	1	1	-	-	1	1	-	-	-	-	1	1
Ooi Beng Chin	5	5	-	-	-	-	2	2	2	2	1	1	1	1
Sum Wai Fun, Adeline	5	5	4	4	-	-	2	2	-	-	1	1	1	1
Tham Ee Mern, Lilian	5	5	4	4	-	-	-	-	2	2	1	1	1	1
Wang Kai Yuen	5	5	1	1	-	-	2	2	-	-	1	1	1	1

Notes:

- a) Attended meetings by invitation of the Committee.
- b) Appointed as an Independent Director on 23 May 2020.
- c) Retired as an Independent Director on 22 May 2020.

ACCESS TO INFORMATION

Prior to each Board and Board Committee Meeting, and where needed, Management provides Directors with complete, adequate and timely information. The Board also receives monthly management accounts, updates on key performance indicators and quarterly Investor Relations (IR) Reports covering IR activities and updates of analysts' and investors' views and comments. This enables the Board to make informed and sound business decisions and be kept abreast of key challenges, opportunities and developments for the Group. As a general rule, reports to the Board and Board Committees are disseminated to Directors prior to meetings to provide sufficient time for review and consideration, so that discussions at the meetings are productive and effective. All information is encrypted if distributed electronically.

INDEPENDENT PROFESSIONAL ADVICE

Directors can request for additional information and has full access to Management. Management provides information requested by Directors for its meetings and decision making in a timely manner. Should there be a need to obtain independent professional advice on matters relating to the businesses of the Group or issues affecting the duties of the Directors, the Company will arrange for the appointment of relevant professional advisers at its own cost.

COMPANY SECRETARIES

The Company Secretaries assist in organising Board and Board Committee Meetings and prepare the agenda in consultation with the Chairman, and Managing Director/Group Chief Executive Officer (MD/Group CEO) and the Chairperson of the respective Board Committees. The Company Secretaries attend all Board and Board Committee

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Meetings. The Company Secretaries keep the Directors informed of any significant developments or events relating to the Group, including compliance with all relevant rules and regulations. The Directors have separate and independent access to the Company Secretaries. The appointment and removal of the Company Secretaries are subject to the approval of the Board.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

BOARD INDEPENDENCE

As at 31 December 2020, the Board comprised ten (10) Directors with 90% of the Board being independent Directors. There is a strong level of independence in the Board. Except for the MD/Group CEO who is an Executive Director, all the remaining nine Non-Executive Directors (**NEDs**) are considered by the NC to be independent. The current Board composition exceeds the requirements under Listing Rules and the Code for at least one-third of the Board to comprise independent Directors. The Chairman is also not part of the Management team. No person will be able to influence the decisions of the Board as the over-whelming majority of the Directors are independent NEDs.

The NC is responsible for assessing the independence of the Directors on an annual basis. Each Director is required to complete a Confirmation of Independence checklist which is drawn up in accordance with the guidelines provided in the Code and requires each Director to assess his/her own independence. The Director is required to declare any circumstances in which he/she may be considered non-independent. The NC will then review the Confirmation of Independence to determine whether a Director is independent.

As at 31 December 2020, three (3) out of ten (10) independent Directors have served on the Board for more than nine years. They are Mr Lim Jit Poh, Ms Sum Wai Fun, Adeline and Dr Wang Kai Yuen. The NC takes the view that a Director's independence should not be determined solely and arbitrarily on the basis of the length of service. A Director's contribution in terms of experience, expertise, professionalism, integrity, objectivity and independent judgement in engaging and challenging Management in the best interests of the Group as he/she performs his/her duties in good faith, are more critical measures in ascertaining his/her independence than the number of years served on the Board. Hence, the Board does not impose a limit on the length of service of the independent Directors. In taking a holistic approach, the Board and the NC exercise due and careful review, taking into consideration various factors, in assessing the independence of a Director. These factors include, inter alia, if the Director has

any interest, business, relationship and/or any other material contractual relationship with the Group which could reasonably be perceived to compromise his/her independence and interfere with the exercise of his/her independent business judgement. The Board is of the view that all independent Directors remain independent in the exercise of their judgement on Board matters.

INDEPENDENT JUDGEMENT

All Directors are aware of their fiduciary duties and exercise due diligence and independent judgement in ensuring that their decisions are objective and in the best interests of the Company and its Group.

BOARD SIZE, COMPOSITION AND COMPETENCY

The NC examines the size and composition of the Board and the Board Committees annually to ensure an appropriate balance and diversity of skills, knowledge, experiences, age and gender, and that the size is conducive to effective discussion and decision making, with an appropriate number of independent Directors. The NC also takes into consideration the promotion of tripartism experience from labour, government and business, to foster constructive debate to enhance the Board's ability to discharge its duties and responsibilities effectively.

The bulk of the Group's businesses is regulated. Having considered the scope and nature of the operations of the Group and the requirements of its businesses, the NC and the Board are of the view that the current size of ten (10) Directors is appropriate.

The Group is committed to building an open, inclusive and collaborative culture and recognises the importance of all aspects of diversity in supporting the achievement of its strategic objectives, growth and sustainable development.

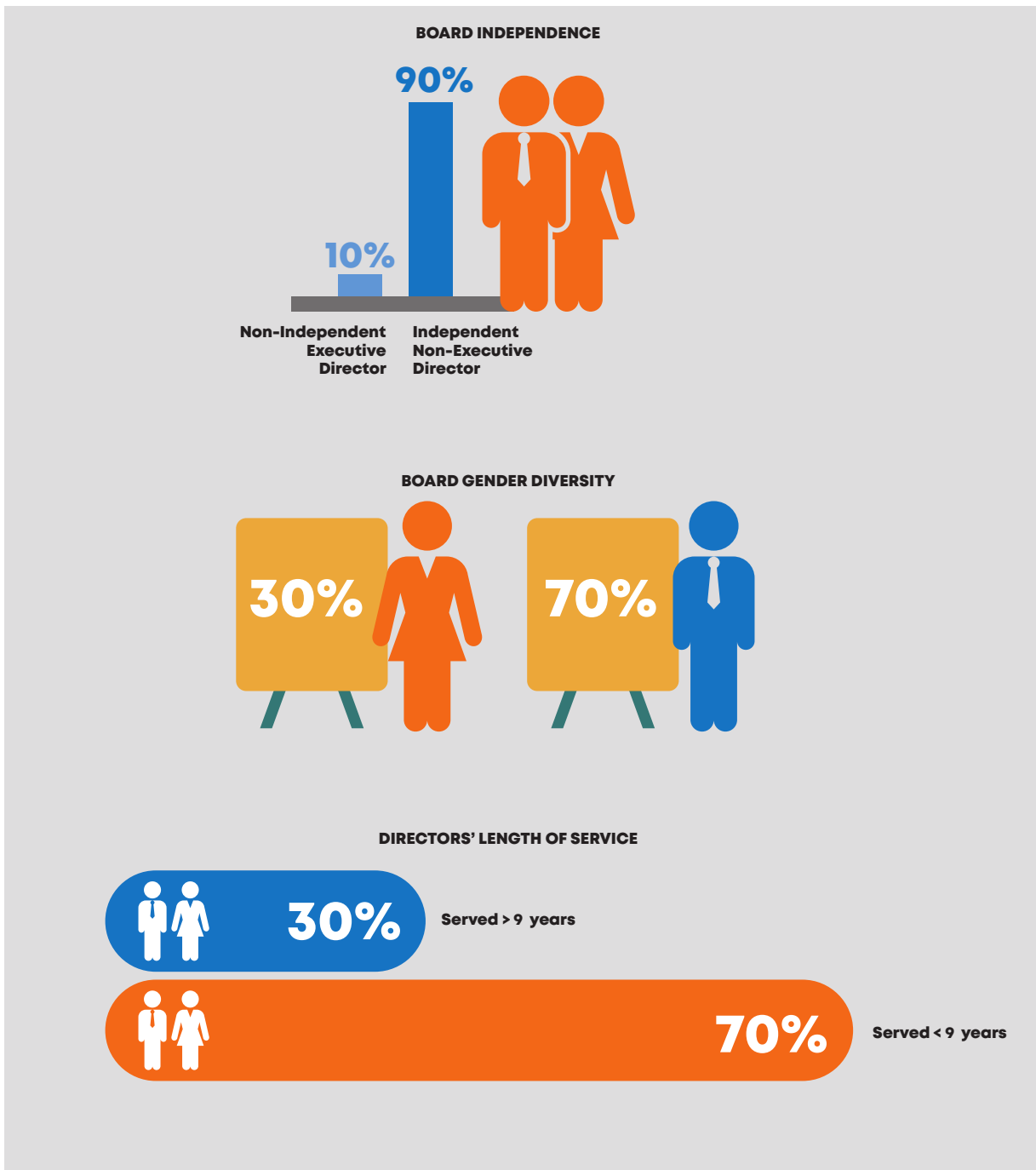
The Board recognises the merits of gender diversity in relation to composition of the Board and in identifying suitable candidates for new appointments to the Board would ensure that female candidates are included for consideration. As at 31 December 2020, out of ten (10) Directors on the Board, three (3) Directors or 30% are females.

The Directors are individuals with leadership experiences in business, government and the labour movement and with a broad diversity of expertise and experience including accounting, finance, legal, information technology, artificial intelligence, sustainability and business management, both domestically and internationally. Each Director provides a valuable network of industry contacts and brings in different perspectives and ideas at Board discussions.

The NC is satisfied that the Board and Board Committees comprise Directors who as a group provide an appropriate balance and diversity of skills, knowledge, experience, age and gender and core competencies required for the Board and Board Committees to discharge their responsibilities effectively and ensure that the Group continues to be able to meet the challenges and demands of the markets in which it operates. The current makeup

of the Board and Board Committees reflects our commitment to all aspects of diversity.

The individual profile of the Directors, their listed company directorships and principal commitments held currently in the preceding five years, are found in the 'Board of Directors' and 'Directors' Particulars' sections on pages 68 to 73 and pages 138 to 141 of this Annual Report.



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NON-EXECUTIVE DIRECTORS' PARTICIPATION

All the NEDs are independent Directors. They have unrestricted access to the Management and are well supported by accurate, complete and timely information, including monthly and quarterly performance reports. They participate actively at Board and Board Committee Meetings to constructively challenge Management and help develop proposals on business strategy and other business and governance issues and also review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance.

All the members of the ARC, RC and NC are independent NEDs. There is no Executive Director on these Board Committees.

The Independent Non-Executive Chairman, who is not a member of the ARC, meets with the Chairperson of the ARC and External Auditors annually in the absence of Management. From time to time when required, the NEDs meet without the presence of Management before or after Board Meetings. The Chairperson of such meetings provides feedback to the Board and/or the Chairman as appropriate.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

ROLES OF CHAIRMAN AND MD/GROUP CEO

The roles of the Chairman and the MD/Group CEO are kept separate and distinct to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. This is a deliberate policy agreed by the Board and one that is strictly adhered to. This ensures Management accountability and Board independence. The Chairman is responsible for the effective functioning of the Board, while the MD/Group CEO is responsible for the operations and management of the Group's businesses. The Chairman and the MD/Group CEO are not related.

The Chairman:

- (i) Leads the Board, facilitates effective contribution of all Directors, sets the agenda and promotes comprehensive, rigorous and open discussions at Board Meetings among the Directors, as well as between the Board and Management;
- (ii) Oversees the translation of the Board's decisions into executive action;
- (iii) Ensures adequacy and timeliness of information flow between the Board and Management and effective communications with Shareholders and other Stakeholders;

(iv) Encourages constructive relations within the Board, between the Board and Management and the Board and the CEO; and

(v) Promotes high standards of Corporate Governance and transparency.

The MD/Group CEO is given full executive responsibility for the management of the Group's businesses and the implementation of the Group's strategies and policies as decided by the Board and reports to the Board on a regular basis.

The Chairman and the MD/Group CEO represent the Board at official functions and meetings with Shareholders and other Stakeholders such as employees, regulators and customers. A detailed description of our engagements with Stakeholders can be found in our Sustainability Report.

LEAD INDEPENDENT DIRECTOR

The appointment of a Lead Independent Director is not required as the Chairman and the MD/Group CEO are different persons. The Chairman is independent and the majority of the Board comprise independent Directors. He is not part of Management and has no relationship with the MD/Group CEO and his immediate family members.

PRINCIPLE 4: BOARD MEMBERSHIP

There is a formal and transparent process for the appointment and re-appointment of Directors to the Board, taking into account the need for progressive renewal of the Board.

NOMINATING COMMITTEE

As at 31 December 2020, the NC comprised five independent NEDs. The NC is responsible for regularly reviewing the composition of the Board, identifying and proposing suitable candidates for appointment to the Board and ensuring succession plans are in place. The renewal of Board membership is an ongoing process to ensure good governance and to maintain relevance in a changing business environment. All decisions by the NC are made by a majority of votes of the NC members who are present and voting. The key terms of reference of the NC include the following:

- (i) Review the Board's succession plans and make recommendations to the Board on all appointments and re-appointments of Directors of the Company, including the appointment and/or replacement of the Chairman and the MD/Group CEO;
- (ii) Assess the effectiveness of the Board and Board Committees and contribution by each individual Director;

- (iii) Develop a process for performance evaluation of the Board, its Board Committees and individual Director's performance, including comparison with industry peers; and
- (iv) Make recommendations to the Board on the review of training and professional development programmes for the Board and the Directors.

MULTIPLE BOARD REPRESENTATIONS

The NC subscribes to the view that it is important for Directors to devote sufficient time and attention to the affairs of the Group. Consistent with the guidelines in the Code, the NC and the Board have adopted the following as a proactive step to ensure this:

- A Director who is in full-time employment should not serve as a Director on the Board of more than three listed companies; and
- A Director who is not in full-time employment should not serve as a Director on the Board of more than six listed companies.

As the number of board representations should not be the only measure of a Director's commitment and ability to contribute effectively, the NC takes the view that if a Director wishes to hold more board representations than the maximum stated in the guidelines, a request must be made to the Chairman of the Board for approval. As a policy, the Chairman himself should not hold more than six directorships in listed companies if he is not in full-time employment and not more than three directorships in listed companies if he is in full-time employment.

In assessing a Director's contribution, the NC takes a holistic approach. Focussing solely on Directors' attendance at Board and Board Committee Meetings per se may not be an adequate evaluation of the contribution of the Directors. Instead, their abilities to provide valuable insights and strategic networking to enhance the businesses of the Group, availability for guidance and advice outside the scope of formal Board and Board Committee Meetings and contributions in specialised areas are also factors relevant in assessing the contributions of the Directors.

As a policy, the MD/Group CEO, being an Executive Director of the Company, besides adhering to the guidelines set on the maximum number of board representations on listed companies, will also have to seek the approval of the Chairman before accepting any directorships of companies not within the Group. In considering whether or not to grant the approval, the Chairman will consider the time commitment of the MD/Group CEO and whether the

new external directorships will provide the strategic fit and networking for the businesses of the Group. The Chairman will also ensure that the MD/Group CEO will not accept appointments to the boards of competitors.

As at 31 December 2020, all Directors comply with the guideline on multiple board representation.

ALTERNATE DIRECTOR

Consistent with the Code, there is no alternate Director on the Board.

PROCESS FOR SELECTION, APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

As part of the Board Succession Plan, new Directors may be identified from time to time for appointment to the Board after the NC evaluates and assesses their suitability in strengthening the diversity of skills, experience, age, gender, knowledge and relevant core competencies of the Board whilst ensuring that there is a balanced tripartism experience from government, labour and business to avoid unproductive group-think and biasness.

The process for selection of new Directors is as follows:

- (i) The NC assesses the desired competencies and attributes of the Board taking into account the Group's businesses and its strategic objectives;
- (ii) The NC then assesses the competencies and attributes to include into the current representation to achieve the desired mix. This forms the basis for selection of new Directors;
- (iii) New Directors are sourced through various channels, including recommendations of Directors and Management and if required, external search consultants;
- (iv) Potential candidates are interviewed by the NC to assess suitability and commitment; and
- (v) The NC makes recommendations to the Board for approval.

The Constitution of the Company provides that one-third of the Directors are subject to retirement and re-election by rotation at every Annual General Meeting (AGM). All Directors are required to retire from office at least once every three years. Re-election is, however, not automatic, and all Directors are assessed by the NC on their past performance and contributions before being recommended to Shareholders for re-election at the AGM. Newly appointed Directors are also subject to retirement

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and re-election at the AGM immediately following their appointments. Independent directors who have served or will be serving more than nine years on Board when Rule 210(5)(d)(iii) of the Listing Manual come into effect on 1 January 2022 must subject their independence to a two-tier shareholder vote.

At the forthcoming AGM, Mr Lim Jit Poh, Ms Sum Wai Fun, Adeline and Ms Tham Ee Mern, Lilian are due for re-election pursuant to Regulation 93 of the Constitution. Mr Mark Christopher Greaves, being appointed during the year, will be due for re-election pursuant to Regulation 99 of the Constitution. Mr Lim and Ms Sum will also be seeking approval on their continued appointment as Independent Non-Executive Directors as they would have been a director of the Company for an aggregate period of more than nine (9) years and will cease to be regarded as independent on and from 1 January 2022 pursuant to Rule 210(5)(d)(iii) of the Listing Manual if a two-tier shareholder vote has not been sought and approved prior to 1 January 2022.

KEY INFORMATION ON DIRECTORS

The profiles of the Directors and key information are set out in this Annual Report from pages 68 to 73. The Notice of AGM sets out the Directors proposed for re-election or re-appointment at the forthcoming AGM. Key information on Directors is also available on the Company's website.

PRINCIPLE 5: BOARD PERFORMANCE

Each year, the Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors. The NC is delegated by the Board to undertake a process to assess the effectiveness of the Board in terms of overall performance and growth of the Group, achieving an adequate return for Shareholders, preventing conflicts of interest and balancing the competing demands of the Group. In evaluating the contributions and performance of each individual Director, factors taken into consideration include attendance at AGM, Board and Board Committee Meetings and corporate activities, contributions in specialist areas and maintenance of independence. The performance criterion is determined by the NC and does not change from year to year.

In the last quarter of 2020, the NC conducted a performance evaluation of the Board, the Board Committee and individual Directors. The performance evaluation which included key points on Board's composition, Board's contributions, contributions at Board Committees, conduct of proceedings, and whether the Directors had discharged their duties effectively. The findings were then presented by the Chairman of the NC to the Board during its meeting for deliberation and discussion on possible areas for improvement to enhance overall effectiveness.

2. REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

ComfortDelGro recognises the importance of having a skilled and dedicated workforce to manage and grow the businesses in an increasingly competitive and challenging environment. It therefore places great emphasis on motivating staff through engagement, recognition and an alignment of rewards to performance, as well as long-term interests of the Group and Shareholders.

REMUNERATION COMMITTEE

The RC plays an important role in the Group's remuneration policies, as well as oversees the talent management and succession planning for Key Management Personnel. Besides providing the Board with an independent review and assessment of Directors' remuneration, it also reviews the remuneration framework and strategy for executive compensation, with the purpose of developing talent and building leadership bench strength to ensure the Group's continued success and that shareholder value is enhanced.

As at 31 December 2020, the RC comprised four independent NEDs. This is in accordance with the Code. The RC considers all aspects of remuneration including the terms of termination, if any are fair. Members of the RC are independent of Management and are also free from any business or other relationships, which may materially interfere with the exercise of independent judgement.

All decisions by the RC are made by a majority of votes of the RC members who are present and voting. Any member of the RC with a conflict of interest in relation to the subject matter under consideration would abstain from voting, approving or making recommendations that would affect the decisions of the RC. The MD/Group CEO is not present at and does not participate in any RC discussions pertaining to his own compensation and the review of his performance. He is, however, in attendance when the compensation of Key Management Personnel is discussed. No Director is involved in deciding his or her own remuneration.

The key terms of reference of the RC include the following:

- (i) Oversee the talent management and succession planning for Key Management Personnel;
- (ii) Review and recommend to the Board the remuneration framework for compensation to each Director, and ensure that the level of remuneration offered is appropriate to the level of contribution;

- (iii) Review and approve the remuneration of Key Management Personnel that is aligned with the long-term interests of the Group to ensure that the overall remuneration package is attractive to retain and motivate Key Management Personnel;
- (iv) Review the Group's obligations arising in the event of termination of Directors' and Key Management Personnel' services in a fair, reasonable and equitable manner, including the cessation of financial incentives that have been earned but not yet disbursed due to exceptional circumstances of misstatement or misconduct; and
- (v) Review and approve the grant of Performance Share Awards under the ComfortDelGro Executive Share Award Scheme to Group Employees and Executive Directors.

The RC has unrestricted access to the Group Chief Human Resource Officer, who attends all RC meetings and provides the relevant market remuneration data and practices to the Committee. The RC may also seek external expert advice on such matters where needed. In 2020, the Group continued to engage the services of an external consulting firm, Willis Towers Watson to conduct an Executive Compensation Benchmarking exercise for an independent review of the compensation packages of its senior executives.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedures for setting remuneration, and the relationship between remuneration, performance and value creation.

The level and structure of remuneration of the Board and Key Management Personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company, and it is appropriate to attract, retain and motivate the Directors and Key Management Personnel to successfully manage the Company for the long term.

PERFORMANCE-RELATED REMUNERATION

The Group is committed to creating and enhancing shareholder value through growth that is sustainable and profitable. The remuneration packages of the MD/Group CEO and Key Management Personnel comprise fixed and variable components, and is appropriate and proportionate to sustained performance and value creation of the Company. The variable component in the form of year end performance bonuses, forms a significant proportion of the remuneration packages and is dependent on the profitability of the Group and individual performance. Subject to market conditions and

the operating environment, the Group targets a total compensation package with fixed to variable component ratios of 70:30 for Rank and File Employees, 60:40 for Middle Management staff and 50:50 for Senior Management staff. The Group believes that a higher proportion of performance related component would ensure greater alignment of interests of the employees with those of Shareholders and contributes to sustainable performance and value creation in the long-term. In addition, the remuneration of the MD/Group CEO is also tied to the return on Shareholders' funds vis-à-vis the weighted average cost of capital and the level of profitability achieved.

SHORT-TERM AND LONG-TERM INCENTIVE SCHEMES

The Company obtained Shareholders' approval at its AGM held on 26 April 2018 to implement the ComfortDelGro Executive Share Award Scheme for Executive Directors and Key Executives as part of the long-term incentive programme to attract talent, retain them and reward those who make significant contributions to the Group.

The shares would be granted conditional upon performance targets being met and would have a vesting schedule whereby only a portion of the benefits would be granted each year. The grant of the shares may be withdrawn or clawed-back in the event of exceptional circumstances of material misstatement of financial results or misconduct resulting in financial or other losses for the Group.

During FY 2020, the Company granted its second tranche of share awards of 570,000 ordinary shares pursuant to the Executive Share Award Scheme to selected employees of the Group. This included an award of 150,000 ordinary shares to the MD/Group CEO, Mr Yang Ban Seng. These are time-based awards to be vested over a four-year period.

The Board and the RC believe that the Executive Share Award Scheme will help ensure that the Group continues to have a strong leadership team, credible talent pipeline and reinforce the delivery of long-term shareholder value.

REMUNERATION OF NON-EXECUTIVE DIRECTORS

The structure for the payment of fees to NEDs is based on a framework comprising basic fees and additional fees for serving on Board Committees and also for undertaking additional services for the Group. The fees are subject to the approval of Shareholders at the AGM.

The MD/Group CEO, being an Executive Director of the Group, does not retain any fees paid by the subsidiaries. Instead, fees due to him are paid by the subsidiaries to the Company. The MD/Group CEO does not receive Director's fees for his Board Directorship with the subsidiaries.

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The Directors' fee structure for 2020 is set out below:

BOARD	BASIC FEE (PER ANNUM)
Chairman	S\$114,000
Member	S\$57,000

BOARD COMMITTEE	ADDITIONAL FEES (PER ANNUM) AS	
	CHAIRMAN	MEMBER
Audit and Risk Committee	S\$38,000	S\$26,600
Nominating Committee	S\$19,000	S\$13,300
Remuneration Committee	S\$19,000	S\$13,300
Investment Committee	S\$20,000	S\$14,000
Digitalisation Committee	S\$20,000	S\$14,000

The attendance fees payable to Non-Executive Directors for attendance at each Board and Board Committee Meeting are as follows:

MEETINGS	ATTENDANCE FEE (PER MEETING)	
	In-person	Dial-in
Board	S\$1,000	S\$500
Board Committee	S\$1,000	S\$500

* Directors are only paid one attendance fee even if two or more meetings are held on the same day.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

REMUNERATION OF DIRECTORS AND EXECUTIVES

MD/Group CEO's remuneration:

REMUNERATION	THE GROUP			
	SALARY S\$	BONUS S\$	OTHERS S\$	TOTAL COMPENSATION S\$
2020				
Yang Ban Seng	821,250	586,000	206,220	1,613,470

The remuneration of the Non-Executive Directors comprised entirely Directors' fees as follows:

DIRECTORS' FEES	
2020	
S\$	
Lim Jit Poh¹	557,347
Jessica Chem	81,583
Chiang Chie Foo	93,137
Lee Khai Fatt, Kyle	99,506
Mark Christopher Greaves²	58,596
Ong Ah Heng³	54,717
Ooi Beng Chin	81,583
Sum Wai Fun, Adeline	97,221
Tham Ee Mern, Lilian	95,613
Wang Kai Yuen	90,661

Notes:

- Including Director's fees from SBS Transit Ltd and VICOM Ltd, listed subsidiaries of the Company and other subsidiaries.
- Amount constitutes Mr Mark Christopher Greave's fee for the period from 23 May 2020 to 31 December 2020. Mr Greaves was appointed as an Independent Non-Executive Director and members of the ARC and the IC on 23 May 2020. He was also appointed as a member of the NC on 1 September 2020.
- Amount constitutes Mr Ong Ah Heng's Director's fee from 1 January 2020 to 22 May 2020. Mr Ong retired as a Director and ceased to be a member of the ARC and the RC on 22 May 2020. This including Directors' fees from ComfortDelGro Engineering Pte Ltd, a subsidiary of the Company.

The remuneration of the Key Management Personnel in the five (5) key portfolios having regard to the performance of the individuals and the Group, are as follows:

REMUNERATION BAND	THE GROUP			TOTAL COMPENSATION
	SALARY	BONUS	OTHERS	
2020	%	%	%	%
S\$500,000 to S\$749,999				
Koh Thong Hean, Derek	61.3	32.0	6.7	100
Sim Wing Yew	48.3	35.7	16.0	100
Cheng Siak Kian	53.6	35.0	11.4	100
Yap Soon Hua, Nicholas	59.6	31.2	9.2	100
S\$250,000 to S\$499,999				
Ang Wei Neng	61.2	24.0	14.8	100

The total remuneration paid to these five (5) Key Management Personnel holding the key portfolios (who are not Directors or the CEO) amounted to S\$2,891,902.

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REMUNERATION OF CERTAIN RELATED EMPLOYEES

During FY 2020, no employees whose remuneration exceeded S\$100,000 was a substantial shareholder of the Company, or an immediate family member of a Director or the MD/Group CEO. "Immediate family member" means the spouse, child, adopted child, step-child, brother, sister and parent.

3. ACCOUNTABILITY AND AUDIT

The Board has overall accountability to the Shareholders of the Company and ensures that the Group is managed well and guided by sustainable long-term strategic objectives. The Board is responsible for providing a balanced and understandable assessment of the Group's performance, position and prospects. Material price-sensitive and trade sensitive information, Annual Reports and other material corporate developments are disseminated in a timely and transparent manner and posted on the Company's website as well as SGXNET. The Financial Results are reported semi-annually via SGXNET with an accompanying Negative Assurance by the Board to confirm that nothing has come to its attention that may render the results false or misleading in any material aspects. The Company believes that prompt and full compliance with statutory reporting requirements is fundamental to maintaining Shareholder confidence and trust.

The Group has formalised a Policy on Securities – Restrictions Against Dealings to provide guidance to Directors and executives of the Group in relation to dealings in the Company's securities. Directors and Executives of the Group are prohibited from dealing in the securities of the Company and its listed subsidiaries during the period commencing one month before the announcement of the Company's and its listed subsidiaries' semi-annual results, and full-year results and ending on the date of the announcement of the relevant results. All Directors and executives are notified of the trading blackout periods before the start of the financial year and are given reminders prior to each trading blackout period.

All Directors and Executives of the Group are also told that they must not deal in (i) the securities of the Company and its listed subsidiaries on short-term consideration and/or while in possession of unpublished material price-sensitive and trade sensitive information relating to the relevant securities; and (ii) the securities of other listed companies while in possession of unpublished material price-sensitive and trade sensitive information relating to those securities. Executives are required to notify the Company upon disposal of shares arising from the exercise of options under the Employees' Share Option Scheme.

The Group has put in place a Standard Operating Procedure (SOP) on compilation of information on privy persons who have access to material information of transactions that have yet to be disclosed to the public. The SOP prescribes that the person-in-charge of such transactions must remind all privy persons to keep all material information strictly confidential.

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its Shareholders.

Risk management is an important and integral part of ComfortDelGro's strategic planning and decision making process. Key risks are identified and presented to the ARC and Board annually. Ownership of the risk management process is clearly defined and cascaded to the executive and functional levels, with stewardship retained at Senior Management. Plans that are necessary to manage and mitigate the risks are in place and closely monitored. The adequacy of the risk governance, risk policy and internal controls in place is also assessed as part of the process. A detailed description of the Group's approach to internal controls and risk management can be found from pages 142 to 148 of this Annual Report.

As part of the risk management process, all businesses are required to refresh their risk inventories, conduct risk prioritisation exercises, identify key and emerging risks, and develop the requisite risk controls and risk treatment action plans. The identified risks, their indicators and action plans are to be continually reviewed and reported. In 2020, the Group continued with its engagement of the external consultant to strengthen its risk management framework. The consultancy focussed on the review of risk management in our United Kingdom (UK) and Australia businesses, risk monitoring and reporting, and risk awareness training.

The Internal and External Auditors conduct reviews in accordance with their audit plans. Any material non-compliance and recommendations for improvements on the internal controls are reported to the ARC. The ARC also reviews the effectiveness of the actions taken by Management on the recommendations made by the Internal and External Auditors. The recommendations are followed up as part of the Group's continuous review of the system of internal controls.

For FY 2020, the Board has received assurance from the MD/Group CEO and the Group Chief Financial

Officer (**GCFO**) that (i) the financial records have been properly maintained and the financial statements are prepared in compliance with the Singapore Financial Reporting Standards (International) and are correct in all material aspects and give a true and fair view of the operations and finances of the Group; and (ii) the Group's and internal controls systems (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective.

Key risks, mitigating controls and business continuity plans in place are reviewed annually by the ARC and the Board. Based on these reviews, the Board is of the view, with the concurrence of the ARC, that the systems of risks management and internal controls in place for the Group are adequate and effective to address its financial, operational, compliance and technology risks and to provide reasonable assurance against material financial misstatements or loss.

PRINCIPLE 10: AUDIT AND RISK COMMITTEE

As at 31 December 2020, the ARC comprised six (6) independent NEDs. None of the ARC members are previous partners or directors of the External Auditors within the previous 24 months and none of the ARC members hold any financial interest in the External Auditors. The Chairman and Members of the ARC are rotated periodically. The Board has reviewed and is satisfied that the members of the ARC are appropriately qualified to discharge their responsibilities.

The ARC members who collectively bring with them recent and relevant managerial and professional expertise in accounting and related financial management domains, are as follows:

- (i) Mr Lee Khai Fatt, Kyle, Chairman of the ARC, is an Independent Non-Executive Director of ComfortDelGro. He is also a member of the NC and the DC. He is a Chartered Accountant. He was a former partner of PriceWaterhouse and PricewaterhouseCoopers LLP for 20 years including five years as a Practice Leader for Business Advisory Services. Mr Lee is a Fellow of the Institute of Chartered Accountants in England and Wales, the Institute of Singapore Chartered Accountants and the Singapore Institute of Directors (**SID**). Additionally, he has a Master of Science In International Management from SOAS London and Master of Business Administration from Imperial College London.
- (ii) Ms Sum Wai Fun, Adeline is an Independent Non-Executive Director of ComfortDelGro. She is also a member of the RC and the DC.
- (iii) Mr Chiang Chie Foo is an Independent Non-Executive Director of ComfortDelGro. He is also a member of the NC and the IC. Mr Chiang is the Chairman of Singapore's Central Provident Fund Board, a world-class social security organisation, PUB (Singapore's National Water Agency) and Ascendas Property Fund Trustee Pte Ltd which manages Ascendas India Trust (a property trust which owns seven IT parks and six modern warehouses in India) and AETOS Holdings Pte Ltd. Mr Chiang is a Director on the Board of the Lee Kuan Yew Exchange Fellowship, Epworth Community Services and, a Senior Advisor to the Republic of Singapore's Ministry of Defence and a Trustee Member of the APB Foundation. He was awarded the Public Administration Medal (Gold) in 1997, the Long-Service Medal in 2004, the Meritorious Service Medal in 2007 and the Distinguished Service Order in 2019 by the President of the Republic of Singapore. Mr Chiang holds a Bachelor of Engineering (First Class Honours) from the University of Western Australia, Australia and a Master in Public Administration from Harvard University, USA.
- (iv) Ms Tham Ee Mern, Lilian, is an Independent Non-Executive Director of ComfortDelGro. She is also the Chairman of the DC and a member of the IC. Ms Tham is now the Chief Operating Officer at Eastspring Investments (Singapore) Limited with responsibility for operations, technology, digital, data and administrative support, as well as other strategic growth and change initiative. Ms Tham is presently a Board Member of Home Nursing Foundation and is a Fellow of the Institute and Banking and Finance Singapore. Ms Tham hold as Bachelor of Science in Information Systems from the National University of Singapore.
- (v) Mr Mark Christopher Greaves is an Independent Non-Executive Director of ComfortDelGro. He is a member of the NC and the IC. He is also a Non-Executive Director of Hanson China Partners Limited and has previously served on a number of listed company Boards in various jurisdictions, including WBL Corporation Limited and Malaysia Smelting Corporation Berhad. Mr Greaves speaks fluent French and holds a Master of Arts in

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Economics from the University of Cambridge and an LLB with First Class Honours from the Open University in the UK. He is a Member of both the Institute of Directors of the UK and the Singapore Institute of Directors.

- (vi) Dr Wang Kai Yuen is an Independent Non-Executive Director of ComfortDelGro. He is also Chairman of the RC and a member of the DC. He is the Chairman of both HLH Group Ltd and Ezion Holdings Ltd. and a Director of COSCO Corporation (Singapore) Ltd. Dr Wang is familiar with the American and Asian cultures, international business practices, and corporate finance and governance. Dr Wang has also participated in many international meetings of parliamentarians. He has wide business and political contacts in China, having led many grassroots delegations to visit numerous city and provincial governments. Dr Wang holds a Bachelor of Engineering (Electrical Engineering) (Hons) from the University of Singapore and a Master of Science (Industrial Engineering), a Master of Science (Electrical Engineering) and a PhD (Engineering) from Stanford University, USA.

The details of the ARC members' credentials are found in pages 70 to 72 of this Annual Report.

The Members of the ARC keep abreast of relevant changes to accounting standards and issues through attendance at relevant seminars/talks, articles and news circulated by the Company Secretaries and regular updates by the External Auditors at ARC Meetings.

The terms of reference of the ARC are aligned with the provisions of Section 201B(5) of the Companies Act, Cap. 50 and include the following:

- (i) Risk identification and reviewing the adequacy and effectiveness of financial, operational, compliance and information technology controls and risk management systems to ensure effectiveness in the management of risks and compliance with internal policies and external regulations;
- (ii) Review the effectiveness, adequacy and independence of the Group's external audit and internal audit function;
- (iii) Review the semi-annual and annual financial statements and also significant accounting and reporting issues and their impact on financial statements so as to ensure the integrity of the financial statements and any formal announcements relating to the Group's financial performance and recommend to the Board the acceptance of such financial statements;
- (iv) Review the scope and results of the audits undertaken by the Internal and External Auditors, including non-audit services performed by the External Auditors to ensure that there is a balance between maintenance of objectivity and cost effectiveness;
- (v) Review Interested Person Transactions;
- (vi) Recommend the appointment, re-appointment or removal of the External Auditors at the AGM and review the fees due to them;
- (vii) Review and approve the annual audit plans of the External Auditors;
- (viii) Review and approve the Internal Auditor's annual and three-year rolling work plans; and
- (ix) Review the effectiveness of the Group's Whistle Blowing Policy. The Whistle Blowing Policy is described on page 148 of this Annual Report.

AUDIT AND RISK COMMITTEE'S ACTIVITIES

The ARC held four meetings during the financial year under review. The MD/Group CEO, GCFO, Group Chief Internal Audit Officer (**GCIAO**) and the External Auditors were present at these meetings. The ARC reviewed and considered the following:

- (i) Internal Audit Quality Assurance Review;
- (ii) Group Internal Audit Goals in response to Internal Audit Quality Assurance Review;
- (iii) Overall scope of both internal and external audits and results of their respective audits;
- (iv) Significant internal and external audit observations and Management's responses;
- (v) Half-yearly and full year results announcements and the financial statements and recommendation to the Board;
- (vi) Adoption of the Singapore Financial Reporting Standards (International);
- (vii) Risk management and the adequacy and effectiveness of internal controls;
- (viii) Independence of the External Auditors;
- (ix) Re-appointment of External Auditors and its remuneration and recommendation to the Board; and
- (x) Significant matters (if any) raised through the whistle-blowing channel.

In the performance of its duties, the ARC has explicit authority to investigate the affairs falling within its terms of reference, with full access to and cooperation from Management, discretion to invite any Director or executive officer to attend its meetings and reasonable resources to enable it to discharge its duties properly.

The ARC meets with the Internal and External Auditors annually in the absence of Management. During these meetings, the Auditors may raise issues encountered in the course of their work directly to the ARC.

SIGNIFICANT FINANCIAL REPORTING MATTERS

In the review of the financial statements of the Group, the ARC considered the following key audit matters:

SIGNIFICANT MATTERS	REVIEW OF SIGNIFICANT MATTERS BY THE ARC
Taxi vehicles, taxi licences and goodwill impairment review	The ARC considered the approach and methodology applied to the valuation model for taxi vehicles, taxi licences and goodwill impairment assessment. Following the review and discussions with Management and the External Auditors, the ARC is satisfied that the key assumptions used in the impairment assessment of taxi vehicles, taxi licences and goodwill are reasonable.
Valuation and completeness of provision for accident claims	The ARC considered the approach and methodology applied to the valuation and completeness of provision for settlement of accident claims. Following the review and discussions with Management and the External Auditors, the ARC is satisfied with the estimates used in determining the probability and amounts of expected settlement claims.
Provision for Rail Contract	The ARC considered the approach and methodology applied to assess that no provision for rail contract is required. Following the review and discussion with Management and the External Auditors, the ARC is satisfied with the significant judgement used in determining that no provision is required.

Following the review and discussions on the above, the ARC recommended to the Board to approve the financial statements of the Group for the financial year ended 31 December 2020.

REVIEW OF INDEPENDENCE OF EXTERNAL AUDITORS

Prior to the re-appointment of the External Auditors, the ARC assesses their independence based on the guidelines set by the Accounting and Corporate Regulatory Authority and the Accountants Act. Having satisfied itself that the independence of the External Auditors, Deloitte & Touche LLP, is not impaired by their provision of non-audit services to the Group and that Rules 712, 715 and 716 of the SGX-ST Listing Manual have been complied with, the ARC has recommended to the Board that Deloitte & Touche LLP be nominated for reappointment as the Company's External Auditors at the next AGM.

As a further safeguard of Deloitte & Touche LLP's independence, the partner in-charge of auditing the Company is changed every five years.

INTERNAL AUDIT

The internal audit function of the Group is performed by the Group Internal Audit (**GIA**) division comprising suitably qualified and experienced Internal Audit staff including the Group Chief Internal Audit Officer (**GCIAO**). GIA staff have professional qualifications and are either members of the Institute of Singapore Chartered Accountants, the Information Systems Audit and Control Association or Institute of Internal Auditors. The GCIAO reports functionally to the Chairman of the ARC and administratively to the MD/Group CEO. The ARC participates in the hiring, removal and evaluation of the GCIAO. The GCIAO's remuneration is reviewed by the ARC Chairman together with the MD/Group CEO in accordance with the guidelines of the Company's Financial Authority Limits before submitting their recommendation to the Chairman and/or the RC for consideration, as the case may be.

The GIA division adopts a risk-based approach in its continuous audit work with focus on material internal control systems including financial, operational,

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information technology and compliance controls. It provides an independent and objective evaluation of the internal control systems and Corporate Governance processes of the Group. The annual and three-year rolling audit plans are developed by the GCIAO in consultation with, but independent of, Management and are subject to the ARC's approval before the start of each financial year. Quarterly internal audit reports are also prepared and submitted to the ARC. Any material non-compliance or lapses in internal controls are reported to the ARC and the MD/Group CEO for improvements to be made. The ARC conducts review of the adequacy, effectiveness, independence, scope and results of the internal audit function. The ARC has full access to the GCIAO, and meets with the GCIAO at least once a year in the absence of Management. The GIA division is given unfettered access to all the Group's documents, records, properties and personnel, including access to the ARC, and has appropriate standing within the Company.

The activities and organisational structure of the GIA division are monitored and reviewed by the ARC periodically to ensure that it has the necessary resources to adequately perform its functions and that there are no unjustified restrictions and limitations placed on the performance of its duties. In 2020, when travelling was restricted due to the COVID-19 pandemic measures, the GIA division outsourced some of its on-location audit in the overseas entities to third party audit firms. However, the GCIAO monitored and managed the work of the third-party audit firms closely to ensure propriety and relevance. The GIA division has adopted the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors (IIA Standards). The GIA division successfully completed its external Quality Assurance Review in 2018 by PricewaterhouseCoopers LLP and continues to meet or exceed the IIA Standards in all key aspects. The next Quality Assurance Review is scheduled for 2023.

The ARC finds the GIA division independent, effective and adequately resourced.

4. SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

DISCLOSURE OF INFORMATION TO SHAREHOLDERS

The Company notifies Shareholders in advance of the dates of release of its Financial Results through the Company's website as well as SGXNET. Communications with Shareholders is conducted through press releases, announcements to the

SGXNET, media and analyst briefings after the announcement of the Financial Results, presentations, as well as the announcements and press releases posted on the Company's website. The Group has formalised a Policy on Securities – Drafting and Releasing SGX Announcements to provide guidance on preparation of SGX Announcements.

Shareholders may send in their requests or queries through the feedback channels provided on the website. The Company's IR team is accessible throughout the year to address Shareholders' queries. The contact details of the Head of Group IR can be found on the website.

Beyond complying with the requirements of the Code, the SGX-ST Listing Manual and the Companies Act, Cap. 50, the Company has also taken various additional measures to enhance Corporate Governance and improve transparency, including:

- (i) The Notice of AGM is released publicly at least 28 days before the AGM is held; and
- (ii) The Annual Report is available to all Shareholders at the Company's website at least 28 days before the AGM to ensure that all Shareholders have adequate time to review the Annual Report before the AGM. The electronic documentation demonstrates the Group's commitment towards Green and sustainable efforts. Upon request, hard copies are provided to Shareholders.

CONDUCT OF SHAREHOLDER MEETING

The Company encourages and supports shareholder participation at general meetings, and views the AGM as a good opportunity for Shareholders to meet the Board and Senior Management. The top criterion for selecting the AGM venue is an easy to reach location within Singapore accessible by public transport. Shareholders are informed of Shareholders' Meetings through notices published in the newspapers and circulars sent to all Shareholders. All registered Shareholders are invited to attend and participate actively in the AGM and are given the opportunity to seek clarification or question the Group's strategic direction, business, operations, performance and proposed Resolutions.

All Directors including the Chairman, MD/Group CEO and the Chairpersons of the various Board Committees together with Senior Management and the Company Secretaries are present to address any question or feedback raised by the Shareholders at the AGM and thereafter, including those pertaining to the proposed Resolutions before they are voted on. The External Auditors are also present to address Shareholders' queries about the conduct of audit and the preparation and contents of the Auditor's Report.

Except for the authority to issue shares under the ComfortDelGro Executive Share Award Scheme, the Board had since 2009 removed and stopped seeking the general authority to issue shares to address concerns from the Shareholders that if this general authority to share issue was mandated, the Company could subsequently issue shares pursuant to this mandate, which would dilute their shareholding percentages and affect their voting rights.

The Constitution of the Company provides for voting in-person and by proxy at the AGM of the Company. Each Shareholder is allowed to appoint up to two proxies to vote on his behalf at Shareholders' Meetings through proxy forms sent in advance. Relevant intermediaries such as the Central Provident Fund and custodian banks are entitled to appoint more than two proxies to attend, speak and vote at Shareholders' Meetings. Shareholders who hold shares through these relevant intermediaries will be allowed to attend, speak and vote at the AGM subject to being appointed a proxy by their respective relevant intermediaries.

Each issue or matter requiring Shareholders' approval is tabled as a separate and distinct Resolution. All the Resolutions at the Shareholders' Meeting are single-item Resolutions. The Company will consider implementing absentia voting methods such as voting via mail, e-mail or fax when security, integrity and other pertinent issues are satisfactorily resolved.

The Company prepares Minutes of General Meetings that include substantial and relevant comments or queries from Shareholders relating to the agenda of the meeting and responses from the Board and Management. The Minutes are available to Shareholders on the Company's website.

The Company has adopted electronic poll voting for General Meetings since 2011 to ensure greater transparency and efficiency in the voting process and results. Shareholders are invited to vote on each of the Resolutions by poll, using an electronic voting system. The results of all votes cast for or against each Resolution or abstentions if any and the respective percentages (Voting Results) and the names of the independent scrutineers for the AGM are presented during the AGM and are announced via the SGXNET after the AGM. Voting by poll is the most accurate means of tabulating Shareholders' votes according to the number of shares owned. We believe that this will encourage greater Shareholders' participation at the Company's General Meetings and demonstrates ComfortDelGro's commitment to high standards of Corporate Governance and transparency.

The Company's AGM for the Financial Year ended 2019 was held by way of audio-visual electronic

means as a result of the COVID-19 Circuit Breaker measures. On 23 September 2020, the Ministry of Health declared that companies could resume physical general meetings, for up to 50 persons at permitted premises with strict adherence to safe management measures. As such, the Board decided that the FY 2020 AGM will be held both physically and by way of audio-visual electronic means. To minimise physical interaction and COVID-19 transmission risk, the number of Shareholders allowed to attend the AGM in-person will have to be below 50, based on the prevailing national guidelines and regulations. Shareholders who are not able to attend the AGM in-person or those who prefer to attend the live webcast may do so by audio or audio-visual means. Shareholders are required to appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM. Please refer to the notice of the FY 2020 AGM for more information.

DIVIDEND POLICY

The Company's dividend policy is to pay out at least 50% of profit attributable to Shareholders of the Company. The dividend policy takes into account the long-term objective of maximising shareholder value, availability of cash and retained earnings, projected Capital Expenditure and growth opportunities. The Company declares dividend semi-annually and informs its Shareholders of the dividend payments via announcements in the SGXNET. Dividends are paid to Shareholders in an equitable and timely manner.

No Interim dividend was declared for 1H FY 2020 to conserve cash during COVID-19 uncertainties. However, the Board has proposed a tax-exempt one-tier final dividend of 1.43 cents per ordinary share for the FY 2020 at the forthcoming AGM of the company.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

REGULAR, EFFECTIVE AND FAIR COMMUNICATIONS WITH SHAREHOLDERS

It is our policy to disseminate accurate and pertinent information to the market in a timely and transparent manner as part of good Corporate Governance. We have put in place an IR programme to promote regular, effective and fair communications with Shareholders and the investment community. The dedicated IR team works with Senior Management to proactively carry out this engagement programme, which is described in more detail on page 117 of this Annual Report.

Communications with the SGX-ST is handled by the Company Secretaries, while communications with Shareholders, analysts and fund managers is handled by the Head of Group IR. Specific guidelines have been laid down for compliance in respect of all public communications. The Company does not practise selective disclosure in the communication of material information.

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In addition, the Company has put in place operational procedures to respond promptly to queries from the SGX-ST on any unusual trading activities in its securities and to clear all announcements to the SGXNET with the Board.

5. MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Company recognises the importance of engaging and balancing the needs and interests of material stakeholders as part of its overall responsibility to ensure that the best interests of the Company are served.

The Company has arrangements in place to enable it to engage stakeholders so as to better understand and take action to address their needs and interests. The basis for and methods of engagement with the stakeholders, along with the key areas of focus for each stakeholder group, can be found in the Sustainability Report. Our Sustainability Report highlights the economic, environmental and social aspects of our developments and operations in accordance with the Global Reporting Initiative Guidelines (G4 Core) and is issued ahead of the requirement under the SGX-ST Listing Manual.

The Company maintains a current corporate website to communicate and engage with stakeholders.

ADDITIONAL MEASURES TO ENHANCE CORPORATE GOVERNANCE

The Company has also undertaken various additional measures to enhance Corporate Governance as follows:

CORPORATE GIFTS/ENTERTAINMENT POLICY

Whilst business gifts and entertainment are courtesies that build goodwill and sound working relationships among Business Partners, the Group does not tolerate the improper use of gifts or entertainment to gain any special advantage in a business relationship.

The Group discourages the receipt of gifts or acceptance of entertainment, loans or other favours as these may compromise an employee's ability to make objective, independent and fair business decisions. Offering excessive gifts in whatever form or entertainment to others can also be open to misinterpretation.

Employees are therefore not permitted to offer or accept any gifts or entertainment without first seeking their supervisor's authorisation. Employees who receive gifts directly or indirectly in relation to their employment with the Group are expected to notify their supervisors and declare such gifts to the Group

Human Resource Department. All gifts declared are processed through structured corporate procedures to ensure proper accountability.

Business gifts presented and entertainment on the Group's behalf are consistent with generally Corporate Governance accepted business practices and ethical standards and do not violate any applicable laws, regulations or policies of any country we operate in or company in which we have dealings with.

ANTI-CORRUPTION POLICY

The Group complies with all the laws of the jurisdictions in which it operates and conducts business in an open and transparent manner, and prohibits employees from directly or indirectly offering, promising to pay, or authorising the payment of money or anything of value for the purpose of gaining perceived personal advantage for the Group. All employees are responsible for following the Group's procedures, including audit controls, for carrying out and reporting business transactions.

BLOCK LEAVE POLICY

As a further risk mitigation measure and to enhance governance, the Group has a Block Leave Policy in place which applies to Employees holding key functions. This arrangement allows covering officers to fully step into the duties of the Employees on leave as an additional check and balance against any breaches.

HEALTH AND SAFETY POLICY

Given the nature of the Group's businesses, the health and safety of the employees and customers are of paramount importance. We comply with statutory requirements and regulations and procedures are put in place to guide proper safe work practices for the well-being of all employees and customers. Employees are sent for training to equip them with the required competencies.

Employees are to observe safety rules and carry out safe work practices that apply to their jobs to ensure a safe work environment for everyone.

INFORMATION PROTECTION POLICY

The Group has also implemented an Information Protection Policy to ensure that all documents and data information of the Group are properly safeguarded.

Information is classified into secret, confidential, restricted and unrestricted use based on its nature, contents and implications. Processes and systems used to store, process or communicate the information provide protection from unauthorised disclosure and use.

DATA PROTECTION POLICY

All Business Units are required to comply with applicable laws pertaining to data protection. In particular, the Business Units in Singapore have implemented data protection policies and practices to ensure compliance with the obligations under the Personal Data Protection Act and Do Not Call provisions that came into force in 2014.

CYBER SECURITY POLICY

The Group has adopted the international information Security Standard ISO 27000 in assessing and formulating the Company's cyber security framework. The Group regularly reviews its cyber security measures to ensure effective protection of our information technology systems and databases. We have implemented multi-layered defence, including firewalls, intrusion prevention system, network access control, server hardening, data encryption and employee security training. We keep abreast of the evolving threats and the latest techniques, and actively collaborate with cyber security authorities and regulators to develop appropriate countermeasures.

We will continue to strengthen our capabilities in light of the way cyber security risks will evolve with the digital age. As and when necessary, we will take appropriate risk management decisions and implement security controls to secure our information infrastructure systems and databases.

SUPPLIER ETHICS POLICY

The Group procures a wide range of goods and services from various businesses, companies, persons and entities and requires its suppliers to be in full compliance with all applicable laws and regulations and practice fair competition in accordance with local anti-trust and competition regulations. Suppliers must conduct their businesses with integrity, transparency and honesty and the Group does not condone any corrupt and fraudulent practice.

Suppliers must have in place health and safety policies for its employees and be committed to good environmental, social and governance practices. Suppliers must not trade in the securities of the Group while in possession of confidential non-public information.

CREDITORS' PAYMENT POLICY

The Group values its suppliers and is committed to safeguarding creditors' rights and acknowledges the importance of paying invoices, especially those of small businesses, in a timely manner. It is the Group's practice to agree terms with suppliers when entering into contracts. We negotiate with suppliers on an individual basis and meet our obligations accordingly.

INTERESTED PERSON TRANSACTIONS

LISTING MANUAL - RULE 907

There were no Interested Person Transactions of or over S\$100,000 in value entered into during the financial year under review.

There is no Shareholder's mandate for Interested Person Transactions pursuant to Rule 920 of the SGX-ST Listing Manual.

DIRECTORS' PARTICULARS

NAME	AGE	PRESENT DIRECTORSHIPS / CHAIRMANSHIPS (AS AT 31 DECEMBER 2020)	PAST DIRECTORSHIPS / CHAIRMANSHIPS HELD OVER THE PRECEDING FIVE YEARS (FROM 1 JANUARY 2016 TO 31 DECEMBER 2020)	PRESENT PRINCIPAL COMMITMENTS	PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS
Lim Jit Poh Chairman (Independent Non-Executive Director)	81	<p>Principal Directorships in the ComfortDelGro Group</p> <ul style="list-style-type: none"> • Beijing Jin Jian Taxi Services Co., Ltd • Comfort Transportation Pte Ltd • CityCab Pte Ltd • ComfortDelGro Engineering Pte Ltd • CityFleet Networks Limited • ComfortDelGro Corporation Australia Pty Ltd • Guangzhou Xin Tian Wei Transportation Development Co., Ltd • Metroline Limited • Swan Taxis Pty Ltd <p>Principal Directorship in the SBS Transit Group</p> <ul style="list-style-type: none"> • SBS Transit Ltd* <p>Principal Directorships in the VICOM Group</p> <ul style="list-style-type: none"> • VICOM Ltd* • Setsco Services Pte Ltd <p>Other Companies</p> <ul style="list-style-type: none"> • Family Leisure Pte Ltd • NCI Golf Pte Ltd • Pasir Ris Resort Pte Ltd • Orchid Leisure Enterprise (Pte) Ltd • Surbana Property Investment Pte Ltd • Capitaland Township Development Fund Pte Ltd • Capitaland Township Development Fund II Pte Ltd 	<ul style="list-style-type: none"> • Ascott Residence Trust Management Ltd* 	Nil	Nil

* Listed Company

NAME	AGE	PRESENT DIRECTORSHIPS / CHAIRMANSHIPS (AS AT 31 DECEMBER 2020)	PAST DIRECTORSHIPS / CHAIRMANSHIPS HELD OVER THE PRECEDING FIVE YEARS (FROM 1 JANUARY 2016 TO 31 DECEMBER 2020)	PRESENT PRINCIPAL COMMITMENTS	PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS
Yang Ban Seng Managing Director/Group Chief Executive Officer (Non-Independent Executive Director)	64	Principal Directorships in the ComfortDelGro Group <ul style="list-style-type: none"> Beijing Jin Jian Taxi Services Co., Ltd Comfort Transportation Pte Ltd CityCab Pte Ltd ComfortDelGro Engineering Pte Ltd CityFleet Networks Limited ComfortDelGro Corporation Australia Pty Ltd Guangzhou Xin Tian Wei Transportation Development Co., Ltd Metroline Limited Swan Taxis Pty Ltd Principal Directorships in the SBS Transit Group <ul style="list-style-type: none"> SBS Transit Ltd* SBS Transit DTL Pte Ltd Principal Directorships in the VICOM Group <ul style="list-style-type: none"> VICOM Ltd* Setesco Services Pte Ltd JIC Inspection Services Pte Ltd 	Nil	Nil	Nil
Jessica Cheam (Independent Non-Executive Director)	37	Other Companies <ul style="list-style-type: none"> Eco-Business Pte Ltd EB Impact Limited 	<ul style="list-style-type: none"> Embodhi (Singapore) Limited 	<ul style="list-style-type: none"> Eco-Business Pte Ltd (Managing Editor) 	<ul style="list-style-type: none"> The Straits Times Correspondent
Chiang Chie Foo (Independent Non-Executive Director)	64	Other Companies <ul style="list-style-type: none"> Ascendas Property Fund Trustee Pte Ltd (Manager of Ascendas India Trust*) Lee Kuan Yew Exchange Fellowship AETOS Holdings Pte Ltd Epworth Community Services 	<ul style="list-style-type: none"> Valencia Club de Fútbol 	<ul style="list-style-type: none"> PUB, Singapore's National Water Agency (Chairman since 2017) Central Provident Fund Board (Chairman since 2013) Ascendas Property Fund Trustee Pte Ltd (Manager of Ascendas India Trust) (Chairman since 2016) Ministry of Defence (Senior Advisor since 2013) Epworth Community Services (Board Member since 2017) AETOS Holdings Pte Ltd 	<ul style="list-style-type: none"> Nil

* Listed Company

DIRECTORS' PARTICULARS

NAME	AGE (AS AT 31 DECEMBER 2020)	PRESENT DIRECTORSHIPS / CHAIRMANSHIPS	PAST DIRECTORSHIPS / CHAIRMANSHIPS HELD OVER THE PRECEDING FIVE YEARS (FROM 1 JANUARY 2016 TO 31 DECEMBER 2020)	PRESENT PRINCIPAL COMMITMENTS	PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS
Mark Christopher Greaves (Independent Non-Executive Director)	64	Other Companies <ul style="list-style-type: none"> Anglo FarEast Group Pte. Ltd. Hanson China Partners Limited (HK) Sinojie Hanson Ltd (HK) 	<ul style="list-style-type: none"> Hydrodiesel Asia Pte Ltd 	<ul style="list-style-type: none"> Anglo FarEast Group Pte. Ltd. (Managing Director) Hanson China Partners Limited (HK) (Deputy Chairman) Sinojie Hanson Ltd (HK) (Director) 	Nil
Lee Khai Fatt, Kyle (Independent Non-Executive Director)	69	Other Companies <ul style="list-style-type: none"> Great Eastern Holdings Limited* CapitaLand Mall Trust Management Ltd (Manager for CapitaLand Mall Trust*) FEO Hospitality Management Pte Ltd (Manager for Far East Hospitality Trust*) FEO Hospitality Trust Management Pte Ltd (Manager for Far East Hospitality Business Trust) Great Eastern Life Assurance Company Limited 	<ul style="list-style-type: none"> MFS Technology Ltd* 	Nil	Nil
Ooi Beng Chin (Independent Non-Executive Director)	59	Other Companies <ul style="list-style-type: none"> Bestpeer Pte Ltd 	Nil	<ul style="list-style-type: none"> NUS Graduate School (Professor) 	Nil
Sum Wai Fun, Adeline (Independent Non-Executive Director)	52	Other Companies <ul style="list-style-type: none"> Mercatus Co-operative Limited NTUC Health Co-operative Limited Moneyowl Private Limited NTUC Learninghub Pte Ltd NTUC First Campus Co-operative Ltd Orchid Leisure Enterprise (Pte) Ltd 	<ul style="list-style-type: none"> Singapore Institute of Management Society Singapore Institute of Management Group Limited 	<ul style="list-style-type: none"> Singapore Labour Foundation (Chief Executive Officer) NTUC Enterprise Co-operative Limited (Deputy Chief Executive Officer, Strategic Alignment) 	<ul style="list-style-type: none"> NTUC Enterprise Co-operative Limited (Chief Development Officer) Mercatus Co-operative Limited (Chief Executive Officer) NTUC Choice Homes-operative Limited (Chief Executive Officer) NTUC FairPrice Co-operative Limited (Managing Director, Corporate Strategy)

* Listed Company

NAME	AGE	PRESENT DIRECTORSHIPS / CHAIRMANSHIPS (AS AT 31 DECEMBER 2020)	PAST DIRECTORSHIPS / CHAIRMANSHIPS HELD OVER THE PRECEDING FIVE YEARS (FROM 1 JANUARY 2016 TO 31 DECEMBER 2020)	PRESENT PRINCIPAL COMMITMENTS	PAST PRINCIPAL COMMITMENTS OVER THE PRECEDING FIVE YEARS
Tham Ee Mern, Lilian (Independent Non-Executive Director)	52	Other Companies Nil	<ul style="list-style-type: none"> • Schroder Investment Management (Singapore) Ltd • Schroder Singapore Holdings Pte Ltd • SIMBL Nominees Pte Ltd • Schroder India Pte Ltd 	<ul style="list-style-type: none"> • Eastspring Investments (Singapore) Limited (Appointed as Director on 15 Mar 2021 and Chief Operating Officer on 4 Jan 2021) 	<ul style="list-style-type: none"> • Schroder Investment Management (Singapore) Ltd • Schroder Singapore Holdings Pte Ltd • SIMBL Nominees Pte Ltd • Schroder India Pte Ltd
Wang Kai Yuen (Independent Non-Executive Director)	73	Other Companies <ul style="list-style-type: none"> • COSCO Corporation (Singapore) Ltd* • Ezion Holdings Ltd* • HLH Group Ltd * • Emas Offshore Ltd * • Waan Holdings Pte Ltd 	<ul style="list-style-type: none"> • A-Sonic Aerospace Ltd* • Matex International Ltd* • China Aviation Oil (Singapore) Corporation Ltd* • Cubee Pte Ltd • Great Source Pte Ltd 	Nil	Nil

* Listed Company

RISK MANAGEMENT

The ComfortDelGro Group's Risk Management Framework provides a systematic process for the Group and its Business Units to identify and review the nature and complexity of the risks involved in their business operations and to prioritise resources to manage them. The Group is committed to enhance shareholder value through growth that is sustainable and profitable, while taking measured and well-considered risks.

The Group's approach to risk management is underpinned by several key principles:

- The risk management process is a continuous and iterative one, as the Group's businesses and operating environments are dynamic. Risk identification, assessment and risk management practices are reviewed and updated regularly to manage risks proactively.
- We promote and inculcate risk awareness among all our employees by embedding risk management processes into day-to-day business operations and setting an appropriate tone at the top. Regular exercises, continuous education and training, as well as communications through various forums on risk management are carried out to sustain a risk-informed and risk-aware culture in the Group.
- Ownership of and accountability for the risk management process is clearly defined and assigned to the Business Units (BUs), departments and individuals. Managers at each level have intimate knowledge of their businesses and take ownership of risk management, with stewardship retained at Senior Management.

In 2020, the COVID-19 pandemic has upended economies, businesses and livelihoods. For the land transport industry, safe commute has emerged as the top priority as governments sought to contain the spread of infection, and to assure the health and safety of the commuters and the public transport staff. Beyond the pandemic, the land transport industry continues to witness rapid changes and disruptions. Electrification, digitalisation and autonomous vehicles will shape the technological terrain of the industry in the coming years. New players such as technology start-ups and automotive manufacturers will emerge, ushering in new business and operating models for both public and private transportation. This presents both risks and opportunities for the Group.

The key efforts of 2020 were thus focussed in ensuring a safe workplace for our people, and a safe commute for our customers. As an essential service provider, the Group and our BUs had to continue operations even at the peak of the pandemic, but with safe management measures enforced. Amidst the disruption resulting from the COVID-19 pandemic, the Group also refreshed our risk management policies and processes, and reviewed the risk registers for the Group and its BUs. This enables us to assess and better manage our business and operational risks, and explore opportunities in the uncertain and volatile environment.

RISK MANAGEMENT MODEL

The Group has adopted the "4 Lines of Defence" as our assurance framework in risk management. The Board has the ultimate responsibility for the governance of risk, and sets the tone and direction for the Group. It delegates the oversight of risk management and internal control to the Audit and Risk Committee (ARC). The

The ARC helps the Board in ensuring that the Management establish and enforce a sound system of risk management and internal controls to safeguard the Group's assets and shareholders' interests, and that a robust system and processes is in-place to identify and manage risks enterprise-wide.



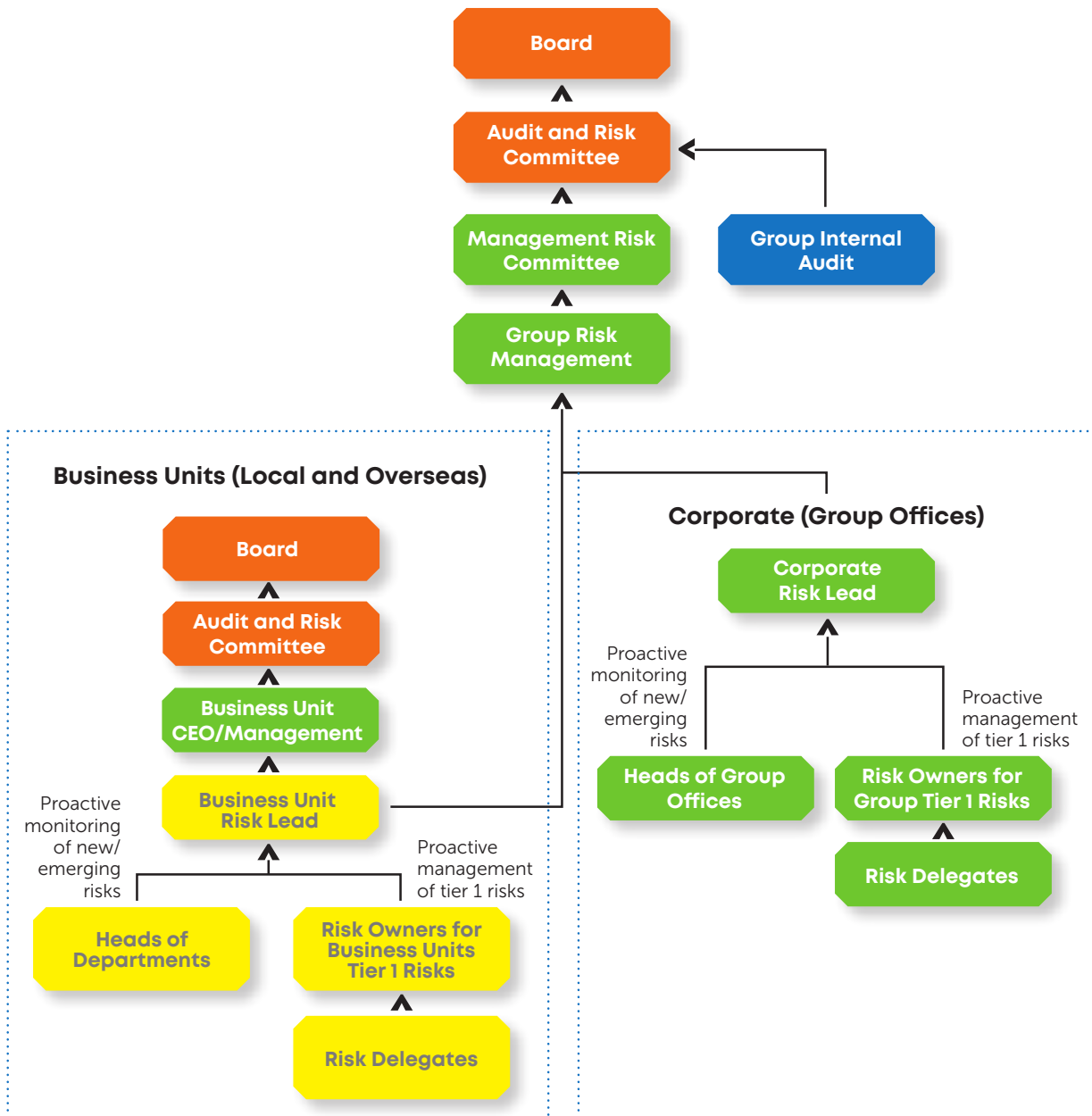
RISK MANAGEMENT

COMFORTDELGRO RISK MANAGEMENT STRUCTURE

The Management Risk Committee (MRC) works closely with the BUs to ensure that risk management is taken seriously, and that the risk management framework is diligently implemented across the Group. MD/Group CEO chairs the MRC, and members are drawn from major BUs and Departments Heads. Key risks for the Group are identified and presented to the ARC and the Board annually.

The Group Risk Management (GRM) meetings serve as the platform where Group and BU-level risks are shared and discussed, including the progress of the respective risk treatment action plans and the key risk indicators. Different BUs will have different risk profiles but the risk assessment methodology, approach and processes are aligned with that of the Group, including the risk taxonomy. BUs are expected to continually refine and review their risk profiles and to detect and report any emerging risks promptly. This is to prevent unexpected risks and disruptions to our business operations and growth.

COMFORTDELGRO RISK MANAGEMENT STRUCTURE



GROUP RISK PROFILE

The key risks faced by the Group, the relevant mitigating factors and how they are managed are set out in the paragraphs below. The risks are categorised along Strategic, Operational, Financial, Compliance and Information Technology risks.

STRATEGIC RISKS

BUSINESS STRATEGY RISK

The Group continually reviews our business strategy to ensure that we remain a relevant and significant player in the land mobility market. To strengthen our foothold in existing markets, we participate in competitive public transportation tenders and actively look for investment opportunities. We evaluate each new investment proposal to ensure that it is in line with the Group's strategy and investment objectives. In addition, the Group actively explores opportunities in new markets and businesses. Beyond the domain of land mobility, we seek to build resilience through diversification into adjacent or new businesses. In 2020, the Group has entered into a collaboration agreement with RATP Développement S.A. and Alstom to jointly bid for metro rail projects in the Greater Paris region, France. We will continue to watch for opportunities in smart and green mobility, e-commerce and digital lifestyle platforms that afford good growth potential in a post-COVID world.

COMPETITION RISK

Competition remains keen in the land mobility sector, as evident by the public bus tender exercises that the Group participated in Singapore, Australia and the United Kingdom (UK) in 2020. Despite the COVID-19 pandemic, there was also no reprieve in the competitive taxi-Private Hire Vehicle market. Beyond established mobility operators, there are new entrants and technology start-ups emerging as competitors in the various markets. To remain relevant, the Group and our BUs will have to improve our offerings and services, and also enhance efficiency through digitalisation. We must also leverage on partnerships and collaborations to enhance our value propositions.

TECHNOLOGY EXPLOITATION RISK

The advent of technology in the mobility sector has brought about disruptions and industry transformation. To stay ahead of the technology curve, the Group actively explores and experiments with innovative technologies and new business models. We keep a close watch and selectively invest in digitalisation, electrification and autonomous technologies that will impact and shape the future of the mobility industry. In 2020, a digital roadmap was formulated by the Group Digital Office, with various projects planned for progressive implementation. The Group has also invested in strengthening its technology team in the areas of data science and mobility technologies. Various digital trainings were also held for the staff across the Group to raise digital knowledge, glean data insights and enable innovative solutioning.

OPERATIONAL RISKS

HEALTH & SAFETY RISK

The safety and security of our customers, employees and the general public have always been our top priority within our businesses. To achieve assurance, we regularly update and review our Health and Safety policies and procedures. We apply zero tolerance to non-compliance on these policies. Our employees go through yearly health and safety training with reputable service providers to equip them with the right first aid skill set. We performed regular servicing to our public vehicles, inspect high-risk premises and conduct fire drills as part of our prevention measurements.

The COVID-19 pandemic necessitates that the Group and its BUs introduce and enforce safe management measures, including the enhanced cleaning of our vehicles, facilities and workplaces. Less our frontline staff, the Group actively enables other staff to work from home. Given the resurgent waves of infection in various parts of the world, the Group will continue to monitor the situation, adhere strictly to the stipulated safe management measures, and ensure that we do not fall prey to COVID-19 fatigue.

RISK MANAGEMENT

OPERATIONAL PERFORMANCE RISK

The Group and its BUs have established the requisite frameworks, standard operating procedures and business continuity plans to ensure operational effectiveness and enable compliance and control of our various business operations and services. We understand the stringent demands of public transport services, as any breakdown or disruption can affect thousands of commuters. The Group is thus committed to ensure high standards in reliability, safety and security – both in operations and in maintenance. As part of the process improvement and risk mitigation, we seek to adopt the best practices in industry, harmonise and streamline our processes, and embrace ISO certifications in areas of operational excellence, safety, and asset management. Ensuring high standards and operational excellence will enable us to deliver the desired outcomes and mitigate the risk of operating licences being revoked.

PEOPLE RISK

The Group's ability to develop and grow the business depends on the quality of its people, and it is committed to invest in developing its talent pool. We believe in developing a strong workforce by putting in place various programmes and processes. These include talent management, building management bench strength, succession planning, performance management, compensation and benefits, training and development, and employee conduct and supervision. We ensure that our employees are selected and promoted based on merit, and that they understand their responsibilities and are given access to the necessary training. At all times, a positive, constructive and productive working climate based on strong tripartite relations is fostered. We work with the authorities and the unions to ensure that our people are fairly recognised, remunerated and taken care of. Over the COVID-19 period, the Group took decision to provide accommodation for stranded foreign staff in Singapore when neighbouring borders were closed. This ensured the continuity of critical services and also the livelihoods of these staff.

FINANCIAL RISKS

FINANCIAL MANAGEMENT RISK

The Group recognises that effective management of financial risks is essential in the creation of shareholder value. The main areas of financial risks faced by the Group are foreign exchange/ currency risk, interest rate risk, credit/ counterparty risk, liquidity risk and fuel and electricity price risk. It is the Group's policy not to participate in financial derivative instruments, except for use as hedging instruments, where appropriate. Over the COVID-19 pandemic, the Group Finance Office conducted regular sensitivity analysis and reviews of the Group's exposure to financial risks under the evolving crisis. With prudent cost management, the Group is able to remain relatively unscathed over this pandemic.

The Group upholds the highest integrity in financial statement disclosure. Financial Authority Limits are put in place for capital expenditure, operating expenses, treasury matters, direct investments, revenue tender participation, and disposal and write-off of assets. These authority limits are delegated based on the organisational hierarchy from the Board down to the MD/Group CEO and the Heads of BUs/ Departments, with the Board retaining the ultimate authority.

FRAUD RISK

The Group recognises that fraud risk not only negatively impact our financial results, but also our reputation. We frequently conduct external and internal audit reviews to identify potential gaps within our organisation. The Group Risk Office also ensures a robust internal control environment, with both prevention and detection controls embedded into our finance and business processes, including check and balance and no single approval for all transactions. Beyond controls, the Group also promotes an ethical culture and educates our staff to identify and report possible fraudulent act committed both internally and externally.

COMPLIANCE RISKS

COMPLIANCE & REGULATORY RISK

The Group is committed to ensure that all BUs comply with the laws and regulations in the country they operate in. These regulations include pricing, service standards, licences to operate and transport policies. As part of the risk management process, we maintain a compliance framework to monitor for changes in the laws and regulations. Any changes are disseminated and updated in the respective compliance registers. We proactively engaged the regulatory authorities in the various countries for any updated policies. Our in-house legal and compliance teams provide advisories on the proposed updates and potential impacts to business operations. As and where necessary, our BUs will also provide feedback on proposed regulatory changes during industry or public consultation exercises.

INFORMATION TECHNOLOGY RISKS

CYBERSECURITY RISK

Cybersecurity remains a key risk for the Group, given the trend of increasing cyber-attacks globally, and that our digital footprint has grown with increased digitalisation. The COVID-19 pandemic added a new dimension to cybersecurity as more employees are now working from home. Coupled with the ever evolving digital terrain, it is pertinent that the Group put in-place a comprehensive and robust security framework, with regular reviews to ensure continuing relevance in face of changing threats.

The Group's information technology security management framework complies with the latest industry standards. We have put in place various controls and data recovery measures to mitigate the risks, including the use of intrusion prevention systems, multi-level firewalls, server protection, software code hardening and data loss prevention controls to manage Internet security and cyber threats. Penetration tests are carried out regularly to test the systems, identify potential vulnerabilities and to strengthen the security hardening of our websites. Information security policies and procedures, including education and

training for all staff, are reviewed and enhanced regularly.

DATA CONFIDENTIALITY RISK

As a data custodian for our employees' and customers' personal data, the Group has implemented various policies, practices and controls to protect the confidentiality of these data. We regularly review our means of collecting, managing, safekeeping, sharing and disposal of such data to ensure compliance to the personal data protection regulations of the various jurisdictions that we operate in. The Group and the BUs also evaluate and update our data inventory map bi-annually. Data Protection Officers and other organisational representatives involved in the management of personal data are also sent for training to ensure that they are equipped with the required competencies.

AUDIT PROCESS

The Internal and External Auditors conduct reviews in accordance with their audit plans to assess the adequacy of the internal controls that are in place. A risk-based approach has been adopted in developing the annual audit plan, and in identifying the auditable areas of each entity. In the course of their audits, the Internal and External Auditors will highlight to the Management and the ARC the areas where there are material deficiencies, non-compliance, weaknesses or where there are occurrences or potential occurrence of significant risk events. The auditors will also propose mitigating measures and treatment plans. The recommendations are followed up as part of the Group's continuous review of its system of internal controls, and the implementation status is reported to the ARC.

The Group Internal Audit is independent of the activities it audits, and has unfettered access to the ARC, the Board and the Management. In line with best practices, Group Internal Audit has a Quality Assurance Programme that covers all aspects of its audit activities and conforms to international standards of auditing. External quality assessment reviews are carried out at least once every five years and the last review was conducted in 2017 by PwC.

RISK MANAGEMENT

RISK CULTURE

The Group believes in setting a robust risk management culture by ensuring good awareness, attitudes and behaviour towards risk management. We aim for continuous improvements by aligning ourselves with best practices and lessons learnt. In 2020, we have engaged external consultants to assist in the implementation of the refreshed risk

management framework in the UK and Australia. Six risk training sessions were also conducted across the Group, including for our UK, Australia and China entities. This is to provide the CEOs and the risk leads the requisite risk management knowledge and awareness, and to integrate the risk processes and procedures into their business operations.



CODE OF BUSINESS CONDUCT

The Group has adopted a Code of Business Conduct which sets out the principles and policies upon which businesses are conducted. The Code of Business Conduct includes the anti-corruption and anti-bribery policies that stress on zero tolerance on fraud, improper use of monetary favors, gifts or entertainment. In addition, employees should not put themselves in a position of conflict of interest with the Group. If there is a potential conflict of interest, employees should declare to their immediate supervisors and recuse themselves from the decision process.

WHISTLE BLOWING POLICY

The Whistle Blowing Policy is to provide a mechanism for employees to raise concerns, through well-defined and accessible confidential disclosure channels about possible improprieties in financial reporting or other improper business conduct. Employees are given a Company Handbook detailing how they can go about raising their concerns. Incidents can also be reported via a direct Intranet link to the Chairperson of the ARC and/or the Group Chief Internal Audit Officer. All cases are investigated and dealt with promptly and thoroughly.

DIRECTORIES

SINGAPORE

COMFORTDELGRO CORPORATION LIMITED*

205 Braddell Road
Singapore 579701
Mainline: (65) 6383 8833
Fax: (65) 6287 0311
Website: www.comfortdelgro.com
Email: info@comfortdelgro.com

BUS

COMFORTDELGRO BUS PTE LTD

205 Braddell Road
Singapore 579701
Mainline: (65) 6553 3838
Fax: (65) 6456 0922
Website: www.comfortdelgrobus.com.sg
Email: enquiry@comfortdelgrobus.com.sg

SBS TRANSIT LTD*

205 Braddell Road
Singapore 579701
Mainline: (65) 6284 8866
Fax: (65) 6287 0311
Website: www.sbstransit.com.sg
Email: crc@sbstransit.com.sg

RAIL

SBS TRANSIT DTL PTE LTD

205 Braddell Road
Singapore 579701
Mainline: (65) 6284 8866
Fax: (65) 6287 0311
Website: www.sbstransit.com.sg
Email: crc@sbstransit.com.sg

SBS TRANSIT LTD*

205 Braddell Road
Singapore 579701
Mainline: (65) 6284 8866
Fax: (65) 6287 0311
Website: www.sbstransit.com.sg
Email: crc@sbstransit.com.sg

TAXI

CITYCAB PTE LTD

600 Sin Ming Avenue
Singapore 575733
Mainline: (65) 6555 1188
Fax: (65) 6453 3183
Website: www.cdgtaxi.com.sg
Email: feedback@cdgtaxi.com.sg

COMFORT TRANSPORTATION PTE LTD

383 Sin Ming Drive
Singapore 575717
Mainline: (65) 6555 1188
Fax: (65) 6453 3183
Website: www.cdgtaxi.com.sg
Email: feedback@cdgtaxi.com.sg

INSPECTION & TESTING SERVICES

VICOM LTD*

385 Sin Ming Drive
Singapore 575718
Mainline: (65) 6458 4555
Fax: (65) 6458 1040
Website: www.vicom.com.sg
Email: customerservice@vicom.com.sg

VICOM INSPECTION CENTRE PTE LTD

385 Sin Ming Drive
Singapore 575718
Mainline: (65) 6458 4555
Fax: (65) 6458 1040
Website: www.vicom.com.sg
Email: customerservice@vicom.com.sg

JIC INSPECTION SERVICES PTE LTD

53 Pioneer Road
Singapore 628505
Mainline: (65) 6863 9639
Fax: (65) 6863 1838
Website: www.vicom.com.sg
Email: customerservice@vicom.com.sg

SETSCO SERVICES PTE LTD

18 Teban Gardens Crescent
Singapore 608925
Mainline: (65) 6566 7777
Fax: (65) 6566 7718
Website: www.setsco.com
Email: marketing@setsco.com

SETSCO CONSULTANCY INTERNATIONAL PTE LTD

18 Teban Gardens Crescent
Singapore 608925
Mainline: (65) 6566 7777
Fax: (65) 6566 7718
Website: www.setsco.com
Email: marketing@setsco.com

AUTOMOTIVE ENGINEERING SERVICES

COMFORTDELGRO ENGINEERING PTE LTD

205 Braddell Road
Singapore 579701
Mainline: (65) 6383 6280
Fax: (65) 6280 9755
Website: www.cdge.com.sg
Email: enquiries@cdge.com.sg

DRIVING CENTRE

COMFORTDELGRO DRIVING CENTRE PTE LTD

205 Ubi Avenue 4
Singapore 408805
Mainline: (65) 6841 8900
Website: www.cdc.com.sg

MEDICAL TRANSPORT SERVICES

COMFORTDELGRO MEDCARE PTE LTD

205 Braddell Road
Singapore 579701
Website: www.cdgmedcare.com
Email: info@cdgmedcare.com

CAR RENTAL & LEASING

COMFORTDELGRO RENT-A-CAR PTE LTD

205 Braddell Road
Singapore 579701
Mainline: (65) 6882 0888
Fax: (65) 6665 1818
Website: www.cdgrentacar.com.sg
Email: sales@cdgrentacar.com.sg

MOBILITY AND LIFESTYLE SERVICES

CDG ZIG PTE LTD

108 Pasir Panjang Road, #05-01
Singapore 118535
Website: www.zig.live
Email: media@zig.live

OUTDOOR ADVERTISING

MOOVE MEDIA PTE LTD

600 Sin Ming Avenue
Level 2 CityCab Building
Singapore 575733
Mainline: (65) 6383 7035
Fax: (65) 6288 7112
Website: www.moovemediam.com.sg
Email: advertising@moovemediam.com.sg

INSURANCE BROKING SERVICES

COMFORTDELGRO INSURANCE BROKERS PTE LTD

205 Braddell Road
Singapore 579701
Mainline: (65) 6383 8833
Fax: (65) 6286 2112
Email: insurance@comfortdelgro.com.sg

AUSTRALIA

COMFORTDELGRO CORPORATION AUSTRALIA PTY LTD

28 Prosperity Street
Truganina VIC 3029
Mainline: (61) 3 9958 1880
Website: <https://comfortdelgro.com.au>
Email: info.australia@cdcbus.com.au

* Listed on the Singapore Exchange

DIRECTORIES

NEW SOUTH WALES SYDNEY

BUS

CDC NSW PTY LTD AND HILLSBUS CO PTY LTD

29 Foundry Road
Seven Hills NSW 2147
Mainline: (61) 2 8889 7000
Website: www.cdcbus.com.au
Email: customer.service@cdcbus.com.au

FOREST COACH LINES PTY LTD

335 Mona Vale Road
Terrey Hills NSW 2084
Mainline: (02) 9450 2277
Email: buses@forestcoachlines.com.au

BALLINA

BUS

B&E BLANCH PTY LTD

5 De Havilland Crescent
Ballina NSW 2478
Mainline: (02) 6686 2144
Email: info.northcoast@cdcbus.com.au

OUTDOOR ADVERTISING

MOOVE MEDIA AUSTRALIA PTY LTD

Suite 104, 15 Belvoir Street
Surry Hills NSW 2010
Mainline: (61) 2 9690 1144
Fax: (61) 2 9310 5753
Website: www.moovemediao.com
Email: info@moovemedio.com.au

BROKEN HILL

BUS

CDC BROKEN HILL PTY LTD

13 Kanandah Road
Broken Hill NSW 2880
Mainline: (08) 8087 3311
Email: cdcbrokenhill@cdcbus.com.au

BLUE MOUNTAINS AND HUNTER VALLEY

BUS

BLUE MOUNTAINS TRANSIT PTY LTD

25 Great Western Highway
Valley Heights NSW 2777
Mainline: (61) 2 4751 1077
Website: www.cdcbus.com.au
Email: bmtcustomerservice@cdcbus.com.au

HUNTER VALLEY BUSES PTY LTD

Hunter Valley Buses
Region 2
Thornton Depot
6 Glenwood Drive
Thornton NSW 2322
Mainline: (61) 2 4935 7200
Website: www.cdcbus.com.au
Email: customer.service@cdcbus.com.au

HUNTER VALLEY BUSES PTY LTD

Hunter Valley Buses
Region 4
Edgeworth Depot
19 Arnott Street
Edgeworth NSW 2285
Mainline: (61) 2 4958 2057
Website: www.cdcbus.com.au
Email: customer.service@cdcbus.com.au

COASTAL LINER COACHES

157 Sparks Road
Warnervale NSW 2259
Mainline: (02) 4392 3050
Email: accounts@coastalliner.com.au

QUEANBEYAN

BUS

QCITY TRANSIT PTY LTD

11 Bass Street
Queanbeyan NSW 2620
Mainline: (61) 2 6299 3722
Website: www.qcitytransit.com.au
Website: www.transborder.com.au
Email: capitalinfo@cdcbus.com.au

VICTORIA MELBOURNE

BUS

CDC VICTORIA PTY LTD

28 Prosperity Street
Truganina VIC 3029
Mainline: (61) 3 9977 9999
Website: <https://cdcvictoria.com.au>
Email: info.vic@cdcbus.com.au

TAXI

CDC FLEET PTY LTD

1-13 Louis Street
Airport West VIC 3042
Mainline: (03) 9330 3231
Website: <https://cdcfleet.com.au>
Email: contact.vic@cdcfleet.com.au

NON-EMERGENCY PATIENT TRANSPORTATION

NATIONAL PATIENT TRANSPORT PTY LTD

3/158-168 Browns Road
Noble Park North VIC 3174
Mainline: (03) 8588 4888
Website: <https://www.nptgroup.com.au>
Email: info.australia@nptgroup.com.au

MILDURA

BUS

CDC MILDURA PTY LTD

8-10 Bathurst Court
Mildura VIC 3500
Mainline: (03) 5023 0274
Email: cdcmildura@cdcbus.com.au

BALLARAT

BUS

CDC BALLARAT PTY LTD

804 Norman Street
Invermay Park VIC 3350
Mainline: (03) 5331 7777
Email: cdcballarat@cdcbus.com.au

GEELONG

BUS

CDC GEELONG PTY LTD

65 Edols Street
North Geelong VIC 3215
Mainline: (03) 5240 5000
Email: cdcgeelong@cdcbus.com.au

NORTHERN TERRITORY DARWIN

BUS

BUSLINK NT PTY LTD

113 Pruen Road
Berrimah NT 0828
Mainline: (08) 8944 2444
Website: www.buslink.com.au
Email: info.darwin@buslink.com.au

ALICE SPRINGS

BUS

BUSLINK ALICE SPRINGS PTY LTD

7 Kidman Street
Alice Springs NT 0870
Mainline: (08) 8952 5611
Website: www.buslink.com.au
Email: info.alicesprings@buslink.com.au

QUEENSLAND SUNSHINE COAST

BUS

CDC SOUTH EAST QUEENSLAND PTY LTD

11 Page Street
Kunda Park QLD 4556
Mainline: (07) 5476 6622
Website: <https://cdcqueensland.com.au>
Email: info.sunshinecoast@cdcbus.com.au

GLADSTONE

BUS

CDC GLADSTONE PTY LTD

9 Lyons Street
Gladstone QLD 4680
Mainline: (07) 4972 1670
Website: <https://cdcqueensland.com.au>
Email: info.gladstone@cdcbus.com.au

WESTERN AUSTRALIA PERTH

TAXI

SWAN TAXIS PTY LTD

7 Harvey Street
Victoria Park WA 6100
Mainline: (61) 8 9422 2222
Fax: (61) 8 9422 2224
Website: www.swantaxis.com.au
Email: admin@swantaxis.com.au

COMFORTDELGRO SWAN PTY LTD T/A CDS FLEET MANAGEMENT

7 Harvey Street
Victoria Park WA 6100
Mainline: (61) 8 9375 3331
Email: admin@cdfsfleetmanagement.com.au

UNITED KINGDOM

ENGLAND LONDON

BUS

METROLINE LIMITED

ComfortDelGro House
329 Edgware Road
Cricklewood
London NW2 6JP
Mainline: (44) 20 8218 8888
Fax: (44) 20 8218 8840
Website: www.metroline.co.uk
Email: info@metroline.co.uk

COACH

WESTBUS COACH SERVICES LTD

Metroline Depot
12 Rigby Lane
Hayes UB3 1ET
Mainline: (44) 20 8756 4099
Fax: (44) 20 8570 2234
Website: www.westbus.co.uk
Email: reservations@westbus.co.uk

TAXI RADIO CIRCUIT

COMPUTER CAB PLC

31 Colville Road
Acton
London W3 8BL
Mainline: (44) 20 7908 0271
Website: www.comcab.co.uk
Email: info@comcab.co.uk

PRIVATE CAR HIRE

FLIGHTLINK INTERNATIONAL LIMITED

31 Colville Road
Acton
London W3 8BL
Mainline: (44) 20 7537 4777
Website: www.comfortexecutive.com
Email: admin@flchauffeurs.com

LIVERPOOL

TAXI RADIO CIRCUIT

COMPUTER CAB (LIVERPOOL) LIMITED

Abbey House
5-7 Falkland Street
Liverpool L3 8HB
Mainline: (44) 151 298 2060
Website: www.comcab.co.uk
Email: admin@comcab-liverpool.co.uk

ARGYLE SATELLITE LIMITED

15 Park Street
Birkenhead CH41 1ET
Mainline: (44) 0151 201 1111
Website: www.argylesatellite.com
Email: info@argyletaxis.com

SCOTLAND

GLASGOW

COACH

SCOTTISH CITYLINK COACHES LIMITED

Buchanan Bus Station
Killermont Street
Glasgow G2 3NW
Mainline: (44) 141 352 4444
Fax: (44) 141 332 4488
Website: www.citylink.co.uk
Email: info@citylink.co.uk

ABERDEEN

TAXI RADIO CIRCUIT

COMPUTER CAB (ABERDEEN) LIMITED

Burnside Drive
Dyce
Aberdeen AB21 0HW
Mainline: (44) 1224 35 35 35
Fax: (44) 1224 722 727
Website: www.comcab.co.uk
Email: enquiries@comcab-aberdeen.co.uk

WALES

CARDIFF

NEW ADVENTURE TRAVEL LTD

Coaster Place
Cardiff CF10 4XZ
Mainline: (44) 29 2044 2040
Website: www.natgroup.co.uk
Email: info@natgroup.co.uk

CHINA

COMFORTDELGRO (CHINA)

No. 633 Yan Ling Road
Guangzhou, Guangdong
Postal Code 510650
Mainline: (86) 20 6683 5088
Fax: (86) 20 6683 5008
Email: michaelhuang@comfortdelgro.com

NORTH CHINA BUSINESS UNIT BEIJING

TAXI

BEIJING JIN JIAN TAXI SERVICES CO., LTD

Beijing Jin Jian Office Building
Shifu Road A2
Shi Jing Shan District
Beijing
Postal Code 100042
Mainline: (86) 10 8895 1608
Fax: (86) 10 8895 1608
Email: emilywu@comfortdelgro.com

VEHICLE TESTING SERVICES

BEIJING TIAN LONG DA TIAN VEHICLE INSPECTION CO., LTD

No. 8 San Tai Shan Road, Jiu Gong
Da Xing District
Beijing
Postal Code 100076
Mainline: (86) 10 8760 0856
Fax: (86) 10 8760 2282
Email: emilywu@comfortdelgro.com

JILIN CITY, JILIN PROVINCE

TAXI

JILIN COMFORTDELGRO TAXI CO., LTD

West side of Chengnan Street
High-tech Industrial Development Zone,
Jilin City, Jilin Province
Postal Code 132013
Mainline: (86) 432 6456 5609
Fax: (86) 432 6456 5618
Email: nixipeng@comfortdelgro.com

SHENYANG, LIAONING PROVINCE

TAXI

CITYCAB (SHENYANG) CO., LTD

No. 52 Wen Hua East Road
Shenhe District
Shenyang, Liaoning
Postal Code 110015
Mainline: (86) 24 2422 3741
Fax: (86) 24 2482 3064
Email: duanln@comfortdelgro.com

DIRECTORIES

SHENYANG COMFORTDELGRO TAXI CO., LTD

No. 52 Wen Hua East Road
Shenhe District
Shenyang, Liaoning
Postal Code 110015
Mainline: (86) 24 2420 3741
Fax: (86) 24 2482 3064
Email: duanln@comfortdelgro.com

WEST CHINA BUSINESS UNIT CHENGDU, SICHUAN PROVINCE

TAXI

CHENGDU COMFORTDELGRO TAXI CO., LTD

1801-1802, 18/F, Building 3
West international Jewelry Center
No 52, Shuxi Road
Jinniu District
Chengdu, Sichuan
Postal Code 610037
Mainline: (86) 28 8471 5206
Fax: (86) 28 8471 5206 814
Email: dennislilm@comfortdelgro.com

CAR RENTAL & LEASING

COMFORTDELGRO RENT-A-CAR (CHENGDU) CO., LTD

No. 910 Daohang Road,
Riyue Avenue 2nd Section,
Qing Yang District, Sichuan
Postal Code 610091
Mainline: (86) 28 8471 8859
Fax: (86) 28 8471 7858
Email: dennislilm@comfortdelgro.com

DRIVING CENTRE

CHENGDU COMFORTDELGRO QING YANG DRIVING SCHOOL CO., LTD

No. 910 Daohang Road,
Riyue Avenue 2nd Section,
Qing Yang District, Sichuan
Postal Code 610091
Mainline: (86) 28 8707 0700
Email: dennislilm@comfortdelgro.com

EAST CHINA BUSINESS UNIT SHANGHAI

TAXI

SHANGHAI CITY QI AI TAXI SERVICES CO., LTD

10F, No. 285, Lu Jia Bang Road
Shanghai
Postal Code 200011
Mainline: (86) 21 6313 5248
Fax: (86) 21 6313 1717
Email: samsonchua@comfortdelgro.com

SUZHOU, JIANGSU PROVINCE

TAXI

SUZHOU COMFORT TAXI CO., LTD

Room A505, No. 199 Dong Xing Road
Suzhou Industrial Park
Postal Code 215000
Mainline: (86) 512 6762 0203
Fax: (86) 512 6588 3991
Email: samsonchua@comfortdelgro.com

NANJING, JIANGSU PROVINCE

TAXI

NANJING COMFORTDELGRO DAJIAN TAXI CO., LTD

38 Kazimen Street
Yu Hua Tai District
Nanjing, Jiangsu
Postal Code 210012
Mainline: (86) 25 5872 1710
Fax: (86) 25 5872 1712
Email: samsonchua@comfortdelgro.com

DRIVING CENTRE

NANJING COMFORTDELGRO XIXIA DRIVER TRAINING CO., LTD

33 Jingtian Road, Xigang Sub-district
Qixia District
Nanjing, Jiangsu
Postal Code 210033
Mainline: (86) 25 8571 1368
Email: samsonchua@comfortdelgro.com

SOUTH CHINA BUSINESS UNIT GUANGZHOU, GUANGDONG PROVINCE

BUS STATION

GUANGZHOU XIN TIAN WEI TRANSPORTATION DEVELOPMENT CO., LTD

No. 633 Yan Ling Road
Guangzhou, Guangdong
Postal Code 510650
Mainline: (86) 20 6683 5088
Fax: (86) 20 6683 5008
Website: www.tianhebus.com
Email: michaelhuang@comfortdelgro.com

NANNING, GUANGXI PROVINCE

TAXI

NANNING COMFORT TRANSPORTATION CO., LTD

Room 202, 2nd Floor, Block A,
Building 15, No.68 Ke Yuan Avenue,
Nanning, Guangxi
Postal Code 530007
Mainline: (86) 771 581 6783
Fax: (86) 771 339 3629
Email: michaelhuang@comfortdelgro.com

IRELAND

GALWAY

INTER-CITY EXPRESS COACH

COMFORTDELGRO IRISH CITYLINK LIMITED

17 Forster Street
Galway
Mainline: (353) 91 564164
Website: www.citylink.ie
Email: info@citylink.ie

VIETNAM

HO CHI MINH CITY

TAXI

VIETNAM TAXI CO., LTD

Tan Binh Industrial Park
Lot IV-15B Road 4
Tay Thanh Ward
Tan Phu District
Ho Chi Minh City
Mainline: (84) 28 3815 5152
Fax: (84) 28 3815 5158
Website: www.vinataxi.vn
Email: info@vinataxi.vn

MALAYSIA

KUALA LUMPUR

AUTO LEASING

CITYLIMO LEASING (M) SDN BHD

No. 10 Jalan SS13/6
Subang Jaya Industrial Estate
47500 Subang Jaya
Selangor Darul Ehsan
Mainline: (60) 3 5638 1818
Fax: (60) 3 5638 1881
Website: www.citylimo.com.my
Email: sales@citylimo.com.my

INSPECTION & TESTING SERVICES

SETSCO SERVICES (M) SDN BHD

31, Jalan Industri Mas 12
Taman Mas, 47100 Puchong
Selangor Darul Ehsan
Mainline: (60) 3 8052 6822 / 8052 7822
Fax: (60) 3 8052 5822
Email: marketing@setSCO.com

FINANCIAL CALENDAR

2019

Announcement of 2018 Full Year Results	13 February 2019
Annual General Meeting	26 April 2019
Announcement of 1st Quarter 2019 Results	14 May 2019
Payment of 2018 Final Dividend (6.15 cents/share)	14 May 2019
Announcement of 2nd Quarter 2019 Results	13 August 2019
Payment of 2019 Interim Dividend (4.5 cents/share)	28 August 2019
Announcement of 3rd Quarter 2019 Results	13 November 2019

2020

Announcement of 2019 Full Year Results	14 February 2020
Annual General Meeting	22 May 2020
Payment of 2019 Final Dividend (5.29 cents/share)	9 June 2020
Announcement of 2020 Half Year Results	14 August 2020

2021

Announcement of 2020 Full Year Results	15 February 2021
Annual General Meeting	30 April 2021
Payment of 2020 Final Dividend 1.43 cents/share) (Subject to Shareholders' approval at the forthcoming Annual General Meeting)	20 May 2021
Announcement of 2021 Half Year Results	13 August 2021*

* Provisional – Updates will be posted on www.comfortdelgro.com

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DIRECTORS' STATEMENT

The Directors present their statement together with the audited Consolidated Financial Statements of ComfortDelGro Corporation Limited (the "Company") and its subsidiaries (the "Group"), the Statement of Financial Position and Statement of Changes in Equity of the Company for the financial year ended 31 December 2020.

In the opinion of the Directors, the Consolidated Financial Statements of the Group and the Statement of Financial Position and Statement of Changes in Equity of the Company as set out on pages 166 to 264 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2020, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1 DIRECTORS

The Directors of the Company in office at the date of this statement are:

Lim Jit Poh (Chairman)
Yang Ban Seng (Managing Director/Group Chief Executive Officer)
Jessica Cheam
Chiang Chie Foo
Mark Christopher Greaves (Appointed on 23 May 2020)
Lee Khai Fatt, Kyle
Ooi Beng Chin
Sum Wai Fun, Adeline
Tham Ee Mern, Lilian
Wang Kai Yuen

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the options mentioned in paragraphs 3 and 4 of the Directors' Statement.

DIRECTORS' STATEMENT

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and its related corporations as recorded in the register of Directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act, Cap. 50, except as follows:

	At 1 January 2020 or date of appointment, if later	At 31 December 2020	At 21 January 2021
Interest in the Company			
(a) Ordinary shares			
Lim Jit Poh	244,425	244,425	244,425
Yang Ban Seng	7,168	7,168	7,168
Yang Ban Seng (Deemed Interest)	18,185	18,185	18,185
Mark Christopher Greaves	–	20,000	20,000
Lee Khai Fatt, Kyle	100,000	100,000	100,000
Lee Khai Fatt, Kyle (Deemed Interest)	70,000	70,000	70,000
Sum Wai Fun, Adeline	240,000	240,000	240,000
Wang Kai Yuen	52,500	52,500	52,500
(b) Options to subscribe for ordinary shares			
Yang Ban Seng	660,000	330,000	330,000
(c) Unvested performance share awards under the ComfortDelGro Executive Share Award Scheme			
		Number of unvested share held by Directors	
		At 1 January 2020	At 31 December 2020
Yang Ban Seng		100,000	225,000
	At 1 January 2020 or date of appointment, if later	At 31 December 2020	At 21 January 2021

Interest in subsidiary, VICOM Ltd

(a) Ordinary shares			
Lim Jit Poh	190,000	760,000*	760,000*
Mark Christopher Greaves	–	10,000	10,000

* Increased from 190,000 to 760,000 shares due to share split of every one ordinary share in the capital of VICOM Ltd into four ordinary shares with effect from 12 June 2020.

4 SHARE OPTIONS AND SHARE AWARDS

(A) Share options of the Company

- (i) The ComfortDelGro Employees' Share Option Scheme (the "CDG ESOS") for a period of 10 years was approved by the shareholders of the Company on 18 February 2003. It expired on 17 February 2013 and hence no option has been granted since then. The existing options granted will continue to vest according to the terms and conditions of the CDG ESOS. The CDG ESOS is administered by the Remuneration Committee (the "Committee") comprising Messrs Wang Kai Yuen (Chairman), Lim Jit Poh, Ooi Beng Chin and Sum Wai Fun, Adeline.
- (ii) Under the CDG ESOS, an option entitles the option holder to subscribe for a specific number of new ordinary shares at a subscription price determined with reference to the market price of the shares at the time of grant of the option. The subscription price does not include any discount feature. The consideration for the grant of an option is \$1.00. The option may be exercised at any time after the first anniversary of the date of grant but before the tenth anniversary (fifth anniversary for non-executive Directors) of the date of grant of that option or such shorter period as determined by the Committee. The option may be exercised in whole or in part on the payment of the relevant subscription price. The participants to whom the options have been granted shall be eligible to participate in other share option schemes implemented by the Company and/or its subsidiaries. Options granted will lapse when the option holder ceases to be a full-time employee or Director of the Company or any company of the Group, subject to certain exceptions at the discretion of the Committee administering the CDG ESOS.
- (iii) Particulars of unissued shares under options granted pursuant to the CDG ESOS, options exercised and lapsed during the financial year and options outstanding as at 31 December 2020 were as follows:

Date of grant	Number of options to subscribe for ordinary shares			Outstanding at 31 December 2020	Subscription price per share	Expiry date
	Outstanding at 1 January 2020	Exercised	Lapsed			
2 July 2010	750,000	(600,000)	(150,000)	–	\$1.467	1 July 2020
23 June 2011	320,000	(20,000)	–	300,000	\$1.373	22 June 2021
20 June 2012	1,823,000	(90,000)	(30,000)	1,703,000	\$1.475	19 June 2022
Total	2,893,000	(710,000)	(180,000)	2,003,000		

DIRECTORS' STATEMENT

4 SHARE OPTIONS AND SHARE AWARDS (CONT'D)

(A) Share options of the Company (cont'd)

- (iv) Details of the options granted to Directors since the commencement of the CDG ESOS (including options granted under the Pre-Merger Option Scheme*) up to 31 December 2020 were as follows:

Director	Number of options to subscribe for ordinary shares			
	Aggregate options granted since the commencement to 31 December 2020	Aggregate options exercised since the commencement to 31 December 2020	Aggregate options lapsed since the commencement to 31 December 2020	Aggregate options outstanding at 31 December 2020
Lim Jit Poh	2,773,577	2,273,577	500,000	–
Yang Ban Seng	3,561,315	3,231,315	–	330,000
Sum Wai Fun, Adeline	600,000	600,000	–	–
Wang Kai Yuen	1,998,672	1,873,672	125,000	–

* Following the merger of Comfort Group Ltd and DelGro Corporation Limited, the outstanding options under the Comfort Executives' Share Option Scheme, the 2000 Comfort Share Option Scheme and the DelGro Executives' Share Option Scheme (collectively, the "Pre-Merger Option Scheme"), were exchanged for options under the CDG ESOS based on the then option exchange ratios.

The terms of the options granted to the Directors are disclosed in paragraph 4(A)(ii).

- (v) None of the options granted under the CDG ESOS include a discount feature to the market price of the shares at the time of grant. No participants to the CDG ESOS are controlling shareholders of the Company and their associates.
- (vi) None of the Directors or employees of the Company and its subsidiaries received 5% or more of the total number of options available under the CDG ESOS for the financial year ended 31 December 2020.

(B) Share awards of the Company

- (i) The Company obtained Shareholders' approval at its Annual General Meeting held on 26 April 2018 to implement the ComfortDelGro Executive Share Award Scheme ("CDG ESAS") for Executive Directors and Key Executives as part of the long-term incentive programme to attract talent, retain them and reward those who make significant contributions to the Group. The CDG ESAS is administered by the Remuneration Committee (the "Committee") comprising Messrs Wang Kai Yuen (Chairman), Lim Jit Poh, Ooi Beng Chin and Sum Wai Fun, Adeline.
- (ii) Under the CDG ESAS, the shares are granted conditional upon performance targets being met and have a vesting schedule whereby only a portion of the benefits would be granted each year. The grant of the shares may be withdrawn or clawed-back in the event of exceptional circumstances of material misstatement of financial results or misconduct resulting in financial or other losses for the Group.
- (iii) The Board and the Remuneration Committee believe that the Executive Share Award Scheme will help ensure that the Group continues to have a strong leadership team, credible talent pipeline and reinforce the delivery of long-term shareholder value.

4 SHARE OPTIONS AND SHARE AWARDS (CONT'D)

(B) Share awards of the Company (cont'd)

- (iv) During the financial year, the Company granted the second tranche of share awards of 570,000 (2019 : 510,000) ordinary shares pursuant to the CDG ESAS to selected employees of the Group. This included an award of 150,000 (2019 : 100,000) ordinary shares to Executive Director, Mr Yang Ban Seng. These are time-based awards to be vested over a 4-year period.
- (v) No participants to the CDG ESAS are controlling shareholders of the Company and their associates.
- (vi) Since the adoption of the CDG ESAS, a total of 1,080,000 share awards were granted. Details of the share awards granted, vested and cancelled and the number of unvested share awards outstanding as at the end of the financial years are as follows:

Date of grant	Number of share awards				Balance at 31 December 2020
	Balance at 1 January 2020	Granted	Vested	Cancelled	
6 May 2019	510,000	–	(121,250)*	(40,000)	348,750
6 May 2020	–	570,000	–	(20,000)	550,000
Total	510,000	570,000	(121,250)	(60,000)	898,750

* All of the ordinary shares were delivered by way of the transfer of treasury shares. No new ordinary shares were issued.

- (vii) Details of the share awards since the commencement of the Executive Share Award Scheme were as follows:

Director	Aggregate share awards granted since the commencement to 31 December 2020	Aggregate share awards vested since the commencement to 31 December 2020	Aggregate share awards outstanding at 31 December 2020
Yang Ban Seng	250,000	25,000	225,000

DIRECTORS' STATEMENT

5 AUDIT AND RISK COMMITTEE

At the date of this report, the Audit and Risk Committee comprises six non-executive and independent Directors as follows:

Lee Khai Fatt, Kyle (Appointed as Chairman on 23 May 2020)
Chiang Chie Foo
Mark Christopher Greaves (Appointed on 23 May 2020)
Sum Wai Fun, Adeline
Tham Ee Mern, Lilian
Wang Kai Yuen (Appointed on 1 September 2020)

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act, Cap. 50 and the Code of Corporate Governance 2018.

In performing its functions, the Audit and Risk Committee reviewed the overall scope of both internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors four times during the year to discuss the scope and results of their respective audits, and at least once annually without the presence of Management. The Audit and Risk Committee has reviewed the independence of the external auditors, Messrs Deloitte & Touche LLP, including the scope of the non-audit services performed and confirmed that the auditors are independent.

The Audit and Risk Committee has full access to and has the co-operation of Management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit and Risk Committee.

In addition, the Audit and Risk Committee reviewed the Financial Statements of the Group before their submission to the Board of Directors of the Company and provided assurance to the Board on the adequacy of financial, operational, compliance and information technology controls.

The Audit and Risk Committee has recommended to the Board of Directors, the nomination of Deloitte & Touche LLP for re-appointment as auditors of the Group at the forthcoming Annual General Meeting of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh
Chairman

Yang Ban Seng
Managing Director/Group Chief Executive Officer

Singapore
15 February 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COMFORTDELGRO CORPORATION LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the Financial Statements of ComfortDelGro Corporation Limited (the "Company") and its subsidiaries (the "Group") which comprise the Statement of Financial Position of the Group and the Company as at 31 December 2020, and the Group Income Statement, Group Comprehensive Income Statement, Group Statement of Changes in Equity and Group Cash Flow Statement and Statement of Changes in Equity of the Company for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies, as set out on pages 166 to 264.

In our opinion, the accompanying Consolidated Financial Statements of the Group and the Statement of Financial Position and the Statement of Changes in Equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the Financial Statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Taxi vehicles, taxi licences and goodwill impairment review

The Group reviews taxi licences with indefinite useful lives and goodwill for impairment annually or more frequently when there is an impairment indication. Impairment assessment is also performed for taxi vehicles and taxi licences with finite useful lives when there is an impairment indication. The carrying amount of taxi vehicles, taxi licences and goodwill are disclosed in Notes 13, 14 and 15 to the Financial Statements.

Management exercises significant judgements in the assumptions on inputs used in the discounted cash flow forecasts to determine the recoverable amounts. The key assumptions used by Management are disclosed in Note 3 to the Financial Statements.

Our audit procedures included critically challenging the key assumptions on growth rates and discount rates used by Management in the impairment review in the COVID-19 environment. We also performed sensitivity analysis around the key inputs including growth rates and discount rates used in the cash flow forecasts. We compared the growth rates to recent business performance, trend analysis and the growth rates for the relevant countries. For the discount rates, we involved our valuation specialist and compared it to the weighted average cost of capital. We found Management's key assumptions to be reasonable.

Key Audit Matters (cont'd)

Valuation and completeness of provision for accident claims

The valuation and completeness of provisions for settlement of accident claims involves estimation uncertainty (Note 3). Management considers the probability and amount of the expected settlement claims based on the number of claims lodged, recent settlements, third party settlement data and accident claims statistics report in determining the provision for accident claims as disclosed in Note 22 to the Financial Statements.

Our audit procedures included understanding the process used to determine the provision for accident claims. We compared the number of claims and recent settlements to accident claims statistics report issued by insurers; and independently evaluated the reasonableness of the provision estimated by Management. Based on our procedures, we found Management's key assumptions to be reasonable.

Provision for rail contract

One of the Mass Rapid Transit Systems has been making consecutive losses since the commencement of its operations. The Group has assessed that no provision for rail contract is required as at 31 December 2020 based on the financial forecast up to the end of the licence period in relation to this Mass Rapid Transit System.

As disclosed in Note 3 to the Financial Statements, significant judgement is exercised in key assumptions relating to ridership, changes in fare and quantum, timing and availability of incentives and grants from the authorities in projecting the future financial performance of the operations of this Mass Rapid Transit System.

Our audit procedures focused on evaluating the areas of significant judgement made by the Group in the assessment of provision for rail contract. We discussed with Management on their assessment of provision for rail contract. We obtained the Mass Rapid Transit System's financial forecast up to the end of the licence period and challenged key assumptions made by the Group, including reviewing relevant corroborative documentation of incentives and grants from the authorities, ridership and changes in fare. Based on our procedures, Management's key assumptions appear to be reasonable.

We have also assessed the appropriateness of the related disclosures in the Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the Financial Statements and our auditor's report thereon. The Directors' Statement was obtained prior to the date of this auditor's report and the remaining other information included in the annual report is expected to be made available to us after that date.

Our opinion on the Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information included in the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF COMFORTDELGRO CORPORATION LIMITED

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of the Financial Statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair Financial Statements and to maintain accountability of assets.

In preparing the Financial Statements, Management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Cheung Pui Yuen.

DELOITTE & TOUCHE LLP

Public Accountants and
Chartered Accountants
Singapore

15 February 2021

STATEMENTS OF FINANCIAL POSITION

31 DECEMBER 2020

	Note	The Group		The Company	
		2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
ASSETS					
Current assets					
Short-term deposits and bank balances	4	742.8	594.2	199.2	159.7
Trade receivables	5	291.8	318.7	–	–
Other receivables and prepayments	6	241.6	213.9	5.9	5.6
Due from subsidiaries	6	–	–	38.7	10.2
Grant receivables	12	67.3	41.6	0.2	–
Inventories	7	127.9	150.7	–	–
Total current assets		1,471.4	1,319.1	244.0	175.5
Non-current assets					
Subsidiaries	8	–	–	1,195.4	1,230.7
Associates	9	0.7	0.7	–	–
Investments	10	22.5	24.4	10.9	12.7
Other receivables and prepayments	6	6.7	4.0	16.1	19.8
Due from subsidiaries	6	–	–	353.5	331.3
Grant receivables	12	279.1	280.3	–	–
Vehicles, premises and equipment	13	2,619.5	2,879.7	6.9	8.5
Intangible assets	14	210.6	204.5	–	–
Goodwill	15	667.6	644.2	–	–
Deferred tax assets	16	30.4	22.1	–	–
Total non-current assets		3,837.1	4,059.9	1,582.8	1,603.0
Total assets		5,308.5	5,379.0	1,826.8	1,778.5

See accompanying notes to the Financial Statements.

	Note	The Group		The Company	
		2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
LIABILITIES AND EQUITY					
Current liabilities					
Borrowings	17	110.3	198.8	27.5	–
Lease liabilities from financial institutions	18	30.7	28.2	–	–
Lease liabilities	19	32.6	27.6	4.1	4.0
Trade and other payables	20	675.0	670.3	11.0	13.9
Due to subsidiaries	20	–	–	203.8	154.0
Deferred grants	21	61.7	27.6	0.3	–
Fuel price equalisation account		20.0	20.0	–	–
Provision for accident claims	22	48.7	51.6	–	–
Income tax payable		64.7	91.7	1.1	0.9
Total current liabilities		1,043.7	1,115.8	247.8	172.8
Non-current liabilities					
Borrowings	17	353.4	331.3	353.4	331.3
Lease liabilities from financial institutions	18	57.9	75.9	–	–
Lease liabilities	19	156.3	176.1	24.9	30.5
Deferred grants	21	384.6	364.9	–	–
Other liabilities	23	73.3	75.9	0.1	0.1
Fuel price equalisation account		20.0	20.0	–	–
Deferred tax liabilities	16	190.5	210.1	1.3	1.3
Total non-current liabilities		1,236.0	1,254.2	379.7	363.2
Total liabilities		2,279.7	2,370.0	627.5	536.0
Capital, reserves and non-controlling interests					
Share capital	24	693.4	692.2	693.4	692.2
Treasury shares	25	(0.2)	–	(0.2)	–
Other reserves	26	58.0	64.5	(39.4)	(38.0)
Foreign currency translation reserve		(23.6)	(93.6)	–	–
Accumulated profits		1,879.2	1,931.9	545.5	588.3
Equity attributable to shareholders of the Company		2,606.8	2,595.0	1,199.3	1,242.5
Non-controlling interests		422.0	414.0	–	–
Total equity		3,028.8	3,009.0	1,199.3	1,242.5
Total liabilities and equity		5,308.5	5,379.0	1,826.8	1,778.5

See accompanying notes to the Financial Statements.

GROUP INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$'mil	2019 \$'mil
Revenue	27	3,228.6	3,901.1
Staff costs	28	(1,550.1)	(1,726.2)
Depreciation and amortisation		(416.6)	(425.7)
Repairs and maintenance costs		(301.0)	(304.8)
Fuel and electricity costs		(182.0)	(303.8)
Contract services		(126.0)	(171.3)
Materials and consumables costs		(94.2)	(122.6)
Insurance premiums and accident claims		(85.7)	(94.5)
Road tax and licence fees		(81.0)	(94.5)
Premises costs		(77.6)	(76.0)
Provision for impairment on vehicles and goodwill		(48.3)	(27.3)
Utilities and communication costs		(18.9)	(21.2)
Advertising production and promotion costs		(12.7)	(23.4)
Net (loss)/gain on disposal of vehicles, premises and equipment		(11.2)	4.6
Other operating costs		(100.2)	(98.6)
Total Operating Costs		(3,105.5)	(3,485.3)
Operating Profit		123.1	415.8
Net Income from Investments		8.8	12.0
Finance Costs	29	(14.7)	(21.2)
Profit before Taxation		117.2	406.6
Taxation	30	(24.5)	(88.4)
Profit after Taxation	31	92.7	318.2
Attributable to:			
Shareholders of the Company		61.8	265.1
Non-Controlling Interests		30.9	53.1
		92.7	318.2
Earnings per share (in cents):			
Basic	32	2.85	12.24
Diluted	32	2.85	12.23

Certain comparative figures have been reclassified to conform to current year's presentation.

See accompanying notes to the Financial Statements.

GROUP COMPREHENSIVE INCOME STATEMENT

YEAR ENDED 31 DECEMBER 2020

	Note	2020 \$'mil	2019 \$'mil
Profit after Taxation	31	92.7	318.2
<i>Items that may be reclassified subsequently to profit or loss</i>			
Fair value adjustment on cash flow hedges		(0.2)	3.0
Exchange differences on translation of foreign operations		77.8	(16.2)
		77.6	(13.2)
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Actuarial adjustment on defined benefit plans		(6.7)	(2.1)
Fair value adjustment on equity investments		(2.0)	(7.5)
		(8.7)	(9.6)
Other comprehensive income for the year		68.9	(22.8)
Total comprehensive income for the year		161.6	295.4
Attributable to:			
Shareholders of the Company		123.0	245.8
Non-Controlling Interests		38.6	49.6
		161.6	295.4

See accompanying notes to the Financial Statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2020

	The Group							
	Attributable to shareholders of the Company							
	Share capital \$'mil	Treasury shares \$'mil	Other reserves \$'mil	Foreign currency translation reserve \$'mil	Accumulated profits \$'mil	Total \$'mil	Non-controlling interests \$'mil	Total equity \$'mil
Balance at 1 January 2019	691.1	–	80.9	(81.5)	1,900.0	2,590.5	408.3	2,998.8
Total comprehensive income for the year:								
Profit for the year	–	–	–	–	265.1	265.1	53.1	318.2
Other comprehensive income for the year	–	–	(7.2)	(12.1)	–	(19.3)	(3.5)	(22.8)
Total	–	–	(7.2)	(12.1)	265.1	245.8	49.6	295.4
Transactions recognised directly in equity:								
Exercise of share options (Notes 24 and 26)	1.1	–	(0.1)	–	–	1.0	–	1.0
Payment of dividends (Note 37)	–	–	–	–	(230.7)	(230.7)	–	(230.7)
Other reserves	–	–	(9.1)	–	(2.5)	(11.6)	(43.9)	(55.5)
Total	1.1	–	(9.2)	–	(233.2)	(241.3)	(43.9)	(285.2)
Balance at 31 December 2019	692.2	–	64.5	(93.6)	1,931.9	2,595.0	414.0	3,009.0
Total comprehensive income for the year:								
Profit for the year	–	–	–	–	61.8	61.8	30.9	92.7
Other comprehensive income for the year	–	–	(8.8)	70.0	–	61.2	7.7	68.9
Total	–	–	(8.8)	70.0	61.8	123.0	38.6	161.6
Transactions recognised directly in equity:								
Exercise of share options (Notes 24 and 26)	1.2	–	(0.1)	–	–	1.1	–	1.1
Payment of dividends (Note 37)	–	–	–	–	(114.6)	(114.6)	–	(114.6)
Purchase of treasury shares (Note 25)	–	(0.4)	–	–	–	(0.4)	–	(0.4)
Transfer from treasury shares to share-based payments (Note 25 and 26)	–	0.2	(0.2)	–	–	–	–	–
Other reserves	–	–	2.6	–	0.1	2.7	(30.6)	(27.9)
Total	1.2	(0.2)	2.3	–	(114.5)	(111.2)	(30.6)	(141.8)
Balance at 31 December 2020	693.4	(0.2)	58.0	(23.6)	1,879.2	2,606.8	422.0	3,028.8

See accompanying notes to the Financial Statements.

	The Company				
	Share capital \$'mil	Treasury shares \$'mil	Other reserves \$'mil	Accumulated profits \$'mil	Total equity \$'mil
Balance at 1 January 2019	691.1	–	(32.0)	604.5	1,263.6
Total comprehensive income for the year:					
Profit for the year	–	–	–	214.5	214.5
Other comprehensive income for the year	–	–	(6.3)	–	(6.3)
Total	–	–	(6.3)	214.5	208.2
Transactions recognised directly in equity:					
Exercise of share options (Notes 24 and 26)	1.1	–	(0.1)	–	1.0
Payment of dividends (Note 37)	–	–	–	(230.7)	(230.7)
Other reserves	–	–	0.4	–	0.4
Total	1.1	–	0.3	(230.7)	(229.3)
Balance at 31 December 2019	692.2	–	(38.0)	588.3	1,242.5
Total comprehensive income for the year:					
Profit for the year	–	–	–	69.4	69.4
Other comprehensive income for the year	–	–	(1.8)	–	(1.8)
Total	–	–	(1.8)	69.4	67.6
Transactions recognised directly in equity:					
Exercise of share options (Notes 24 and 26)	1.2	–	(0.1)	–	1.1
Purchase of treasury shares (Note 25)	–	(0.4)	–	–	(0.4)
Transfer from treasury shares to share-based payments (Note 25 and 26)	–	0.2	(0.2)	–	–
Payment of dividends (Note 37)	–	–	–	(114.6)	(114.6)
Other reserves	–	–	0.7	2.4	3.1
Total	1.2	(0.2)	0.4	(112.2)	(110.8)
Balance at 31 December 2020	693.4	(0.2)	(39.4)	545.5	1,199.3

See accompanying notes to the Financial Statements.

GROUP CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2020

	2020 \$'mil	2019 \$'mil
Operating activities		
Profit before Taxation	117.2	406.6
Adjustments for:		
Depreciation and amortisation	416.6	425.7
Finance costs	14.7	21.2
Interest income	(8.4)	(10.8)
Dividend income	(0.4)	(1.0)
Provision for impairment on vehicles and goodwill	48.3	27.3
Grant income	(46.8)	(42.5)
Net loss/(gain) on disposal of vehicles, premises and equipment	11.2	(4.6)
Provision for accident claims	14.2	22.0
Allowance for inventory obsolescence	23.9	2.8
Allowance for expected credit losses	7.2	3.0
Others	2.2	1.9
Operating cash flows before movements in working capital	599.9	851.6
Inventories	1.2	(14.5)
Trade receivables	24.7	(41.7)
Other receivables and prepayments	(28.4)	(30.3)
Grant receivables, net of deferred grants	3.4	(4.0)
Trade and other payables	1.6	(28.2)
Other liabilities	(12.7)	(4.6)
Payments of service benefits and long service awards	(0.9)	(0.9)
Payments of accident claims	(17.2)	(22.6)
Changes in working capital	(28.3)	(146.8)
Cash generated from operations	571.6	704.8
Income tax paid	(82.7)	(89.5)
Interest paid arising from leases	(5.2)	(5.4)
Net cash from operating activities	483.7	609.9

See accompanying notes to the Financial Statements.

	2020 \$'mil	2019 \$'mil
Investing activities		
Purchases of vehicles, premises and equipment	(198.5)	(506.7)
Less: Vehicles purchased under lease liabilities from financial institutions	6.2	40.4
Less: Proceeds from disposal of vehicles, premises and equipment	86.2	119.8
Cash payments on purchase of vehicles, premises and equipment	(106.1)	(346.5)
Investments made	–	(3.1)
Additions to intangible assets	(1.3)	–
Acquisition of subsidiaries, net of cash (Note 41)	(12.0)	(28.3)
Divestment of a subsidiary, net of cash (Note (a))	(0.2)	–
Interest received	9.5	10.3
Dividend received from investments	0.4	1.0
Net cash used in investing activities	(109.7)	(366.6)
Financing activities		
New loans raised	1,993.4	1,302.3
Repayment of borrowings and lease liabilities from financial institutions	(2,110.0)	(1,271.0)
Repayment of lease liabilities	(30.8)	(27.6)
Dividends paid to shareholders of the Company	(114.6)	(230.7)
Dividends paid to non-controlling shareholders of subsidiaries	(29.8)	(43.6)
Purchase of treasury shares	(0.4)	–
Proceeds from exercise of share options of the Company	1.1	1.0
Proceeds from exercise of share options of a subsidiary	–	0.3
Grants received	60.6	55.0
Interest paid	(10.7)	(15.4)
Net cash used in financing activities	(241.2)	(229.7)
Net effect of exchange rate changes in consolidating subsidiaries	15.8	(5.5)
Net increase in cash and cash equivalents	148.6	8.1
Cash and cash equivalents at beginning of year	594.2	586.1
Cash and cash equivalents at end of year (Note 4)	742.8	594.2

Note (a) Summary of the effects of divestment of a subsidiary:

	2020 \$'mil	2019 \$'mil
Net assets on divestment:		
Current assets	0.8	–
Non-current assets	0.3	–
Net assets divested/Proceeds from divestment	1.1	–
Non-controlling interests	(0.5)	–
Less : Cash adjustment upon deconsolidation of a subsidiary	(0.8)	–
Cash flow from divestment, net of cash	(0.2)	–

See accompanying notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

1 GENERAL

The Company (Registration No. 200300002K) is incorporated in the Republic of Singapore with its registered office and principal place of business at 205 Braddell Road, Singapore 579701. The Company is listed on the Singapore Exchange Securities Trading Limited.

The principal activities of the Company are those of investment holding and the provision of management services. The principal activities of the subsidiaries and associates are described in Note 40.

The Financial Statements are expressed in Singapore dollars and all values are expressed in million (\$'mil) except when otherwise indicated.

The Consolidated Financial Statements of the Group for the financial year ended 31 December 2020 and the Statement of Financial Position and Statement of Changes in Equity of the Company as at 31 December 2020 were authorised for issue by the Board of Directors on 15 February 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The Financial Statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below and are drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 and SFRS(I)s.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Consolidated Financial Statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

ADOPTION OF NEW AND REVISED FINANCIAL STANDARDS – On 1 January 2020, the Group and the Company adopted all the new and revised SFRS(I)s pronouncements that are relevant to its operations. The adoption of these new/revised SFRS(I)s pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years, except as disclosed below.

Impact of the initial application of COVID-19-Related Rent Concessions amendment to SFRS(I) 16

In May 2020, the Accounting Standard Council Singapore issued *COVID-19-Related Rent Concessions* (Amendment to SFRS(I) 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to SFRS(I) 16. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying SFRS(I) 16 if the change was not a lease modification. The amendment is effective for annual periods beginning on or after 1 June 2020, with early application permitted.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- (a) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- (b) Any reduction in lease payments affects only payments originally due in on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- (c) There is no substantive change to other terms and conditions of the lease.

In the current financial year, the Group has applied the amendment to SFRS(I) 16 in advance of its effective date.

Impact of accounting for changes in lease payments applying the exemption

The Group has applied the practical expedient to all rent concessions that meet the conditions in SFRS(I) 16:46B during the year, and has not restated prior period figures.

NEW/REVISED STANDARDS AND IMPROVEMENTS TO THE STANDARDS NOT YET ADOPTED – The Group has not applied the following accounting standards that are relevant to the Group and have been issued as at the end of the reporting period but not yet effective:

- Amendments to SFRS(I) 3 *Reference to the Conceptual Framework*⁽¹⁾
- Amendments to SFRS(I) 1-16 *Property, Plant and Equipment – Proceeds before Intended Use*⁽¹⁾
- Amendments to SFRS(I) 1-37 *Onerous Contracts – Cost of Fulfilling a Contract*⁽¹⁾
- Annual improvements to SFRS(I) 2018-2020⁽¹⁾
- Amendments to SFRS(I) 1 *Classification of Liabilities as Current or Non-current*⁽²⁾

⁽¹⁾ Applies to annual periods beginning on or after 1 January 2022.

⁽²⁾ Applies to annual periods beginning on or after 1 January 2023.

Management anticipates that the adoption of the above SFRS(I) pronouncements in future periods will not have a material impact on the Financial Statements of the Group in the period of their initial adoption.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

BASIS OF CONSOLIDATION – The Consolidated Financial Statements incorporate the Financial Statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Group Income Statement and Group Comprehensive Income Statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or Loss and each component of Other Comprehensive Income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies in line with those consistently used by the Group.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

In the Statement of Financial Position of the Company, investments in subsidiaries and associates are carried at cost less any impairment in net recoverable value that has been recognised in Profit or Loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

BUSINESS COMBINATIONS – The acquisition of subsidiaries is accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values, at the date of acquisition, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group to the former owners of the acquiree in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 *Business Combinations* are recognised at their fair values at the acquisition date except for deferred tax assets or liabilities which are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes*. Acquisition-related costs are recognised in Profit or Loss as incurred.

The interest of the non-controlling shareholders in the acquiree is initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

FINANCIAL INSTRUMENTS – Financial assets and financial liabilities are recognised on the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Profit or Loss.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt instruments that meet both the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value through Profit or Loss ("FVTPL").

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

Debt instruments classified as at FVTOCI

Investments in debt instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, any gains or losses on such a financial asset are recognised in Other Comprehensive Income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognised. When the financial asset is derecognised the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to Profit or Loss for the period.

Interest income is recognised in Profit or Loss and is included in the "Net Income from Investments" line item in Profit or Loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Equity instruments designated at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as FVTOCI. Designation at FVTOCI is not permitted if the equity instrument is held for trading.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value including any foreign exchange difference are recognised in Other Comprehensive Income. Such equity investments are not subject to impairment requirements. The amounts recognised in Other Comprehensive Income are not subsequently reclassified to Profit or Loss on disposal of the equity instruments.

Dividends on these investments in equity instruments are recognised in Profit or Loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "Net Income from Investments" line item in Profit or Loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group applies the simplified approach permitted by SFRS(I) 9 for trade receivables. The ECL on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors as well as current and forecast general economic conditions at the reporting date.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the rate of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, where relevant.

A default on a financial asset is when the counterparty fails to make contractual payments within a specific period after the credit period granted.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include taking into consideration observable data about the significant financial difficulty of the issuer or the borrower; a breach of contract, such as a default or past due event; it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Where receivables have been written off, the Group continues to recover the receivables due. Where recoveries are made, these are recognised in Profit or Loss.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in Profit or Loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the Investment Revaluation Reserve is reclassified to Profit or Loss. In contrast, on derecognition of an investment in equity instrument which the group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the Investment Revaluation Reserve is not reclassified to Profit or Loss, but is transferred to Retained Earnings.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Borrowings

Interest-bearing loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised in Profit or Loss over the term of the borrowings.

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in Profit or Loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Hedging instruments and hedge accounting

The Group uses hedging instruments to manage its exposure to fuel price fluctuation, interest rate and foreign exchange rate risks. The use of hedging instruments is governed by the Group's policies which provide written principles on the use of financial instruments consistent with the Group's risk management strategy (see Note 36).

Hedging instruments are initially recognised at fair value on the contract date, and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in Profit or Loss immediately unless the hedging instrument is designated and effective as a hedging instrument, in which event the timing of the recognition in Profit or Loss depends on the nature of the hedge relationship. The Group designates its hedging instruments as either fair value hedges or cash flow hedges.

Hedging instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of hedging instrument is classified as a non-current asset or a non-current liability if the maturity of the hedge relationship exceeds 12 months and as a current asset or current liability if the maturity of the hedge relationship is within 12 months.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and hedged item, along with its risk management objective and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

The Group designates any interest rate swap for hedging of interest rate risk arising from borrowings as cash flow hedges. Hedges of both foreign currency risk and fuel price risk for future purchases of goods are designated as cash flow hedges.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

Note 36(c) contains details of the fair values of the hedging instruments.

Fair value hedge

Changes in the fair value of hedging instruments that are designated and qualify as fair value hedges are recorded in Profit or Loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Cash flow hedge

The effective portion of changes in the fair value of hedging instruments that are designated and qualify as cash flow hedges are recognised in Other Comprehensive Income. The gain or loss relating to the ineffective portion is recognised immediately in Profit or Loss. Amounts recognised in Other Comprehensive Income are taken to Profit or Loss when the hedged item is realised.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

LEASES

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its properties and motor vehicles.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 to allocate the consideration under the contract to each component.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The lease liability is presented as a separate line in the Statement of Financial Position.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within vehicles, premises and equipment in the Statements of Financial Position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating costs' in the Group Income Statement.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

INVENTORIES – Inventories are stated at the lower of cost and net realisable value. Cost comprises cost of purchase and those costs that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average and first-in first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

VEHICLES, PREMISES AND EQUIPMENT – Vehicles, premises and equipment are stated at cost, less accumulated depreciation and any provision for impairment.

Capital projects in progress comprising development and construction costs incurred during the period of construction are carried at cost, less any recognised provision for impairment. Depreciation on these assets, on the same basis as other vehicles, premises and equipment, commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of the assets, other than freehold land and capital projects in progress, over their estimated useful lives, using the straight-line method, on the following bases:

	Number of years
Buses	12 to 25
Leasehold land and buildings	Over the remaining lease period.
Freehold buildings	50
Taxis, motor vehicles for rental and ambulances	5 to 8
Computers and automated equipment	3 to 5
Workshop machinery, tools and equipment:	
– General workshop machinery, tools and equipment	3 to 10
– Specialised inspection and testing equipment	20
Motor vehicles:	
– Motorcycles	3
– Other motor vehicles	5 to 10
Furniture, fittings and equipment	5 to 7

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

On disposal of an item of vehicles, premises and equipment, the difference between the sales proceeds and its carrying amount is recognised in Profit or Loss.

Fully depreciated vehicles, premises and equipment still in use are retained in the Financial Statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

ASSOCIATES – An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these Consolidated Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with SFRS(I) 5. Under the equity method, an investment in an associate is initially recognised in the Consolidated Statement of Financial Position at cost and adjusted thereafter to recognise the Group's share of the Profit or Loss and Other Comprehensive Income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in Profit or Loss.

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

INTANGIBLE ASSETS

Intangible assets acquired separately

Taxi licences and rights under contract acquired separately are recorded at cost less accumulated amortisation and any accumulated impairment losses. Taxi licences and rights under contract with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Taxi licences with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset. Such assets are tested for impairment in accordance with the policy below.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets acquired separately.

NOTES TO THE FINANCIAL STATEMENTS

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Software development costs

Research costs are recognised as an expense when incurred. Costs directly attributable to the development of software are capitalised as intangible assets only when technical feasibility of the project is demonstrated, the Group has an intention and ability to complete and use the software and the costs can be measured reliably. Such costs include purchases of materials and services and payroll-related costs of employees directly involved in the project.

GOODWILL – Goodwill arising on the acquisition of a subsidiary represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary recognised at the date of acquisition. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the acquisition, the excess is recognised immediately in Profit or Loss.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any provision for impairment.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the provision for impairment is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit *pro-rata* on the basis of the carrying amount of each asset in the unit. A provision for impairment recognised for goodwill is not reversed in a subsequent period.

On divestment of a subsidiary, the attributable amount of goodwill is included in the determination of the Profit or Loss on divestment.

IMPAIRMENT OF NON-FINANCIAL ASSETS EXCLUDING GOODWILL – At the end of each reporting year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the provision for impairment (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives are tested for impairment annually, or more frequently if there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. A provision for impairment is recognised immediately in Profit or Loss.

Where provision for impairment subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no provision for impairment been recognised for the asset (or cash-generating unit) in prior years. A reversal of provision for impairment is recognised immediately in Profit or Loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FUEL PRICE EQUALISATION ACCOUNT – At the direction of the Public Transport Council (“PTC”), a fuel price equalisation account (“FPEA”) has been set up to account for diesel price and electricity tariff adjustment charge for the purpose of mitigating the effects of any increase in fuel price and electricity tariff.

Annual contributions to the FPEA may be required as determined by the PTC, based on the reference electricity tariff and diesel price for the year.

Applications can be made to the PTC to seek approval for a draw down as may be catered for by the purpose of the FPEA mechanism, provided that the amount drawn does not exceed half of the available FPEA balance.

PROVISION FOR ACCIDENT CLAIMS – Claims for accident, public liability and others are provided in the Financial Statements based on the claims outstanding and the estimated amounts payable.

PROVISIONS – Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the present value of the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation.

DEFERRED INCOME – Deferred income comprises of:

- (i) The deferred grants relating to the net present value of the grant income from the transport regulators in Australia for the acquisition of new buses that is amortised to Profit or Loss on a straight line basis over the useful lives of the assets.
- (ii) Advance receipts from customers that are recognised to Profit or Loss when the services are rendered.

SERVICE BENEFITS – These comprise the following:

- (i) **Retirement benefits** – Under the Collective Agreement entered into by certain subsidiaries in Singapore with their relevant unions, a retirement benefit subject to a maximum of \$3,000 is payable to an employee retiring on or after attaining the retirement age and on completion of at least five years of service.

Provision is made in the Financial Statements based on the number of years of service rendered by qualifying employees and discounted to present value using the market yield of Singapore Government Bonds at end of the reporting period and after taking into account an estimated attrition rate. The estimated attrition rate used is based on the Management’s best estimate using historical trend.

- (ii) **Long Service Awards** – Staff of certain subsidiaries in Singapore serving more than 5 years and up to 35 years are entitled to long service awards. Provision is made in the Financial Statements based on the number of years of service rendered by qualifying employees.

The provision for retirement benefits and long service awards is discounted using the market yield of Singapore Government Bonds at the end of each reporting year.

NOTES TO THE FINANCIAL STATEMENTS

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

- (iii) **Defined Benefit Retirement Plans** – The Group operates two defined benefit pension schemes (“Pension Schemes”) for employees of one of its foreign subsidiaries, the assets of which are held in trustee administered funds.

The Pension Schemes were closed to future accruals in 2007 and employees were transferred to a defined contribution pension scheme.

The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each reporting year. Actuarial gains and losses arising over the financial year are recognised immediately in Other Comprehensive Income and accumulated in equity under retirement benefit reserve and are reflected in the Statement of Financial Position as a pension asset or liability as appropriate. The retirement benefit obligation recognised in the Statement of Financial Position represents the present value of the defined benefit obligation net of fair value of plan assets.

- (iv) Apart from the Pension Schemes above, the Group makes contribution to pension schemes as defined by the laws of the countries in which it has operations. In particular, Singapore Companies make contributions to the Central Provident Fund in Singapore, a defined contribution pension scheme. Contributions to pension schemes are recognised as an expense in the period in which the related service is performed.

- (v) **Employee Leave Entitlement** – Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting year.

- (vi) **Share-Based Payments** – The Company issued share options and share awards to certain employees and Directors within the Group. Share options and share awards are measured at fair value of the equity instruments (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the share options and share awards are expensed on a straight-line basis over the vesting period with a corresponding adjustment against share option and share awards reserve, based on the Company’s estimate of the number of equity instruments that will eventually vest.

Fair value for the share option is measured using the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on Management’s best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share options have been fully vested in prior years.

GOVERNMENT GRANTS – Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grant will be received.

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred grant in the Statement of Financial Position and transferred to Profit or Loss on a systematic and rational basis over the useful lives of the related assets.

Government grants in relation to expenses incurred are recognised in Profit or Loss in the period which they become receivable.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

REVENUE RECOGNITION – The Group recognises revenue from the following major sources:

- Public transport services
- Taxi
- Automotive engineering services
- Inspection and testing services
- Others

Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product to a customer or when services are rendered.

Public transport services

Revenue from public transport services comes from the provision of bus and rail services to commuters travelling on public transport systems, contracted revenue for operations of scheduled services, provision of coach rental services and provision of non-emergency transport services to patients. Revenue from transport regulators for scheduled bus services is recognised as and when services are rendered, including an estimation of the expected consideration on achieving certain performance targets. Revenue from commuters for rail services is recognised as and when services are rendered and revenue from transport regulator for rail services relates to performance incentives for achieving certain performance and service quality targets.

Revenue from other third parties for scheduled services, coach rental services, rail services and non-emergency transport services is recognised as and when services are rendered.

Revenue from other commercial services comprises advertising and rental income. Advertising production revenue is recognised when production is completed and advertising media revenue is recognised on a time proportionate basis over the term relevant contract. Rental income is recognised on a straight-line basis over the term of the relevant lease.

Taxi

The Group provides taxi rental and other related services such as subscription and cashless payment to third parties. Revenue is recognised as and when services are rendered.

Automotive engineering services

The Group provides repair and maintenance services to taxi, buses and third parties. Revenue is recognised as and when services are rendered.

For sales of goods such as spare parts, diesel and petrol to third parties, revenue is recognised when control of the goods has been transferred to the customer, at the point where goods are delivered to the customer.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Inspection and testing services

The Group provides vehicle inspection services and other testing services. Revenue from vehicle inspection services is recognised upon completion of the inspection services.

Revenue from testing services for aerospace, marine and offshore, biotechnology, oil and petrochemical, building construction and electronics manufacturing industries is recognised upon completion of the final test report.

Others

Others include car rental and leasing, driver training and bus station operation.

Car rental and leasing and driver training revenue are recognised at point in time upon completion of the services.

Bus station operation revenue is recognised as and when services are rendered.

BORROWING COSTS – Borrowing costs incurred to finance the purchase of assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in Profit or Loss in the period in which they are incurred.

INCOME TAX – Current income tax liabilities (and assets) for current and prior periods are recognised at the amounts expected to be paid to (or recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred income tax assets/liabilities are recognised for deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. The principal temporary differences arise from depreciation, provision for fuel equalisation and future tax benefits from certain provisions not allowed for tax purposes until a later period. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in Profit or Loss, except when they relate to items credited or debited outside Profit or Loss (either in Other Comprehensive Income or directly in equity), in which case the tax is also recognised outside Profit or Loss (either in Other Comprehensive Income or directly in equity), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION – The individual Financial Statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The Consolidated Financial Statements of the Group and the Statement of Financial Position and Statement of Changes in Equity of the Company are presented in Singapore dollars, which is the functional currency of the Company, and the presentation currency for the Consolidated Financial Statements.

In preparing the Financial Statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting year, monetary items denominated in foreign currencies are translated at rates prevailing at the end of each reporting year. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in Profit or Loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in Profit or Loss for the period except for differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in Other Comprehensive Income. For such non-monetary items, any exchange component of that gain or loss is also recognised in Other Comprehensive Income.

In order to hedge its exposure to certain foreign exchange risks, the Group enters into forward contracts and options (please see above for details of the Group's accounting policies in respect of such hedging instruments).

For the purpose of presenting Consolidated Financial Statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in Other Comprehensive Income and accumulate in the Group's currency translation reserve. Such translation differences are recognised in Profit or Loss in the period in which the foreign operation is disposed of.

The Group has applied the option to reset the cumulative foreign currency translation differences for all foreign operations to zero at the date of transition to SFRS(I) on 1 January 2017. As a result, the cumulative foreign currency translation loss was reclassified from foreign currency translation reserve to accumulated profits as at 1 January 2017. After the date of transition, any gain or loss on disposal of any foreign operation will exclude translation differences that arose before the date of transition.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in Other Comprehensive Income and accumulated in the currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of a foreign operation and translated at the closing rate.

CASH AND CASH EQUIVALENTS IN THE GROUP CASH FLOW STATEMENT – Cash and cash equivalents in the Group Cash Flow Statement comprise cash on hand and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

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3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2, Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Management is of the opinion that any instances of applications of judgements are not expected to have a significant effect on the amounts recognised in the Financial Statements (apart from those involving estimations, which are dealt with below).

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimates (see below), that Management has made in the process of applying the Group's accounting policies and that have a significant effect on the amounts recognised in the Financial Statements:

Provision for rail contract

One of the Mass Rapid Transit Systems has been making consecutive losses since the commencement of its operations. The Group has assessed that no provision for rail contract is required as at 31 December 2020 based on the financial forecast up to the end of the licence period in relation to this Mass Rapid Transit System.

Significant judgment is exercised in key assumptions relating to ridership, changes in fare and quantum, timing and availability of incentives and grants from the authorities in projecting the future financial performance of the operations of this Mass Rapid Transit System.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Provisions

(i) Accident claims

Claims for property damage and personal injury are provided in the Financial Statements based on the claims outstanding as of the end of the financial year and estimated amounts payable. The past claims history and payment trends are used as a basis to estimate the amounts in which the Group will have to pay to third parties for such claims. The provision for accident claims included in Note 22 is \$48.7 million (2019 : \$51.6 million).

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(ii) Retirement benefits and long service awards

For certain subsidiaries, retirement benefits subject to a maximum of \$3,000 is payable to a retiring employee on or after attaining the retirement age and on completion of at least five years of service. Provision for retirement benefits is made based on the number of years of service rendered by qualifying employees and discounted to present value using the market yield of Singapore Government Bonds at the end of each reporting year and after taking into account an estimated attrition rate. The estimated attrition rate used is based on Management's best estimate of the respective subsidiaries' attrition rate, based on past experience.

Provision for long service awards is made based on the number of years of service rendered by qualifying employees of these subsidiaries and discounted to present value using the market yield of Singapore Government Bonds at the end of each reporting year.

The total provision for service benefits and long service awards is disclosed in Note 23(b).

The cost of providing benefits under the two defined benefit pension schemes for employees of one of the foreign subsidiaries is determined using the Projected Unit Credit Method, with actuarial valuations carried out at the end of each reporting year. At 31 December 2020, the retirement benefit liabilities recognised in the Group's Statement of Financial Position amounted to \$4.7 million (2019 : retirement benefit assets recognised in the Group's Statement of Financial Position amounted to \$0.4 million) disclosed in Note 23(c) represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of plan assets and vice versa.

Impairment review of taxi vehicles, taxi licences, goodwill and investment in subsidiaries

The Group tests goodwill and taxi licences with infinite useful lives for impairment annually, or more frequently if there are indications that they might be impaired. Impairment assessment is also performed for taxi vehicles and taxi licences with finite useful lives when there is an impairment indication. The Company assess any indicator for impairment for investments in subsidiaries annually, or more frequently if there are indications that they might be impaired.

Determining whether taxi vehicles, taxi licences, goodwill and investment in subsidiaries are impaired requires an estimation of the value in use of the cash-generating units ("CGUs") to which subsidiaries, taxi vehicles, taxi licences and goodwill have been allocated (Notes 8, 13, 14 and 15). The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. A provision for impairment loss on taxi vehicles, taxi licences, goodwill and investment in subsidiaries is recognised in Profit or Loss and can be reversed in the subsequent period except for goodwill when the amount of impairment loss decreases.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to profit margins during the period.

The Group and the Company prepare cash flow forecasts derived from the most recent financial budgets approved by Management for the next year and extrapolates cash flows based on estimated growth rate. The estimated growth rate does not exceed the average long-term growth rate for the relevant markets and countries in which the CGU operates.

The discount rates applied to the forecast for the Group and the Company are based on current market assessment of the time value of money and risks specific to the business segment.

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3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Impairment review of taxi vehicles, taxi licences, goodwill and investment in subsidiaries (cont'd)

For the public transport services businesses in Australia and the United Kingdom, discount rates of 6.1% (2019 : 6.1%) and 6.7% (2019 : 5.9%), and growth rates of 2.5% (2019 : 2.3%) and 1.5% (2019 : 1.4%) are applied to the forecasts respectively.

For the taxi businesses in Australia, China and Singapore, discount rates of 6.9% (2019 : 6.1%), 8.6% (2019 : 8.5%) and 7.6% (2019 : 7.5%), and growth rates of 1.0% (2019 : 2.0%), Nil% to 3% (2019 : Nil% to 2.0%) and Nil% (2019 : Nil%) are applied to the forecasts respectively.

The expected changes to profit margins are based on past performance and Management's expectation of market development.

Allowance for inventory obsolescence

The Group's inventories comprised mainly parts, accessories and consumable stocks required for the operation and maintenance of vehicles and equipment.

The Group's recognition basis for inventory allowance in relation to rail business is enhanced to take into account the rail contract term in determining its useful life as the rail contract term approaches mid-life. In addition, Management identifies inventories that are slow moving and evaluates the carrying value of inventories. An allowance for inventory obsolescence is recognised for these inventories based on its useful life and inventory turnover. This basis of recognising allowance for inventory obsolescence represents a change in Group accounting estimate from prior year, which the previous recognition basis was based on the relevance of the inventories per industry standards (i.e. Allowance was recognised when the inventories were phased out due to changes in specifications/requirements). The change in accounting estimate will be accounted for prospectively in the Financial Statements.

Allowance for inventory obsolescence is disclosed in Note 7.

Useful lives of vehicles, premises and equipment

As described in Note 2, the Group reviews the estimated useful lives of vehicles, premises and equipment at the end of each annual reporting year. During the financial year, Management determined that the estimated useful lives of vehicles, premises and equipment are appropriate and no material revision is required.

Goodwill arising from acquisition of businesses

Goodwill arising from acquisition of subsidiaries during the year was determined using a purchase price allocation exercise to determine the fair value of the acquired assets and liabilities. Management exercised significant judgement in determining the fair value of the acquired assets and liabilities including any intangibles.

4 SHORT-TERM DEPOSITS AND BANK BALANCES

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Cash and bank balances	15.0	13.2	1.0	–
Interest bearing bank balances	120.8	117.7	0.6	0.4
Fixed deposits	607.0	463.3	197.6	159.3
Total	742.8	594.2	199.2	159.7

Interest bearing bank balances bear effective interest rates ranging from 0% to 0.8% (2019 : 0% to 1.1%) per annum.

Fixed deposits are placed on a staggered basis based on the Group's cashflow projections, bear effective interest rates ranging from 0.1% to 6.2% (2019 : 0.1% to 6.8%) per annum. These deposits are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

5 TRADE RECEIVABLES

	The Group	
	2020 \$'mil	2019 \$'mil
Outside parties	302.6	325.3
Allowance for expected credit losses	(10.8)	(6.6)
Net	291.8	318.7

The credit period on sale of goods and rendering of services ranges from 7 days to 60 days (2019 : 7 days to 60 days) except for insurance claims against third parties which have no credit period due to their nature.

The Group adopts the policy of dealing only with customers of appropriate credit history. The expected risks of default on trade receivables at the reporting date are insignificant as majority of receivables are from the transport regulators, Government related agencies and insurance companies. The receivables that are past due at the reporting date for which the Group has not provided for are insignificant. The Group does not hold any collateral over these balances.

An allowance has been made for estimated irrecoverable amounts which has been determined by reference to past default experience and expected credit losses. The expected credit losses incorporate forward looking estimates, where relevant. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers, and adjust for forward-looking macroeconomic data, where relevant.

Movements in allowance for expected credit losses:

	The Group	
	2020 \$'mil	2019 \$'mil
Balance at beginning of the year	6.6	4.2
Amounts written off during the year	(3.0)	(0.6)
Increase in allowance recognised in Profit or Loss	7.2	3.0
Balance at end of the year	10.8	6.6

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6 OTHER RECEIVABLES AND PREPAYMENTS

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Prepayments	69.2	77.8	0.6	0.6
Other receivables due from transport regulators	104.8	51.7	–	–
Security deposits	11.2	10.4	–	–
Interest receivable	2.6	3.5	0.1	1.3
Retirement benefits assets (Note 23(c))	–	0.4	–	–
Due from subsidiaries	–	–	392.2	341.5
Lease receivables (Note 11)	–	–	19.1	22.5
Others	60.5	74.1	2.2	1.0
Total	248.3	217.9	414.2	366.9
Analysed as:				
Current				
– Other receivables and prepayments	241.6	213.9	5.9	5.6
– Due from subsidiaries	–	–	38.7	10.2
	241.6	213.9	44.6	15.8
Non-current				
– Other receivables and prepayments	6.7	4.0	16.1	19.8
– Due from subsidiaries	–	–	353.5	331.3
	6.7	4.0	369.6	351.1
Total	248.3	217.9	414.2	366.9

Majority of the other receivables are due from transport regulators and government authorities where Management has assessed the credit risk to be low.

Included in the amount of \$392.2 million (2019 : \$341.5 million) due from subsidiaries, \$381.0 million (2019 : \$336.4 million) relates to loans which bear variable interest rates ranging from 0.58% to 1.07% (2019 : 1.22% to 1.77%) per annum and are unsecured. The remaining balance of \$11.2 million (2019 : \$5.1 million) is unsecured and interest-free.

7 INVENTORIES

	The Group	
	2020 \$'mil	2019 \$'mil
Goods held for sale	10.5	9.5
Consumables, materials and supplies	144.1	144.5
Work in progress	0.8	0.9
	155.4	154.9
Allowance for inventory obsolescence	(27.5)	(4.2)
Total	127.9	150.7

Movements in allowance for inventory obsolescence:

At beginning of year	4.2	1.5
Amount written off during the year	(0.6)	(0.1)
Charge to profit or loss	23.9	2.8
At end of year	27.5	4.2

8 SUBSIDIARIES

	The Company	
	2020 \$'mil	2019 \$'mil
Quoted equity shares, at cost	93.6	93.6
Unquoted equity shares, at cost	1,138.2	1,138.2
	1,231.8	1,231.8
Impairment loss	(36.4)	(1.1)
	1,195.4	1,230.7
Market value of quoted equity shares	1,221.5	1,348.5

Movements in impairment loss:

At beginning of year	1.1	1.1
Charge to profit or loss	35.3	–
At end of year	36.4	1.1

NOTES TO THE FINANCIAL STATEMENTS

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8 SUBSIDIARIES (CONT'D)

Information about the composition of the Group at the end of the financial year is as follows:

Principal activity	Place of incorporation and operation	Number of wholly-owned subsidiaries	
		2020	2019
Investment holding	Singapore	7	6
Investment holding	United Kingdom	2	2
Investment holding	Australia	9	9
Bus	Singapore	1	1
Bus	United Kingdom	4	4
Bus	Ireland	1	1
Bus	Australia	29	27
Rail	United Kingdom	1	1
Advertising	Singapore	1	1
Advertising	Australia	1	1
Automotive engineering services	Singapore	1	1
Automotive engineering services	Australia	1	1
Driving centre	China	1	1
Taxi	Singapore	1	1
Taxi	Australia	3	3
Taxi	China	3	3
Taxi	United Kingdom	7	5
Car rental and leasing	Singapore	1	1
Car rental and leasing	China	1	1
Car rental and leasing	Malaysia	1	1
Insurance brokers	Singapore	1	1
Non-emergency transport services	Australia	7	7
Non-emergency transport services	Singapore	1	–
Technology Services	Singapore	1	2

Principal activity	Place of incorporation and operation	Number of non wholly-owned subsidiaries	
		2020	2019
Bus and rail	Singapore	1	1
Bus	United Kingdom	2	2
Rail	Singapore	1	1
Bus station	China	1	1
Driving centre	Singapore	1	1
Driving centre	China	2	2
Inspection and testing services	Singapore	5	5
Inspection and testing services	Malaysia	1	1
Inspection and testing services	China	1	2
Inspection and testing services	United Arab Emirates	1	1
Taxi	Singapore	2	2
Taxi	China	7	7
Taxi	Vietnam	1	1

Details of subsidiaries are included in Note 40(a).

8 SUBSIDIARIES (CONT'D)

Summarised financial information of subsidiaries with material non-controlling interests

Set out below is the summarised financial information for subsidiaries that have a non-controlling interest that is material to the Group. These are presented before inter-company eliminations.

Summarised consolidated Statement of Financial Position

	<u>SBS Transit Ltd</u>	
	<u>2020</u>	<u>2019</u>
	<u>\$'mil</u>	<u>\$'mil</u>
Current		
Assets	487.6	397.2
Liabilities	(386.8)	(419.6)
Total current net assets/(liabilities)	100.8	(22.4)
Non-current		
Assets	652.2	740.1
Liabilities	(166.0)	(190.9)
Total non-current net assets	486.2	549.2
Net assets	587.0	526.8

Summarised Group Income Statement

	<u>SBS Transit Ltd</u>	
	<u>2020</u>	<u>2019</u>
	<u>\$'mil</u>	<u>\$'mil</u>
Revenue	1,230.9	1,445.2
Profit before Taxation	77.0	99.4
Tax credit/(expense)	1.9	(18.1)
Profit attributable to shareholders	78.9	81.3
Other comprehensive (loss)/income	(0.3)	1.9
Total comprehensive income	78.6	83.2

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8 SUBSIDIARIES (CONT'D)

Summarised Group Cash Flow Statement

	SBS Transit Ltd	
	2020	2019
	\$'mil	\$'mil
Net cash from operating activities		
Cash generated from operations	167.4	107.8
Income tax paid	(14.1)	(21.9)
Interest paid arising from leases	(2.1)	(2.3)
Net cash from operating activities	151.2	83.6
Net cash used in investing activities	(16.2)	(28.7)
Net cash used in financing activities	(80.9)	(56.1)
Net increase/(decrease) in cash and cash equivalents	54.1	(1.2)
Cash and cash equivalents at beginning of year	31.5	32.7
Cash and cash equivalents at end of year	85.6	31.5

9 ASSOCIATES

	The Group	
	2020	2019
	\$'mil	\$'mil
Unquoted equity shares	0.6	0.6
Add: Share of post-acquisition reserves	0.1	0.1
Total	0.7	0.7

- (a) Details of associates are included in Note 40(b).
- (b) Summarised financial information in respect of the Group's associates is set out below:

	The Group	
	2020	2019
	\$'mil	\$'mil
Total assets	1.1	1.0
Total liabilities	(0.8)	(0.8)
Net assets	0.3	0.2
Group's share of associates' net assets	0.1	0.1
Revenue	2.4	2.8
Profit/(Loss) for the year	0.1	(0.3)
Group's share of associates' loss	–	(0.2)

10 INVESTMENTS

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Financial assets at fair value through Other Comprehensive Income:				
– Equity shares in corporations	22.5	24.4	10.9	12.7
Analysed as:				
– Non-current	22.5	24.4	10.9	12.7

The equity shares in corporations represent investment for long-term strategic purpose. Dividends received during the year amounted to \$0.4 million (2019 : \$1.0 million).

11 LEASE RECEIVABLES

	The Company	
	2020 \$'mil	2019 \$'mil
Amounts receivable under finance lease		
Within one year	3.4	3.4
Within the second to fifth year inclusive	14.6	14.6
After five years	2.6	6.6
Undiscounted lease payments	20.6	24.6
Less: Unearned finance income	(1.5)	(2.1)
Present value of lease payments receivable (Note 6)	19.1	22.5
Undiscounted lease payments analysed as:		
– Recoverable within 12 months	3.4	3.4
– Recoverable after 12 months	17.2	21.2
	20.6	24.6
Net investment in the lease analysed as:		
– Recoverable within 12 months	2.9	2.8
– Recoverable after 12 months	16.2	19.7
	19.1	22.5

The Company's lease arrangements do not include variable payments.

The average effective interest rate contracted is approximately 2.58% (2019 : 2.58%) per annum.

Lease receivable balances are secured over the property leased. The Company is not permitted to sell or repledge the collateral in the absence of default by the lessee.

The unguaranteed residual value of assets leased is insignificant.

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12 GRANT RECEIVABLES

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Grant receivables	346.4	321.9	0.2	–
Analysed as:				
– Current	67.3	41.6	0.2	–
– Non-current	279.1	280.3	–	–
Total	346.4	321.9	0.2	–

Included in the grant receivables are \$326.3 million (2019 : \$321.9 million) which are unsecured, bear effective interest at rates ranging from 1.18% to 8.44% (2019 : 3.83% to 8.31%) per annum and receivable over the period that the Group expects to retain the contract to operate the bus routes. These grant receivables in Australia represent the net present value of the grant receivables from transport regulators mainly for the acquisition of new buses. Management has assessed that the credit risk associated with these grant receivables is low.

The remaining balance of grant receivables of \$20.1 million (2019 : \$Nil) relate to the amounts granted to the Group and the Company under the COVID-19 Government Relief Measures, mainly the Jobs Support Scheme initiative (“JSS”) by the Singapore Government as disclosed in Note 28(b) to defray certain manpower costs.

The carrying amounts of long-term grant receivables approximate their fair values.

13 VEHICLES, PREMISES AND EQUIPMENT

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
(a) Vehicles, premises and equipment owned	2,316.0	2,557.9	3.2	3.2
(b) Right-of-use assets classified within vehicles, premises and equipment	303.5	321.8	3.7	5.3
	2,619.5	2,879.7	6.9	8.5

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13 VEHICLES, PREMISES AND EQUIPMENT (CONT'D)

(a) Vehicles, premises and equipment owned

	Buses \$'mil	Leasehold land and building* \$'mil	Other leasehold land and buildings \$'mil	Freehold land and buildings \$'mil
The Group				
Cost or valuation*:				
At 1 January 2019	2,400.4	63.9	380.6	239.3
Amount reclassified as right-of-use assets	(130.7)	(26.1)	(20.1)	–
Arising from acquisition of subsidiaries	5.7	–	2.7	–
Adjustment to prior year's provisional goodwill	10.4	–	(0.7)	12.8
Additions	127.7	0.3	5.7	12.4
Disposals	(41.2)	–	(0.3)	(1.3)
Reclassifications/Transfers from capital projects in progress	4.0	–	0.6	0.3
Exchange differences	(3.0)	–	(0.9)	(2.2)
At 31 December 2019	2,373.3	38.1	367.6	261.3
Arising from divestment of a subsidiary	–	–	(0.8)	–
Additions	38.3	0.1	3.6	4.7
Disposals	(53.3)	–	(1.2)	(2.7)
Reclassifications/Transfers from capital projects in progress	2.3	–	0.9	–
Exchange differences	54.6	–	3.1	14.0
At 31 December 2020	2,415.2	38.2	373.2	277.3
Accumulated depreciation and impairment:				
At 1 January 2019	1,003.2	10.9	247.8	19.6
Amount reclassified as right-of-use assets	(43.5)	(8.2)	(9.0)	–
Adjustment to prior year's provisional goodwill	–	–	(0.7)	–
Depreciation	157.3	3.3	12.2	3.0
Impairment loss	–	–	–	–
Disposal	(39.6)	–	(0.1)	(1.0)
Reclassification	–	–	(0.1)	–
Exchange differences	(0.5)	–	(0.7)	0.2
At 31 December 2019	1,076.9	6.0	249.4	21.8
Arising from divestment of a subsidiary	–	–	(0.6)	–
Depreciation	164.7	3.3	10.7	3.4
Impairment loss	–	–	2.2	–
Disposal	(45.5)	–	(1.2)	–
Reclassification	–	–	–	–
Exchange differences	21.0	–	1.9	0.8
At 31 December 2020	1,217.1	9.3	262.4	26.0
Carrying amount:				
At 31 December 2020	1,198.1	28.9	110.8	251.3
At 31 December 2019	1,296.4	32.1	118.2	239.5

* A leasehold building at a bus depot is stated at revalued amount being the fair value at the date of revaluation based on valuation performed by an independent external valuer. The revaluation was done by a subsidiary pursuant to the agreement in the Negotiated Contract under the Bus Contracting Model (Note 39) in Singapore. As at 31 December 2020, the carrying amount of the leasehold building would have been \$10.9 million (2019 : \$12.0 million), had the depot been carried at cost less accumulated depreciation.

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Taxis, motor vehicles for rental and ambulances \$'mil	Computers and automated equipment \$'mil	Workshop machinery, tools and equipment \$'mil	Motor vehicles \$'mil	Furniture, fittings and equipment \$'mil	Capital projects in progress \$'mil	Total \$'mil
1,508.3	183.0	176.3	47.3	47.0	9.3	5,055.4
-	-	-	-	-	-	(176.9)
-	0.1	0.7	0.4	0.2	-	9.8
-	-	(1.1)	(0.1)	(0.1)	-	21.2
250.0	10.9	15.2	9.7	3.8	30.6	466.3
(457.3)	(14.1)	(1.7)	(6.8)	(0.5)	(0.2)	(523.4)
24.5	5.4	0.9	(11.1)	0.1	(24.7)	-
(5.1)	1.0	(0.2)	(0.3)	(0.2)	-	(10.9)
1,320.4	186.3	190.1	39.1	50.3	15.0	4,841.5
-	-	(0.6)	-	-	-	(1.4)
82.6	9.1	12.4	1.8	1.9	37.1	191.6
(283.4)	(23.6)	(6.8)	(3.1)	(1.0)	-	(375.1)
0.7	5.7	1.9	-	0.2	(18.0)	(6.3)
10.5	1.3	3.2	0.6	0.7	0.3	88.3
1,130.8	178.8	200.2	38.4	52.1	34.4	4,738.6
746.9	141.2	132.3	26.0	36.2	-	2,364.1
-	-	-	-	-	-	(60.7)
-	-	(1.1)	(0.1)	(0.1)	-	(2.0)
172.9	13.7	14.2	4.3	2.9	-	383.8
9.9	-	-	-	-	-	9.9
(348.4)	(12.0)	(1.4)	(5.2)	(0.5)	-	(408.2)
5.3	-	-	(5.2)	-	-	-
(2.9)	0.7	-	0.1	(0.2)	-	(3.3)
583.7	143.6	144.0	19.9	38.3	-	2,283.6
-	-	(0.6)	-	-	-	(1.2)
149.5	14.5	14.3	5.5	3.1	-	369.0
12.3	5.3	0.6	0.3	-	-	20.7
(199.4)	(23.0)	(5.2)	(3.3)	(0.8)	-	(278.4)
(4.2)	6.8	(6.8)	-	-	-	(4.2)
5.0	1.3	2.1	0.3	0.7	-	33.1
546.9	148.5	148.4	22.7	41.3	-	2,422.6
583.9	30.3	51.8	15.7	10.8	34.4	2,316.0
736.7	42.7	46.1	19.2	12.0	15.0	2,557.9

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13 VEHICLES, PREMISES AND EQUIPMENT (CONT'D)

(a) Vehicles, premises and equipment owned (cont'd)

Buses of the Group with total carrying amounts of \$33.6 million (2019 : \$81.5 million) are secured for bank loans as disclosed in Note 17.

Of the carrying amount of taxis, motor vehicles for rental and ambulances of \$583.9 million (2019 : \$736.7 million), \$491.2 million (2019 : \$634.3 million) relates to taxis. The remaining balance of \$92.7 million (2019 : \$102.4 million) relates to motor vehicles for rental and ambulances. During the financial year, the Group carried out a review of the recoverable amount of its taxis and other vehicles, premises and equipment. The review led to a provision of impairment of taxis and motor vehicles for rental of \$12.3 million (2019 : \$9.9 million) and other vehicles, premises and equipment of \$8.4 million (2019 : \$Nil) that had been recognised in Profit or Loss. The recoverable amount of the taxis has been determined on the basis of their value in use.

	Leasehold building \$'mil	Computers and automated equipment \$'mil	Motor vehicles \$'mil	Furniture, fittings and equipment \$'mil	Capital projects in progress \$'mil	Total \$'mil
The Company						
Cost:						
At 1 January 2019	53.2	4.1	0.7	8.9	0.2	67.1
Additions	–	0.5	–	–	0.1	0.6
Disposals	–	–	(0.4)	–	–	(0.4)
Transfers from Capital Projects in progress	–	0.2	–	–	(0.2)	–
At 31 December 2019	53.2	4.8	0.3	8.9	0.1	67.3
Additions	–	0.5	–	–	0.4	0.9
At 31 December 2020	53.2	5.3	0.3	8.9	0.5	68.2
Accumulated depreciation:						
At 1 January 2019	50.7	3.2	0.4	7.7	–	62.0
Depreciation	1.7	0.5	–	0.2	–	2.4
Disposals	–	–	(0.3)	–	–	(0.3)
At 31 December 2019	52.4	3.7	0.1	7.9	–	64.1
Depreciation	–	0.6	–	0.3	–	0.9
At 31 December 2020	52.4	4.3	0.1	8.2	–	65.0
Carrying amount:						
At 31 December 2020	0.8	1.0	0.2	0.7	0.5	3.2
At 31 December 2019	0.8	1.1	0.2	1.0	0.1	3.2

13 VEHICLES, PREMISES AND EQUIPMENT (CONT'D)

(b) Right-of-use assets classified within vehicles, premises and equipment

The Group and Company lease buses, land, buildings and advertising space on buses. The average lease term ranges from 2 to 40 years (2019 : 2 to 40 years), where the Group and Company make periodic lease payments, which are used for its day to day operations.

The Group has options to purchase certain equipment for a nominal amount at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

	Buses \$'mil	Leasehold land and buildings* \$'mil	Other leasehold land and buildings \$'mil	Advertising space on buses \$'mil	Total \$'mil
The Group					
Cost:					
At 1 January 2019	4.2	–	262.2	5.3	271.7
Amount reclassified from vehicles, premises and equipment owned	130.7	26.1	20.1	–	176.9
Arising from acquisition of subsidiaries	–	–	3.2	–	3.2
Additions	40.4	–	11.9	–	52.3
Exchange differences	0.1	–	–	–	0.1
At 31 December 2019	175.4	26.1	297.4	5.3	504.2
Additions	7.7	–	15.1	–	22.8
Disposals	(1.2)	–	(1.1)	–	(2.3)
Lease Modification	0.8	–	0.1	–	0.9
Adjustments	–	–	(2.0)	–	(2.0)
Exchange differences	6.7	–	2.1	–	8.8
At 31 December 2020	189.4	26.1	311.6	5.3	532.4
Accumulated depreciation:					
At 1 January 2019	–	–	81.2	2.5	83.7
Amount reclassified from vehicles, premises and equipment owned	43.5	8.2	9.0	–	60.7
Depreciation	9.2	1.5	26.9	1.0	38.6
Exchange differences	(0.7)	–	0.1	–	(0.6)
At 31 December 2019	52.0	9.7	117.2	3.5	182.4
Depreciation	12.2	1.5	29.5	1.1	44.3
Disposals	(0.5)	–	(0.9)	–	(1.4)
Exchange differences	3.5	–	0.1	–	3.6
At 31 December 2020	67.2	11.2	145.9	4.6	228.9
Carrying amount:					
At 31 December 2020	122.2	14.9	165.7	0.7	303.5
At 31 December 2019	123.4	16.4	180.2	1.8	321.8

* A subsidiary of the Group has secured the right-of-use of leasehold land at a bus depot with no future payments required. The leasehold land is stated at revalued amount being the fair value at the date of revaluation based on valuation performed by an independent external valuer. The revaluation was done by a subsidiary pursuant to the agreement in the Negotiated Contract under the Bus Contracting Model (Note 39) in Singapore. As at 31 December 2020, the carrying amount of the leasehold land would have been \$5.5 million (2019 : \$6.1 million), had the leasehold land been carried at cost less accumulated depreciation.

During the year, there were upfront payments made in relation to buses amounting to \$6.9 million (2019 : \$40.4 million).

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13 VEHICLES, PREMISES AND EQUIPMENT (CONT'D)

(b) Right-of-use assets classified within vehicles, premises and equipment (cont'd)

Buses of the Group with total carrying amounts of \$120.8 million (2019 : \$121.3 million) are acquired under lease arrangements from financial institutions as disclosed in Note 18.

	Leasehold building \$'mil	Total \$'mil
The Company		
Cost:		
At 1 January 2019	11.6	11.6
Additions	2.8	2.8
At 31 December 2019	14.4	14.4
Adjustments	(0.8)	(0.8)
At 31 December 2020	13.6	13.6
Accumulated depreciation:		
At 1 January 2019	8.8	8.8
Depreciation	0.3	0.3
At 31 December 2019	9.1	9.1
Depreciation	0.8	0.8
At 31 December 2020	9.9	9.9
Carrying amount:		
At 31 December 2020	3.7	3.7
At 31 December 2019	5.3	5.3

14 INTANGIBLE ASSETS

	Taxi licences \$'mil	Rights under contract \$'mil	Brands \$'mil	Customer relationship \$'mil	Software development costs \$'mil	Total \$'mil
The Group						
Cost:						
At 1 January 2019	262.4	1.7	7.4	–	0.7	272.2
Arising from acquisition of subsidiaries	0.8	2.3	0.4	0.9	–	4.4
Adjustment to prior year's provisional goodwill	–	7.4	–	–	–	7.4
Exchange differences	(8.6)	–	0.1	–	(0.1)	(8.6)
At 31 December 2019	254.6	11.4	7.9	0.9	0.6	275.4
Arising from acquisition of subsidiaries	–	–	1.8	0.6	–	2.4
Additions	–	–	–	–	1.3	1.3
Exchange differences	13.0	0.9	0.1	–	0.1	14.1
At 31 December 2020	267.6	12.3	9.8	1.5	2.0	293.2
Accumulated depreciation:						
At 1 January 2019	51.9	0.7	0.2	–	0.5	53.3
Amortisation	0.9	2.2	0.1	0.1	–	3.3
Impairment loss	17.4	–	–	–	–	17.4
Exchange differences	(3.0)	–	–	–	(0.1)	(3.1)
At 31 December 2019	67.2	2.9	0.3	0.1	0.4	70.9
Amortisation	0.6	2.2	0.2	0.3	–	3.3
Impairment loss	5.1	–	–	0.6	–	5.7
Exchange differences	2.3	0.4	–	–	–	2.7
At 31 December 2020	75.2	5.5	0.5	1.0	0.4	82.6
Carrying amount:						
At 31 December 2020	192.4	6.8	9.3	0.5	1.6	210.6
At 31 December 2019	187.4	8.5	7.6	0.8	0.2	204.5

Of the carrying amount of \$210.6 million (2019 : \$204.5 million) is \$191.5 million (2019 : \$185.8 million) of taxi licences in China and \$8.3 million (2019 : \$8.1 million) of rights under contract and brands in the United Kingdom with indefinite lives. These taxi licenses, rights under contract and brands are not amortised because there is no foreseeable limit to the cash flows generated.

The remaining balance of \$10.8 million (2019 : \$10.6 million) mainly relates to \$5.8 million (2019 : \$7.6 million) of rights under contract in Australia, \$1.8 million (2019 : \$0.3 million) of brands in the United Kingdom and \$0.9 million (2019 : \$1.6 million) of taxi licences in China and \$1.3 million (2019 : \$Nil) of software development costs in Singapore with finite useful lives over which the assets are amortised. The useful lives of intangible assets are ranging from 2 to 15 years (2019 : 2 to 14 years).

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15 GOODWILL

	The Group	
	2020 \$'mil	2019 \$'mil
Cost:		
At beginning of year	644.2	677.5
Arising from acquisition of subsidiaries* (Note 41)	10.2	18.3
Adjustment to prior year's provisional goodwill	–	(30.6)
Arising from divestment of a subsidiary	(0.1)	–
Reclassification	–	(12.7)
Exchange differences	35.4	(8.3)
At end of year	689.7	644.2
Accumulated impairment:		
At beginning of year	–	–
Impairment losses for the year	(21.9)	–
Exchange differences	(0.2)	–
At end of year	(22.1)	–
Carrying amount:		
At end of year	667.6	644.2

* Includes provisional goodwill of \$10.2 million (2019 : \$18.3 million).

Goodwill acquired in a business combination is allocated at acquisition, to the cash-generating units ("CGUs") that are expected to benefit from that business combination.

In the current financial year, the Group recognised an impairment charge of \$21.9 million (2019: \$Nil) largely in relation to taxi business in Australia, the United Kingdom and Vietnam and public transport services in the United Kingdom. This impairment charge arose as a result of the recoverable amount of the CGUs is less than the carrying amount. The impairment charge was included within "Provision for impairment on vehicles and goodwill" in the Group Income Statement.

The carrying amount of goodwill of \$667.6 million (2019 : \$644.2 million) is allocated to the respective CGUs:

	The Group	
	2020 \$'mil	2019 \$'mil
Cash-generating units ("CGUs"):		
Public Transport Services		
Australia	507.6	473.9
United Kingdom	103.4	106.5
Singapore	9.4	9.4
Taxi		
Singapore	14.7	14.7
Australia	5.4	18.8
China	2.9	2.9
United Kingdom	11.1	1.6
Vietnam	–	0.9
Others	13.1	15.5
Total	667.6	644.2

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each CGU to which goodwill is allocated. Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of the CGUs are based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

16 DEFERRED TAX ASSETS/LIABILITIES

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Deferred tax assets	30.4	22.1	–	–
Deferred tax liabilities	(190.5)	(210.1)	(1.3)	(1.3)
Net	(160.1)	(188.0)	(1.3)	(1.3)
At beginning of year	(188.0)	(227.1)	(1.3)	(1.3)
Arising from acquisition of subsidiaries	(0.6)	(0.8)	–	–
Adjustments to prior year's provisional goodwill	–	10.1	–	–
Credit to Profit or Loss (Note 30)	42.8	36.1	–	–
Utilisation of deferred tax assets under				
Group Relief Scheme	(7.8)	(7.5)	–	–
Underprovision in prior years (Note 30)	(5.2)	(1.2)	–	–
Arising from movement in Other Comprehensive				
Income Statement	1.0	1.9	–	–
Exchange differences	(2.3)	0.5	–	–
At end of year	(160.1)	(188.0)	(1.3)	(1.3)

The balances in the accounts comprise the tax effects of:

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Deferred tax assets				
Excess of book over tax depreciation	3.2	1.6	–	–
Provisions	0.9	0.4	–	–
Tax losses	26.3	20.1	–	–
	30.4	22.1	–	–
Deferred tax liabilities				
Accelerated tax depreciation	(252.6)	(257.9)	(1.8)	(1.8)
Other items	62.1	47.8	0.5	0.5
	(190.5)	(210.1)	(1.3)	(1.3)

NOTES TO THE FINANCIAL STATEMENTS

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17 BORROWINGS

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Borrowings comprise of the following:				
(a) Short-term loans	110.3	123.8	27.5	–
(b) Long-term loans	353.4	406.3	353.4	331.3
Total	463.7	530.1	380.9	331.3
Analysed as:				
Current	110.3	198.8	27.5	–
Non-current	353.4	331.3	353.4	331.3
Total	463.7	530.1	380.9	331.3

(a) Short-term loans

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Bank loans				
– unsecured	97.4	74.0	27.5	–
– secured	12.9	49.8	–	–
Total	110.3	123.8	27.5	–

The unsecured bank loans of \$97.4 million (2019 : \$74.0 million) are for a tenure ranging from 3 to 9 months (2019 : 2 to 4 months) and bear floating interest rates ranging from 0.58% to 0.85% (2019 : 1.60% to 1.85%) per annum. The secured bank loans of \$12.9 million (2019 : \$49.8 million) are secured on buses (see Note 13), for a 1 month tenure (2019 : 1 to 6 months) and bear floating interest rate of 0.80% (2019 : ranging from 1.71% to 2.20%) per annum.

(b) Long-term loans

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Bank loans – unsecured	353.4	406.3	353.4	331.3
Total	353.4	406.3	353.4	331.3
Less: Amount due for settlement within 12 months (shown as Current liabilities):				
Bank loans – unsecured	–	(75.0)	–	–
Total	–	(75.0)	–	–
Amount due for settlement after 12 months	353.4	331.3	353.4	331.3
The borrowings are repayable as follows:				
On demand or within one year	–	75.0	–	–
In the second to fifth year inclusive	353.4	331.3	353.4	331.3
Total	353.4	406.3	353.4	331.3

17 BORROWINGS (CONT'D)

(b) Long-term loans (cont'd)

- (i) In 2019, \$75.0 million unsecured bank loan bears fixed interest at 1.91% per annum.
- (ii) In 2020, \$353.4 million (2019 : \$331.3 million) bears floating interest rates ranging from 1.06% to 1.07% (2019 : 1.22% to 1.41%) per annum.
- (iii) The fair values of the Group's long-term loans approximate their carrying amount.

(c) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group Cash Flow Statement as cash flows from financing activities.

	1 January 2020 \$'mil	Financing cash flows ⁽ⁱ⁾ \$'mil	Non-cash changes		31 December 2020 \$'mil
			Exchange differences \$'mil	New leases \$'mil	
Loans	530.1	(92.5)	26.1	–	463.7
Lease liabilities from financial institutions	104.1	(24.1)	2.4	6.2	88.6
Lease liabilities	203.7	(30.8)	1.6	14.4	188.9
Total	837.9	(147.4)	30.1	20.6	741.2

	1 January 2019 \$'mil	Financing cash flows ⁽ⁱ⁾ \$'mil	Non-cash changes		31 December 2019 \$'mil
			Exchange differences \$'mil	New leases \$'mil	
Loans	485.2	52.8	(7.9)	–	530.1
Lease liabilities from financial institutions	84.7	(21.5)	0.5	40.4	104.1
Lease liabilities	216.3	(27.6)	(0.1)	15.1	203.7
Total	786.2	3.7	(7.5)	55.5	837.9

- (i) The cash flows make up the net amount of new loans raised and repayment of borrowings in the Group Cash Flow Statement.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

18. LEASE LIABILITIES FROM FINANCIAL INSTITUTIONS

	The Group	
	2020 \$' mil	2019 \$' mil
Maturity analysis:		
Within one year	33.1	31.4
Within the second to fifth year inclusive	59.9	79.1
After five years	0.2	0.8
	93.2	111.3
Less: Future finance charges	(4.6)	(7.2)
	88.6	104.1
Analysed as:		
– Current	30.7	28.2
– Non-current	57.9	75.9
	88.6	104.1

The Group's policy is to lease certain of its buses from financial institutions. The lease terms range from 5 to 15 years (2019 : 5 to 15 years). The effective borrowing rates vary from 0.63% to 8.44% (2019 : 1.48% to 8.44%) per annum. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in the respective entities' functional currencies.

The fair value of the Group's lease obligations approximates their carrying amount.

The Group's obligations under these leases are secured by the lessors' title to the leased assets (see Note 13).

19. LEASE LIABILITIES

	The Group		The Company	
	2020 \$' mil	2019 \$' mil	2020 \$' mil	2019 \$' mil
Maturity analysis:				
Within one year	35.5	33.9	4.8	4.8
Within the second to fifth year inclusive	106.8	112.7	22.3	22.2
After five years	79.9	91.5	4.2	10.7
	222.2	238.1	31.3	37.7
Less: Future finance charges	(33.3)	(34.4)	(2.3)	(3.2)
	188.9	203.7	29.0	34.5
Analysed as:				
– Current	32.6	27.6	4.1	4.0
– Non-current	156.3	176.1	24.9	30.5
	188.9	203.7	29.0	34.5

The above represents leases for certain buses, land, buildings and advertising space on buses of the Group. The weighted average incremental borrowing rate was 2.57% (2019 : 2.53%).

20 TRADE AND OTHER PAYABLES

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Outside parties	204.5	236.8	1.6	0.8
Accruals	390.9	353.5	9.4	13.0
Deposits received – current (Note 23(a))	58.6	59.9	–	0.1
Deferred income from customers	18.7	16.1	–	–
Due to subsidiaries	–	–	203.8	154.0
Others	2.3	4.0	–	–
Total	675.0	670.3	214.8	167.9

The credit period on purchases of goods and services ranges from 7 days to 120 days (2019 : 7 days to 120 days). The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

Of the amount of \$203.8 million (2019 : \$154.0 million) due to subsidiaries, \$183.3 million (2019 : \$133.2 million) represents funds under central pooling which bear variable interest at rates ranging from 0.12% to 0.60% (2019 : 1.51% to 1.88%) per annum, unsecured and repayable on demand. The remaining balance of \$20.5 million (2019 : \$20.8 million) is interest-free, unsecured and repayable on demand.

21 DEFERRED GRANTS

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Deferred grants	446.3	392.5	0.3	–
Analysed as:				
– Current	61.7	27.6	0.3	–
– Non-current	384.6	364.9	–	–
Total	446.3	392.5	0.3	–

The deferred grants of \$415.8 million (2019 : \$392.5 million) relate largely to the net present value of the grant income from the transport regulators in Australia for the acquisition of new buses. The remaining balance of \$30.5 million (2019 : \$Nil) are amounts granted to the Group and the Company under the COVID-19 Government Relief Measures, mainly the Jobs Support Scheme (“JSS”) initiative by the Singapore Government as disclosed in Note 28(b) to defray certain manpower costs.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

22 PROVISION FOR ACCIDENT CLAIMS

	The Group	
	2020 \$'mil	2019 \$'mil
At beginning of year	51.6	52.0
Charges	14.2	22.0
Payments	(17.2)	(22.6)
Exchange differences	0.1	0.2
At end of year	48.7	51.6

The provision for accident claims represent the estimated amount which certain subsidiaries will have to pay to outside parties for accident claims involving the Group's vehicles (Note 3).

23 OTHER LIABILITIES

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Other liabilities comprised:				
(a) Deposits received	50.2	59.1	–	–
(b) Provision for service benefits and long service award	18.4	16.8	0.1	0.1
(c) Retirement benefits obligations	4.7	–	–	–
Total	73.3	75.9	0.1	0.1

(a) Deposits received

	The Group	
	2020 \$'mil	2019 \$'mil
Deposits received from taxi hirers	108.8	119.0
Less: Due within 12 months (Note 20)	(58.6)	(59.9)
Due after 12 months	50.2	59.1

Deposits received from taxi hirers are repayable at the end of the taxi hire agreement. Deposits that are not expected to be repaid within the next twelve months after the reporting year based on past trend of termination of taxi hire agreements are presented as a non-current liability. The carrying amount of the deposits approximates their fair value.

(b) Provision for service benefits and long service awards

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
At beginning of year	16.8	15.6	0.1	0.1
Charges	2.5	2.1	–	–
Payments	(0.9)	(0.9)	–	–
At end of year	18.4	16.8	0.1	0.1

23 OTHER LIABILITIES (CONT'D)

(c) Retirement benefits obligations

A subsidiary provides pension arrangement to its employees through two defined benefit pension schemes, namely the Metroline Pension Scheme and the Metroline London Northern Pension Scheme (the "Pension Schemes"). In 2007, the employees of the Pension Schemes were transferred to a defined contribution pension scheme and the Pension Schemes ceased active accrual of benefits.

	The Group	
	2020 \$'mil	2019 \$'mil
Reconciliation of the assets and liabilities recognised in the Statement of Financial Position		
Present value of defined benefit obligations that are wholly or partly funded	167.8	153.4
Fair value of plan assets at end of year	(163.1)	(153.8)
Net liability recognised in other liabilities (non-current) at end of year	4.7	-
Net asset recognised in other receivables (non-current) at end of year (Note 6)	-	(0.4)

24 SHARE CAPITAL

	The Group and The Company			
	2020 Number of ordinary shares (million)	2019	2020 \$'mil	2019 \$'mil
Issued and paid-up:				
At beginning of year	2,166.2	2,165.4	692.2	691.1
Exercise of share options	0.8	0.8	1.2	1.1
At end of year	2,167.0	2,166.2	693.4	692.2

Details of the outstanding share options of the Company as at the end of the financial year are set out in paragraph 4 of the Directors' Statement and in Note 28(c).

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

25 TREASURY SHARES

	The Group and The Company	
	2020 Number of ordinary shares (thousands)	2020 \$'mil
At beginning of year	-	-
Repurchased during the year	255	0.4
Transferred to share-based payments	(121)	(0.2)
At end of year	134	0.2

The Company acquired 255,000 (2019 : Nil) of its own shares through purchases on the Singapore Exchange during the financial year. The total amount paid was \$0.4 million (2019 : \$Nil). The shares are held as treasury shares. During the financial year, the Company transferred 121,250 shares of \$0.2 million (2019 : \$Nil) to employees upon vesting of shares released under the ComfortDelGro Executive Share Award Scheme.

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26 OTHER RESERVES

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Merger reserve:				
At beginning and end of year	31.4	31.4	31.4	31.4
Statutory reserve:				
At beginning of year	37.5	35.3	–	–
Transfer from accumulated profits	1.9	2.2	–	–
At end of year	39.4	37.5	–	–
Retirement benefit reserve:				
At beginning of year	(41.5)	(39.4)	–	–
Actuarial adjustment on defined benefit plans	(6.7)	(2.1)	–	–
At end of year	(48.2)	(41.5)	–	–
Investment revaluation reserve:				
At beginning of year	(78.7)	(59.4)	(70.1)	(63.8)
Reclassification	–	(11.8)	–	–
Fair value loss on investments	(2.0)	(7.5)	(1.8)	(6.3)
At end of year	(80.7)	(78.7)	(71.9)	(70.1)
Hedging reserve:				
At beginning of year	0.1	(2.3)	–	–
Fair value gain (loss) on cash flow hedges	(0.1)	2.4	–	–
At end of year	–	0.1	–	–
Others:				
At beginning of year	115.7	115.3	0.7	0.4
Exercise of share options	(0.1)	(0.1)	(0.1)	(0.1)
Recognition of share-based payments	0.7	0.4	0.7	0.4
Transfer from treasury shares to share-based payments	(0.2)	–	(0.2)	–
Others	–	0.1	–	–
At end of year	116.1	115.7	1.1	0.7
Net	58.0	64.5	(39.4)	(38.0)

Merger reserve represents the difference between the fair value of the share capital of the combining entities in a combination involving entities under common control at the date on which it was acquired by the Group and the fair value of the share capital issued as consideration of the acquisition.

Included in investment revaluation reserve is a cumulative amount of \$80.7 million (31 December 2019 : \$78.7 million) that upon disposal will not be reclassified subsequently to Profit or Loss.

Others comprise mainly asset revaluation reserve, capital reserve and share option reserve.

27 REVENUE

Revenue comprises the following amounts:

	The Group	
	2020 \$'mil	2019 \$'mil
Public transport services	2,567.9	2,878.6
Taxi	403.2	664.7
Automotive engineering services	89.4	159.2
Inspection and testing services	84.2	100.9
Others	83.9	97.7
	3,228.6	3,901.1

Majority of the contracts relates to provision of public transport services to the transport regulators in Singapore, Australia and the United Kingdom for periods ranging from 1 to 11 years (2019 : 1 to 10 years).

The Group has the right to consideration from customers in amounts that corresponds directly with the performance of the services completed.

Included in the revenue from transport services are performance incentives from transport regulators for achieving certain performance and service quality targets. These performance incentives accounted for not more than 2% (2019 : 2%) of the total revenue.

28 STAFF COSTS

- (a) The remuneration of the Directors (executive and non-executive) and key executives comprises mainly of short-term benefits amounting to \$5.8 million (2019 : \$6.3 million).

	The Group	
	2020 \$'mil	2019 \$'mil
(b) Cost of defined contribution plan (included in staff costs)	149.2	155.6
Government grant (included in staff costs)	(152.4)	–

The employees of the Company and some of the subsidiaries are members of a defined contribution retirement scheme. The Company and these subsidiaries are required to contribute a specified percentage of their payroll costs to the retirement scheme to fund the benefits. The only obligation of the Company and these subsidiaries with respect to the scheme is to make the specified contributions.

In 2020, the Group received wage support for local employees under the JSS from the Singapore Government as part of the Government's measures to support businesses during the period of economic uncertainty impacted by COVID-19. The Group assessed that there is reasonable assurance that it will comply with the conditions attached to the grants and the grants will be received. Government grant is recognised in Profit or Loss on a systemic basis over the period impacted by COVID-19 in which the related staff costs for which the grant is intended to compensate is recognised as expenses. The period impacted by COVID-19 has been determined to be 17 months commencing from April 2020. Government grant related to JSS of \$120.4 million was recognised during the year.

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28 STAFF COSTS (CONT'D)

(c) Share-based payments (included in staff costs)

Share option schemes

The Company and its listed subsidiaries had share option schemes for certain employees and Directors of the respective companies. These share option schemes expired in prior years and had not been renewed. Information on the share option plans is disclosed in paragraph 4 to the Directors' Statement. Options are exercisable at a subscription price determined with reference to the market price of the shares at the time of grant of the options. If the options remain unexercised after a period of 10 years (5 years for non-executive Directors) from the date of the grant, the options expire. Options granted will lapse when the option holder ceases to be a full-time employee or a Director of the Group, subject to certain exceptions at the discretion of the Remuneration Committee.

Details of the share options outstanding during the year are as follows:

(i) The Company

	2020		2019	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	2,893,000	1.46	3,789,000	1.45
Lapsed during the year	(180,000)	1.47	(140,000)	1.48
Exercised during the year	(710,000)	1.47	(756,000)	1.42
Outstanding at the end of the year	2,003,000	1.46	2,893,000	1.46
Exercisable at the end of the year	2,003,000	1.46	2,893,000	1.46

The weighted average share price at the date of share options being exercised during the year was \$1.70 (2019 : \$2.57). The options outstanding at the end of the year have an average remaining contractual life of 1.3 years (2019 : 1.8 years).

(ii) SBS Transit Ltd

	2020		2019	
	Number of share options	Weighted average exercise price \$	Number of share options	Weighted average exercise price \$
Outstanding at the beginning of the year	–	–	232,500	1.58
Lapsed during the year	–	–	(37,500)	1.58
Exercised during the year	–	–	(195,000)	1.58
Outstanding at the end of the year	–	–	–	–
Exercisable at the end of the year	–	–	–	–

The SBS Transit Share Option Scheme expired on 8 June 2010 and hence no option has been granted since then. As at 31 December 2020, there were no outstanding share options as all share options had been exercised or lapsed. In 2019, the weighted average share price at the date of share options being exercised during the year was \$3.20.

28 STAFF COSTS (CONT'D)

(c) Share-based payments (included in staff costs) (cont'd)

Share awards scheme

On 6 May 2020, the Company granted the second tranche of share awards of 570,000 (2019 : 510,000) ordinary shares pursuant to the CDG ESAS to selected employees of the Group. This included an award of 150,000 (2019 : 100,000) ordinary shares to Executive Director, Mr Yang Ban Seng. These are time-based awards to be vested over a 4-year period. 121,250 treasury shares have been transferred to the participants upon vesting of the first tranche of 25% of shares awards granted pursuant to the CDG ESAS during the financial year.

Since the adoption of the CDG ESAS, a total of 1,080,000 share awards were granted. Details of the share award granted, vested and cancelled and the number of unvested share awards outstanding at the end of the financial years are as follows:

Date of grant	Number of share awards				Balance at 31 December 2020
	Balance at 1 January 2020	Granted	Vested	Cancelled	
6 May 2019	510,000	–	(121,250)	(40,000)	348,750
6 May 2020	–	570,000	–	(20,000)	550,000
Total	510,000	570,000	(121,250)	(60,000)	898,750

29 FINANCE COSTS

	The Group	
	2020 \$'mil	2019 \$'mil
Interest expense on:		
Loans	6.2	11.8
Lease liabilities from financial institutions	3.3	4.0
Lease liabilities	5.2	5.4
Total	14.7	21.2

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30 TAXATION

	The Group	
	2020	2019
	\$'mil	\$'mil
Taxation charge (credit) comprises:		
Taxation charge in respect of profit for the financial year:		
Current taxation	65.3	123.6
Deferred taxation relating to the origination and reversal of temporary differences (Note 16)	(42.8)	(36.1)
	22.5	87.5
Adjustments in respect of (over) under provision in prior years:		
Current taxation	(3.2)	(0.3)
Deferred taxation (Note 16)	5.2	1.2
	24.5	88.4

Domestic income tax is calculated at 17% (2019 : 17%) of the estimated assessable profit for the year. Taxation for overseas subsidiaries are calculated at the rates prevailing for the respective jurisdictions.

The total charge for the year can be reconciled to the accounting profit as follows:

	The Group	
	2020	2019
	\$'mil	\$'mil
Profit before Taxation	117.2	406.6
Income tax expense calculated at 17% (2019 : 17%)	19.9	69.1
Effect of items that are not (allowable)/taxable in determining taxable profit	(7.2)	5.9
Effect of different tax rates of subsidiaries operating in other jurisdictions	7.0	12.3
Under provision in prior years	2.0	0.9
Other items	2.8	0.2
	24.5	88.4

Subject to agreement with the relevant tax authorities, certain subsidiaries have tax losses that are not recognised amounting to \$18.1 million (2019 : \$5.2 million) and the resultant deferred tax benefits of \$1.8 million (2019 : \$1.2 million). These future income tax benefits in respect of unutilised tax losses are available for an unlimited future period only if the respective subsidiaries derive future assessable income of a nature and of sufficient amounts to enable the benefits to be realised and the conditions for deductibility imposed by law, including the retention of majority shareholders, as defined, are complied with. No deferred tax asset will be recognised if future profit streams of these subsidiaries is unpredictable.

31 PROFIT AFTER TAXATION

Profit after taxation is arrived at after charging (crediting):

	The Group	
	2020 \$'mil	2019 \$'mil
Amortisation of intangible assets	3.3	3.3
Depreciation expense from vehicles, premises and equipment and right-of-use assets	413.3	422.4
Provision for impairment on vehicles and goodwill	48.3	27.3
Net loss/(gain) on disposal of vehicles, premises and equipment	11.2	(4.6)
Allowance for expected credit losses	7.2	3.0
Allowance for inventory obsolescence	23.9	2.8
Government grant (COVID-19 related)	(169.3)	–
Share-based payment expenses	0.7	0.4
Directors' fees	1.3	1.4
Audit fees:		
Auditors of the Company	0.5	0.5
Auditors of subsidiaries	0.9	1.1
Non-audit fees:		
Auditors of the Company	0.3	0.2
Auditors of subsidiaries	0.5	0.3

Excluding the Government grant (COVID-19 related) of \$169.3 million (2019 : \$Nil), the Group would have recorded Operating Loss of \$46.2 million (2019 : Operating Profit of \$415.8 million).

32 EARNINGS PER SHARE

Earnings per share is calculated by dividing the Group's net profit attributable to shareholders of the Company for the year by the weighted average number of ordinary shares in issue during the financial year as follows:

	2020	2019
Net profit attributable to shareholders of the Company (\$'mil)	61.8	265.1
Weighted average number of ordinary shares in issue (million)	2,166.5	2,165.9
Basic earnings per share (in cents)	2.85	12.24

For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from share options.

	2020	2019
Net profit attributable to shareholders of the Company (\$'mil)	61.8	265.1
Weighted average number of ordinary shares in issue (million)	2,166.5	2,165.9
Adjustments for share options (million)	0.2	1.2
Weighted average number of ordinary shares for the purpose of diluted earnings per share (million)	2,166.7	2,167.1
Diluted earnings per share (in cents)	2.85	12.23

NOTES TO THE FINANCIAL STATEMENTS

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33 SEGMENT INFORMATION

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is organised on a world-wide basis into 7 major operating divisions:

- (a) Public transport services : Income is generated substantially from the provision of bus and rail services to commuters travelling on public transport systems, contracted revenue for operation of scheduled services, provision of coach rental services, provision of non-emergency transport services to patients and ancillary advertisement income.
- (b) Taxi : Income is generated through renting out taxis, operating taxi bureau services and ancillary advertisement income.
- (c) Automotive engineering services : Income is generated through provision of vehicular maintenance and repair services, construction of specialised vehicles, assembly of bus bodies, crash repair services, engineering services and sale of diesel and petrol.
- (d) Inspection and testing services : Income is generated through the provision of motor vehicle inspection services and provision of non-vehicle testing, inspection and consultancy services.
- (e) Driving centre : Income is generated through operating driving schools.
- (f) Car rental and leasing : Income is generated through renting and leasing of cars.
- (g) Bus station : Income is generated mainly through commission income from fare collection.

Segment revenue and expenses: Segment revenue and expenses are the operating revenue and expenses reported in the Group's Income Statement that are directly attributable to a segment and the relevant portion of such revenue and expenses that can be allocated on a reasonable basis to a segment.

Segment assets and liabilities: Segment assets include all operating assets used by a segment and consist principally of short-term deposits and bank balances, investments, operating receivables, inventories, intangible assets, goodwill, vehicles, premises and equipment, right-of-use assets, net of allowances and provisions. Capital additions include the total cost incurred to acquire vehicles, premises and equipment and intangible assets directly attributable to the segment. Segment liabilities include all operating liabilities and consist principally of trade payables, accruals, deferred grants, deposits, provisions, borrowings, lease liabilities from financial institution and lease liabilities.

Inter-segment transfers: Inter-segment revenue and expenses include transfers between business segments. Inter-segment sales are based on prices as determined between the parties. These transfers are eliminated on consolidation.

33 SEGMENT INFORMATION (CONT'D)

(i) Business Segments

	Public transport services \$'mil	Taxi \$'mil	Automotive engineering services \$'mil	Inspection and testing services \$'mil	Driving centre \$'mil	Car rental and leasing \$'mil	Bus station \$'mil	Elimination \$'mil	Total \$'mil
2020									
REVENUE									
External sales	2,567.9	403.2	89.4	84.2	41.2	27.0	15.7	-	3,228.6
Inter-segment sales	0.7	-	74.0	2.6	0.1	-	-	(77.4)	-
TOTAL	2,568.6	403.2	163.4	86.8	41.3	27.0	15.7	(77.4)	3,228.6
RESULT									
Operating Profit/(Loss)	125.5	(64.4)	18.1	26.6	8.6	2.5	6.2	-	123.1
Net Income									
from Investments									8.8
Finance Costs									(14.7)
Profit before Taxation									117.2
Taxation									(24.5)
Profit after Taxation									92.7
Non-Controlling Interests									(30.9)
Profit Attributable to Shareholders of the Company									61.8
OTHER INFORMATION									
Additions to vehicles, premises and equipment	77.6	85.7	2.1	15.0	1.0	16.7	0.4	-	198.5
Additions to intangible assets	-	1.3	-	-	-	-	-	-	1.3
Additions to goodwill	-	10.2	-	-	-	-	-	-	10.2
Depreciation expense	231.3	148.8	3.1	7.4	5.0	15.4	2.3	-	413.3
Amortisation expense	2.2	1.1	-	-	-	-	-	-	3.3
Provision for impairment loss recognised in Income Statement	4.5	35.8	-	2.0	4.8	1.2	-	-	48.3

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33 SEGMENT INFORMATION (CONT'D)

(i) Business Segments (cont'd)

	Public transport services \$'mil	Taxi \$'mil	Automotive engineering services \$'mil	Inspection and testing services \$'mil	Driving centre \$'mil	Car rental and leasing \$'mil	Bus station \$'mil	Total \$'mil
2020								
STATEMENT OF FINANCIAL POSITION								
ASSETS								
Segment assets	2,724.0	853.2	38.7	103.1	19.4	88.3	17.8	3,844.5
Goodwill	620.3	34.2	–	11.4	0.2	1.5	–	667.6
Associates								0.7
Cash, fixed deposits and equities								765.3
Deferred tax assets								30.4
Consolidated total assets								5,308.5
LIABILITIES								
Segment liabilities	1,217.7	183.9	38.9	67.9	24.2	7.5	20.7	1,560.8
Borrowings								463.7
Income tax payable								64.7
Deferred tax liabilities								190.5
Consolidated total liabilities								2,279.7

33 SEGMENT INFORMATION (CONT'D)

(i) Business Segments (cont'd)

	Public transport services \$'mil	Taxi \$'mil	Automotive engineering services \$'mil	Inspection and testing services \$'mil	Driving centre \$'mil	Car rental and leasing \$'mil	Bus station \$'mil	Elimination \$'mil	Total \$'mil
2019									
REVENUE									
External sales	2,878.6	664.7	159.2	100.9	48.1	27.8	21.8	-	3,901.1
Inter-segment sales	1.2	-	87.2	2.9	0.1	-	-	(91.4)	-
TOTAL	2,879.8	664.7	246.4	103.8	48.2	27.8	21.8	(91.4)	3,901.1
RESULT									
Operating Profit	224.3	104.2	27.8	30.6	14.6	4.3	10.0	-	415.8
Net Income from Investments									12.0
Finance Costs									(21.2)
Profit before Taxation									406.6
Taxation									(88.4)
Profit after Taxation									318.2
Non-Controlling Interests									(53.1)
Profit Attributable to Shareholders of the Company									265.1
OTHER INFORMATION									
Additions to vehicles, premises and equipment	220.5	238.8	0.4	5.4	12.3	28.9	0.4	-	506.7
Additions to goodwill	18.3	-	-	-	-	-	-	-	18.3
Depreciation expense	216.0	173.9	3.5	7.3	4.2	15.2	2.3	-	422.4
Amortisation expense	2.1	1.1	-	0.1	-	-	-	-	3.3
Provision for impairment loss recognised in Income Statement	-	27.3	-	-	-	-	-	-	27.3

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33 SEGMENT INFORMATION (CONT'D)

(i) Business Segments (cont'd)

	Public transport services \$'mil	Taxi \$'mil	Automotive engineering services \$'mil	Inspection and testing services \$'mil	Driving centre \$'mil	Car rental and leasing \$'mil	Bus station \$'mil	Total \$'mil
2019								
STATEMENT OF FINANCIAL POSITION								
ASSETS								
Segment assets	2,783.9	1,015.7	49.0	101.1	25.4	98.2	20.1	4,093.4
Goodwill	590.2	38.6	-	13.5	0.5	1.4	-	644.2
Associates								0.7
Cash, fixed deposits and equities								618.6
Deferred tax assets								22.1
Consolidated total assets								5,379.0
LIABILITIES								
Segment liabilities	1,157.6	220.3	39.0	63.8	20.9	9.1	27.4	1,538.1
Borrowings								530.1
Income tax payable								91.7
Deferred tax liabilities								210.1
Consolidated total liabilities								2,370.0

(ii) Geographical Segments

	Revenue		Non-current assets*		Additions to non-current assets*	
	2020	2019	2020	2019	2020	2019
	\$'mil	\$'mil	\$'mil	\$'mil	\$'mil	\$'mil
Singapore	1,769.8	2,258.9	1,365.0	1,611.6	112.8	285.7
United Kingdom/Ireland	733.9	853.8	589.3	610.1	32.5	101.4
Australia	608.1	627.6	1,247.5	1,203.0	41.4	112.1
China	113.4	155.7	290.6	295.6	23.1	23.9
Vietnam	1.4	2.6	1.6	3.9	-	1.1
Malaysia	2.0	2.5	3.7	4.2	0.2	0.8
Total	3,228.6	3,901.1	3,497.7	3,728.4	210.0	525.0

* Comprising vehicles, premises and equipment, intangible assets and goodwill.

34 COMMITMENTS

As at 31 December 2020, the Group has the following commitments:

Capital commitments contracted for but not provided for in the Financial Statements:

	The Group	
	2020 \$'mil	2019 \$'mil
Purchase of equipment	11.1	12.9
Purchase of buses, taxis and motor vehicles	35.3	73.6
Purchase of computer systems	10.2	9.2
Development of bus depots and properties	17.9	31.3
Total	74.5	127.0

35 OPERATING LEASE ARRANGEMENTS

The Group as lessee

As at 31 December 2020, the Group committed to \$0.7 million (2019 : \$1.7 million) for leases exempted under SFRS(I) 16.

The Group as lessor

The Group rents out certain of its properties and vehicles in Singapore, the United Kingdom and China under operating leases. Rental income earned during the year was \$141.3 million (2019 : \$178.3 million).

At the end of the reporting year, the Group has contracted with counter parties for the following future minimum lease payments:

	The Group	
	2020 \$'mil	2019 \$'mil
Within one year	134.5	163.2
In the second to fifth year inclusive	314.9	341.1
After five years	27.5	30.4
Total	476.9	534.7

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36 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	The Group		The Company	
	2020 \$'mil	2019 \$'mil	2020 \$'mil	2019 \$'mil
Financial Assets				
Amortised cost	1,560.1	1,374.9	613.0	526.0
Equity instruments classified as at FVTOCI	22.5	24.4	10.9	12.7
Financial Liabilities				
Amortised cost	1,538.2	1,635.7	624.8	533.8
Financial instruments designated in hedge accounting relationships				
– Hedging instruments	–	0.5	–	–

(b) Financial risk management policies and objectives

The main areas of financial risk faced by the Group are foreign exchange rate risk, interest rate risk, credit risk, liquidity risk and fuel price risk. The Group recognises that management of financial risk is an important aspect in its drive towards creating shareholders' value. It is the Group's policy not to participate in speculative financial instruments. Management oversees financial risk management and regularly reviews its policy governing risk management practices.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures these risks.

(i) Foreign exchange risk management

The Group manages its foreign exchange exposure by matching revenue and costs in the relevant currencies to create a natural hedge and also through active currency management using hedging instruments such as forwards and options where necessary. The Group's revenue is mainly denominated in Singapore Dollar ("SGD") with the remaining in Great British Pound ("GBP"), Renminbi ("RMB"), Australian Dollar ("AUD"), Euro ("EUR"), Malaysian Ringgit ("MYR") and Vietnamese Dong ("VND"). On the cost side, its foreign currency exposures include United States Dollar ("USD"), GBP, RMB, AUD, Swedish Kroner ("SEK"), EUR, MYR and VND. The Group has investments in the United Kingdom, China, Australia, Ireland, Malaysia and Vietnam. Net translation risks are regularly monitored and the Group currently does not seek to hedge this exposure as it does not impact cash flows.

Foreign currency sensitivity

The bulk of the Group's foreign currency exposures are in the functional currencies of its respective operations. Exposures to foreign currencies that are non-functional are actively managed as part of the overall foreign exchange risk management. Based on sensitivity analysis performed, Management has assessed that exposure to changes in foreign exchange rates arising from assets and liabilities denominated in non-functional currencies of entities in the Group is minimal.

36 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(b) Financial risk management policies and objectives (cont'd)

(ii) Interest rate risk management

The Group's primary interest rate risk relates to its borrowings, investments in fixed income securities and deposits. The Group uses hedging instruments such as interest rate swaps and caps, where necessary, to achieve the desired interest rate profile in its effort to manage interest rate risk. The Group may borrow at variable rates and uses interest rate swaps as cash flow hedges of future interest payments, which have the economic effect of converting borrowings from floating rates to fixed rates.

Interest rate sensitivity

The Group has interest-bearing assets such as fixed income securities and deposits as well as interest-bearing liabilities. Any change in interest rate affecting the interest-bearing assets shall have an offsetting impact from the interest-bearing liabilities. Based on sensitivity analysis performed at the end of the reporting year, Management has assessed that the exposure to changes in interest rates is minimal and hence the resulting impact on the profit or other comprehensive income of the Group is insignificant.

(iii) Credit risk management

The major classes of financial assets of the Group and of the Company are bank deposits, trade and other receivables and investments in financial assets. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient collateral where appropriate to mitigate credit risk. The expected risks of default on trade receivables at the reporting date are insignificant as majority of receivables are from the transport regulators, Government related agencies and insurance companies. The receivables that are past due at the reporting date for which the Group has not provided for are insignificant. The Group does not hold any collateral over these balances. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level. Trade receivables from the transport regulators, Government related agencies and insurance companies represented 80.8% (2019 : 77.8%) of the Group's trade receivables respectively. There is no significant concentration of credit risk.

Cash and deposits are kept with reputable and regulated financial institutions. There is no significant concentration of credit risk.

The carrying amount of financial assets represents the Group's maximum exposure to credit risk as disclosed in the notes to the Financial Statements.

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36 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(b) Financial risk management policies and objectives (cont'd)

(iv) Liquidity risk management

The Group funds its operations through a mix of internal funds and bank borrowings. It regularly reviews its liquidity position comprising free cash flows from its operations and credit lines from banks to ensure its ability to access funding at any time at the best possible rates.

(v) Fuel price risk management

Fuel, comprising diesel, petrol and electricity, is part of the operating costs of the Group. The Group is also exposed to fluctuations in fuel price in its bus and rail operations and diesel and petrol sales business. The Group seeks to hedge the price risk associated with its fuel needs after considering fuel indexation in its contracts with various local authorities and uses hedging instruments, where necessary, to achieve the desired hedge outcome.

Based on sensitivity analysis performed and taking into account the fuel hedges in place, as at the end of the reporting year, every one percentage point change in the rates of diesel, petrol and electricity using the closing rates as at the end of the reporting year as a basis will impact the Group's annual fuel and electricity costs by \$0.5 million (2019 : \$0.5 million). The sensitivity analysis assumes that consumption is held constant at the same level as in 2020.

(vi) Fair values of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables, provisions and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the Financial Statements.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- a. quoted prices in active markets for identical assets or liabilities (Level 1);
- b. inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- c. inputs for the asset or liability that are not based on observable market data (Level 3).

The majority of the fair value of the Group's investments are classified into Level 1. The Group's hedging instruments are classified into Level 2. None of the fair value of the financial instrument is classified in Level 3. There are also no transfers between Levels 1 and 2 of the fair value hierarchy during the financial year.

36 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT (CONT'D)

(c) Hedging instruments

The Group utilises hedging instruments to hedge significant future transactions and cash flows.

The Group's hedging instruments are measured at fair value whereby future cash flows are estimated based on contracted rates and observable forward rates at the end of the reporting year, discounted at a rate that reflects the credit risk of the various counterparties.

At the end of the reporting year, the Group has no outstanding fuel hedge. As at 31 December 2019, the Group had outstanding fuel hedges with notional amounts totalling \$14.7 million.

At the end of the reporting year, the Group has outstanding foreign exchange hedge with notional amounts totalling \$2.2 million (2019 : \$45.2 million).

The Group uses forward contracts and options to manage its exposure to foreign exchange risks. These arrangements are designed to address foreign exchange risk on future purchases of goods and are accounted for as cash flow hedges.

The Group uses fuel hedging contracts to manage its exposure to fuel price risks. These arrangements are designed to address fuel price exposure on future purchases of fuel and are accounted for as cash flow hedges.

(d) Capital risks management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

Management monitors the gross and net gearing of the Group and its implication on weighted average cost of capital in deciding the optimal capital structure. These objectives determine the Group's decisions on the amount of dividends to be paid to shareholders and the sources of capital to be raised, be it equity or debt. The Group's debt capital refers to borrowings comprising loans under Notes 17(a) and 17(b) and lease liabilities from financial institutions under Note 18 while equity refers to total equity.

No changes were made in the objectives, policies or processes during the years ended 2020 and 2019.

NOTES TO THE FINANCIAL STATEMENTS

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36 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONT'D)

- (e) The following are the expected contractual undiscounted cash outflows (including interest payments) of the Group's financial liabilities:

	Carrying amount \$'mil	Contractual cash flows			Effective interest rate %	
		Total \$'mil	Within 1 year \$'mil	Within 2 to 5 years \$'mil		Beyond 5 years \$'mil
2020						
Financial liabilities						
Loans:						
In functional currencies	463.7	464.8	110.5	354.3	–	0.6% to 1.1%
Lease liabilities from financial institutions:						
In functional currencies	88.6	93.2	33.1	59.9	0.2	0.6% to 8.4%
Lease liabilities:						
In functional currencies	188.9	222.2	35.5	106.8	79.9	0.9% to 4.4%
Total	741.2	780.2	179.1	521.0	80.1	
2019						
Financial liabilities						
Loans:						
In functional currencies	530.1	535.0	200.7	334.3	–	1.2% to 2.2%
Lease liabilities from financial institutions:						
In functional currencies	104.1	111.3	31.4	79.1	0.8	1.5% to 8.4%
Lease liabilities:						
In functional currencies	203.7	238.1	33.9	112.7	91.5	1.2% to 4.4%
Total	837.9	884.4	266.0	526.1	92.3	

37 DIVIDENDS

(a) During the financial year, the Company paid dividends as follows:

	2020	2019
	\$'mil	\$'mil
<hr/>		
Tax-exempt one-tier final dividend in respect of the previous financial year: – 5.29 cents (2019 : 6.15 cents) per ordinary share	114.6	133.2
Tax-exempt one-tier interim dividend in respect of the current financial year: – Nil cents (2019 : 4.50 cents) per ordinary share	–	97.5
Total	114.6	230.7

(b) Subsequent to the end of the financial year, the Directors of the Company recommended that a tax-exempt one-tier first and final dividend of 1.43 cents per ordinary share totalling \$30.9 million be paid for the financial year ended 31 December 2020. The dividend is subject to approval by shareholders at the forthcoming Annual General Meeting and hence the proposed dividend has not been accrued as a liability for the current financial year.

During the financial year, no interim dividend was declared (2019 : 4.50 cents per ordinary share). A first and final dividend of 1.43 cents per ordinary share has been proposed for the financial year ended 31 December 2020. Total distributions paid in respect of the financial year ended 31 December 2019 was 9.79 cents per ordinary share.

38 LICENCE FOR RAIL SERVICES

North-East Line MRT System, Punggol LRT System and Sengkang LRT System

With effect from 1 April 2018, the subsidiary of the Group, SBS Transit Ltd ("SBST") was granted a new licence to operate the Licensed Systems under the New Rail Financing Framework ("NRFF") for a period of 15 years. If SBST applies for an extension, LTA may extend the term of the new licence for a further five years subject to terms and conditions as LTA may impose and SBST may accept.

The NRFF is an asset-light model whereby the LTA will make the capital investments in operating assets and thereby retain the ability and flexibility to decide on the additions, renewals and replacements and undertake long term planning for the rapid transit system network. It allows the LTA to respond more promptly to commuter needs, while relieving SBST of the cost of asset renewal and upgrade, and of procuring additional operating assets when ridership demand increases, in order to meet service level and reliability standards. The NRFF was first implemented in 2011 when SBST was awarded the tender for the Downtown Line.

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38 LICENCE FOR RAIL SERVICES (CONT'D)

With the transition to the NRFF, SBST will no longer need to buy over the first set of operating assets from the LTA. Going forward, LTA will also own and pay for the operating assets, including additions, renewals and replacements. In conjunction with the transition to the NRFF, SBST had entered into Sale and Purchase Agreements with the LTA on 14 February 2018 for the sale of certain operating assets required for the operation of the Licensed Systems which were purchased by SBST prior to the transition. The aggregate consideration for the sale was based on the respective net book values of such assets on the date of transfer amounted to \$29,210,000.

In exchange for the right to operate, maintain and derive revenue from the Licensed Systems, SBST will pay an annual licence charge to the LTA over the licence period. The licence charge structure under the NRFF provides for some sharing between SBST and the LTA of revenue risks under the Fare Revenue Shortfall Sharing as well as profit sharing via an Earnings Before Interest and Tax Cap/Collar. These are explained below:

(i) Fare Revenue Shortfall Sharing ("FRSS")

The licence charge structure has a FRSS mechanism which offers some level of protection against revenue risks arising from uncertainties in ridership and fares. Under this mechanism, if the actual revenue falls short of the target revenue by 2% to 6%, LTA will share 50% of the shortfall. If the shortfall between the actual revenue and the target revenue exceeds 6%, LTA will bear 75% of the incremental revenue shortfall beyond 6%.

(ii) Earnings Before Interest & Tax ("EBIT") Cap/Collar

The licence charge structure provides for profit sharing via an EBIT cap and collar mechanism whereby LTA shares in the upside of the EBIT above the cap as well as the downside risks below the collar. If the EBIT margin is lower than 3.50%, LTA will share 50% of the shortfall. LTA's sharing of the shortfall is limited by the amount of licence charge payable by SBST for the year. If the EBIT margin exceeds the cap of 5%, the excess will be shared via a tiered structure, whereby 85% to 95% of the incremental EBIT above the 5% cap will be shared with LTA.

LTA's sharing under the FRSS and/or the EBIT Cap/Collar is limited by the amount of licence charge payable by SBST for the year.

In addition, the LTA may reimburse or be reimbursed by SBST when new regulatory changes initiated by LTA after the transition lead to changes in operating costs or revenue. Regulatory changes that may impact operating costs or revenue include modifications to operating performance standards for the rail lines, maintenance performance standards for the operating assets, key performance indicators or codes of practice and changes in rentable and advertising spaces available for generating non-fare revenue.

38 LICENCE FOR RAIL SERVICES (CONT'D)

Downtown Line MRT System

A licence dated 19 December 2013 was issued by LTA to a subsidiary of SBST under which the subsidiary of SBST is licensed to operate the Downtown Line MRT System.

The licence sets out the conditions governing the operation of the Downtown Line MRT system and includes, among others, the following:

- (a) The licence is for a period of 19 years commencing from 20 December 2013. LTA may, if it deems fit, renew the licence for such further period with revised terms and conditions of the renewed licence.
- (b) The licence fee payable to LTA is prescribed under the subsidiary of SBST legislation of the Rapid Transit Systems Act during the Licence Term.
- (c) The subsidiary of SBST shall pay LTA a licence charge which consists of Fixed Charge and Revenue Share Charge. A yearly Fixed Charge is payable from financial year 2019 to end of licence period. If the Operating Surplus minus the Fixed Charge for a financial year is more than the Threshold Profit, the subsidiary of SBST shall pay Revenue Share Charge.
- (d) After the commencement of revenue service of the last stage, the subsidiary of SBST shall pay LTA a Cash-Bid Amount if the Net Operating Surplus for a financial year is more than the Threshold Profit.
- (e) All Operating Assets shall remain the property of LTA except for Spares, Special Tools, Non-Proprietary Items and End Devices purchased by the subsidiary of SBST during the Licence Term.

39 CONTRACTS UNDER THE BUS CONTRACTING MODEL ("BCM")

A subsidiary of the Group, SBST entered into public bus services contracts (collectively known as the "Negotiated Contract") with LTA for the operation of public bus services under the BCM. The Negotiated Contract was effective from 1 September 2016 following the expiry of the Bus Service Operating Licence on 31 August 2016. Under the Negotiated Contract, SBST operates a total of 8 bus packages with an average contract period of 7 years. The respective contracted expiry dates of the 8 bus packages (subject to any further extension that may be granted at the sole discretion of LTA) are as follows: Bukit Merah (2018), Sengkang-Hougang (2021), Bedok (2023), Jurong West (2024), Tampines (2024), Serangoon-Eunos (2025), Clementi (2025) and Bishan-Toa Payoh (2026).

As part of the Negotiated Contract, SBST leases its fleet of close to 2,900 buses to LTA. In consideration of SBST using its fleet for the provision of the bus services, LTA pays a leasing fee based on the depreciation of the buses over the statutory lifespan. LTA also pays a leasing fee for the use of the other existing assets of SBST (bus depot and related equipment) based on the depreciation of such assets.

Subsequent to the Negotiated Contract, SBST was awarded the Seletar Bus Package in April 2017 and the Bukit Merah Bus Package (the first among the 8 bus packages within the Negotiated Contract to expire) in February 2018 respectively through the tender process conducted by LTA. Both bus packages secured through the tender process have a contract period of five years which can be extended by another two years. The Seletar and Bukit Merah Bus Packages had commenced operations from March 2018 and November 2018 respectively.

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39 CONTRACTS UNDER THE BUS CONTRACTING MODEL ("BCM") (CONT'D)

Including the two bus packages secured through tender, SBST operates a total of 9 bus packages which cover a total of 226 bus services, 7 bus depots, 1 bus park, 17 bus interchanges and 14 bus terminals. The fleet size required to operate the 9 packages is around 3,500 buses.

Under the BCM, LTA retains all fare revenue collected from the provision of the bus services. Revenue for SBST is derived from the provision of bus services which comprises service fee and leasing fee. The service fee is indexed to changes in wage levels, inflation and fuel costs. In addition, SBST retains revenue from other commercial services comprising advertising and rental.

In addition to operating and managing bus services to specified performance standards, SBST's responsibilities include the following:

- (a) Operate, manage and maintain the buses and their on-board equipment;
- (b) Operate, and maintain the bus interchanges, bus depots including the equipment and systems therein;
- (c) Charge and collect fares as approved by the Public Transport Council, on behalf of LTA, for travel on the bus services;
- (d) Provide bus service information at all bus stops and bus interchanges served by the bus services; and
- (e) Provide customer management services, such as lost and found service, and a hotline for commuter feedback and enquiries.

40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS

Details of subsidiaries and associates are as follows:

(a) Subsidiaries

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Quoted equity shares				
SBS Transit Ltd ⁽²³⁾	Provision of public bus and rail services	Singapore	74.43	74.43
VICOM Ltd ⁽²³⁾	Investment holding and provision of motor vehicle evaluation and other related services	Singapore	67.06	67.06

40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Unquoted equity shares				
Braddell Limited ⁽³⁾	Investment holding	United Kingdom	100	100
CityCab Pte Ltd	Provision of public taxi services through the rental of taxis to hirers	Singapore	53.50	53.50
Comfort (China) Pte Ltd	Investment holding	Singapore	100	100
ComfortDelGro Bus Pte Ltd	Provision of charter bus services, rental of buses to hirers and other related services	Singapore	100	100
ComfortDelGro (China) Pte Ltd	Investment holding	Singapore	100	100
ComfortDelGro Driving Centre Pte Ltd	Operation of a driving school	Singapore	90	90
ComfortDelGro Engineering Pte Ltd	Operation of workshops for repairing, servicing and general maintenance of motor vehicles and dealer in diesel and petrol for motor vehicles	Singapore	100	100
ComfortDelGro Rent-A-Car Pte Ltd	Provision of car rental, car care and leasing services	Singapore	100	100
ComfortDelGro (S.E. Asia) Pte Ltd	Investment holding	Singapore	100	100
Comfort Transportation Pte Ltd	Provision of public taxi services through the rental of taxis to hirers	Singapore	100	100
SBS (Guangzhou) Pte Ltd ⁽²²⁾	Inactive	Singapore	100	100
Moove Media Pte Ltd	Provision of advertising Services	Singapore	100	100
CityFleet Networks Limited ⁽¹⁸⁾	Provision and management of taxi booking services	United Kingdom	100	100

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40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Unquoted equity shares (cont'd)				
Swan Taxis Pty Ltd ⁽³⁾	Provision of taxi services	Australia	100	100
ComfortDelGro Corporation Australia Pty Ltd ⁽³⁾	Investment holding and provision of management services	Australia	100	100
ComfortDelGro Insurance Brokers Pte Ltd	Insurance broking risk management, claims management related activities	Singapore	100	100
ComfortDelGro Ventures Pte Ltd	Investment holding	Singapore	100	100
Fringe Pte Ltd	Investment holding	Singapore	100	100
ComfortDelGro Medicare Pte Ltd ^{(21) (22)}	Medical escort and transport services	Singapore	100	–
ComfortDelGro Transit Pte Ltd ⁽²⁵⁾	Investment holding	Singapore	100	100
CDG Zig Pte Ltd ⁽²⁶⁾	Provision of technology services	Singapore	100	100
Subsidiary of SBS Transit Ltd:				
SBS Transit DTL Pte Ltd	Provision of public rail Services	Singapore	74.43	74.43
Subsidiaries of VICOM Ltd:				
JIC Inspection Services Pte Ltd	Vehicle inspection and other related services	Singapore	52.31	52.31
Setsco Services Pte Ltd	Provision of testing, inspection and consultancy services	Singapore	67.06	67.06
VICOM Inspection Centre Pte Ltd	Provision of vehicle inspection services	Singapore	67.06	67.06

40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiaries of Setsco Services Pte Ltd:				
Setsco Services (M) Sdn Bhd ⁽¹⁾	Provision of testing, inspection and consultancy services	Malaysia	67.06	67.06
Setsco Consultancy International Pte Ltd	Provision of professional inspection and engineering services	Singapore	67.06	67.06
SETS Services DMCC ⁽¹⁶⁾	Building inspection services	United Arab Emirates	67.06	67.06
Subsidiary of Comfort (China) Pte Ltd:				
Suzhou Comfort Taxi Co., Ltd ⁽²⁾	Provision of taxi services	China	70	70
Subsidiaries of Braddell Limited:				
ComfortDelGro Irish Citylink Limited ⁽³⁾	Provision of coach services	Ireland	100	100
Metroline Limited ⁽³⁾	Investment holding	United Kingdom	100	100
Metroline Rail Limited ⁽²²⁾	Inactive	United Kingdom	100	100
Scottish Citylink Coaches Limited ⁽³⁾	Provision of long distance coach services	United Kingdom	65	65
New Adventure Travel Limited ⁽¹⁷⁾	Provision of public bus and coach services	United Kingdom	100	100
Subsidiaries of Metroline Limited:				
Metroline Travel Limited ⁽³⁾	Provision of public bus Limited	United Kingdom	100	100
Metroline West Limited ⁽³⁾	Provision of public bus Limited	United Kingdom	100	100

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40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiary of Scottish Citylink Coaches Limited:				
Megacity Limited ⁽²²⁾	Inactive	United Kingdom	65	65
Subsidiary of CityCab Pte Ltd:				
Cabcharge Asia Pte Ltd	Provision of charge card facilities	Singapore	46.92	46.92
Subsidiary of Moove Media Pte Ltd				
Moove Media Australia Pty Ltd ⁽⁷⁾	Provision of advertising services	Australia	100	100
Subsidiaries of CityFleet Networks Limited:				
Computer Cab plc ⁽¹⁸⁾	Provision of taxi services	United Kingdom	100	100
Computer Cab (Aberdeen) Limited ⁽¹⁸⁾	Provision of taxi services	United Kingdom	100	100
Flightlink International Limited ⁽¹⁸⁾	Provision of private hire services	United Kingdom	100	100
Computer Cab (Liverpool) Limited ⁽¹⁸⁾	Provision of taxi services	United Kingdom	100	100
Westbus Coach Services Limited ⁽¹⁸⁾	Provision of coach services	United Kingdom	100	100
Argyle Satellite Ltd ^{(18) (20)}	Provision of taxi and private hire services	United Kingdom	100	–
Argyle Satellite Contract Services Ltd ^{(18) (20)}	Provision of taxi and private hire services	United Kingdom	100	–

40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiaries of ComfortDelGro (China) Pte Ltd:				
Beijing Jin Jian Taxi Services Co., Ltd ⁽⁶⁾	Provision of public taxi services through the rental of taxis to hirers	China	55	55
Beijing Tian Long Da Tian Vehicle Inspection Co., Ltd ⁽⁵⁾	Inactive	China	80	80
Chengdu ComfortDelGro Qingyang Driving School Co., Ltd ⁽⁸⁾	Operation of a driving school	China	95	95
Chengdu ComfortDelGro Taxi Co., Ltd ⁽⁸⁾	Provision of public taxi services through the rental of taxis to hirers	China	100	100
Chengdu Jitong Integrated Vehicle Inspection Co., Ltd ⁽¹⁹⁾	Inactive	China	–	51
Chongqing ComfortDelGro Driver Training Co., Ltd ⁽⁹⁾	Inactive	China	100	100
CityCab (Shenyang) Co., Ltd ⁽⁴⁾	Provision of public taxi services through the rental of taxis to hirers and vehicle repair	China	100	100
ComfortDelGro Rent-A-Car (Chengdu) Co., Ltd ⁽⁸⁾	Provision of cars for hire	China	100	100
Guangzhou Xin Tian Wei Transportation Development Co., Ltd ⁽¹⁰⁾	Provision of bus station services	China	60	60
Jilin ComfortDelGro Taxi Co., Ltd ⁽¹¹⁾	Provision of public taxi services through the rental of taxis to hirers	China	97	97
Nanjing ComfortDelGro Dajian Taxi Co., Ltd ⁽¹⁵⁾	Provision of public taxi services through the rental of taxis to hirers and vehicle repair.	China	70	70

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40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiaries of ComfortDelGro (China) Pte Ltd (cont'd):				
Nanjing ComfortDelGro Xixia Driver Training Co., Ltd ⁽¹⁵⁾	Operation of a driving school	China	60	60
Nanning Comfort Transportation Co., Ltd ⁽¹²⁾	Provision of public taxi services through the rental of taxis to hirers	China	80	80
Shanghai City Qi Ai Taxi Services Co., Ltd ⁽¹⁴⁾	Provision of public taxi services through the rental of taxis to hirers	China	51	51
Shenyang ComfortDelGro Taxi Co., Ltd ⁽⁴⁾	Provision of public taxi services through the rental of taxis to hirers	China	80	80
Subsidiary of Chengdu ComfortDelGro Taxi Co., Ltd:				
Chengdu ComfortDelGro Shengduo Consulting Co., Ltd ⁽⁶⁾	Inactive	China	100	100
Subsidiaries of ComfortDelGro (S.E. Asia) Pte Ltd:				
CityLimo Leasing (M) Sdn Bhd ⁽¹³⁾	Provision of car leasing services	Malaysia	100	100
Vietnam Taxi Co., Ltd ⁽³⁾	Provision of taxi services	Vietnam	70	70
Subsidiary of Swan Taxis Pty Ltd:				
ComfortDelGro Swan Pty Ltd ⁽³⁾	Provision of taxi services	Australia	100	100

40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiaries of ComfortDelGro Corporation Australia Pty Ltd:				
Westbus Region 1 Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC NSW Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
Hillsbus Co Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
Hunter Valley Buses Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Travel Pty Ltd ⁽³⁾	Provision of charter, coach and terminal services	Australia	100	100
CDC Victoria Pty Ltd ⁽³⁾	Investment holding	Australia	100	100
CDC National Pty Ltd ^{(3) (27)}	Investment holding	Australia	100	100
Blue Mountains Transit Pty Ltd ⁽³⁾	Provision of public bus and charter services	Australia	100	100
Western Sydney Repair Centre Pty Ltd ⁽³⁾	Provision of accident and other repair and maintenance services	Australia	100	100
CDC Commercial Bus Company Pty Ltd ⁽³⁾	Provision of public bus and charter services	Australia	100	100
FCL Holdings Pty Limited ⁽³⁾	Investment holding	Australia	100	100
National Patient Transport Pty Ltd ⁽³⁾	Investment holding	Australia	100	100
Buslink Pty Ltd ⁽³⁾	Investment holding	Australia	100	100
Buslink Southern Pty Ltd ⁽³⁾	Investment holding	Australia	100	100

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40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiaries of ComfortDelGro Corporation Australia Pty Ltd (cont'd):				
B&E Blanch Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Western Australia Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Sydney Pty Ltd ^{(3) (24)}	Provision of public bus services	Australia	100	100
CDC Fleet Pty Ltd ⁽³⁾	Provision of taxi operations	Australia	100	100
Subsidiaries of CDC Victoria Pty Ltd:				
CDC Sunshine Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Geelong Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Oakleigh Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Wyndham Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Altona Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Ballarat Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Eastrans Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Tullamarine Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
CDC Melbourne Transit Pty Ltd ^{(3) (21)}	Provision of public bus services	Australia	100	–

40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiary of CDC National Pty Ltd:				
Qcity Transit Pty Ltd ⁽³⁾	Provision of public bus services	Australia	100	100
Subsidiary of CDC NSW Pty Ltd:				
CDC Forest Region 8 Pty Ltd ^{(3) (21)}	Provision of public bus services	Australia	100	–
Subsidiaries of National Patient Transport Pty Ltd:				
National Patient Transport NSW Pty Ltd ⁽³⁾	Provision for non-emergency transport services to patients	Australia	100	100
National Patient Transport Qld Pty Ltd ⁽³⁾	Provision for non-emergency transport services to patients	Australia	100	100
National Patient Transport WA Pty Ltd ⁽³⁾	Provision for non-emergency transport services to patients	Australia	100	100
National Patient Transport SA Pty Ltd ⁽³⁾	Provision for non-emergency transport services to patients	Australia	100	100
NPT Heart Pty Ltd ⁽³⁾	Provision for non-emergency transport services to patients	Australia	100	100
Platinum Healthcare Pty Ltd ⁽³⁾	Provision for non-emergency transport services to patients	Australia	100	100
National Patient Transport Vic Pty Ltd ⁽³⁾	Provision for non-emergency transport services to patients	Australia	100	100

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40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Subsidiaries of FCL Holdings Pty Ltd:				
FCL Finance Pty Limited ⁽³⁾	Provision of public bus services	Australia	100	100
Forest Coach Lines Pty Limited ⁽³⁾	Provision of public bus services	Australia	100	100
Terrey Hills Depot Holdings Pty Limited ⁽³⁾	Investment holding	Australia	100	100
Subsidiaries of Buslink Pty Ltd and Buslink Southern Pty Ltd:				
CDC Gladstone Pty Ltd ^{(3) (28)}	Provision of public bus and charter services	Australia	100	100
CDC South East Queensland Pty Ltd ^{(3) (29)}	Provision of public bus and charter services	Australia	100	100
CDC Broken Hill Pty Ltd ^{(3) (30)}	Provision of public bus and charter services	Australia	100	100
CDC Mildura Pty Ltd ^{(3) (31)}	Provision of public bus and charter services	Australia	100	100
Tropic Sun Pty Ltd ⁽³⁾	Investment holding	Australia	100	100
Subsidiaries of Buslink Pty Ltd:				
Buslink NT Pty Ltd ⁽³⁾	Provision of public bus and charter services	Australia	100	100
Buslink Alice Springs Pty Ltd ⁽³⁾	Provision of public bus and charter services	Australia	100	100

40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(a) Subsidiaries (cont'd)

Note:

All Singapore companies (except for SBS Guangzhou Pte Ltd) are audited by Deloitte & Touche LLP, Singapore except for certain subsidiaries as indicated below.

- ⁽¹⁾ Audited by WT Ng & Co, Malaysia.
- ⁽²⁾ Audited by Jiangsu Gongzheng Tianye Certified Public Accountants Co., Ltd, China.
- ⁽³⁾ Audited by overseas practices of Deloitte Touche Tohmatsu Limited.
- ⁽⁴⁾ Audited by Reanda Certified Public Accountants (Special General Partnership) Liaoning Branch, China.
- ⁽⁵⁾ Audited by Beijing Dongshen Dingli International Certified Public Accountants Co., Ltd, China.
- ⁽⁶⁾ Audited by Zhong Zheng Tian Tong Certified Public Accountants Co., Ltd, China.
- ⁽⁷⁾ Audited by LBW & Partners, Australia.
- ⁽⁸⁾ Audited by Sichuan Tong Ze Certified Public Accountants Co., Ltd, China.
- ⁽⁹⁾ Audited by Chongqing TianHua Certified Public Accountants Co., Ltd, China. ComfortDelGro (China) Pte Ltd held 90% and Chengdu ComfortDelGro Taxi Co., Ltd held 10%.
- ⁽¹⁰⁾ Audited by Guangzhou Orient Certified Public Accountants Co., Ltd, China.
- ⁽¹¹⁾ Audited by Jilin Hua Tai Certified Public Accountants Co., Ltd, China.
- ⁽¹²⁾ Audited by Guangxi Broad Way Certified Public Accountants Co., Ltd, China.
- ⁽¹³⁾ Audited by Bahudin & Associates, Malaysia.
- ⁽¹⁴⁾ Audited by Shanghai Gong Xin Zhong Nan Certified Public Accountants Co., Ltd, China.
- ⁽¹⁵⁾ Audited by Zhongshen Zhonghuan Certified Public Accountants Co., Ltd, China.
- ⁽¹⁶⁾ Audited by Ethics Plus Public Accountants, United Arab Emirates.
- ⁽¹⁷⁾ Audited by Broomfield Alexander, United Kingdom.
- ⁽¹⁸⁾ Audited by AZETS Audit & Accounting LLP, United Kingdom.

Other information

- ⁽¹⁹⁾ Disposed during the financial year.
- ⁽²⁰⁾ Acquired during the financial year.
- ⁽²¹⁾ Incorporated during the financial year.
- ⁽²²⁾ These subsidiaries are insignificant and unaudited.
- ⁽²³⁾ Listed on the Singapore Exchange Securities Trading Limited.
- ⁽²⁴⁾ Previously known as CDC South Australia Pty Ltd.
- ⁽²⁵⁾ Previously known as Fringe Enable Pte Ltd.
- ⁽²⁶⁾ Previously known as Fringe Life Pte Ltd.
- ⁽²⁷⁾ Previously known as Baypalm Pty Limited.
- ⁽²⁸⁾ Previously known as Buslink Gladstone Pty Ltd.
- ⁽²⁹⁾ Previously known as Buslink Sunshine Coast Pty Ltd.
- ⁽³⁰⁾ Previously known as Buslink Broken Hill Pty Ltd.
- ⁽³¹⁾ Previously known as Buslink Sunraysia Pty Ltd.

Compliance with Listing Rules:

The Group is in compliance with Listing Rules 712 and 715 of The Singapore Exchange Securities Trading Limited as suitable auditing firms have been appointed to meet the Group's audit obligations. In accordance to Rule 716, the Audit and Risk Committee and Board of Directors of the Company confirm that they are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

NOTES TO THE FINANCIAL STATEMENTS

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40 CORPORATE INFORMATION AND RELATED COMPANY TRANSACTIONS (CONT'D)

(b) Associates

Name of entity	Principal activity	Country of incorporation/ operations	Group's effective interest	
			2020 %	2019 %
Unquoted equity shares				
Phillip Boyle & Associates Pty Ltd ⁽¹⁾	Provision of consultancy services for bus planning and scheduling activities	Australia	49	49
Gobbler Pte Ltd ⁽²⁾	Sales of goods bartered from the provision of advertising services	Singapore	–	40

Note:

(1) Audited by Complete Audit Pty Ltd, Australia. The associate is insignificant.

(2) Disposed during the financial year.

(c) Related company transactions

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this note.

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received.

41 ACQUISITIONS OF NEW SUBSIDIARIES

On 10 March 2020, the Group acquired 100% of the issued share capital of Argyle Satellite Ltd and Argyle Satellite Contract Services Ltd (collectively known as "AST") for cash consideration of \$13.2 million. This transaction has been accounted for by the acquisition method of accounting.

AST are entities incorporated in the United Kingdom with its principal activity being providers of transport services, namely taxi and private hire services. The Group acquired AST primarily for expansion of its foothold in the United Kingdom.

In prior year, acquisition of new subsidiaries related mainly to the acquisition of 100% interest in B&E Blanch Pty Ltd ("Blanch") and 60% interest in Nanjing ComfortDelGro Xixia Driver Training Co., Ltd ("Xixia").

Consideration transferred (at acquisition date fair values)

	2020	2019
	\$'mil	\$'mil
AST	13.2	–
Blanch	–	33.7
Xixia	–	2.6
Total purchase consideration for new acquisitions	13.2	36.3
Adjustment to prior year's acquisition – Buslink Companies	–	1.8
Total purchase consideration	13.2	38.1

Acquisition-related costs have been excluded from the consideration transferred and have been recognised as an expense in the period, within the "Other operating costs" line item in the Group Income Statement.

Assets acquired and liabilities assumed at the date of acquisition

	2020	2019
	\$'mil	\$'mil
Current assets	1.9	7.3
Non-current assets	2.6	18.1
Current liabilities	(1.5)	(1.4)
Non-current liabilities	–	(6.0)
Net assets acquired and liabilities assumed	3.0	18.0
Provisional goodwill arising on acquisitions	10.2	18.3
Purchase consideration for new acquisitions	13.2	36.3

Goodwill arose in the acquisition because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The finalisation of the goodwill amount is dependent on the completion of the valuation of net assets acquired.

None of the goodwill arising from these acquisitions is expected to be deductible for tax purposes.

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41 ACQUISITIONS OF NEW SUBSIDIARIES (CONT'D)

Net cash outflow on acquisition of subsidiaries

	2020 \$'mil	2019 \$'mil
Consideration paid in cash	13.2	38.1
Less: Cash and cash equivalent balances acquired	(1.2)	(9.8)
	12.0	28.3

In 2019, the valuation for certain acquisitions made in 2018 was completed. The 2018 comparative information was not restated to reflect the adjustments made to the provisional amounts as the differences below were insignificant. The increased depreciation charge on the buildings and amortisation charge on rights under contract from the acquisition date to 31 December 2018 was not significant.

	2020 \$'mil	2019 \$'mil
Current assets	–	12.8
Non-current assets	–	37.2
Current liabilities	–	(11.5)
Non-current liabilities	–	(6.1)
Net assets acquired and liabilities assumed	–	32.4
Adjustment to prior year's provisional goodwill	–	(30.6)
Adjustment to prior year's purchase consideration	–	1.8

42 CONTINGENT EVENT

13 Bus Captains commenced legal proceedings against a subsidiary of the Group between 20 September 2019 and 1 March 2020 in relation to, inter alia, working hours, rest days, allowances, overtime pay and allowances. At the date of this report, the subsidiary of the Group is in the midst of legal proceedings. As at 31 December 2020, Management is of the view that no provision is required with regard to the above.

43 GROUP PROPERTIES

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
SINGAPORE					
ComfortDelGro Corporation Limited	100	Braddell Road	66,441 sq m	36 years 10 months 5 years 8 months unexpired	Head office, bus depot, vehicle workshop
SBS Transit Ltd	74.43	Soon Lee Road	26,670 sq m	30 years 9 years 3 months unexpired	Bus depot
SBS Transit Ltd	74.43	Defu Avenue 1	74,236 sq m	43 years 11 months from 1 January 1983 5 years 11 months unexpired	Bus depot
SBS Transit Ltd	74.43	Bedok North Avenue 4	62,220 sq m	Upon Temporary Occupation Licence	Bus depot
SBS Transit Ltd	74.43	Bukit Batok Street 23	52,187 sq m	43 years from 1 January 1983 5 years unexpired	Bus depot
SBS Transit Ltd	74.43	Ayer Rajah Crescent	17,939 sq m	Upon Temporary Occupation Licence	Bus park
SBS Transit Ltd	74.43	Ang Mo Kio Street 63	63,955 sq m	30 years 9 months from 1 March 1994 3 years 11 months unexpired	Bus depot
VICOM Ltd	67.06	Sin Ming Drive	10,853 sq m	30 years from January 2011 20 years unexpired	Inspection, assessment services
VICOM Ltd	67.06	Kaki Bukit Avenue 4	9,797 sq m	30 years from January 1997 with option to renew another 30 years 6 years unexpired	Inspection, assessment services
VICOM Ltd	67.06	No. 511 Bukit Batok Street 23	9,625 sq m	30 years from October 1995 with option to renew another 30 years 4 years 9 months unexpired	Inspection, testing and assessment services

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
SINGAPORE (cont'd)					
VICOM Ltd	67.06	Changi North Crescent	6,015 sq m	30 years from May 1995 4 years 4 months unexpired	Inspection services
VICOM Ltd	67.06	Yishun Industrial Park A	5,190 sq m	60 years from July 1983 22 years 6 months unexpired	Inspection services
VICOM Ltd	67.06	Yishun Industrial Park A	1,105 sq m	30 years from July 2013 22 years 6 months unexpired	Inspection services
Setsco Services Pte Ltd	67.06	No. 531 Bukit Batok Street 23	7,554.5 sq m	7 years from October 2018 with option renew another 30 years 4 years 9 months unexpired	Testing, inspection and consultancy services
JIC Inspection Services Pte Ltd	52.31	Pioneer Road	9,190 sq m	30 years from December 1994 3 years 11 months unexpired	Inspection services
JIC Inspection Services Pte Ltd	52.31	Ang Mo Kio Street 63	2,145 sq m	3 years from March 2020 2 years 2 months unexpired	Inspection services
Comfort Transportation Pte Ltd	100	Sin Ming Drive	19,523 sq m	60 years 14 years 7 months unexpired	Office, workshop
CityCab Pte Ltd	53.50	Sin Ming Avenue	24,499 sq m	30 years 2 years 3 months unexpired	Office, workshop
ComfortDelGro Engineering Pte Ltd	100	Loyang Drive	12,021 sq m	58 years 31 years 4 months unexpired	Office, workshop, diesel kiosk

43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
SINGAPORE (cont'd)					
ComfortDelGro Engineering Pte Ltd	100	Ubi Road 3	7,734 sq m	22 years 4 years 9 months unexpired	Workshop, diesel and petrol kiosk
ComfortDelGro Engineering Pte Ltd	100	Senoko Loop	2,829 sq m	26 years 5 years 9 months unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Pandan Road	6,533 sq m	51 years 28 years 2 months unexpired	Workshop, diesel kiosk
ComfortDelGro Engineering Pte Ltd	100	Sungei Kadut Way	4,050 sq m	17 years 1 year 10 months unexpired	Workshop, diesel kiosk
Fringe Pte Ltd	100	Pasir Panjang Road	223 sq m	3 years 1 year 7 months unexpired	Office
CHINA					
Guangzhou Xin Tian Wei Transportation Development Co., Ltd	60	Tianhe District Guangzhou	40,116 sq m	30 years 7 years unexpired	Office, bus station
Shanghai City Qi Ai Taxi Services Co., Ltd	51	Lujiabang Road Shanghai	689 sq m	50 years 28 years unexpired	Office
ComfortDelGro (China) Pte Ltd	100	Shen He Qu Qing Nian Da Jie Shenyang	115 sq m	50 years 22 years unexpired	Staff residence

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
CHINA (cont'd)					
Chengdu ComfortDelGro Taxi Co., Ltd	100	Jin Zhou Road Jin Niu District Chengdu	271.14 sq m	34 years 32 years unexpired	Office
Nanning Comfort Transportation Co., Ltd	80	Ke Yuan Ave Nanning	943 sq m	45 years 35 years 8 months unexpired	Office
Chengdu ComfortDelGro Qingyang Driving School Co., Ltd	95	Wen Jia Red Mill Village Chengdu	113,334 sq m	10 years 2 years unexpired	Driving test centre
Jilin ComfortDelGro Taxi Co., Ltd	97	Cheng Nan Street Jilin City High-tech Zone	18,013.55 sq m	50 years 42 years unexpired	Office
UNITED KINGDOM					
Cityfeet Networks Limited	100	31 Colville road, Acton London W3 8BL	1,912 sq m	Freehold	Office, fitting bay
Computer Cab (Liverpool) Limited	100	Falkland Street Liverpool L3 8HB	610 sq m	99 years 77 years 7 months unexpired	Office, fleet dept
Computer Cab (Aberdeen) Limited	100	Burnside Driver, Dyce Aberdeen AB21 OHW	779 sq m	5 years 2 years 6 months unexpired	Office
Westbus Coach Services Limited	100	Spring Grove Road Hounslow London TW3 4BE	352 sq m	6 years 3 years 1 month unexpired	Coach depot
Westbus Coach Services Limited	100	Spring Grove Road Hounslow London TW3 4BE	352 sq m	6 years 1 year 9 months unexpired	Office
Argyle Satellite Ltd	100	Park Street Birkenhead	1,741 sq m	10 years from 1 August 2017 6 years 7 months unexpired	Head office

43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
UNITED KINGDOM (cont'd)					
Argyle Satellite Contract Services Ltd	100	Salisbury Street	1,160 sq m	12 years from 24 November 2017 8 years unexpired	Office
Metroline Limited	100	Pemberton Gardens Holloway London N19 5RR	17,968 sq m	Freehold	Bus depot
Metroline Limited	100	Edgware Road Cricklewood London NW2 6JP	13,800 sq m	Freehold	Bus depot
Metroline Limited	100	High Street Potters Bar Herts EN6 5BE	11,614 sq m	Freehold	Bus depot
Metroline Limited	100	High Road Willesden London NW10 2JY	9,874 sq m	Freehold	Bus depot
Metroline Limited	100	High Road Harrow Weald London HA3 6EJ	5,706 sq m	Freehold	Bus depot
Metroline West Limited	100	Ealing Road Wembley HA0 4LL	4,996 sq m	Freehold	Bus depot
New Adventure Travel Limited	100	Coaster Place Cardiff CF10 4XZ	6,070 sq m	Freehold	Bus depot
New Adventure Travel Limited	100	Brecon Road, Abercrave Swansea SA9 1TN	6,070 sq m	Freehold	Workshop
AUSTRALIA					
ComfortDelGro Corporation Australia Pty Ltd	100	Boundary Road Northmead NSW	31,669 sq m	Freehold	Bus depot

NOTES TO THE FINANCIAL STATEMENTS

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43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA (cont'd)					
ComfortDelGro Corporation Australia Pty Ltd	100	Hartley Road Seven Hills NSW	2,725 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	New Line Road Dural NSW	19,460 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Glenwood Drive Thornton NSW	8,688 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	High Street Toronto NSW	2,442 sq m	Freehold	Office building
ComfortDelGro Corporation Australia Pty Ltd	100	Arnott St & Aluminium Cl Edgeworth NSW	5,817 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Burleigh Street Toronto NSW	5,372 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Ettalong Road Morisset NSW	14,865 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Magpie Street Singleton NSW	7,806 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Arnott Street Edgeworth NSW	16,600 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Foundry Road Seven Hills NSW	36,810 sq m	Freehold	Bus depot & Head office

43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA (cont'd)					
ComfortDelGro Corporation Australia Pty Ltd	100	Lee Holm Drive St Mary's NSW	27,960 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Old Bathurst Road Emu Heights NSW	5,599 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Megalong Street Katoomba NSW	3,780 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Great Western Highway Valley Heights NSW	10,102 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Industrial Avenue Hoppers Crossing Victoria	4,285 sq m	Freehold	Bus, car park
ComfortDelGro Corporation Australia Pty Ltd	100	Industrial Avenue Hoppers Crossing Victoria	6,635 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Industrial Avenue Hoppers Crossing Victoria	2,438 sq m	Freehold	Bus park
ComfortDelGro Corporation Australia Pty Ltd	100	Slough Road Altona Victoria	7,995 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Slough Road Altona Victoria	8,095 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Carrington Drive Sunshine Victoria	9,804 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	North Road Oakleigh Victoria	8,823 sq m	Freehold	Bus depot

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43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA (cont'd)					
ComfortDelGro Corporation Australia Pty Ltd	100	Edols Street Geelong Victoria	26,000 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Prosperity Drive Truganina Victoria	40,764 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Bass Street Queanbeyan NSW	12,410 sq m	Freehold	Bus depot & Offices
ComfortDelGro Corporation Australia Pty Ltd	100	Bass Street Queanbeyan NSW	4,047 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Bass Street Queanbeyan NSW	4,047 sq m	Freehold	Bus depot & Offices
ComfortDelGro Corporation Australia Pty Ltd	100	Mile End Road Rouse Hill NSW	41,380 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	North Road & Fulton Street Oakleigh Victoria	3,631 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Norman Street Ballarat	47,750 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Pruen Road Berrimah NT	14,100 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Berrimah Road Berrimah NT	10,117 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Challoner Road Humpty Doo NT	19,800 sq m	Freehold	Bus depot

43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA (cont'd)					
ComfortDelGro Corporation Australia Pty Ltd	100	5 Kidman Street Alice Springs NT	2,020 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	7 Kidman Street Alice Springs NT	2,020 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Kanandah Road Broken Hill VIC	3,699 sq m	Freehold	Bus depot
ComfortDelGro Corporation Australia Pty Ltd	100	Milton Parade Malvern	168 sq m	3 years 2 years 7 months unexpired	National office
Swan Taxis Pty Ltd	100	Harvey Street Victoria Park WA	2,278 sq m	Freehold	Office, workshop
Tropic Sun Pty Ltd	100	Lyons St Gladstone QLD	6,510 sq m	Freehold	Bus depot & office
Tropic Sun Pty Ltd	100	Bartlett St Noosaville QLD	8,942 sq m	Freehold	Bus depot
Tropic Sun Pty Ltd	100	Page St Kunda Park QLD	12,808 sq m	Freehold	Bus depot & Head office
Tropic Sun Pty Ltd	100	Link Cres Coolum QLD	2,570 sq m	Freehold	Bus parking
Tropic Sun Pty Ltd	100	Enterprise St Caloundra QLD	4,052 sq m	Freehold	Bus parking
Tropic Sun Pty Ltd	100	Corner Bathurst Street & Sandown Drive, Mildura VIC	12,543 sq m	Freehold	Bus depot

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43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA (cont'd)					
Buslink NT Pty Ltd	100	Town of Jabiru NT	3,370sq m	15 years from February 2006 6 months unexpired	Bus depot
CDC Mildura Pty Ltd	100	Tapio Avenue Dareton NSW	1,182 sq m	Freehold	Bus depot
CDC Mildura Pty Ltd	100	Arthur Street Wentworth NSW	4,034 sq m	Freehold	Bus depot
Forest Coach Lines Pty Limited	100	Newcastle Drive Toormina NSW	15,100 sq m	Freehold	Bus depot including office building & caretakers cottage
Forest Coach Lines Pty Limited	100	Mona Vale Rd Myoora Rd Terrey Hills NSW	16,920 sq m	Freehold	Bus depot & office
Forest Coach Lines Pty Limited	100	Hurley Dr, Coffs Harbour NSW	5,363 sq m	10 years 2 years 11 months unexpired	Bus depot & office
Forest Coach Lines Pty Limited	100	Hawke Drive Woolgoolga NSW	4,072 sq m	10 years 2 years 11 months unexpired	Bus depot & office
Forest Coach Lines Pty Limited	100	Ugoa St, Narrabri, NSW	1,037 sq m	5 years 4 years 8 months unexpired	Bus depot & office
Forest Coach Lines Pty Limited	100	Rose St, Wee Waa, NSW	1,682 sq m	5 years 3 years 8 months unexpired	Bus depot & office
CDC Sunshine Pty Ltd	100	Carrington Drive, Albion, Victoria	6,750 sq m	9 years 5 years 9 months unexpired	Bus parking

43 GROUP PROPERTIES (CONT'D)

Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA (cont'd)					
CDC Sunshine Pty Ltd	100	Carrington Drive, Albion, Victoria	6,750 sq m	9 years 5 years 9 months unexpired	Paint shop & Training room
CDC Tullamarine Pty Ltd	100	Louis Street, Airport West, Victoria	1,326 sq m	8 years 5 years 4 months unexpired	Bus depot
CDC Tullamarine Pty Ltd	100	Louis Street, Airport West, Victoria	1,374 sq m	8 years 5 years 4 months unexpired	Bus depot
CDC Tullamarine Pty Ltd	100	Moore Road, Airport West, Victoria	5,895 sq m	8 years 5 years 4 months unexpired	Bus depot
National Patient Transport Pty Ltd	100	Browns Road, Noble Park, Victoria	2,008 sq m	3 years 1 year 6 months unexpired	Head office & Ambulance depot
National Patient Transport Pty Ltd	100	Whitehorse Rd, Mitcham, Victoria	1,675 sq m	3 years 1 year 6 months unexpired	Ambulance depot & Training room
National Patient Transport Pty Ltd	100	Goodyear Drive, Thomastown, Victoria	630 sq m	3 years 1 year 3 months unexpired	Ambulance depot
National Patient Transport Pty Ltd	100	Watson Street, Shepparton, Victoria	1,048 sq m	3 years 1 year 4 months unexpired	Ambulance depot
National Patient Transport Pty Ltd	100	Tallarook St, Seymour, Victoria	500 sq m	3 years 1 year 6 months unexpired	Ambulance depot
National Patient Transport Pty Ltd	100	Whyalla St, Willetton, Victoria	99 sq m	3 years 1 year 6 months unexpired	Ambulance depot

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43 GROUP PROPERTIES (CONT'D)

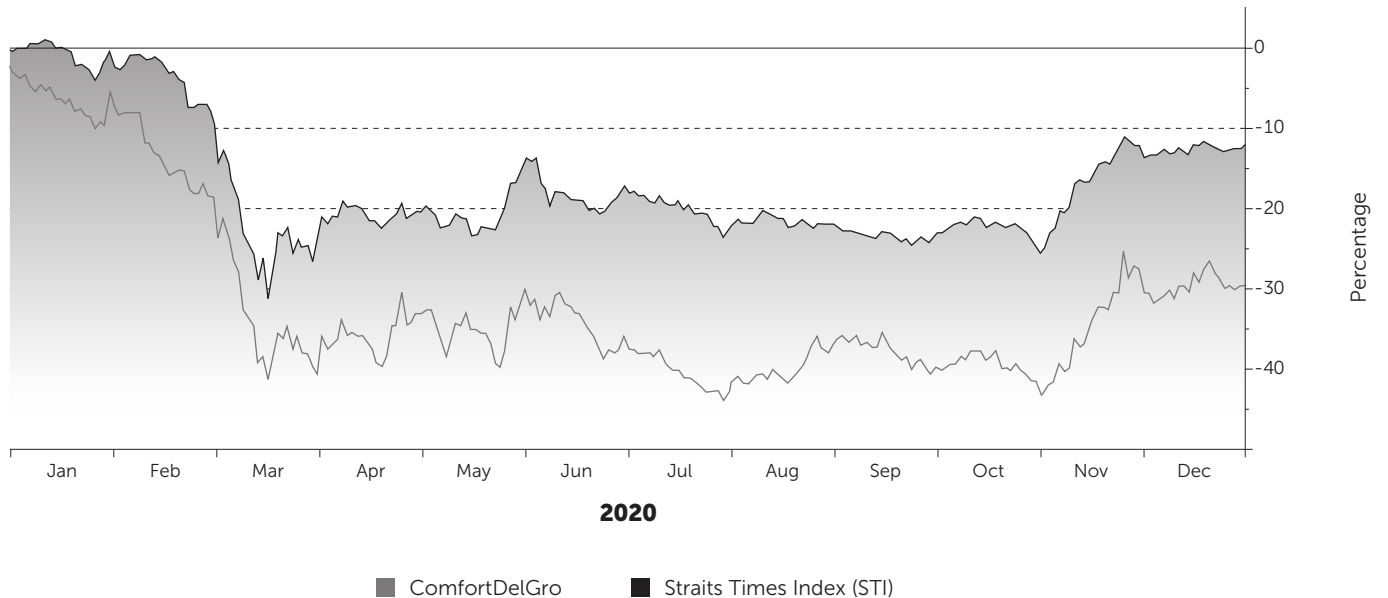
Held by	Group's effective interest %	Location	Approximate land area	Tenure	Usage
AUSTRALIA (cont'd)					
B&E Blanch Pty Ltd	100	De-Havilland Cr, Ballina, NSW	5,040 sq m	10 years 8 years 6 months unexpired	Bus depot, workshop & main office
B&E Blanch Pty Ltd	100	Mogo Pl, Billinudgel, NSW	1,600 sq m	10 years 8 years 6 months unexpired	Bus depot, workshop & office
B&E Blanch Pty Ltd	100	Tasman Wy, Byron Bay, NSW	3,090 sq m	10 years 8 years 6 months unexpired	Bus depot & office
B&E Blanch Pty Ltd	100	Tasman Wy, Byron Bay, NSW	1,000 sq m	10 years 8 years 6 months unexpired	Bus depot
Qcity Transit Pty Ltd	100	Yallourn Street	3,030 sq m	4 years 11months 4 years unexpired	Bus depot & office
VIETNAM					
Vietnam Taxi Co., Ltd	70	Duong So 4 KCN Tan Binh – TP Ho Chi Minh City	6,438 sq m	22 years 22 year unexpired	Office, workshop
MALAYSIA					
Setsco Services (M) Sdn Bhd	67.06	47100 Puchong Selangor Darul Ehsan	792 sq m	99 years from December 2009 87 years 11 months unexpired	Testing, inspection, consultancy services
CityLimo Leasing (M) Sdn Bhd	100	47500 Subang Jaya Industrial Estate Selangor Darul Ehsan	1,022 sq m	4 months unexpired	Office, workshop

SHARE PRICE MOVEMENT CHART

COMFORTDELGRO'S SHARE PRICE MOVEMENT AND VOLUME TURNOVER



COMPARISON OF PERFORMANCE OF COMFORTDELGRO'S SHARE PRICE AND STRAITS TIMES INDEX (STI)



Source: Bloomberg Finance L.P.

SHAREHOLDING STATISTICS

AS AT 1 MARCH 2021

Issued and Fully Paid-Up Capital (Including Treasury Shares)	:	S\$693,167,155.73
Issued and Fully Paid-Up Capital (Excluding Treasury Shares)	:	S\$693,376,474.47
Number of Shares Issued (Excluding Treasury Shares)	:	2,166,734,913
Number/Percentage of Treasury Shares And Subsidiary Holdings	:	133,750 (0.006%)
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) Vote Per Share

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 1 MARCH 2021

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	959	1.81	36,440	0.00
100 – 1,000	4,935	9.30	3,645,791	0.17
1,001 – 10,000	28,549	53.83	138,889,697	6.41
10,001 – 1,000,000	18,560	34.99	465,376,629	21.48
1,000,001 & ABOVE	36	0.07	1,558,786,356	71.94
Total	53,039	100.00	2,166,734,913	100.00

LIST OF TWENTY (20) LARGEST SHAREHOLDERS

(As recorded in the Depository Register as at 1 March 2021)

	Name of Shareholder	No. of Shares	%
1	DBS Nominees Pte Ltd	464,841,013	21.45
2	Citibank Nominees Singapore Pte Ltd	432,103,891	19.94
3	DBSN Services Pte Ltd	213,870,407	9.87
4	HSBC (Singapore) Nominees Pte Ltd	90,120,058	4.16
5	Raffles Nominees (Pte) Limited	65,948,963	3.04
6	United Overseas Bank Nominees Pte Ltd	45,045,529	2.08
7	OCBC Nominees Singapore Pte Ltd	25,715,468	1.19
8	BPSS Nominees Singapore (Pte.) Ltd.	22,121,534	1.02
9	OCBC Securities Private Ltd	20,898,856	0.96
10	Morgan Stanley Asia (S) Securities Pte Ltd	20,479,698	0.95
11	Phillip Securities Pte Ltd	20,267,537	0.94
12	Merrill Lynch (Singapore) Pte Ltd	14,369,595	0.66
13	UOB Kay Hian Pte Ltd	12,238,620	0.56
14	ABN Amro Clearing Bank N.v.	11,942,300	0.55
15	Dawn Kua Su-Wen	9,874,526	0.46
16	DB Nominees (Singapore) Pte Ltd	9,775,268	0.45
17	DBS Vickers Securities (S) Pte Ltd	9,620,673	0.44
18	Maybank Kim Eng Securities Pte.ltd	9,122,743	0.42
19	Changi Bus Company (Private) Limited	9,024,095	0.42
20	Yim Chee Chong	8,466,500	0.39
	Total	1,515,847,274	69.95

Note: The percentage of shareholding is calculated based on 2,166,734,913 (excluding 133,750 Treasury Shares) issued shares of the Company as at 1 March 2021.

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders as at 1 March 2021)

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Bank of Montreal	–	–	134,093,994 ⁽²⁾	6.19

Notes:

- (1) The percentage is calculated based on 2,166,734,913 (excluding 133,750 Treasury Shares) issued shares of the Company as at 1 March 2021.
- (2) Bank of Montreal ("BMO") is the holding company of the Bank of Montreal Financial Group of companies, several of which hold direct interests in shares of the Company ("Relevant BMO Subsidiaries"). BMO, being the indirect holding company of the Relevant BMO Subsidiaries, is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting shares of the Relevant BMO Subsidiaries. Therefore, BMO has deemed interests in the shares of the Company held by the Relevant BMO Subsidiaries.

COMPLIANCE WITH RULE 723 OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") LISTING MANUAL

Based on information available and to the best knowledge of the Company as at 1 March 2021, approximately 93.64% of the ordinary shares of the Company are held by the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

NOTICE OF ANNUAL GENERAL MEETING

COMFORTDELGRO CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Co. Reg. No.: 200300002K)

NOTICE IS HEREBY GIVEN that the Eighteenth Annual General Meeting (the "**AGM**") of ComfortDelGro Corporation Limited (the "**Company**") will be held on Friday, 30 April 2021 at 2.30 pm via electronic means and at:

AUDITORIUM

COMFORTDELGRO HEADQUARTERS

205 BRADDELL ROAD

SINGAPORE 579701

The AGM is for the purpose of transacting the following business:

ORDINARY BUSINESS:

To consider and, if thought fit, to pass the following Resolutions:

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the Financial Year ended 31 December 2020 together with the Auditors' Report thereon. **(Resolution 1)**
2. To declare a tax-exempt one-tier final dividend of 1.43 cents per ordinary share in respect of the Financial Year ended 31 December 2020. **(Resolution 2)**
3. To approve the payment of Directors' fees of S\$885,114 for the Financial Year ended 31 December 2020. (FY2019: S\$948,069). **(Resolution 3)**
4. To re-elect Mr Lim Jit Poh as a director on the following terms: **(Resolution 4)**
 - Mr Lim is an Independent Non-Executive Director who is retiring pursuant to Regulation 93 of the Company's Constitution and, being eligible, has offered himself up for re-election. He will cease to be designated as independent as of 1 January 2022 in accordance with Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), unless both Resolution 4 and Resolution 5 are passed.
 - If both Resolution 4 and Resolution 5 are passed, Mr Lim shall continue to be designated as an Independent Non-Executive Director from 1 January 2022 and for the duration specified in Resolution 5.
 - If only Resolution 4 is passed but Resolution 5 is not passed, Mr Lim shall continue to be designated as an Independent Non-Executive Director up to and including 31 December 2021, and shall thereafter be re-designated as a Non-Independent Non-Executive Director as of and from 1 January 2022.

[Please refer to Explanatory Note (a)]

5. Subject to and contingent upon Resolution 4 being passed, pursuant to Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), to re-elect Mr Lim Jit Poh as an Independent Non-Executive Director on the following terms: **(Resolution 5)**
- If passed, this Resolution shall remain in force until Mr Lim's retirement or resignation as director, or the conclusion of the annual general meeting of the Company in 2024, whichever is the earliest.
 - For the purposes of this Resolution, the Directors and the Chief Executive Officer of the Company and their respective associates (as defined in the Listing Manual of the SGX-ST): (i) shall abstain from voting; and (ii) must not accept appointment as proxies unless specific instructions as to voting are given. Any votes cast by such persons in contravention of the foregoing shall be disregarded for the purposes of determining if this Resolution has been passed in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST.
[Please refer to Explanatory Note (a)]
6. To re-elect Ms Sum Wai Fun, Adeline as a director on the following terms: **(Resolution 6)**
- Ms Sum is an Independent Non-Executive Director who is retiring pursuant to Regulation 93 of the Company's Constitution and, being eligible, has offered herself up for re-election. She will cease to be designated as independent as of 1 January 2022 in accordance with Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), unless both Resolution 6 and Resolution 7 are passed.
 - If both Resolution 6 and Resolution 7 are passed, Ms Sum shall continue to be designated as an Independent Non-Executive Director from 1 January 2022 and for the duration specified in Resolution 7.
 - If only Resolution 6 is passed but Resolution 7 is not passed, Ms Sum shall continue to be designated as an Independent Non-Executive Director up to and including 31 December 2021, and shall thereafter be re-designated as a Non-Independent Non-Executive Director as of and from 1 January 2022.
[Please refer to Explanatory Note (b)]
7. Subject to and contingent upon Resolution 6 being passed, pursuant to Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), to re-elect Ms Sum Wai Fun, Adeline as an Independent Non-Executive Director on the following terms: **(Resolution 7)**
- If passed, this Resolution shall remain in force until Ms Sum's retirement or resignation as director, or the conclusion of the annual general meeting of the Company in 2024, whichever is the earliest.
 - For the purposes of this Resolution, the Directors and the Chief Executive Officer of the Company and their respective associates (as defined in the Listing Manual of the SGX-ST): (i) shall abstain from voting; and (ii) must not accept appointment as proxies unless specific instructions as to voting are given. Any votes cast by such persons in contravention of the foregoing shall be disregarded for the purposes of determining if this Resolution has been passed in accordance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST.
[Please refer to Explanatory Note (b)]

NOTICE OF ANNUAL GENERAL MEETING

8. To re-elect Ms Tham Ee Mern, Lilian, a director retiring pursuant to Regulation 93 of the Company's Constitution.
[Please refer to Explanatory Note (c)] **(Resolution 8)**
9. To re-elect Mr Mark Christopher Greaves, a director retiring pursuant to Regulation 99 of the Company's Constitution.
[Please refer to Explanatory Note (d)] **(Resolution 9)**
10. To re-appoint Messrs Deloitte & Touche LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 10)**

SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following Resolutions:

ORDINARY RESOLUTIONS:

11. **AUTHORITY TO ISSUE SHARES UNDER THE COMFORTDELGRO EXECUTIVE SHARE AWARD SCHEME** **(Resolution 11)**

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, the Directors of the Company be authorised to offer and grant awards ("**Awards**") in accordance with the provisions of the ComfortDelGro Executive Share Award Scheme ("**Scheme**") and to allot and issue from time to time such number of fully-paid shares as may be required to be issued pursuant to the vesting of the Awards under the Scheme, provided that the aggregate number of shares to be allotted and issued pursuant to the Scheme, when added to the number of shares issued and issuable in respect of all Awards, and all shares issued and issuable in respect of all options granted or awards granted under any other share incentive schemes or share plans adopted by the Company and for the time being in force, shall not exceed two per centum (2%) of the total issued shares (excluding treasury shares and subsidiary holdings) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier.

(Note: The Scheme was approved at the AGM held on 26 April 2018, 26 April 2019 and 22 May 2020)

[Please refer to Explanatory Note (e)]

12. **RENEWAL OF SHARE BUYBACK MANDATE** **(Resolution 12)**

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act (Chapter 50 of Singapore) (the "**Companies Act**"), the exercise by the directors of the Company ("**Directors**") of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the "**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchase(s) (each a "**Market Purchase**") on the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), or as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one (1) or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

- (ii) off-market purchase(s) (each an **"Off-Market Purchase"**) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

and otherwise in accordance with all other laws and regulations, including but not limited to, the Constitution of the Company, the provisions of the Companies Act and the Listing Manual of the SGX-ST (**"Listing Manual"**) as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the **"Share Buyback Mandate"**);

- (b) the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this resolution and expiring on the earliest of:
 - (i) the date on which the next AGM is held or required by law to be held;
 - (ii) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked by the Company in general meeting; and
 - (iii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

"Maximum Limit" means that number of Shares representing not more than ten per cent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the passing of this resolution, unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered (excluding any treasury shares and subsidiary holdings); and

"Maximum Price", in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and ten per cent (110%) of the Average Closing Price,

Where:

"Relevant Period" means the period commencing from the date on which this resolution is passed and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this resolution;

NOTICE OF ANNUAL GENERAL MEETING

"Average Closing Price" means the average of the closing market prices of a Share traded on the SGX-ST over the last five (5) market days (a **"Market Day"** being a day on which the SGX-ST is open for trading in securities), on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day on which the purchases are made; and

"Day of the making of the offer" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors and/or any of them be and are hereby authorised to deal with the Shares purchased or acquired by the Company, pursuant to the Share Buyback Mandate in any manner as they think fit, which is permitted under the Act and the Company's Constitution; and
- (e) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required, to approve any amendments, alterations or modifications to any documents, and to sign, file and/or submit any notices, forms and documents with or to the relevant authorities) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

(Note: The Mandate was given at the AGM held on 26 April 2018, 26 April 2019 and 22 May 2020.)
[Please refer to Explanatory Note (f)]

RECORD AND DIVIDEND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed on 10 May 2021, at 5 p.m. for the purpose of determining Shareholders' entitlements to the proposed tax-exempt one-tier final dividend of 1.43 cents per ordinary share for the Financial Year ended 31 December 2020.

Duly completed and stamped transfers received by the Company's Share Registrar, B.A.C.S. Private Limited, 8 Robinson Road, #03-00 ASO Building, Singapore 048544 up to 5 p.m. on 10 May 2021 will be registered to determine Shareholders' entitlements to the final dividend. Shareholders (being depositors) whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5 p.m. on 10 May 2021 will be entitled for the proposed final dividend.

The final dividend, if approved by the Shareholders at the Eighteenth AGM of the Company, will be paid on 20 May 2021.

BY ORDER OF THE BOARD

Angeline Joyce Lee Siang Pohr
Joint Company Secretary
Singapore

26 March 2021

NOTES:

General

1. Pursuant to the COVID-19 (Temporary Measures)(Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trust, Unit Trust and Debenture Holders) Order 2020 (the "**Order**"), the Company is permitted to hold physical meetings with strict adherence to safe management measures. The AGM will be held both physically at 205 Braddell Road, Singapore 579701 and by way of electronic means.
2. Alternative arrangements relating to attendance at the AGM, submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM are set out in this Notice of AGM. This Notice of AGM may also be accessed at the Company's website at **www.comfortdelgro.com** and will also be made available on SGXNET.

Pre-Registration

1. To minimise physical interactions and COVID-19 transmission risk, the number of shareholders allowed to attend the AGM in person will be kept at 25. Shareholders who wish to attend the AGM in person or virtually via webcast should pre-register at **www.conveneagm.sg/CDG_AGM2021** by **2.30 pm on Tuesday, 27 April 2021** to enable the Company to verify their status as shareholders.
2. Following the verification, confirmed shareholders will receive an email by **Wednesday, 28 April 2021**, notifying if they will be able to attend the AGM in person, or virtually using the account credentials created during pre-registration. Please do not disclose your login details to any other persons who are not entitled to attend the AGM. Your presence via the live webcast shall be taken as attendance at the AGM.
3. Shareholders who hold their shares through relevant intermediaries, including CPF and SRS investors, who wish to participate in the AGM via the live webcast should approach their respective relevant intermediaries (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

Submission of questions

Shareholders who wish to ask questions relating to the resolutions to be tabled for approval at the AGM must do so in advance via signing in to the pre-registration site. Alternatively, shareholders may email their questions in advance to **IR@comfortdelgro.com**, together with their full name and NRIC/FIN/Company Registration Number, whichever is applicable.

All questions must be submitted by **2.30 pm on Tuesday, 27 April 2021**.

NOTICE OF ANNUAL GENERAL MEETING

Voting

1. Shareholders (whether individual or corporate), either attending in person or via the live webcast, must appoint the Chairman of the Meeting as his/her/its proxy to attend and vote on his/her/its behalf at the AGM if such shareholder wishes to exercise his/her/its voting rights at the AGM.
2. Where a shareholder (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
3. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF or SRS approved nominees to submit their votes not less than 7 working days before the AGM by **2.30 pm on Wednesday, 21 April 2021**.
4. The proxy form for the AGM may be accessed at the Company's website at **www.comfortdelgro.com/agm2021proxyform**, and on SGXNET. The electronic proxy form is also available on the Company's AGM pre-registration site, **www.conveneagm.sg/CDG_AGM2021**.
5. The proxy form must be submitted in the following manner:
 - a. If submit by post, be deposited at the Company's registered office at 205 Braddell Road, Singapore 579701; or
 - b. If submitted by electronic mail, be sent to **agm2021@comfortdelgro.com**; or
 - c. If submitted electronically, be lodged at the Company's AGM pre-registration site, **www.conveneagm.sg/CDG_AGM2021**.in either case, by **2.30 pm on Tuesday, 27 April 2021**
6. The instrument appointing the Chairman of the meeting as proxy must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing the Chairman as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Shareholders will not be able to vote through the live webcast and can only vote via their proxy forms which are required to be submitted in accordance with the foregoing paragraphs.

Annual Report and other documents

The Annual Report for the financial year ended 31 December 2020 and the Circular dated 26 March 2021 in relation to the proposed renewal of the Share Buy Back Mandate have been uploaded on SGXNET on 26 March 2021 and may be accessed via SGXNET and also the Company's website at **www.comfortdelgro.com**.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any actions, proceedings, penalties, liabilities, claims, demands, costs, expenses, losses and damages suffered or incurred by the Company as a result of the member's breach of warranty.

EXPLANATORY NOTES:

ORDINARY BUSINESS:

- (a) Ordinary Resolution 4 and Ordinary Resolution 5 relate to Mr Lim Jit Poh's⁽¹⁾ re-election as a Director of the Company and his continued designation as an Independent Non-Executive Director. As of 1 January 2022, Mr Lim would have been a Director of the Company for an aggregate period of more than 9 years and will cease to be regarded as independent on such date pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), unless Resolution 4 and Resolution 5 are both passed.

If Resolution 4 and Resolution 5 are both passed, Mr Lim⁽²⁾ will continue to be designated as an Independent Non-Executive Director of the Company for the duration specified in Resolution 5.

If only Resolution 4 is passed but Resolution 5 is not passed, Mr Lim shall continue to be designated as an Independent Non-Executive Director of the Company up to and including 31 December 2021, and shall thereafter be re-designated as a Non-Independent Non-Executive Director as of and from 1 January 2022.

If Resolution 4 is not passed, Resolution 5 will not be put to the vote at the Annual General Meeting in the interests of efficiency.

- (b) Ordinary Resolution 6 and Ordinary Resolution 7 relate to Ms Sum Wai Fun, Adeline's⁽¹⁾ re-election as a Director of the Company and her continued designation as an Independent Non-Executive Director. As of 1 January 2022, Ms Sum would have been a Director of the Company for an aggregate period of more than 9 years and will cease to be regarded as independent on such date pursuant to Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022), unless Resolution 6 and Resolution 7 are both passed.

If Resolution 6 and Resolution 7 are both passed, Ms Sum⁽²⁾ will continue to be designated as an Independent Non-Executive Director of the Company for the duration specified in Resolution 7.

If only Resolution 6 is passed but Resolution 7 is not passed, Ms Sum shall continue to be designated as an Independent Non-Executive Director of the Company up to and including 31 December 2021, and shall thereafter be re-designated as a Non-Independent Non-Executive Director as of and from 1 January 2022.

If Resolution 6 is not passed, Resolution 7 will not be put to the vote at the Annual General Meeting in the interests of efficiency.

NOTICE OF ANNUAL GENERAL MEETING

- (c) Ordinary Resolution 8. Ms Tham Ee Mern, Lilian⁽¹⁾ upon re-election as a director of the Company, continue to serve as the Chairman of the the Digitalisation Committee and a member of the Audit and Risk Committee and the Investment Committee. Ms Tham will be considered an Independent Non-Executive Director of the Company, pursuant to Rule 704(8) of the Listing Manual of the SGX-ST.
- (d) Ordinary Resolution 9. Mr Mark Christopher Greaves⁽¹⁾ will, upon re-election as director of the Company, continue to serve as a member of the Audit and Risk Committee, the Nominating Committee and the Investment Committee. Mr Greaves will be considered an Independent Non-Executive Director of the Company, pursuant to Rule 704(8) of the Listing Manual of the SGX-ST.

⁽¹⁾ Detailed information on the Directors who are proposed to be re-elected can be found under the sections entitled "**Board of Directors**", "**Directors' Particulars**" and "**Additional Information on Directors Seeking Re-election**" in the 2020 Annual Report of the Company.

⁽²⁾ The Nominating Committee and the Board have determined that Mr Lim Jit Poh and Ms Sum Wai Fun, Adeline have remained objective and independent in Board deliberations. Their vast experience enables them to provide the Board and the various Board Committees on which they have been serving, with pertinent experience and competence to facilitate sound decision making. Their length of service does not in any way interfere with their exercise of independent judgement nor hinder their ability to act in the best interest of the Company. The Board is of the view that both Mr Lim and Ms Sum are able to continue to discharge their duties independently with integrity and competence.

SPECIAL BUSINESS:

- (e) Ordinary Resolution 11, if passed, will empower the Directors to offer and grant Awards under the Scheme in accordance with the provisions of the Scheme and to issue from time to time such number of fully paid Shares as many be required to be issued pursuant to the vesting of the Awards subject to the maximum number of Shares prescribed under the terms and conditions of the Scheme. The aggregate number of Shares which may be issued pursuant to the Scheme and any other share-based schemes (if applicable) shall not exceed in aggregate (for the entire duration of the Scheme) two per centum (2%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time. The Scheme was approved at the AGM held on 26 April 2018.
- (f) Ordinary Resolution 12, if passed, will renew the Share Buyback Mandate, and empower the Directors to exercise all powers of the Company to purchase or otherwise acquire (whether by way of Market Purchases or Off-Market Purchases) Shares on the terms of the Share Buyback Mandate as set out in the Circular to Shareholders dated 26 March 2021 (the "**Circular**"), which is available at www.comfortdelgro.com.

The Company may use internal and external sources of funds to finance its purchases or acquisitions of Shares. The Directors do not propose to exercise the Share Buyback Mandate to such extent that it would result in any material adverse effect on the listing status of the Shares on the SGX-ST, liquidity and/or the orderly trading of the Shares and/or the financial position of the Company and its subsidiaries (collectively, the "**Group**"). The amount of financing required for the Company to purchase its Shares pursuant to the Share Buyback Mandate and the impact on the Company's financial position cannot be realistically ascertained as at the date of this Notice as this will depend on factors such as the aggregate number of Shares purchased, whether the Shares are purchased or acquired out of capital or profits, the purchase prices paid at the relevant times, and whether the Shares purchased or acquired are held in treasury or cancelled.

The rationale for the Share Buyback Mandate, the source of funds to be used for the Share Buyback Mandate, the impact of the Share Buyback Mandate on the Company's financial position, the implications arising as a result of the Share Buyback Mandate under The Singapore Code on Take-overs and Mergers and on the listing of the Company's Shares on the SGX-ST are set out in the Circular, which is enclosed together with this Notice.

An illustration of the total number of Shares which may be purchased or acquired by the Company up to the Maximum Limit, pursuant to the Share Buyback Mandate, is contained in paragraph 3.2.1 of the Circular.

An illustration of the maximum amount of financing or funds required for the purchase or acquisition of Shares up to the Maximum Limit at the relevant Maximum Price in the case of Market Purchases and an illustration of the maximum amount of financing or funds required for the purchase or acquisition of Shares up to the Maximum Limit at the relevant Maximum Price in the case of Off-Market Purchases, pursuant to the Share Buyback Mandate, are contained in paragraph 3.5.2(b) of the Circular.

An illustration of the financial impact of the purchase or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate on the audited financial statements of the Group for the financial year ended 31 December 2020 is set out in the Circular.

A share buyback mandate (the “**2020 Mandate**”) on the same terms was approved at the AGM of the Company held on 22 May 2020. Details of the Company’s acquisition of Shares pursuant to the 2020 Mandate are contained in paragraph 3.9 of the Circular.

As the COVID-19 situation continues to evolve, the Company will closely monitor the situation and reserves the right to take further measures as appropriate at short notice up to the day of the AGM.

Shareholders are advised to closely monitor announcements made by the Company on SGXNET.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION:

The following additional information on Mr Lim Jit Poh, Ms Sum Wai Fun, Adeline, Ms Tham Ee Mern, Lilian and Mr Mark Christopher Greaves, all of whom are seeking re-election as Directors of the Company at the 18th Annual General Meeting to be held on 30 April 2021, is to be read in conjunction with their respective biographies on pages 68 to 73.

	LIM JIT POH Chairman (Independent Non-Executive Director)	SUM WAI FUN, ADELINE (Independent Non-Executive Director)	THAM EE MERN, LILIAN (Independent Non-Executive Director)	MARK CHRISTOPHER GREAVES (Independent Non-Executive Director)
Country of principal residence	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment	Mr Lim is the founding Chairman of the Company and has deep institutional knowledge and vast experience in the land transport business. His strong leadership and sharp business sense continue to drive the Board and Management to set the right direction in the complex global landscape to ensure sustainability of the businesses and the greater good of its employees.	Ms Sum has considerable experience in business management, labour movement and deep knowledge of the Group. She always tries to enhance the Board's deliberations in discussions by offering different perspectives through hard questions or the sharing of experience which in turn, emboldens the core competencies of the Board.	Ms Tham's area of expertise includes technology, digital, data and administration, as well as strategic development. Ms Tham's visionary and innovative approach largely encouraged the Board in driving the Group's transformation journey to rapidly adopt digital and technology formalisation in its business solutions and strategic growth.	Mr Greaves worked for many years in the merchant banking industry in the UK and across Asia, and has a wealth of experience and an extensive network of contacts and relationships. His personal background, professional expertise and corporate business acumen have helped the Board in its efforts to steer the Group in its strategic cross-border business growth initiatives.
Working experience and occupations(s) during the past 10 years	<p>Current Directorships:</p> <ol style="list-style-type: none"> 1. ComfortDelGro Corporation Limited* – Chairman 2. SBS Transit Ltd* – Chairman 3. VICOM Ltd* – Chairman 4. Mr Lim's principal directorships of ComfortDelGro Group can be found under the section entitled "Directors' Particulars" in 2020 Annual Report on page 138 <p>Directorship of other Non-listed Companies:</p> <ol style="list-style-type: none"> 1. Family Leisure Pte Ltd 2. NCI Golf Pte Ltd 3. Pasir Ris Resort Pte Ltd 4. Orchid Leisure Enterprises (Pte) Ltd 5. Surbana Property Investment Pte Ltd 6. CapitaLand Township Development Fund Pte Ltd 7. CapitaLand Township Development Fund II Pte Ltd <p>Current Principal Commitments: Nil</p> <p>Past 10 years Directorships:</p> <ol style="list-style-type: none"> 1. Ascott Residence Trust Management Ltd* (till 2016) 2. China Printing & Dyeing Holding Limited* (till 2012) 3. Maybank Kim Eng Holdings Limited (till 2013) 	<p>Current Directorships:</p> <ol style="list-style-type: none"> 1. ComfortDelGro Corporation Limited* <p>Directorship of other Non-listed Companies:</p> <ol style="list-style-type: none"> 1. Mercatus Co-operative Limited 2. NTUC Health Co-operative Limited 3. Moneyowl Private Limited 4. NTUC LearningHub Co-operative Ltd 5. NTUC First Campus Co-operative Ltd 6. Orchid Leisure Enterprises (Pte) Ltd <p>Current Principal Commitments:</p> <ol style="list-style-type: none"> 1. Singapore Labour Foundation – Chief Executive Officer (CEO) (1 April 2019) 2. NTUC Enterprise Co-operative Limited – Deputy CEO (1 April 2019) <p>Past 10 years Directorships:</p> <ol style="list-style-type: none"> 1. Managing Director of NTUC Fairprice Co-operative Limited (since 2016 to 1 April 2019) 2. Chief Development Officer of NTUC Enterprise Co-operative Limited (2013 to 2015) 3. CEO of NTUC Choice Homes Co-operative Limited (2012 to 2016) 4. Singapore Institute of Management Group Limited (Oct 2019 to 31 Dec 2019) 5. NTUC LearningHub Pte Ltd (resigned on 1 June 2020) 	<p>Current Directorships:</p> <ol style="list-style-type: none"> 1. ComfortDelGro Corporation Limited* <p>Directorship of other Non-listed Company:</p> <ol style="list-style-type: none"> 1. Eastspring Investments (Singapore) Limited (Appointed on 15 March 2021) <p>Current Principal Commitments:</p> <ol style="list-style-type: none"> 1. Eastspring Investments (Singapore) Limited – Chief Operating Officer (4 Jan 2021) <p>Past 10 years Directorships:</p> <ol style="list-style-type: none"> 1. Schroder Investment Management (Singapore) Ltd (resigned on 14 Dec 2020) 2. Schroder Singapore Holdings Private Limited (resigned on 14 Dec 2020) 3. SIMBL nominees Private Limited (resigned on 14 Dec 2020) 4. Schroders India Private Limited (resigned on 14 Dec 2020) 	<p>Current Directorships:</p> <ol style="list-style-type: none"> 1. ComfortDelGro Corporation Limited* <p>Directorship of other Non-listed Company:</p> <ol style="list-style-type: none"> 1. Hanson China Partners Ltd (Incorporated in Hong Kong) 2. Sinojie Honsaon Ltd (Incorporated in Hong Kong) <p>Current Principal Commitments:</p> <ol style="list-style-type: none"> 1. Anglo FarEast Group Pte Ltd <p>Past 10 years Directorships:</p> <ol style="list-style-type: none"> 1. WBL Corporation Limited (2012-2013) 2. Malaysia Smelting Corporation Berhad (2010-2014) 3. Hydrodiesel Asia Pte Ltd (till 2019)

* Listed Company

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	LIM JIT POH Chairman (Independent Non-Executive Director)	SUM WAI FUN, ADELINE (Independent Non-Executive Director)	THAM EE MERN, LILIAN (Independent Non-Executive Director)	MARK CHRISTOPHER GREAVES (Independent Non-Executive Director)
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: ComfortDelGro Corporation Limited* – 244,425 ordinary shares VICOM Ltd* – 760,000 ordinary shares	Direct interest: ComfortDelGro Corporation Limited* – 240,000 ordinary shares	Nil	Direct interest: ComfortDelGro Corporation Limited* – 40,000 ordinary shares VICOM Ltd* – 10,000 ordinary shares Deemed Interest: ComfortDelGro Corporation Limited – 20,000 ordinary shares SBS Transit Ltd – 10,000 ordinary shares
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No	No	No
Conflict of interest (including any competing business)	No	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer (Yes or No)	Yes	Yes	Yes	Yes
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No

**COMFORTDELGRO
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	LIM JIT POH Chairman (Independent Non-Executive Director)	SUM WAI FUN, ADELINE (Independent Non-Executive Director)	THAM EE MERN, LILIAN (Independent Non-Executive Director)	MARK CHRISTOPHER GREAVES (Independent Non-Executive Director)
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No

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	LIM JIT POH Chairman (Independent Non-Executive Director)	SUM WAI FUN, ADELINE (Independent Non-Executive Director)	THAM EE MERN, LILIAN (Independent Non-Executive Director)	MARK CHRISTOPHER GREAVES (Independent Non-Executive Director)
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—	No	No	No	No
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or				
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or				
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or				
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,				
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?				
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No

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COMFORTDELGRO CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

(Co. Reg. No.: 200300002K)

PROXY FORM ANNUAL GENERAL MEETING

IMPORTANT

1. The Eighteenth Annual General Meeting (the "**AGM**") of the Company is being convened and held both physically at 205 Braddell Road, Singapore 579701 and by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts and Debenture Holders) Order 2020.
2. Due to the Government's prevailing regulations to prevent the spread of COVID-19, the number of members allowed to attend the AGM in person is kept at 25 and the rest will be attending via live webcast. A member (whether individual or corporation) must appoint the Chairman of the Meeting as his/her proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.
3. CPF/SRS investors who intend to exercise the voting rights attached to their ComfortDelGro Corporation Limited shares purchased using their CPF/SRS monies are requested to contact their respective CPF/SRS Approved Nominees.
4. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 26 March 2021.
5. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the Meeting as proxy to attend, speak and vote on his/her/its behalf at the AGM.

I/We _____ (Name) _____ (NRIC/Passport Number)

of _____ (Address)

being a *member/members of ComfortDelGro Corporation Limited (the "**Company**") hereby appoint the Chairman of the Annual General Meeting ("**AGM**" or "**Meeting**"), as *my/our proxy to attend, speak and to vote for *me/us on *my/our behalf, at the 18th AGM of the Company to be held at the Auditorium of ComfortDelGro Headquarters, 205 Braddell Road, Singapore 579701 on Friday, 30 April 2021 at 2.30 p.m. and at any adjournment thereof to vote for, against or abstain from the resolutions to be proposed at the AGM as indicated hereunder.

* Delete where inapplicable

If you wish the Chairman of the Meeting as your proxy to cast all your votes "For" or "Against" the relevant Resolution, please tick (✓) within the box provided. If you wish the Chairman of the Meeting as your proxy to exercise your votes for both "For" and "Against" the relevant Resolution, please indicate the number of shares in the relevant boxes provided below. Alternatively, if you wish the Chairman of the Meeting as your proxy to abstain from voting for the relevant Resolution, please either tick (✓) within the box or indicate the number of shares in the relevant box provided.

No.	Resolutions	No. of Votes For	No. of Votes Against	No. of Votes Abstained
Ordinary Business				
1.	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2020			
2.	Declaration of Final Dividend for the year ended 31 December 2020			
3.	Approval of Directors' Fees amounting to S\$885,114 for year ended 31 December 2020			
4.	Re-election of Mr Lim Jit Poh as a Director and his continued appointment as an Independent Non-Executive Director			
5.	Approval of Mr Lim Jit Poh's continued appointment as an Independent Non-Executive Director by shareholders (excluding Directors, Chief Executive Officer and their associates)			
6.	Re-election of Ms Sum Wai Fun, Adeline as a Director and her continued appointment as an Independent Non-Executive Director			
7.	Approval of Ms Sum Wai Fun, Adeline's continued appointment as an Independent Non-Executive Director by shareholders (excluding Directors, Chief Executive Officer and their associates)			
8.	Re-election of Ms Tham Ee Mern, Lilian as a Director			
9.	Re-election of Mr Mark Christopher Greaves as a Director			
10.	Re-appointment of Auditors and authorising Directors to fix their remuneration			
Special Business				
11.	Authority to issue shares under the ComfortDelGro Executive Share Award Scheme			
12.	Renewal of Share Buyback Mandate			

Dated this _____ day of _____ 2021

Total Number of Shares Held in(Note 1) :	No. of Shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s) / Common Seal

IMPORTANT : PLEASE READ NOTES OVERLEAF

NOTES

1. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members of the Company, he/she should insert that number of shares. If the member has shares entered against his/her name in the Depository Register and registered in his/her name in the Register of Members, he/she should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2. Due to the Government's prevailing regulations to prevent the spread of COVID-19, members who attend the meeting physically must appoint the Chairman of the Meeting as proxy in order to vote.
3. Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.
4. CPF or SRS investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF or SRS approved nominees to submit their votes not less than 7 working days before the AGM **by 2.30 pm on 21 April 2021**.
5. A member who is a relevant intermediary is entitled to vote at the AGM must appoint the Chairman of the Meeting to vote at the Meeting.
"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter. 50 of Singapore.
6. The Chairman of the Meeting, as proxy, need not be a member of the Company.
7. The proxy form must be submitted in the following manner:
 - a. If submitted by post, be deposited at the Company's registered office at 205 Braddell Road, Singapore 579701; or
 - b. If submitted by electronic mail, be sent to **agm2021@comfortdelgro.com**; or
 - c. If submitted electronically, be lodged at the Company's AGM pre-registration site, **www.conveneagm.sg/CDG_AGM2021**.in either case, **by 2.30 pm on Tuesday, 27 April 2021**.
8. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.
9. Where an instrument appointing the Chairman of the Meeting as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
10. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument. In addition, in the case of shares entered in the Depository Register, the Company may reject the instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

Fold along this line

Affix
postage
stamp

THE COMPANY SECRETARY
ComfortDelGro Corporation Limited
205 Braddell Road
Singapore 579701

This flap is for sealing. Glue all sides firmly. Stapling and spot sealing are disallowed.

Glue all sides firmly. Stapling and spot sealing are disallowed.

Glue all sides firmly. Stapling and spot sealing are disallowed.

PLEASE NOTE THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF COMFORTDELGRO CORPORATION LIMITED WILL BE HELD ON FRIDAY, 30 APRIL 2021 AT 2.30PM VIA ELECTRONIC MEANS AND AT:

AUDITORIUM
COMFORTDELGRO HEADQUARTERS
205 BRADDELL ROAD
SINGAPORE 579701



ComfortDelGro Corporation Limited

205 Braddell Road
Singapore 579701

Mainline (65) 6383 8833
Facsimile (65) 6287 0311
www.comfortdelgro.com
Company Registration No. 200300002K