

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Appendix is circulated to the shareholders of ComfortDelGro Corporation Limited (the “**Company**”) together with the annual report for the financial year ended 31 December 2019 (“**Annual Report 2019**”). Its purpose is to provide information on the proposed renewal of Share Buyback Mandate to be tabled at the Annual General Meeting (“**AGM**”) of the Company to be held on Friday, 24 April 2020 at 10.00 a.m. at the Auditorium, Singapore Chinese Cultural Centre, 1 Straits Boulevard, Singapore 018906. The resolution proposed to be passed in relation to the proposed renewal of Share Buyback Mandate is set out in the notice of annual general meeting attached to the Annual Report 2019.

If you are in any doubt as to the contents herein or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold all your ordinary shares in ComfortDelGro Corporation Limited, please forward this Appendix to the purchaser or bank or stockbroker or agent through whom the sale was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited (“**SGX-ST**”) assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed in this Appendix.



(Company Registration Number: 200300002K)
(Incorporated in the Republic of Singapore)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING
DATED 25 MARCH 2020
IN RELATION TO THE RENEWAL OF SHARE BUYBACK MANDATE**

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PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

1. BACKGROUND

- 1.1 The Share Buyback Mandate was originally approved by the Shareholders at the AGM of the Company held on 26 April 2018, authorising the Directors to purchase or otherwise acquire its issued Shares on the terms of such mandate. The Share Buyback Mandate was renewed by the Shareholders at the AGM of the Company held on 26 April 2019 (the "2019 AGM") on the terms approved at the 2019 AGM (the "2019 Mandate") and will expire on the upcoming 2020 AGM. Accordingly, the Company proposes to seek the approval of Shareholders at the 2020 AGM for the renewal of the Share Buyback Mandate in respect of the purchase or acquisition by the Company of its issued Shares. If approved, the Share Buyback Mandate will take effect from the date of the 2020 AGM and continue in force until the conclusion of the next AGM of the Company or such date as the next AGM is held or required by law to be held, unless prior thereto, Share Purchases are carried out to the full extent mandated or the Share Buyback Mandate is revoked or varied by the Shareholders in a general meeting. It is intended that the Share Buyback Mandate will be put to Shareholders for renewal at each subsequent AGM of the Company.
- 1.2 Any Share Purchase by the Company has to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Rules and such other laws and regulations as may for the time being be applicable.

2. DEFINITIONS

- 2.1 In this Appendix, the following definitions apply throughout unless otherwise stated:

"2019 Mandate"	:	Has the meaning ascribed to it in paragraph 1.1 of this Appendix
"2020 AGM"	:	The forthcoming annual general meeting of the Company to be held on Friday, 24 April 2020
"ACRA"	:	The Accounting and Corporate Regulatory Authority of Singapore
"AGM"	:	The annual general meeting of the Company
"Appendix"	:	This Appendix to Shareholders dated 25 March 2020 in relation to the Share Buyback Mandate
"Approval Date"	:	The date of the 2020 AGM at which the Share Buyback Mandate is approved
"Audited Financial Statements"	:	Has the meaning ascribed to it in paragraph 3.5.2 of this Appendix
"Average Closing Price"	:	Has the meaning ascribed to it in paragraph 3.2.4 of this Appendix
"Board"	:	The Board of Directors of the Company for the time being
"CDP"	:	The Central Depository (Pte) Limited
"Companies Act"	:	The Companies Act (Chapter 50 of Singapore), as amended, modified or supplemented from time to time
"Company"	:	ComfortDelGro Corporation Limited
"Constitution"	:	The Constitution of the Company, as amended, modified or supplemented from time to time
"Day of the making of the offer"	:	Has the meaning ascribed to it in paragraph 3.2.4 of this Appendix

"Director(s)"	:	The director(s) of the Company for the time being
"EPS"	:	Earnings per Share
"Group"	:	The Company and its subsidiaries
"Latest Practicable Date"	:	27 February 2020, being the latest practicable date prior to the printing of this Appendix
"Listing Manual" or "Listing Rules"	:	The listing manual of the SGX-ST, or the rules contained therein, as may be amended, modified or supplemented from time to time
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Market Purchases"	:	Has the meaning ascribed to it in paragraph 3.2.3(a) of this Appendix
"Maximum Price"	:	Has the meaning ascribed to it in paragraph 3.2.4 of this Appendix
"Minister for Finance"	:	The Minister for Finance of the Republic of Singapore for the time being
"NAV"	:	Net asset value
"NCI"	:	Non-controlling interests
"Off-Market Purchases"	:	Has the meaning ascribed to it in paragraph 3.2.3(b) of this Appendix
"Related expenses"	:	Has the meaning ascribed to it in paragraph 3.2.4 of this Appendix
"Relevant Period"	:	The period commencing from the Approval Date and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier
"ROE"	:	Return on Equity
"SFA"	:	The Securities and Futures Act (Chapter 289 of Singapore), as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Share Buyback Mandate"	:	A general mandate given by Shareholders to authorise the Directors to purchase, on behalf of the Company, Shares in accordance with the terms set out in this Appendix as well as the rules and regulations set forth in the Companies Act and the Listing Manual
"Share Purchase"	:	The purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate
"Shareholders"	:	Registered holders of Shares except that where the registered holder is CDP, the term " Shareholders " in relation to Shares held by CDP shall mean the persons named as depositors in the Depository Register maintained by CDP and to whose securities accounts such Shares are credited
"Shares"	:	Ordinary shares in the share capital of the Company

"SIC"	:	Securities Industry Council
"Subsidiary holdings"	:	Has the meaning ascribed to it under the Listing Manual
"Substantial Shareholder"	:	A Shareholder who has an interest in not less than five per cent (5%) of the issued Shares of the Company
"Take-over Code"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"Treasury Shares"	:	The Shares held in treasury by the Company
"S\$" and "Singapore cents"	:	Singapore dollars and cents, respectively, the lawful currency of the Republic of Singapore
"%"	:	Per centum or percentage

- 2.2 The terms "*depositor*" and "*Depository Register*" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.
- 2.3 The term "*subsidiary*" shall have the meaning ascribed to it in Section 5 of the Companies Act.
- 2.4 Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.
- 2.5 Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or the Listing Manual or any modification thereof and used in this Appendix shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA or the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.
- 2.6 Any reference to a time of day in this Appendix shall be a reference to Singapore time unless otherwise stated.
- 2.7 Any discrepancies in the tables included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

3. PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

3.1 Rationale

The Company proposes to seek Shareholders' approval for the renewal of the Share Buyback Mandate to give the Directors the flexibility to undertake Share Purchases at any time subject to market conditions, during the period that the Share Buyback Mandate is in force, with the objective of increasing Shareholders' value and to improve, *inter alia*, the return on equity of the Group. A Share Purchase at the appropriate price level is one of the ways through which the return on equity of the Group may be enhanced. Shares purchased or acquired under the Share Buyback Mandate can also be held by the Company as Treasury Shares to satisfy the Company's obligations to furnish Shares to participants in its share-based incentive schemes from time to time.

The Directors believe that the Share Buyback Mandate provides the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary working capital requirements and possible investment needs of the Group in an expedient, effective and cost-efficient manner to Shareholders. Share Purchases will also provide the Directors with greater flexibility over the Company's share capital structure.

Shareholders can be assured that Share Purchases by the Company would be made in circumstances where it is considered to be in the best interests of the Company. The Directors will decide whether to effect the Share Purchases via Market Purchases or Off-Market Purchases, after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach. While the Share Buyback Mandate would authorise a Share Purchase up to the said ten per cent (10%) limit during the period described in paragraphs 3.2.1 and 3.2.2 below, it should be noted that Share Purchases may not be carried out to the full ten per cent (10%) limit as authorised. The Directors do not propose to carry out Share Purchases to an extent that would, or in circumstances that might, result in a 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 Group.

3.2 The Terms of the Share Buyback Mandate

The authority for and limitations placed on Share Purchases by the Company under the Share Buyback Mandate, if renewed at the 2020 AGM, are the same as the 2019 Mandate previously approved by the Shareholders at the AGM held on 26 April 2019. These are summarised below:

3.2.1 *Maximum Number of Shares*

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company pursuant to the Share Buyback Mandate.

The total number of Share Purchases during the Relevant Period is limited to that number of Shares representing not more than **ten per cent (10%)** of the total number of issued Shares as at the Approval Date (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 amount of issued Shares as altered). For the purposes of calculating the percentage of issued Shares above, any of the Shares which are held as Treasury Shares and subsidiary holdings will be disregarded.

For illustrative purposes only, based on 2,166,238,663 Shares in issue (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date, and assuming that no further Shares are issued on or prior to the 2020 AGM, and that the Company does not reduce its share capital, not more than 216,623,866 Shares (representing ten per cent (10%) of the issued and paid-up Shares (excluding Treasury Shares and subsidiary holdings) as at that date) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate during the Relevant Period.

3.2.2 *Duration of Authority*

Share Purchases may be made, at any time and from time to time, on and from the Approval Date up to the earliest of:

- (a) the date on which the next AGM is held or required by law to be held;
- (b) the date on which the Share Purchases pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
- (c) the date on which the authority conferred by the Share Buyback Mandate is varied or revoked by the Shareholders in general meeting.

3.2.3 Manner of Purchase of Shares

Share Purchases may be made by way of:

- (a) on-market purchases ("**Market Purchases**"), effected on 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
- (b) off-market purchases ("**Off-Market Purchases**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme or schemes as defined in Section 76C of the Companies Act.

The Directors may impose such terms and conditions, which are not inconsistent with the Share Buyback Mandate, the Listing Rules and the Companies Act, as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all of the following conditions:

- (i) offers for the Share Purchases shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers are the same, except that there shall be disregarded:
 - (A) differences in consideration attributable to the fact that offers relate to Shares with different accrued dividend entitlements;
 - (B) (if applicable) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (C) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Rules provide that, in making an Off-Market Purchase in accordance with an equal access scheme, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (1) the terms and conditions of the offer;
- (2) the period and procedures for acceptances;
- (3) the reasons for the proposed Share Purchase;
- (4) the consequences, if any, of Share Purchases by the Company that will arise under the Take-over Code or other applicable take-over rules;
- (5) whether the Share Purchases, if made, could have any effect on the listing of the Shares on the SGX-ST;
- (6) details of any Share Purchases made by the Company in the previous twelve (12) months (whether by way of Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases; and
- (7) whether the Shares purchased by the Company will be cancelled or kept as Treasury Shares.

3.2.4 *Maximum Purchase Price*

The purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses (collectively, "**related expenses**")) to be paid for the Shares will be determined by the Directors. However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price (as defined hereinafter); and
- (b) 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 (as defined hereinafter),

(the "**Maximum Price**") in either case, excluding related expenses of the purchase.

For the above purposes:

"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, 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, 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.

3.3 **Status of Purchased Shares under the Share Buyback Mandate**

3.3.1 *Status of Purchased Shares*

A Share purchased or acquired by the Company is, unless held as a Treasury Share in accordance with the Companies Act, treated as cancelled immediately on purchase or acquisition. On such cancellation, all rights and privileges attached to the Share will expire and the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company.

3.3.2 *Purchased Shares Held as Treasury Shares*

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as Treasury Shares. Some of the provisions on Treasury Shares under the Companies Act are summarised below:

- (a) Maximum holdings

The number of Shares held as Treasury Shares cannot at any time exceed ten per cent (10%) of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Companies Act within six (6) months or such further periods as ACRA may allow.

- (b) Voting and other rights

The Company cannot exercise any right in respect of Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of Treasury Shares. However, the allotment of Shares as fully paid bonus Shares in respect of Treasury Shares is allowed. Also, a subdivision or consolidation of any Treasury Share into Treasury Shares of a smaller or larger amount is allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the same as before.

(c) Disposal and cancellation

Where Shares purchased or acquired by the Company are held as Treasury Shares, the Company may at any time but subject always to the Take-over Code:

- (i) sell the Treasury Shares for cash;
- (ii) transfer the Treasury Shares for the purposes of or pursuant to any share scheme, whether for employees, Directors or other persons;
- (iii) transfer the Treasury Shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (iv) cancel the Treasury Shares; or
- (v) sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of Treasury Shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such Treasury Shares, the purpose of such sale, transfer, cancellation and/or use of such Treasury Shares, the number of Treasury Shares which have been sold, transferred, cancelled and/or used, the number of Treasury Shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of Treasury Shares against the total number of issued shares (of the same class as the Treasury Shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

As at the Latest Practicable Date, the Company does not hold any of its Shares as Treasury Shares.

3.4 Source of Funds for Share Buyback

The Company may only apply funds for the purchase or acquisition of the Shares in accordance with the Constitution and the applicable laws in Singapore.

Pursuant to the Companies Act, any payment made by the Company in consideration for the purchase or acquisition of its own Shares may only be made out of the Company's capital or profits so long as the Company is solvent.

The Company may use internal and external sources of funds to finance the Company's Share Purchases. The Directors will only make Share Purchases in circumstances which they believe will not result in any material adverse effect to the financial position of the Company or the Group.

3.5 Financial Effects of the Share Buyback Mandate

3.5.1 The financial effects on the Company and the Group arising from the Share Purchases will depend on, *inter alia*, the number of Shares purchased or acquired, whether such purchase or acquisition is made out of capital and/or profits of the Company, the consideration paid at the relevant time, the amount (if any) borrowed by the Company to fund the purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as Treasury Shares.

3.5.2 The financial effects on the Company and the Group, based on the audited financial statements of the Group for the financial period ended 31 December 2019 (the "**Audited Financial Statements**"), are based on the following principal assumptions:

(a) Purchase or acquisition out of capital and/or profits

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's capital and/or profits so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

(b) Maximum Price paid for Shares purchased or acquired

Based on 2,166,238,663 issued Shares (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date, the purchase or acquisition by the Company of ten per cent (10%) of such Shares will result in the purchase or acquisition of 216,623,866 Shares.

Assuming that the Company purchases or acquires the 216,623,866 Shares at the Maximum Price, the maximum amount of funds required is approximately:

- (i) in the case of Market Purchases of Shares, S\$457.1 million based on S\$2.11 for one Share (being the price equivalent to five per cent (5%) above the Average Closing Price of the Shares traded on the SGX-ST over the last five (5) consecutive Market Days immediately preceding the Latest Practicable Date); and
- (ii) in the case of Off-Market Purchases of Shares, S\$478.7 million based on S\$2.21 for one Share (being the price equivalent to ten per cent (10%) above the Average Closing Price of the Shares traded on the SGX-ST over the last five (5) consecutive Market Days immediately preceding the Latest Practicable Date).

For illustrative purposes only, on the basis of the assumptions set out above as well as the following:

- (A) the Share Purchases had taken place on 1 January 2019;
- (B) there was no issuance of Shares after the Latest Practicable Date;
- (C) the Share Purchases are assumed to be financed by internal and external funding of the Group; and
- (D) related expenses incurred for the Share Purchases are assumed to be insignificant and have been disregarded for the purpose of computing the financial effects,

the financial effects on the Audited Financial Statements are set out below.

	Market Purchase				Off-Market Purchase			
	Group		Company		Group		Company	
	Before Share Purchase \$'m	After Share Purchase \$'m	Before Share Purchase \$'m	After Share Purchase \$'m	Before Share Purchase \$'m	After Share Purchase \$'m	Before Share Purchase \$'m	After Share Purchase \$'m
At 31 December 2019								
Total equity	3,009.0	2,551.9	1,242.5	1,242.5	3,009.0	2,530.3	1,242.5	1,242.5
NAV (excluding NCI)	2,595.0	2,137.9	1,242.5	1,242.5	2,595.0	2,116.3	1,242.5	1,242.5
Current assets	1,319.1	1,090.5	175.5	175.5	1,319.1	1,079.7	175.5	175.5
Current liabilities	1,115.8	1,115.8	172.8	172.8	1,115.8	1,115.8	172.8	172.8
Total borrowings and lease liabilities from financial institutions	634.2	862.7	331.3	331.3	634.2	873.5	331.3	331.3
Number of Shares outstanding (million) ⁽¹⁾	2,166.2	1,949.6	2,166.2	1,949.6	2,166.2	1,949.6	2,166.2	1,949.6
Weighted average number of Shares outstanding (million) ⁽¹⁾	2,165.9	1,949.3	2,165.9	1,949.3	2,165.9	1,949.3	2,165.9	1,949.3
Financial Ratios								
NAV per Share (Singapore cents) ⁽²⁾	119.80	109.66	57.36	63.73	119.80	108.55	57.36	63.73
Gross gearing (%) ⁽³⁾	21.08	33.81	26.66	26.66	21.08	34.52	26.66	26.66
EPS (Singapore cents) ⁽⁴⁾	12.24	13.60	n.m.	n.m.	12.24	13.60	n.m.	n.m.
Current ratio (times) ⁽⁵⁾	1.18	0.98	1.02	1.02	1.18	0.97	1.02	1.02
ROE (%) ⁽⁶⁾	10.18	11.16	n.m.	n.m.	10.18	11.21	n.m.	n.m.

Notes:

- (1) The number of Shares outstanding and weighted average number of Shares outstanding after Share Purchase are computed on the assumption that the Share Purchase was completed on 1 January 2019.
- (2) NAV per Share equals to NAV (excluding NCI) divided by the number of Shares outstanding.
- (3) Gross gearing equals to total borrowings and lease liabilities from financial institutions divided by total equity.
- (4) EPS equals to profit attributable to Shareholders from 1 January 2019 to 31 December 2019 divided by the weighted average number of Shares outstanding.
- (5) Current ratio equals current assets divided by current liabilities.
- (6) ROE equals to profit attributable to Shareholders from 1 January 2019 to 31 December 2019 divided by average total equity attributable to Shareholders of the Company.
- (7) The disclosed financial effects remain the same irrespective of whether:
 - (a) the purchase of the Shares is effected out of capital or profits; or
 - (b) the purchased Shares are held in treasury or are cancelled.

"n.m." means not meaningful

3.5.3 **Shareholders should note that the pro-forma financial effects set out above are for illustrative purposes only (based on the aforementioned assumptions). In particular, it is important to note that the above pro-forma financial analysis is based on the historical numbers for the financial period ended 31 December 2019, and is not necessarily representative of future financial performance.**

3.5.4 It should be noted that although the Share Buyback Mandate would authorise the Company to purchase or acquire up to ten per cent (10%) of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire ten per cent (10%) of the issued Shares. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a Share Purchase before execution.

3.6 Taxation

Shareholders who are in doubt as to their respective tax positions or any tax implications or who may be subject to tax outside Singapore should consult their own professional advisers.

3.7 Listing Rules

The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its Shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

The notification of such Share Purchases to the SGX-ST shall be in such form and shall include such details that the SGX-ST may prescribe, which includes, without limitation, details such as the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such Shares, the total consideration paid for the Shares and the number of issued Shares after purchase. The Company shall make arrangements with its stockbrokers to ensure that they provide the Company in a timely fashion the necessary information which will enable the Company to make the notifications to the SGX-ST.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any Share Purchases at any time after a price sensitive development has occurred or has been the subject of consideration and/or a decision of the Board, until the price sensitive information has been publicly announced. In particular, in line with Rule 1207(19) of the Listing Manual, the Company will not purchase or acquire any Shares through Market Purchases during the period commencing two (2) weeks immediately preceding the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year and one (1) month immediately preceding the announcement of the Company's financial statements for its annual (full year) results, and ending on the date of the announcement of the relevant results.

The Listing Manual requires a listed company to ensure that at least ten per cent (10%) of any class of its listed securities must be held by public Shareholders. As at the Latest Practicable Date, the Company has 2,166,238,663 Shares, and approximately 92.78 per cent (92.78%) of the issued Shares are held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake Share Purchases through Market Purchases up to the full ten per cent (10%) limit without affecting the listing status of the Shares on the SGX-ST, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to affect orderly trading.

3.8 Take-Over Obligations pursuant to the Take-over Code

Appendix 2 to the Take-over Code contains the Share Buy-Back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below:

3.8.1 *Obligation to Make a Take-over Offer*

If, as a result of any purchase or acquisition by the Company of its Shares, the percentage voting rights held by a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code.

3.8.2 Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the following persons will be presumed to be acting in concert:

- (a) The following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights;
- (b) A company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) A company with any of its pension funds and employee share schemes;
- (d) A person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) A financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser;
- (f) Directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent;
- (g) Partners; and
- (h) The following persons and entities:
 - (i) an individual;
 - (ii) the close relatives of (i);
 - (iii) the related trusts of (i);
 - (iv) any person who is accustomed to act in accordance with the instructions of (i);
 - (v) companies controlled by any of (i), (ii), (iii) or (iv); and
 - (vi) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

For this purpose, ownership or control of at least twenty per cent (20%) but not more than fifty per cent (50%) of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 to the Take-over Code.

3.8.3 *Effect and Application of Rule 14 and Appendix 2 to the Take-over Code*

In general terms, the effect of Rule 14 and Appendix 2 to the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and their concert parties, being in aggregate less than thirty per cent (30%) before such purchase or acquisition, would increase to thirty per cent (30%) or more, or if the voting rights of such Directors and their concert parties fall between thirty per cent (30%) and fifty per cent (50%) of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than one per cent (1%) in any period of six (6) months.

Under Appendix 2 to the Take-over Code, a Shareholder not acting in concert with the Directors of the Company will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to thirty per cent (30%) or more, or, if such Shareholder holds between thirty per cent (30%) and fifty per cent (50%) of the Company's voting rights, the voting rights of such Shareholder would increase by more than one per cent (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

Based on the information set out in paragraph 4 and assuming that there is no change in the shareholding interests of the Directors and the Substantial Shareholders in Shares recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders maintained by the Company as at the Latest Practicable Date, none of the Directors and Substantial Shareholders would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate of the maximum limit of ten per cent (10%) of its total number of issued Shares (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the SIC and/or their professional advisers at the earliest opportunity.

3.9 **Shares Purchased by the Company**

The Company has not made any buybacks of its Shares in the twelve (12) months preceding the Latest Practicable Date.

3.10 **Reporting Requirements**

Within thirty (30) days of the passing of a Shareholders' resolution to approve the Share Buyback Mandate, the Company shall lodge a copy of such resolution with ACRA. The Company shall also lodge a notice with ACRA within thirty (30) days of a Share Purchase. Such notification is to include details such as the date of the Share Purchase; the number of Shares purchased or acquired by the Company; the number of Shares cancelled; the number of Shares held as Treasury Shares; the Company's issued share capital before and after the Share Purchase; the amount of consideration paid by the Company for the Share Purchase; whether the Shares were purchased out of the profits or the capital of the Company; and such other particulars that might be prescribed.

3.11 **Limits on Shareholdings**

The Company does not have any limits on the shareholdings of any Shareholder.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of Directors and Substantial Shareholders of the Company as at the Latest Practicable Date, as recorded in the Company's Register of Directors' Shareholdings and Register of Substantial Shareholders, respectively, were as follows:

Director	Number of Shares			
	Direct Interest	% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
Mr. Lim Jit Poh	244,425	0.01	–	–
Mr. Yang Ban Seng	7,168	0.00	18,185	0.00
Ms. Jessica Cheam	–	–	–	–
Mr. Chiang Chie Foo	–	–	–	–
Mr. Lee Khai Fatt, Kyle	100,000	0.00	70,000	0.00
Mr. Ong Ah Heng	755,558	0.03	–	–
Prof. Ooi Beng Chin	–	–	–	–
Ms. Sum Wai Fun, Adeline	240,000	0.01	–	–
Ms. Tham Ee Mern, Lilian	–	–	–	–
Dr. Wang Kai Yuen	52,500	0.00	–	–
Substantial Shareholder	Direct Interest	% ⁽¹⁾	Deemed Interest	% ⁽¹⁾
BlackRock, Inc. ⁽²⁾	–	–	151,994,840	7.02
The PNC Financial Services Group, Inc. ⁽²⁾	–	–	151,994,840	7.02

Notes:

- (1) Percentages are based on 2,166,238,663 issued Shares as at the Latest Practicable Date. The Company does not have any Treasury Shares or subsidiary holdings as at the Latest Practicable Date.
- (2) BlackRock, Inc. is deemed to have an interest in 151,994,840 shares of ComfortDelGro Corporation Limited held by its subsidiaries. The PNC Financial Services Group, Inc. through its ownership of more than 20% of BlackRock, Inc. is deemed to have an interest in 151,994,840 shares of ComfortDelGro Corporation Limited held by the subsidiaries of BlackRock, Inc.

5. DIRECTORS' RECOMMENDATIONS

Having fully considered, *inter alia*, the terms and rationale of the Share Buyback Mandate, the Board believes that the Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 9 in relation to the renewal of the Share Buyback Mandate to be proposed at the forthcoming 2020 AGM.

6. DOCUMENTS FOR INSPECTION

The following documents are available for inspection at the registered office of the Company at 205 Braddell Road Singapore 579701 during normal business hours from the date of this Appendix up to and including the date of the 2020 AGM:

- (a) the Constitution; and
- (b) the Annual Report of the Company for the financial year ended 31 December 2019.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buyback Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in the Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

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