



TRAINLINE PLC TRADING STATEMENT AND NOTICE OF HALF YEAR RESULTS 17th September 2020

Trainline plc successfully navigating impact of COVID-19 and remains strongly positioned to lead the accelerated shift to online and digital ticketing

Trading performance for first six months of FY 2021

Trainline plc (“Trainline”, the “Company” or the “Group”), the leading independent rail and coach travel platform selling rail and coach tickets to millions of customers worldwide, today provides an update on its trading performance for the first six months of the financial year 2021 (1st March 2020 to 31st August 2020).

Successfully navigating impact of COVID-19

Net ticket sales:

	Six months ended 31 August 2020					
	Q1 2021	% of PY	Q2 2021	% of PY	H1 2021	% of PY
Net ticket sales (£m)						
UK Consumer	64	13%	154	30%	218	22%
UK T4B	3	1%	21	7%	23	4%
Total UK	67	8%	174	22%	241	15%
International	12	10%	105	74%	117	45%
Total Group	79	9%	280	30%	358	19%

% of PY represents the percentage of net ticket sales in the equivalent period in the prior year

- Q1 FY 2021: Government measures to curb the spread of COVID-19 resulted in a significant slowdown in all the markets in which Trainline operates. The impact was particularly marked in the first quarter of the financial year, when industry passenger volumes in the UK fell to c.5% of the same period in the prior year through April and May, with similar declines across International markets. Trainline also processed a significantly higher number of refund requests (more than 2 million in the UK alone). As a result, Group net ticket sales in Q1 declined to £79 million, equivalent to 9% of the same period in the prior year.
- Q2 FY 2021: Group net ticket sales in the second quarter stepped up to £280 million – equivalent to 30% of the same period in the prior year – as operating conditions began to recover. This followed the relaxation of government lockdowns and social distancing measures, first in International markets and then several weeks later in the UK. There was also a notable shift of ticket volumes to online and digital channels. Group net ticket sales improved throughout the quarter, exiting in August at 42% of the equivalent prior year period.
 - UK Consumer net ticket sales of £154 million was 30% of the equivalent prior year period – compared to Q2 industry passenger volumes at 24%¹ – and improved over the quarter to 46% in August. This reflected an accelerated shift to online and digital ticketing, as well as a significant step up in new customers to Trainline in the second quarter.
 - UK Trainline for Business (UK T4B) net ticket sales of £21 million was 7% of the equivalent prior year period, up from 1% in Q1, and improved over the quarter to 15% in August. While trends

improved over the second quarter, demand for business travel remained subdued and the White Label business continued to be impacted by season ticket refunds.

- International net ticket sales of £105 million was 74% of the equivalent prior year period, up from 10% in Q1, and at the end of the quarter in August was at 78%. The International business has recovered more quickly than the UK, primarily reflecting a much earlier relaxation of lockdown and social distancing restrictions in those markets.
- H1 FY 2021: The impact of COVID-19 in the first half resulted in Trainline's Group net ticket sales decreasing to £358 million, equivalent to 19% of the same period in the prior year.

Revenue:

	Six months ended 31 August 2020		
	H1 2021	H1 2020	% of PY
Revenue (£m)			
UK Consumer	19	86	22%
UK T4B	6	30	22%
Total UK	25	115	22%
International	6	14	41%
Total Group	31	129	24%

% of PY represents the percentage of revenue in the equivalent period in the prior year

- The decline in Group net ticket sales resulted in Group revenue decreasing to £31 million in the first half, 24% of the revenue in the same period in the prior year:
 - UK Consumer revenue declined to £19 million, 22% of the equivalent prior year period, driven by the material decline in net ticket sales. Revenue take-rate (the rate of revenue generated from net ticket sales) was impacted by a lower mix of customers from overseas, who as a cohort generate higher revenue per transaction, partly offset by the distorting effect of a significantly higher amount of refunds in the period.
 - UK T4B revenue declined to £6 million, 22% of the equivalent prior year period, given materially lower net ticket sales, offset in part by a higher proportion of fixed fee income for our White Label business. As with UK Consumer, UK T4B's revenue take-rate was distorted by a significantly higher level of refunds processed in the period.
 - International revenue decreased to £6 million, 41% of the equivalent prior year period, given the material reduction in net ticket sales. As with the UK, International take-rate was impacted by a lower mix of customers from overseas, who as a cohort generate higher revenue per transaction than domestic travellers.

Monthly cash outflow lower than guided and liquidity position improved

- In April 2020, Trainline guided to a monthly cash outflow from operating costs and capital expenditure of c.£8-9 million, having taken quick and decisive steps to mitigate the impact of COVID-19. Mitigating actions included: Pausing marketing and other discretionary spend, furloughing certain teams under the UK Government's Coronavirus Job Retention Scheme, introducing a recruitment freeze, and deferring staff pay reviews.
- Over the first half of the year the Group outperformed its expectations for operating cost savings. Given this outperformance and the revenue the Group generated over the period, the Group expects to report an Adj. EBITDA loss for H1 FY 2021 of between £(14)-(19) million.
- With the industry now on a path to recovery, albeit more slowly than previously expected, Trainline is phasing its operations back to normal. It has brought back most of its furloughed teams and is now dialing up discretionary spend, including its marketing activity, in step with customer demand in each of its respective markets.
- The Group continues to have sufficient liquidity to operate for the foreseeable future. Trainline's liquidity headroom improved to c.£162 million at the end of August 2020, compared to c.£150 million at the end of May 2020. This improvement reflects strong operational cost management and the working capital benefit from increased net ticket sales in the second quarter.

Strongly positioned to lead accelerated shift to online and digital ticketing

- While taking quick and decisive steps to mitigate the impact from COVID-19 in the first half, Trainline has retained its focus on creating value and enhancing the experience for customers, while driving long term growth for shareholders.
- Trainline maintained its investment in improving the customer experience, including developing innovative new products and services. This has further strengthened Trainline's position to support the industry's recovery, and the shift to online, offering customers:
 - an alternative to queuing at the station – with an intuitive online ticket booking and best-in-class eticket experience, available through a 4.9-star rated app
 - access to the cheapest train tickets – with the SplitSave split-ticketing feature soon to be complemented by a range of digital railcards that help customers save up to a third off travel
 - helpful on-the-go travel information – including the recently launched Crowd Alerts feature that helps customers to identify trains on which they can safely socially distance
 - improved self-serve functionality – with simple, automated change and refund processes in the app and on the website

Clare Gilmartin, CEO of Trainline said:

“By acting quickly and remaining agile, we continue to successfully navigate through the significant disruption COVID-19 has caused to the rail and coach industry. We have rapidly processed unprecedented levels of customer refunds, reduced costs and ensured we have enough liquidity to operate for the foreseeable future.

“I'm pleased to now see the industry recovering, particularly in our International markets, as well as a faster shift to online reservation and digital ticketing, as anticipated, given the increased customer need for touchless travel.

“We will continue working hard to make rail and coach travel easier, safer and more accessible, reassuring customers and generating incremental demand for the industry. This includes making our 4.9-star rated app even better, adding new innovations like Crowd Alerts to help customers travel more safely, plus offering quick and easy access to the cheapest rail fares through SplitSave and our brand-new digital railcards.”

Notice of half-year results

Trainline will publish its half-year results for the first six months of the financial year 2021 (the six-month period running from 1st March 2020 to 31st August 2020) on Thursday 5th November 2020.

The half-year results will be published at 07.00am (UK time) through the regulatory news service (RNS) and on the Company's website.

Notes

1. Q2 industry passenger numbers, as reported by the UK Government Department for Transport (simple daily average)

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About Trainline:

Trainline (www.trainline.com) is the leading independent rail and coach travel platform selling rail and coach tickets to millions of travellers worldwide, enabling them to seamlessly search, book and manage their journeys all in one place via its highly rated website and mobile app. Trainline is a one-stop shop for rail and coach travel bringing together millions of routes, fares and journey times from more than 270 rail and coach carriers across 45 countries.

This announcement includes forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Directors' current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "guidance", "believe", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "continues", "assumes", "positioned", "targets" or "anticipates" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the intentions, beliefs or current expectations of the Directors or the Group concerning, among other things, the results of operations, financial condition, prospects, growth, strategies, and dividend policy of the Group and the industry in which it operates. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Group. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Such forward-looking statements contained in this announcement speak only as of the date of this announcement.