



TRAINLINE PLC TRADING STATEMENT AND NOTICE OF FULL YEAR RESULTS 11th March 2021

Trainline in strong position for recovery as restrictions ease and rail passengers return

Trading performance for FY 2021

Trainline plc (“Trainline”, the “Company” or the “Group”), the leading independent rail and coach travel platform selling tickets to millions of customers worldwide, today provides an update on its trading performance for the financial year 2021 (1st March 2020 to 28th February 2021).

	Twelve months ended 28 February 2021		
	FY 2021	FY 2020	% of PY
Net ticket sales (£m)			
UK Consumer	473	2,046	23%
UK T4B	75	1,191	6%
Total UK	548	3,237	17%
International	235	490	48%
Total Group	783	3,727	21%
Revenue (£m)			
UK Consumer	44	178	25%
UK T4B	12	57	21%
Total UK	56	235	24%
International	11	26	43%
Total Group	67	261	26%

% of PY represents percentage of net ticket sales and revenue vs the equivalent prior year period

COVID-19 and the government measures to curb its spread led to a significant reduction of passenger volume in FY 2021. With national and regional lockdowns, and social distancing restrictions in place for much of the year, Group net ticket sales decreased to £783 million, equivalent to 21% of the prior year.

While the current trading environment remains challenging, vaccine roll-outs and government roadmaps to ease lockdowns are expected to create the conditions necessary for recovery. Encouragingly, when lockdowns and restrictions were eased during the Summer months of 2020, leisure and commuter passenger volumes recovered relatively quickly in Trainline’s key European markets, while Trainline’s UK Consumer net ticket sales recovered faster than the market, reflecting an acceleration in the shift to online and digital channels.

- UK Consumer net ticket sales of £473 million were 23% of prior year, peaking in August (between the first and second lockdowns) at 46% vs the wider industry passenger volumes at 34%¹

- UK Trainline for Business (UK T4B) net ticket sales of £75 million was 6% of prior year, with demand for business travel remaining subdued and with the White Label business impacted by season ticket refunds
- The International business showed the strongest recovery, reflecting an earlier and more prolonged relaxation of restrictions in our key European markets. This helped International net ticket sales recover to £235 million, or 48% of the same period in the prior year, including all of Trainline's top 3 domestic markets (France, Italy, Germany) returning to year-on-year growth in the summer months

The decline in Group net ticket sales resulted in Group revenue decreasing to £67 million, 26% of revenue in the prior year:

- UK Consumer revenue declined to £44 million, 25% of prior year, driven by the material reduction in net ticket sales. Revenue take-rate (the rate of revenue generated from net ticket sales) was distorted upwards by a significantly higher number of refunds in the period, partly offset by a lower mix of customers from overseas, who tend to generate higher revenue per transaction
- UK T4B revenue declined to £12 million, 21% of prior year, 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 volume of refunds processed in the period
- International revenue decreased to £11 million, 43% of the prior year, given the material reduction in net ticket sales. As with the UK, International take-rate was impacted by a lower mix of inbound customers from overseas

Monthly cash burn lower than guidance and liquidity significantly improved

With the onset of COVID-19 (which coincided with the start of Trainline's fiscal year), Trainline took quick and decisive steps to mitigate the impact on the business. This included significantly reducing its average monthly cash burn to c.£5 million² (outperforming the guided range of c.£8-9 million). As a result of the savings in operating expenditure, Trainline expects to report an Adj. EBITDA loss for FY 2021 of between £(24)-(27) million.

The Group's liquidity position was significantly bolstered by the issuance of £150 million of convertible bonds in January 2021, protecting the business against an extended COVID-19 downturn scenario while giving greater flexibility to invest in potential future growth opportunities. The Group's liquidity headroom at the end of February 2021 was c.£260 million.

With the vaccine roll-out and prospective easing of lockdowns, Trainline is ready to increase marketing investment, in step with the return of customer demand, and support the recovery of the rail industry in the UK and Europe.

Ready to lead the accelerated online and digital shift

While significantly reducing operating expenditure through the pandemic, Trainline maintained its investment in its product roadmap, enhancing the experience for customers and driving long term growth for shareholders.

In doing so, Trainline is well placed to lead the shift to online and digital, and to support the industry's recovery, offering customers:

- An enhanced 'new commuter' experience, powered by our proprietary data and AI to provide improved on-the-day messaging and predictive travel info (e.g. Crowd Alerts, delays and disruption), and an investment in in-app digital season ticket technology that lays the foundations for the future roll-out of new Flexi Tickets

- Better value through new in-app railcards, making it easier and more convenient for customers to save up to a third off rail travel, as well as the SplitSave split-ticketing feature
- Much improved self-serve functionality, including automated change of journey and refunds in the app and the website, and the launch of Delay Repay in France
- Access to new entrants as competition grows in our European markets, adding low cost carrier Avlo in Spain which will compete head to head on key routes
- Europe-wide B2B rail inventory distribution through a single connection to our new Global API platform

Jody Ford, CEO of Trainline said:

“The last twelve months have clearly been challenging for the industry. However, we are confident we will see more customers booking rail travel online and a continued market shift to digital when government lockdown restrictions ease, as we did last summer.

“Over the year we have kept our foot on the accelerator improving the customer experience, which means we are well positioned to capitalise on this shift to online and digital, and to support rail industry recovery when people start travelling again. In particular, we have leveraged our customer insights and data to understand the ‘new commuter’ and invested in app technology that will support the UK roll-out of new Flexi Tickets.

“As I step into the CEO role, I am excited by Trainline’s huge potential and its purpose. One of our major strengths is our people, and I want to thank them for their response to the pandemic, for continuing to innovate on behalf of our customers and for their work positioning us to support our industry partners for the recovery. We remain committed to championing rail as a greener mode of travel for millions of customers around Europe, and to driving the significant long-term growth opportunity for this business.”

Notice of full-year results

Trainline will publish its full-year results for the financial year 2021 (the twelve-month period running from 1st March 2020 to 28th February 2021) on Thursday 6th May 2021.

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

Notes

1. Industry passenger numbers, as reported by the UK Government Department for Transport (simple daily average)
2. Cash burn is adjusted EBITDA less tangible and intangible asset additions, less interest paid and less lease liabilities paid, averaged over Mar 2020 - Feb 2021

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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 rail and coach carriers across Europe.

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.