trainline

Interim Results

For the six months ended 31 August 2019

5 November 2019

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Financial highlights in H1 FY'20

+19%	**Net ticket sales** up YoY to £1.8 billion
+29%	**Revenue** up YoY to £129 million
+37%	**Gross profit** up YoY to £99 million
+99%	**EBITDA** up YoY to £42 million
+£58m	**Operating Free Cashflow** up YoY to £60 million
0.5x	**Net debt / EBITDA,** significantly lower following IPO

Strategic highlights in H1 FY'20

Enhancing user experience: 20%+ conversion rate growth; now a 4.9 star-rated app

Building demand: opening up new acquisition channels; app mix increased to 73%

Optimising revenue to drive up take-rate: UK Consumer +c60bps, International +c130bps

Growing Trainline for Business (T4B): launched etickets for B2B customers

Driving modal shift: customers more likely to increase train travel than non customers

Successful completion of IPO

Agenda

1. Financial performance in H1 and outlook
   Shaun McCabe, CFO
2. Strategic opportunity and progress in H1
   Clare Gilmartin, CEO
3. Q&A

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Trainline: UK Consumer, International and Trainline for Business

UK Consumer

% of H1 FY'20 revenues:

66%

International

% of H1 FY'20 revenues:

11%

Trainline for Business (UK T4B)

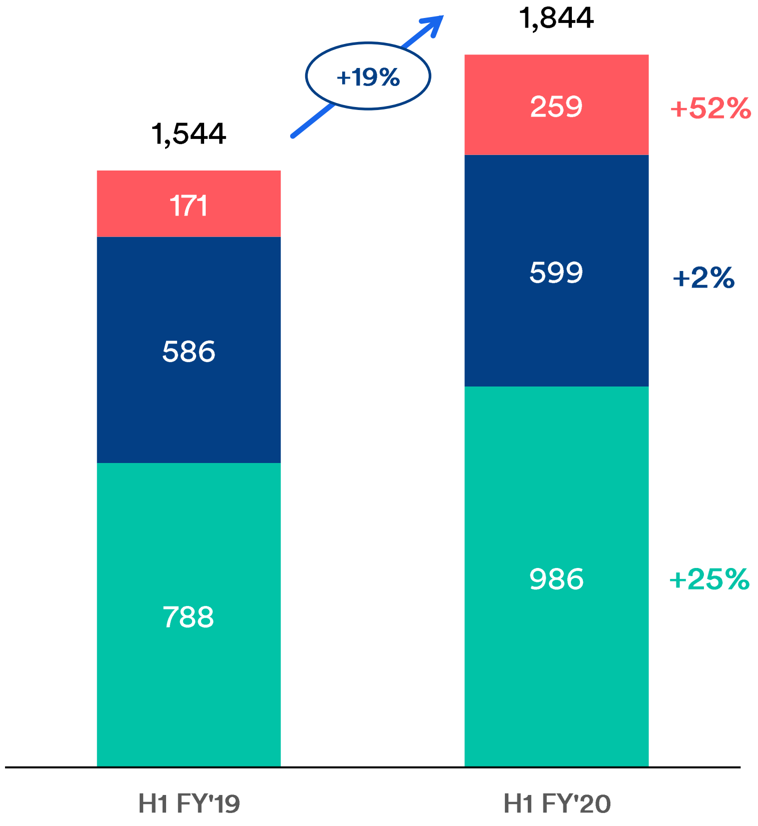
% of H1 FY'20 revenues:

23%

Strong growth in sales, revenue and gross profit

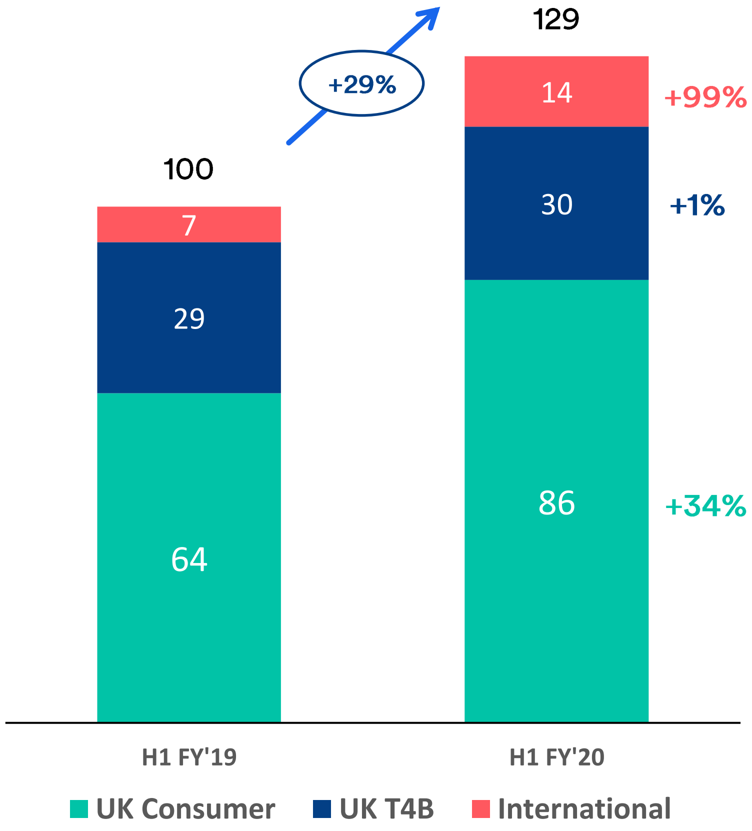
Sales growth from increased app mix, eticket adoption and customer acquisition

Net ticket sales (£m)



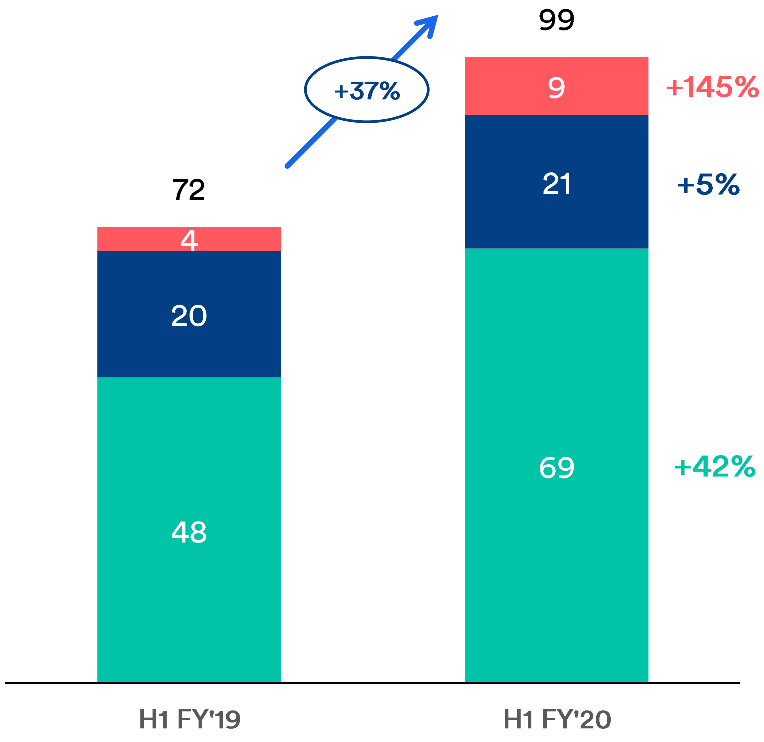
Increased revenue from growth in net ticket sales and take rate expansion

Revenue (£m)



Gross profit benefitted from lower fulfilment costs

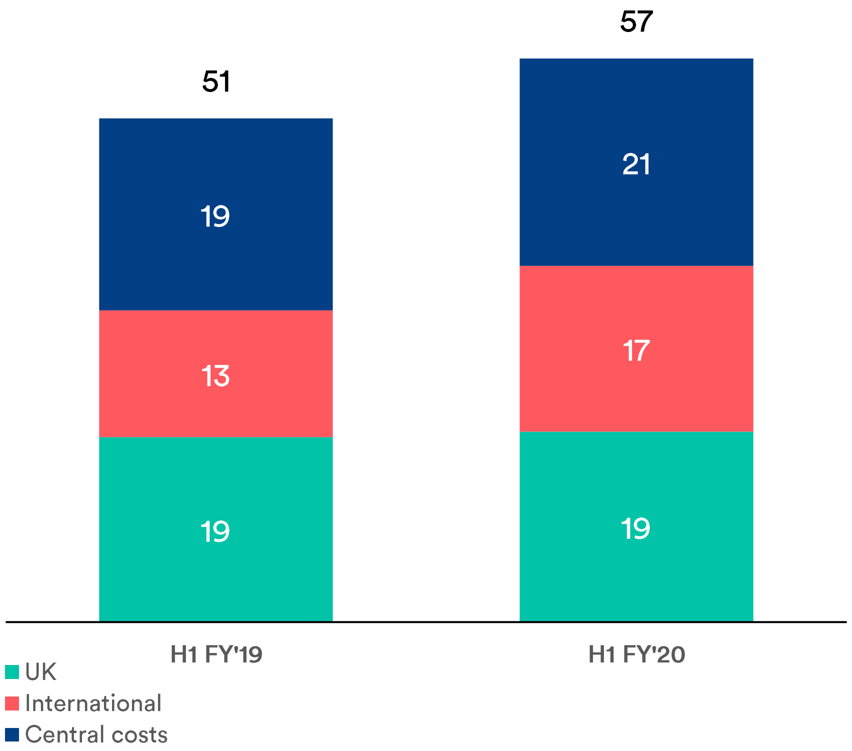
Gross profit (£m)



Volume growth and operating leverage driving margin expansion and profitability

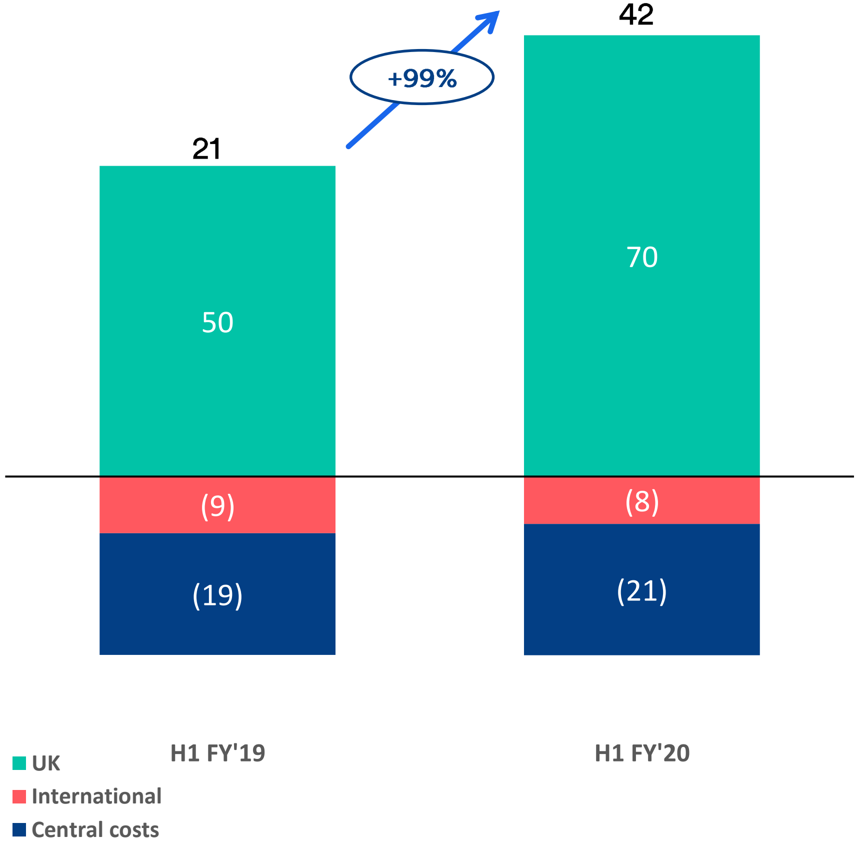
Cost growth far slower than revenue, albeit with some additional marketing investment in International

Direct and Central costs (£m)



Volume growth and operating leverage driving significant growth in Adjusted EBITDA

Adjusted EBITDA (£m)



Profitable for period excluding impact of one-off, exceptional items

£m	H1 FY'19	H1 FY'20	Variance
Group adj. EBITDA	**21**	**42**	**+21**
Share based payments	(2)	(5)	(3)
Depreciation and Amortisation	(18)	(24)	(5)
Exceptional items	(1)	(21)	(20)
Operating profit / (loss)	**0**	**(8)**	**(8)**
Underlying Net Finance Costs	(11)	(9)	+2
Exceptional Finance costs		(70)	(70)
Profit / (Loss) before tax	**(11)**	**(88)**	**(76)**
Income tax (charge) / credit	1	(2)	(2)
Profit / (Loss) for financial period	**(11)**	**(89)**	**(79)**
Profit / (Loss) excl. exceptional items	**(10)**	**2**	**+12**
Statutory EPS (p)	(2.5)	(20.3)	(17.8)
Adjusted EPS (p)	**0.6**	**3.6**	**+3.0**

- Profit up £12 million excluding one-off, exceptional items relating to IPO:
  - £21 million IPO fees and expenses
  - £70 million IPO-related non-cash adjustments in net finance costs
- Share based payments includes £3 million true up of Pre-IPO employee incentive schemes
- Depreciation up £5 million driven by historic investment in single global platform
- Tax charge of £2 million given increase in UK taxable profit, partly offset by DTL release
- Adjusted EPS increased 3.0 pence

Strong operating free cash flow and cash conversion

£m	H1 FY'19	H1 FY'20	Variance
Group adj. EBITDA	**21**	**42**	**+21**
Total capex	(15)	(15)	+1
Working capital movement[1]	(4)	33	+37
Operating free cash flow	2	60	+58
% Operating free cash flow conversion[2]	10%	144%	
Net debt to EBITDA[3]	3.4x	0.5x	

- Cashflow up £58 million; 1.4x conversion rate:
  - Strong growth in EBITDA
  - Working capital benefit, incl. £23 million phasing benefit that unwinds in H2
- 90% normalised conversion rate (excl. working capital phasing benefit)
- Significant reduction in Net debt from primary proceeds of IPO and cashflow generation

Notes: 1. Working capital movement includes £4 million of non-cash adjustments relating to exceptional items 2. (Adj. EBITDA – capex +/– change in WC) / adj. EBITDA) 3. Net debt / EBITDA is gross debt less cash and cash equivalents, divided by annualised H1 adjusted EBITDA

Reiterating full year guidance from H1 Trading Update

- **Net ticket Sales:** Reconfirmed expectations of high-teens percentage growth
- **Revenue growth:** Improved guidance to low to mid-20% range
- **Additional marketing investment** to support International through final phase of re-platforming

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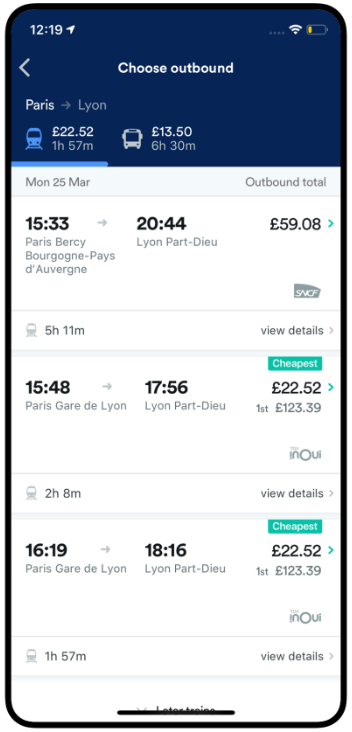
Our aim: To make rail and coach travel easier

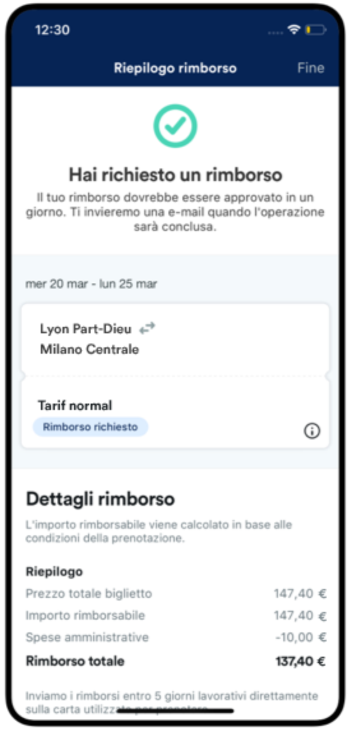
- All carriers in one app
- Easy, consistent, friction free
- Unique, AI driven travel info
- For carriers: more customers & lower cost to serve

Strong value proposition for customers

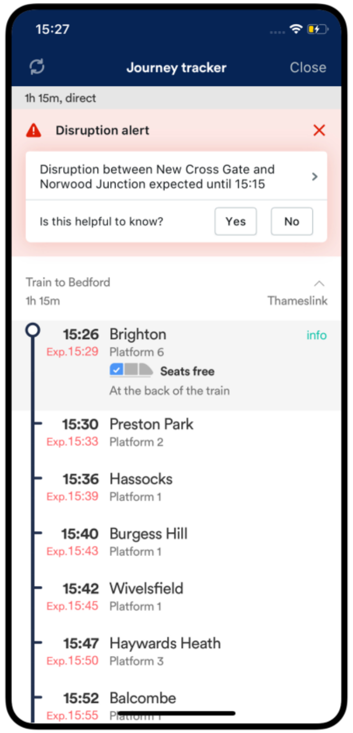
Search: All options, best price



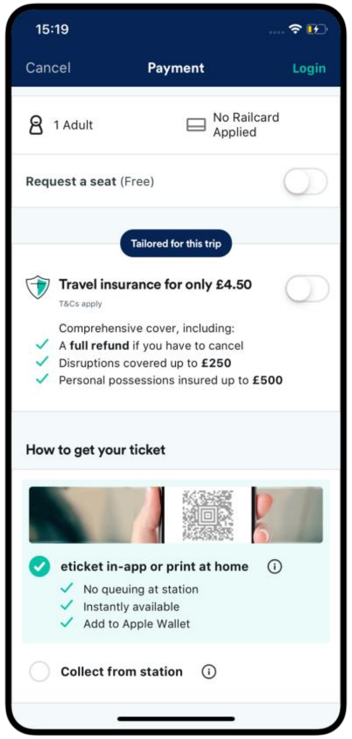
Simple self service



Smart travel companion



Smart ancillary & recommendations



260 Carriers

45 Countries

Source: Company Information, UK iOS AppStore as of 31 October 2019,
The above features are not available in all markets

Note: 45 Countries where people can travel to or through if they buy a ticket or railcard via Trainline

trainline 4.9 ★★★★★

Significant headroom for growth with structural tailwinds

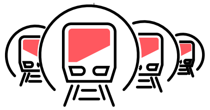
Large market

Global Rail and coach market value[1](€)

Source: OC&C (2019)

Multiple growth drivers

SIGNIFICANT HIGH SPEED RAIL INVESTMENTS



3x

Triple the length of existing high-speed network in EU by 2030[3]

GROWING ENVIRONMENTAL AWARENESS

<1/20

of CO_2 emissions vs. air and ~1/7 vs. car

Source: Company Estimates, UIC, EEA Europa estimates

High frequency, complex and fragmented

21
Rail trips per year[4]

2
Air trips per year[4]

~27,000
Rail stations in Europe

~400
Airports in Europe

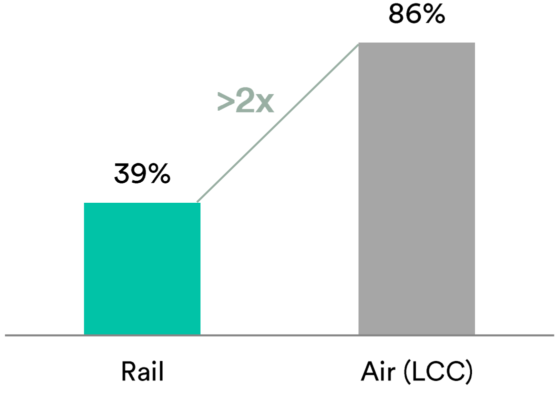
No
Harmonised standards

GDS
Global Distribution System

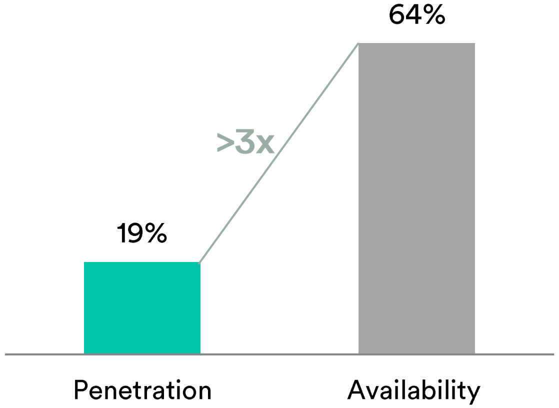
Source: OC&C Survey, ONS, desk research, OC&C analysis; Company Estimates, IRG, UIC/Management, ORR

Runway to transition to online and mobile

Online sales penetration in Europe[5]



Eticket availability and penetration in UK[6]



Notes: 1. OC&C, based on 2017 market data, Trainline data is based on annualised H1'20 net ticket sales; 2. Refers to European Rail & Long Distance Coach; 3. EU network expansion vs 2011 4. UK transactions / trips per capita by transport type (2017) 5. OC&C, Top 5 European markets, % of gross value of bookings in 2017; 6. Penetration based on company estimates, Availability based on OC&C 2018 data

Leading rail and coach travel platform with capacity to scale

Clear market leader

- #1 by MAUs in Europe(1)
- ~3x next nearest independent platform(2)
- ~28m cumulative app downloads
- ~1.6 Mt lower CO_2 Emissions in UK vs car(3)

Modern, agile, scalable global platform

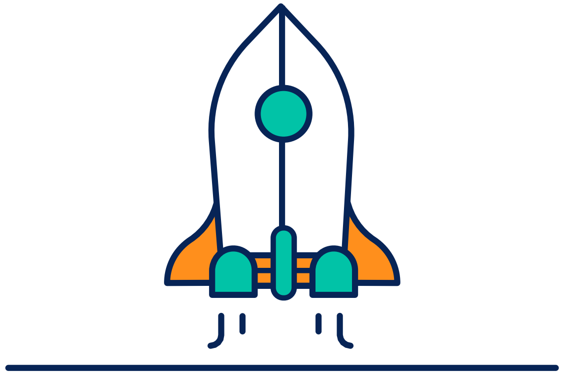
- >500 micro services
- 300+ releases per week
- 300+ engineers
- 100% cloud-based

Notes:
1. Compared to rail carriers and independent consumer platforms, average users based on AppAnnie, Similar Web, Company Estimates
2. Active users, monthly average users Mar-19 to May-19 based on AppAnnie, Similar Web, Company Estimates
3. Company estimates of annualised km per year rail travel on Trainline (based on Jan-Sep 2019); Rail vs car per passenger-KMs estimated comparisons sourced from DEFRA Greenhouse Gas Conversion Factors 2019

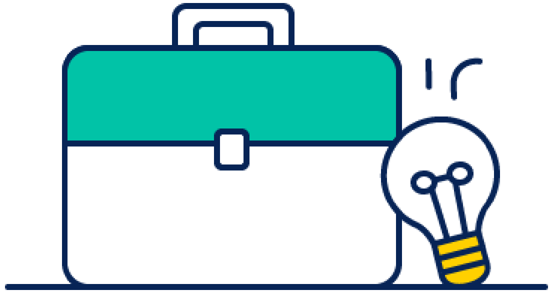
Strategic priorities

Enhance customer experience

Build demand



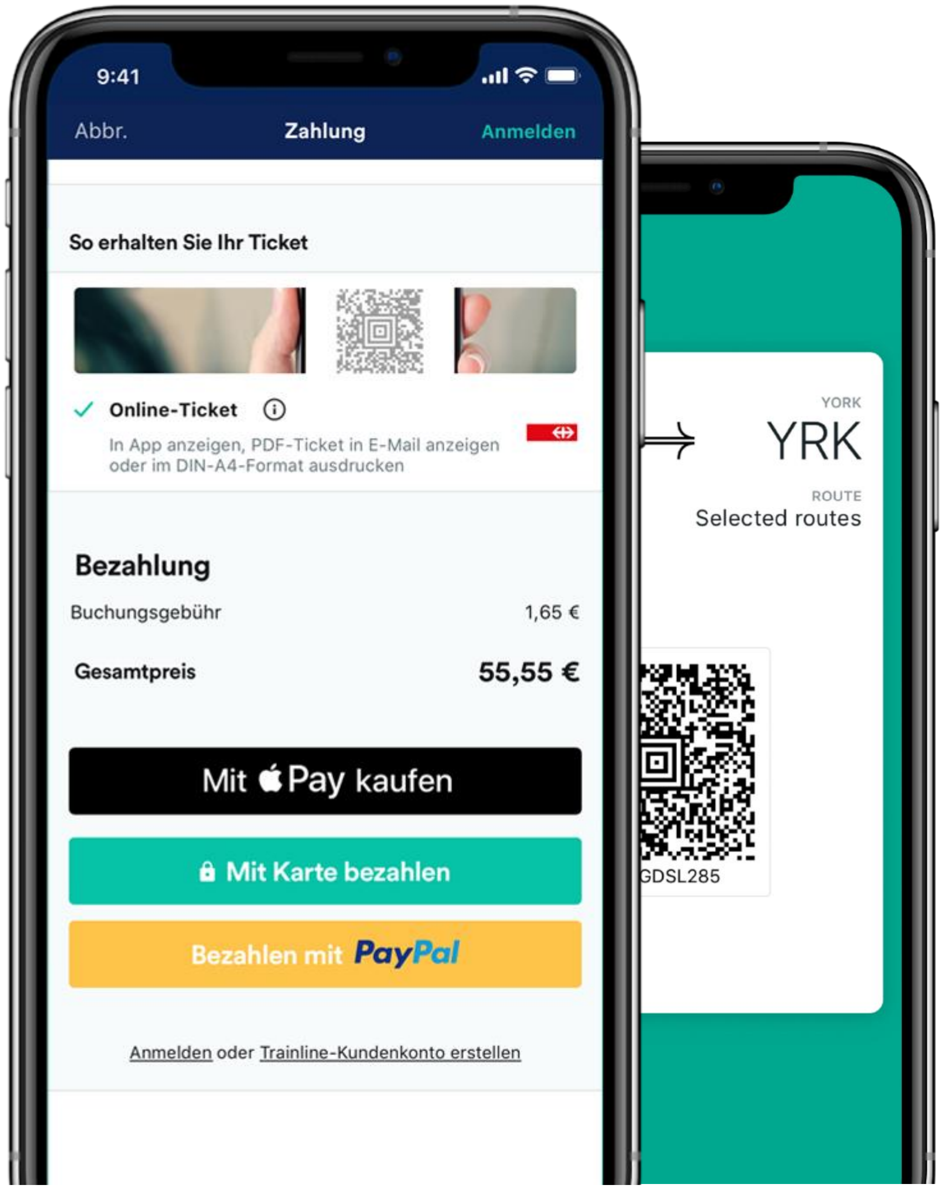
Optimise revenues



Grow T4B

Enhancing customer experience

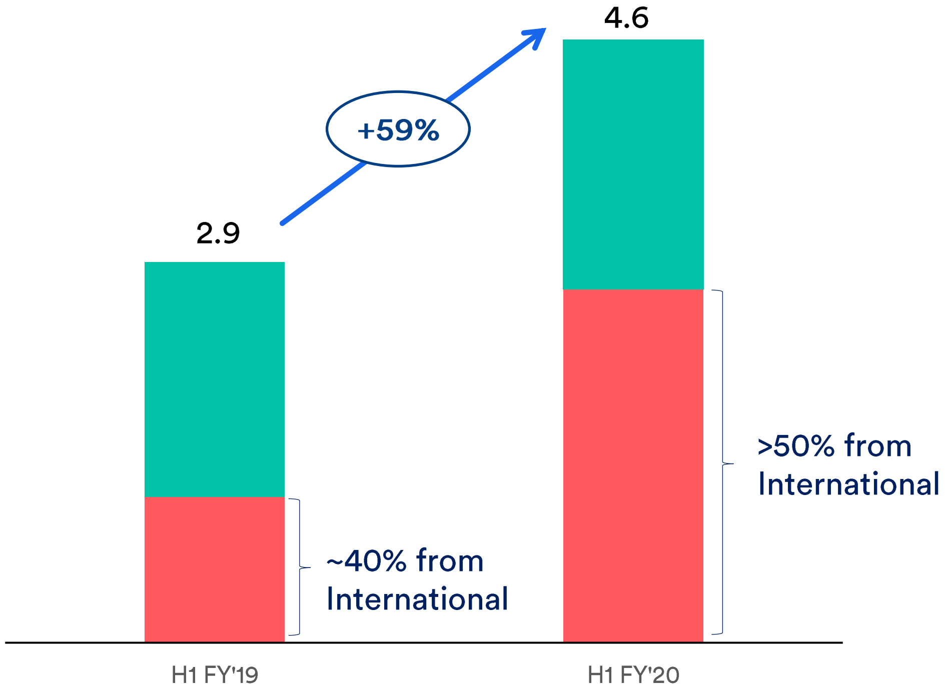
- **Re-platforming on track**
  - Migrated all major carriers across 45 markets
- **Increased focus on fine-tuning platform for Europe**
  - Continually optimising speed, core flows
  - Good start: strong conversion growth; improving NPS
- **Driving adoption of etickets in UK Consumer**
  - Optimising eticket experience as penetration grows
  - Alongside other enhancements driving strong conversion growth
- **Growing supply**
  - Added SBB in Switzerland



Building demand

- **Increasing customer acquisition and engagement**
  - Opening new customer acquisition channels
  - Improving effectiveness of existing channels
- **Strong increase in new app downloads**
  - App share of transactions up +11% points to 73%
- **Growing net ticket sales per customer**
  - Driven by app mix and increased use of etickets
- **Driving shift to more sustainable modes of travel**
  - Trainline customers more likely to have increased train travel than non-customers[1]

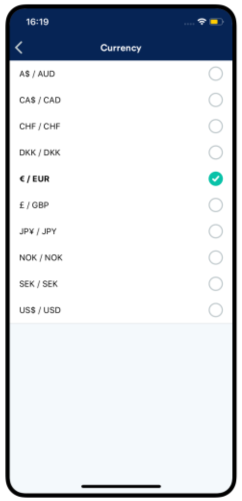
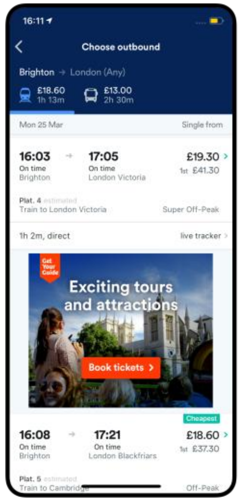
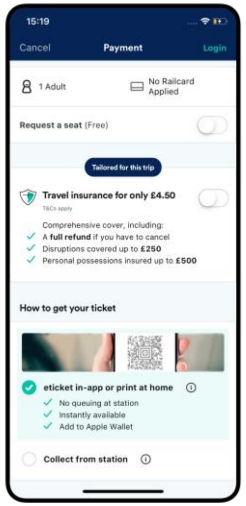
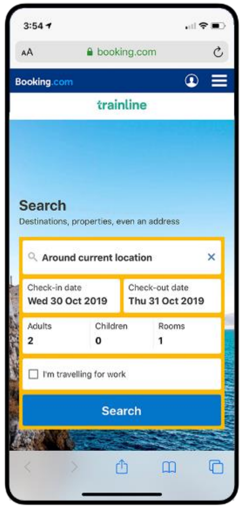
Trainline mobile app downloads (millions)



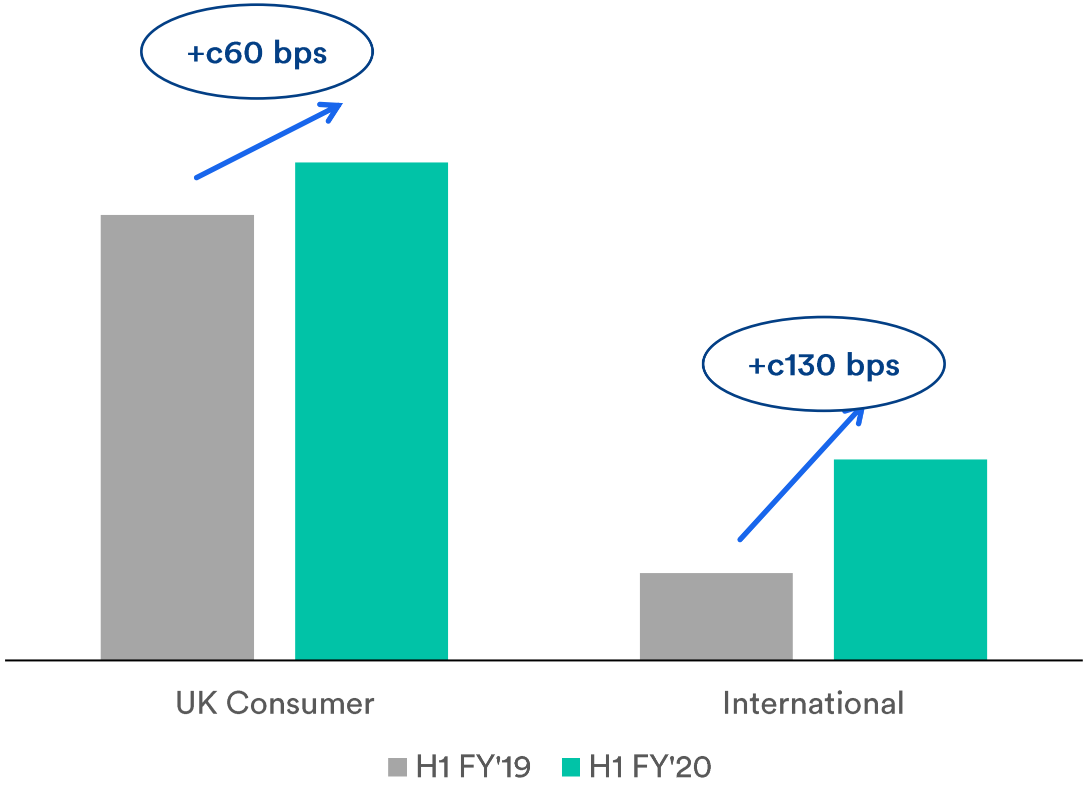
Notes:
1. Data source: YouGov omnibus survey, 21st – 23rd October 2019. "Now thinking about the number of train journeys you have taken in the UK over the last year (i.e. from October 2018 to now) compared to the previous year (i.e. October 2017 to October 2018)…Overall, to what extent has the number of train journeys you take increased or decreased, or has this stayed about the same?" (Base: Other rail travellers - 2,967 GB adults that have travelled by train in the UK in the last year)

Optimising revenues

New revenue streams…

Fees & multi currencies	Advertising	Insurance	Other, e.g. hotels
			
Launched	Launched	Launched	In testing

…driving strong growth in take rate



Growing Trainline for Business (T4B)

B2B

Increased demand from existing accounts

- Launched etickets for business customers

Account wins and retention

- 78% win rate
- 98% retention rate

Global API

- Built out, providing platform to scale T4B internationally

White Label

Increased demand from existing accounts

- Launched Smart-enabled Digital Season tickets

Account wins and retention

- Retained only new franchise in H1 – East Midlands Railway

Explore International opportunities

- Currently in market test mode

Key takeaways

- Strong financial performance in the first half, outperforming expectations
- Reconfirmed updated guidance for the full year
- Operate in a large market with structural tailwinds
- Progressing well against our strategic priorities

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Q&A