



7 November 2024

Trainline plc
Results for the six months ended 31 August 2024 (H1 FY2025)

Strong growth in H1 from Europe's most downloaded rail app

H1 FY2025 financial summary:

£m unless otherwise stated:	H1 FY2025	H1 FY2024	% YoY	% YoY CCY⁴
Net ticket sales ¹	3,001	2,649	+13%	+14%
Revenue	229	197	+16%	+17%
Adjusted EBITDA ²	82	57	+44%	
Operating profit	49	23	+117%	
Adjusted basic earnings per share (pence) ³	9.9p	5.5p	+80%	
Basic earnings per share (pence) ³	7.5p	2.9p	+160%	
Operating free cash flow	100	77	+30%	

Financial highlights:

- Group net ticket sales up 14% year on year (YoY)⁴ to £3.0 billion, and revenue up 17% YoY⁴ to £229 million
- Adjusted EBITDA up 44% to £82 million; operating profit up 117% to £49 million
- Basic earnings per share of 7.5p up 160%, surpassing in H1 the total level achieved in FY2024; adjusted basic earnings per share of 9.9p, up 80%
- Operating free cashflow up 30% to £100 million; leverage ratio⁵ down to 0.2x adj. EBITDA from 0.4x at H1 FY2024

Strategic highlights:

- Europe's #1 rail app⁶, with almost twice as many downloads than SNCF and Deutsche Bahn
- Honing aggregation playbook in Europe:
 - Combined net ticket sales growth across Spain and Italy of 23%⁷
 - More than doubled our share across aggregated Spanish routes in past two years
 - Creating unique aggregator offering, integrating Cercanias in Spain and Pass Rail in France
- Driving digitisation in UK rail:
 - UK's most popular travel app with 12 million monthly active users⁸
 - Eticket penetration of industry ticket sales increased to 51% from 46% in H1 FY2024⁹
 - Supporting commuter market recovery, with segment share increasing to 24%
- Enhanced offering for White Label Carriers driving strong sales growth in Trainline Solutions

Improved Group guidance¹⁰ for FY2025 and new margin guidance for FY2026:

- In FY2025:
 - Net ticket sales YoY growth of between +12% and +14%
 - Revenue YoY growth of between +11% and +13%
 - Adjusted EBITDA of c.2.6% of net ticket sales
- In FY2026: adjusted EBITDA of between 2.6% and 2.7% of net ticket sales

Jody Ford, CEO of Trainline said:

“We are proud that our tech focussed investment continues to deliver for customers and the industry across the UK and Europe. In Spain, we have more than doubled our share on routes with carrier competition, including Madrid-Valencia where we account for 1 out of every 6 transactions, as we cement our position as the aggregator of choice. In the UK, as the number one travel app, our focus remains on partnering with industry, encouraging the adoption of rail and digital ticketing and supporting the Government's commitment to passenger-focussed digital innovation.”

Presentation of results

There will be a live audiocast presentation of the results to analysts and investors at 08:30am GMT today (7 November 2024). Please register to participate:

<https://webcast.openbriefing.com/trainlinehy25/>

If participants wish to ask a question, they can register to dial into the telephone conference call using the details below:

United Kingdom (Local): +44 20 3936 2999

United Kingdom (Toll-Free): +44 800 358 1035

[Global Dial-In Numbers](#)

Access Code: 922015

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Unaudited figures:

All figures in this document are unaudited.

Footnotes:

1. Please refer to the Non-GAAP Measures note for definition of net ticket sales.
2. Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) excludes share-based payment charges and exceptional items.
3. Please refer to Note 6 for definitions of adjusted basic earnings per share, basic earnings per share and diluted earnings per share.
4. Constant currency ("CCY") YoY growth calculated for International Consumer and Trainline Solutions using prior period average €/\$ exchange rate applied to current year reported numbers.
5. Leverage ratio is net debt divided by adjusted EBITDA generated over last twelve months.
6. Trainline is the number one app versus rail focused peers as per number of app downloads across Europe in H1 FY2025, as sourced from Sensor Tower.
7. Geographical split of growth in net ticket sales within International Consumer based upon carrier location.
8. Trainline is the number one app in the UK versus major travel peers as per monthly average active user data in H1 FY2025, as sourced from Sensor Tower.
9. Eticket penetration is % of UK industry net ticket sales fulfilled using a barcode read eticket and is a subset of online penetration.
10. Growth guidance figures are on a reported basis, not on a constant currency basis.

Forward looking statements and other important information

This document is for informational purposes only and does not constitute an offer or invitation for the sale or purchase of securities or any businesses or assets described in it, nor should any recipients construe the information contained in this document as legal, tax, regulatory, or financial or accounting advice and are urged to consult with their own advisers in relation to such matters. Nothing herein shall be taken as constituting investment advice and it is not intended to provide, and must not be taken as, the basis of any decision and should not be considered as a recommendation to acquire any securities of Trainline.

This document contains forward looking statements, which are statements that are not historical facts and that reflect Trainline's beliefs and expectations with respect to future events and financial and operational performance. These forward looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other factors, which may be beyond the control of Trainline and which may cause actual results or performance to differ materially from those expressed or implied from such forward-looking statements. Nothing contained within this document is or should be relied upon as a warranty, promise or representation, express or implied, as to the future performance of Trainline or its business. Any historical information contained in this statistical information is not indicative of future performance. The information contained in this document speaks only as at the date of this document and Trainline expressly disclaims any obligations or undertaking to release any update of, or revisions to, any forward-looking statements in this document.

H1 FY2025 PERFORMANCE REVIEW

Group Overview

Group net ticket sales increased to £3.0 billion, 14% higher YoY on a constant currency basis (up 13% on a reported basis), tracking ahead of Trainline's originally stated guidance range¹⁰ for FY2025 of between 8% to 12%. The drivers of net ticket sales growth for each business unit are provided below.

Increased net ticket sales and enhanced monetisation drove **Group revenue** up 17% on a constant currency basis (up 16% on a reported basis) to £229 million, tracking ahead of Trainline's originally stated guidance range¹⁰ for FY2025 of between 7% to 11%.

Gross profit grew by 20% to £181 million, outpacing revenue growth. This was driven by a reduction in fulfilment fee that Trainline pays to the UK rail industry when a customer is issued a barcode ticket.

H1 FY2025 Segmental performance:

	H1 FY2025	H1 FY2024	% YoY	% YoY CCY ⁴
Net ticket sales (£m)				
UK Consumer	1,969	1,712	+15%	+15%
International Consumer	583	558	+4%	+6%
Trainline Solutions	449	378	+19%	+19%
Total Group	3,001	2,649	+13%	+14%
Revenue¹¹ (£m)				
UK Consumer	106	91	+17%	+17%
International Consumer	33	28	+18%	+21%
Trainline Solutions	90	78	+14%	+15%
Total Group	229	197	+16%	+17%
Gross profit¹¹ (£m)				
UK Consumer	74	60	+25%	
International Consumer	23	18	+26%	
Trainline Solutions	84	73	+15%	
Total Group	181	151	+20%	
Adjusted EBITDA¹¹ (£m)				
	H1 FY2025	H1 FY2024	YoY	
UK Consumer	45	31	14	
International Consumer	(5)	(11)	7	
Trainline Solutions	41	38	4	
Total Group	82	57	25	

11. A reassessment has been performed of the internal transaction fee rate, payable by UK Consumer and International Consumer businesses to Trainline Solutions in order to access Platform One. This results in an upwards revision to the transaction fee. To aid comparability, prior year figures also reflect this revision to the transaction fee.

Adjusted EBITDA increased £25 million or 44% YoY to £82 million. Marketing costs of £34 million decreased by 9% YoY, primarily reflecting our decision to pause brand spend in France in May last

year, which more than offset increased investment in Spain. Other administrative costs increased 15% to £65 million, reflecting higher system costs as we processed more transactions.

UK Consumer

Net ticket sales were £2.0 billion, 15% higher YoY. This reflected more people switching to digital tickets, with industry e-ticket penetration growing to 51% of ticket sales in H1 FY2025, up from 46% in H1 FY2024. Net ticket sales growth also reflected the continued normalisation of the UK rail market as passenger volumes approached pre-COVID levels, as well as less impact from strike action versus the prior year¹².

Revenue grew 17% to £106 million, slightly faster than net ticket sales as the Company increased its focus on non-commission revenue generation, including from ancillary services like travel insurance. This more than offset the impact of faster growth in commuter and on-the-day travel, which generate relatively lower rates of revenue than longer-distance travel.

Gross profit grew 25% to £74 million. Adjusted EBITDA of £45 million was £14 million higher.

International Consumer

Net ticket sales were £583 million, 6% higher YoY⁴. Spain and Italy grew fastest – rail markets where carrier competition is most widespread – with combined net ticket sales up 23%⁷ as Trainline continued to position itself as the aggregator of choice. Combined net ticket sales across France and Germany were down 3%⁷, as expected, reflecting Trainline’s decision last year to pause brand marketing in France until the arrival of more widespread carrier competition, as well as some disruption to the broader travel sector arising from the summer Olympics.

Sales through Trainline’s mobile App continued to grow strongly and in H1 FY2025 represented 67% of transactions in International Consumer, up from 62% in FY2024. However, industry-wide changes to the presentation of Google’s search engine results – as first discussed in Trainline’s Half Year results last year – continued to subdue Web sales, with the impact most pronounced in foreign travel.

Revenue was £33 million, growing 21% YoY⁴. Revenue growth continued to outpace net ticket sales, driven primarily by higher non-commission revenues, including hotel bookings in partnership with Booking.com.

Gross profit increased 26% to £23 million. Adjusted EBITDA loss reduced to -£5 million (vs -£11 million loss last year). Adjusted EBITDA on a pre-internal transaction fee basis¹¹ was £7 million (vs -£1 million loss last year).

Trainline Solutions

Net ticket sales were £449 million, 19% higher than prior year. There was continued strong performance from White Label Carrier partners, following improvements to their core functionality through Platform One, as well as from our B2B retailing partners through our Global API.

Revenue increased by 15% YoY⁴ to £90 million, with the majority of revenue generated by the internal transaction fee paid by UK Consumer and International Consumer¹³.

Gross profit was £84 million, 15% higher YoY. Adjusted EBITDA was £41 million, £4 million higher YoY.

Operating profit

The Group reported operating profit of £49 million, up £27 million or 117%. Operating profit included:

- Depreciation and amortisation charges of £21 million, in line with prior year (H1 FY2024: £21 million)

- Share-based payment charges of £11 million was also in line with the prior year (H1 FY2024: £11 million). This reflects the costs of our all-employee share incentive plan.

Profit after tax

Profit after tax was £34 million, up £20 million or 149% YoY. Profit after tax reflected operating profit of £49 million, net finance charges of £3 million, and a tax charge of £12 million. The effective tax rate of 27% was above the UK corporation tax rate primarily due to losses in overseas entities that are not recognised for deferred tax.

Earnings per share (EPS)

Adjusted basic EPS was 9.9 pence vs 5.5 pence in H1 FY2024. Adjusted basic EPS adjusts for exceptional one-off items in the period, any gains on the repurchase of convertible bonds, amortisation of acquired intangibles, and share-based payment charges, together with the tax impact of these items.

Basic EPS was 7.5 pence vs 2.9 pence in H1 FY2024 and surpassed the total level achieved in FY2024.

Operating free cash flow and net debt

Operating free cash flow was £100 million, up £23 million YoY. Operating free cashflow included adjusted EBITDA of £82 million and a working capital inflow of £39 million, reflecting Trainline's negative working capital cycle. This was partly offset by capital expenditure of £22 million, reflecting ongoing investment in product and technology.

Net debt was £32 million at the end of August 2024, down from £37 million in August 2023. The Group's leverage ratio was 0.2x LTM adj. EBITDA (Aug-23: 0.4x). The reduction in net debt primarily reflected the generation of positive operating free cash flow in H1 FY2025, partly offset by £46 million of share repurchases through the buyback programme in the first half.

Capital allocation framework and share buyback programme

Last year, we communicated our capital allocation framework, which is as follows:

- Trainline's primary use of capital is to invest behind its strategic priorities – including enhancing the customer experience and building demand for rail travel - to drive organic growth and deliver attractive and sustainable rates of return.
- The Group may supplement that with inorganic investment, should it help accelerate delivery of the Group's strategic growth priorities.
- Trainline will also continue to manage debt leverage, including retaining a prudent and appropriate level of liquidity headroom should unforeseen circumstances arise.
- Any surplus capital thereafter may be returned to shareholders, including through the repurchase of Trainline's shares.

In line with Trainline's capital allocation framework, the Company announced in May 2024 the launch of its second share buyback programme of up to £75 million. This programme commenced on 13th June 2024 following the completion of our maiden £50 million buyback programme. As at the end of October 2024, the Company had bought back and cancelled £33 million of shares under the new programme, and £83 million in aggregate across both programmes (6% of issued share capital).

Cost optimisation in H2 FY2025

Given the scale benefits and efficiencies from Platform One, and with Trainline having invested to close the product gap in International over the past few years, we now have scope to optimise our cost base. In H2, we are running a cost optimisation exercise, which includes reducing headcount. We expect the exercise to generate annual cash savings of around £12 million, of which £8 million will benefit the income statement. We expect the costs to deliver these savings to be in the range of £7-9 million, be treated as exceptional items and mostly recognized in H2 FY2025.

Outlook and market guidance

Trainline has delivered strong growth in H1 FY2025 and is increasingly benefiting from operating leverage as it scales. Following a strong start to H2, last week we revised upwards our previously stated guidance range, which was originally set in May 2024 and subsequently improved in September 2024.

In FY2025¹⁰, we expect Trainline to generate:

- Net ticket sales YoY growth of between +12% and +14%
- Revenue YoY growth of between +11% and +13%
- Adjusted EBITDA of c.2.6% of net ticket sales

With the benefit of increasing operating leverage, together with our disciplined approach in managing costs, we now expect adjusted EBITDA of between 2.6% and 2.7% of net ticket sales in FY2026. This guidance factors in a c.25 basis point reduction in net commissions received in the UK from next year, as per Trainline's MOU agreement with RDG announced in March 2022.

PROGRESS AGAINST OUR STRATEGIC PRIORITIES IN H1 FY2025

To achieve our mission to make rail and coach travel easier for customers in all our markets, we invest behind five strategic priorities for long-term growth: growing supply, enhancing the user experience, building demand, increasing customer lifetime value, and expanding Trainline Solutions. In H1 FY2025, we continued to make strong progress against these long-term strategic growth priorities.

UK Consumer

The UK rail market continues to grow with industry passenger revenues increasing to £11.2 billion in the 12-months up to the end of August 2024.

Our investment in customer experience is helping shift more people to digital channels. Industry sales through online channels grew to 57%, up from 54% in the prior year. Within that, industry e-ticket sales increased to 51% in H1 FY2025, up from 46% in H1 FY2024⁹. However, tickets bought offline still represent around £3.1 billion, most of which are estimated to be short-distance and commute journeys bought at the station.

As the most popular travel app in the UK⁸, we believe we are uniquely placed to further expand the rail market, driving modal shift from more polluting forms of transport, as well as increase the adoption of digital ticketing.

Growing supply and enhancing the user experience

In terms of supply, we provide all the carriers and fares in one place¹⁴, as well as a comprehensive range of value-saving products and features, helping customers to unlock value when booking rail travel. This includes Splitsave, the original at-scale split ticket solution, saving customers on average £13 per booking. It also includes Trainline's digital railcards, saving customers up to a third when booking rail travel. Today we have two million customers using our digital railcards, which is around a third of all users in the UK.

Trainline continues to prime its mobile App to better serve commuters. For customers that purchase tickets on their way to the station, we can use geo-location technology to determine which station the customer is located and leverage machine learning to surface the most relevant route suggestions for that customer at that time of day and from that particular station. The customer can buy a ticket for one of those journeys in a few clicks, with the assurance of our on-the-day Best Price Guarantee. For season ticket users, we are scaling digital season tickets on routes where they are enabled (now over 50% of the UK rail network). In Q2 FY2025, our share of season ticket sales reached 21% on routes enabled for a year or more¹⁵ (15% in Q2 FY2024).

Building demand

Under our flagship brand campaign 'Great journeys start with Trainline', we have continued to tell customers how they can save money by booking with Trainline, including our Best Price Guarantee when buying tickets on-the-day. In addition, we recently partnered with online bank Monzo to offer their customers digital railcards, helpful as digital railcard users are some of our most frequent and sticky customers.

Our campaigns have contributed to our active customers over the last 12 months growing by 12% year on year to 18 million.

Increasing customer lifetime value

As we continue to expand our customer base, we are simultaneously increasing the activity and engagement of customers, increasing their lifetime value. On average, the longer that customers use Trainline, the more often they transact with us. Furthermore, customers that we have acquired since COVID-19 transact more frequently than customers acquired prior to COVID-19, and now represent over half of our sales transactions.

Having significantly scaled net ticket sales, we are now monetising more effectively through value added services that generate additional revenues. This includes offering travel insurance, as well as leveraging commercial partnerships to offer hotels, parking, and taxis.

International Consumer

The c.€44 billion European rail market provides significant headroom for Trainline's future growth.

Where carrier competition is emerging in Europe, it is significantly increasing value and choice for customers. By positioning Trainline as the aggregator of choice, we are well placed to scale our international business as carrier competition becomes more widespread over the next few years:

- In Spain, SNCF Ouigo are due to launch services from Madrid-Seville and to Madrid-Malaga by the end of 2024.
- In Italy, Renfe-backed Arenaways and SNCF are planning to launch services from 2026.
- In France, Trenitalia – who already run trains between Paris and Lyon - are reportedly due to launch services between Paris and Marseille in 2025. Following that, Renfe are due to launch services on both routes. Thereafter, three new carrier brands are set to launch high speed services across France – Ilisto, Le Train and Proxima. These new challenger brands are already ordering rolling stock and obtaining regulatory clearances in order to operate train services in France.

Growing supply and enhancing the user experience

As we hone our aggregation playbook, we are creating the virtuous cycle of the marketplace: as we add more inventory, we become more attractive for passengers and increasingly relevant for rail operators.

We seek to aggregate all carriers, fares and options into one highly rated mobile App. This brings clear benefits to our customers who can search all the options to find best value, as well as stitch together different carriers for return and multi-leg journeys through TopCombo.

It also brings distinct benefits for new entrant operators too, increasing their passenger volumes and in turn accelerating the payback on their investment. This includes rapidly adding their inventory ahead of the launch of new routes, and through Top Combo increasing the likelihood a customer will include a new carrier in their booking. We are now testing how we can increase the prominence of new entrant brands. For example, within our search function we recently elevated Ouigo as the best priced option between Madrid and Barcelona for a test group of customers, notably increasing their sales versus the control group.

In the first half, we expanded our supply to further enhance our unique proposition for domestic rail customers. We became the first and only aggregator in France to retail Pass Rail, giving younger customers cheaper travel during the summer months, and the only aggregator in Spain to integrate Cercanias urban and suburban rail travel, which operates across 12 cities and carries over 400 million passengers per year. In Italy, we are the only App to auto-apply promo codes where applying discounts for train tickets are available, saving customers on average €20 per high speed booking.

We also continue to enhance our product offering for foreign travellers, where we have recently launched Eurail passes (multi-leg rail passes) as well as a new homepage and clearer station information for inbound customers.

Building demand

Spain has quickly become the most liberalised rail market in Europe and we are finding innovative ways to grow brand awareness, including whole train station takeovers, Trainline branded music festivals, and most recently sponsoring Real Betis, a Seville-based football team. This coincides with SNCF Ouigo's imminent launch of services from Madrid to Seville. Since we launched our first Spanish brand campaign in summer 2022, prompted brand awareness has tripled from 8% to 25%. In the last 12 months, over 1 million customers in Spain transacted through Trainline.

Increasing customer lifetime value

As we strengthen our position as aggregator of choice in markets with carrier competition, we are deepening our relationship with our customers. A key example is our success in encouraging more customers to download and use our mobile App, given its superior user experience and transaction frequency benefits. In H1 FY2025, 67% of all customer transactions within International Consumer came through our App, up from 62% in FY2024.

In Spain, where liberalisation is most advanced, we are seeing positive signs of customer engagement, with 50% of customers in the first half being repeat customers. Together with continued growth in new customers, this has helped net ticket sales to triple in two years⁷.

While positioning ourselves as the aggregator of choice, we are placing greater focus on monetisation in International Consumer. This includes foreign travel sales, which generate a double-digit revenue take rate, and introducing ancillary products into the booking flow, including hotels. This helped grow the underlying revenue¹³ we generate to 7.6% of net ticket sales in H1 FY2025 (6.8% in H1 FY2024).

Expanding Trainline Solutions

We have taken further steps to support our travel partners, leveraging the strength of our platform.

For carrier partners, we continue to enhance our white label App offering, with the addition of new features such as split ticketing and travel companion features. The improved core functionality has helped drive a strong sales performance in the first half. In addition, we are actively engaging in several ongoing tender processes from carriers for online retailing solutions. This follows the UK Government's cancellation of its plans in December 2023 to create its own centralised retail app and website, originally intended to replace the rail carriers' online retailing channels.

For B2B travel partners, we recently had several new client wins through our Global API, including SAP Concur and Amadeus Cytric.

For Trainline's branded B2B channels, we continue to enhance the experience for users and for client companies. In May, we discussed how we had brought together our business and consumer App, which gives customers the ability to switch between their business and personal travel and keep their bookings separate. Since then, we have enabled client company admins to book train travel on behalf of their employees, plus allowed clients to embed travel policies into the App, giving them greater control over their travel spend.

Platform One, our single global tech platform that underpins all our business units, increasingly leverages AI and advanced machine learning to improve the user experience and to reduce our cost base. This includes data-driven features (e.g. Splitsave and Price Prediction) as well as greater personalisation to help customers unlock value when booking travel. It also includes AI-driven tools and features that reduce friction and remove complexity for customers when travelling. We continue to see Generative AI as additive to what we are already doing in this space and are developing proprietary AI systems within our own domain. By combining these systems with industry data and our own unique customer data sets, we are widening the opportunity to create smarter and more personalised experiences across the whole user journey. In the future we plan to bring this altogether as an end-to-end Personalised Travel Assistant for customers.

LEGAL, REGULATORY & POLICY DEVELOPMENTS

Following their General Election win in July 2024, the new UK Government's actions with regards to rail have been consistent with their pre-election pledges, which they announced at Trainline's offices in April. There has been a reset and stabilisation of industrial relations, with agreements reached on pay deals with ASLEF union in September 2024 that put an end to over two years' worth of disputes. As expected, legislation to nationalise the rail operators is now underway with carriers to be brought into public ownership over the next few years as their contracts lapse. They have launched Shadow Great British Railways in September 2024, bringing together track and train ahead of legislation to create Great British Railways (GBR) as an arm's length governing body. They also remain supportive of independent retailers and, at the King's Speech in July 2024, reiterated their intention to roll out key customer innovations. This included digital pay-as-you-go (dPAYG) and in October, RDG launched an Request for Information (RFI) to support future dPAYG pilot schemes in cities outside of London.

The EU continues to prioritise initiatives to enable growth of rail travel in Europe as it aims to triple passenger high speed passenger volume by 2050. Alongside these initiatives, the EU remains committed to carrier competition, having adopted four legislative packages between 2001 and 2016, the last of which became law in 2020 and mandates the opening of domestic rail markets to new entrant competition. In September 2024, the European Commission's Directorate-General for Mobility & Transport (DG Move) published a report stating that 'competition in railways seems to trigger an increase in ridership and brings about significant benefits to society'. The same report also cited the value of third-party retailers in promoting carrier competition.

Footnotes:

12. 6 strike days in H1 FY2025 with an estimated gross tickets sales impact per strike day for UK Consumer of c.£3-4 million; 11 strike days in H1 FY2024 with an estimated gross tickets sales impact per strike day for UK Consumer of c.£3-4 million.
13. In September 2022, Trainline announced revisions to its segmentation reporting. This included the introduction of an internal fee per transaction payable by UK Consumer and International Consumer businesses to Trainline Solutions in order to access Platform One. The transaction fee is reflected as contra revenue to UK Consumer and International Consumer within segmental reporting. This charge is eliminated on consolidation of the Group's results and does not form part of total Group revenues.
14. Excluding Northern Ireland.
15. Excludes routes enabled for digital seasons since Oct 2023.

Statement of Directors' responsibilities in respect of the results for half year FY2025

The Directors confirm that these condensed consolidated Interim Financial Statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The Directors of Trainline plc are listed in the Trainline plc Annual Report for 29 February 2024. A list of current directors is maintained on the Trainline plc website: <https://www.trainlinegroup.com/>

By order of the Board:

Peter Wood

Chief Financial Officer

7 November 2024

Condensed consolidated income statement

		Six months ended 31 August 2024 <i>Unaudited</i>	Six months ended 31 August 2023 <i>Unaudited</i>	Year ended 29 February 2024 <i>Audited</i>
	<i>Note(s)</i>	£'000	£'000	£'000
Continuing operations				
Net ticket sales ¹	<i>1d</i>	3,001,364	2,648,665	5,295,072
Revenue	<i>2</i>	229,097	196,932	396,718
Cost of sales	<i>2</i>	(47,721)	(46,037)	(91,433)
Gross profit	<i>2</i>	181,376	150,895	305,285
Administrative expenses		(132,195)	(128,258)	(249,706)
Adjusted EBITDA¹	<i>1d</i>	81,912	56,788	122,133
Depreciation and amortisation		(21,395)	(21,490)	(41,662)
Share-based payment charges		(11,336)	(11,060)	(22,629)
Exceptional Items	<i>3</i>	-	(1,601)	(2,263)
Operating profit		49,181	22,637	55,579
Finance income	<i>4</i>	2,161	764	2,745
Finance costs	<i>4</i>	(4,852)	(5,266)	(10,209)
Net finance costs	<i>4</i>	(2,691)	(4,502)	(7,464)
Profit before tax		46,490	18,135	48,115
Income tax expense	<i>5</i>	(12,474)	(4,491)	(14,129)
Profit after tax		34,016	13,644	33,986
Earnings per share (pence)				
Basic	<i>6</i>	7.53p	2.90p	7.28p
Diluted	<i>6</i>	7.32p	2.87p	7.09p

¹Non-GAAP measures – see note 1d.

The notes on pages 18 to 35 form part of the condensed consolidated Interim Financial Statements.

Condensed consolidated statement of other comprehensive income

	Six months ended 31 August 2024 <i>Unaudited</i> £'000	Six months ended 31 August 2023 <i>Unaudited</i> £'000	Year ended 29 February 2024 <i>Audited</i> £'000
Profit after tax	<u>34,016</u>	<u>13,644</u>	<u>33,986</u>
Items that may be reclassified to the income statement:			
Re-measurements of defined benefit obligations	-	-	17
Foreign exchange movement	(433)	(1,056)	(1,096)
Other comprehensive loss, net of tax	<u>(433)</u>	<u>(1,056)</u>	<u>(1,079)</u>
Total comprehensive income	<u><u>33,583</u></u>	<u><u>12,588</u></u>	<u><u>32,907</u></u>

The notes on pages 18 to 35 form part of the condensed consolidated Interim Financial Statements.

Condensed consolidated balance sheet

		At 31 August 2024 <i>Unaudited</i>	At 31 August 2023 <i>Unaudited</i>	At 29 February 2024 <i>Audited</i>
	<i>Note(s)</i>	£'000	£'000	£'000
Non-current assets				
Intangible assets	7	72,960	69,155	70,350
Goodwill	7	417,496	418,704	418,527
Property, plant and equipment	8	14,460	18,575	17,948
Deferred tax asset	5	23,881	26,083	24,853
		528,797	532,517	531,678
Current assets				
Cash and cash equivalents		120,626	119,331	91,085
Trade and other receivables		69,434	53,828	59,170
		190,060	173,159	150,255
Current liabilities				
Trade and other payables		(263,331)	(237,017)	(212,766)
Loans and borrowings	9	(5,743)	(5,114)	(5,833)
Current tax payable	5	(6,788)	(1,279)	(3,201)
		(275,862)	(243,410)	(221,800)
Net current liabilities		(85,802)	(70,251)	(71,545)
Total assets less current liabilities		442,995	462,266	460,133
Non-current liabilities				
Loans and borrowings	9	(145,092)	(148,453)	(147,280)
Provisions		(918)	(808)	(837)
		(146,010)	(149,261)	(148,117)
Net assets		296,985	313,005	312,016
Equity				
Share capital	10	4,569	4,807	4,710
Share premium	10	-	1,198,703	-
Foreign exchange reserve	10	1,799	2,272	2,232
Other reserves	10	(1,115,645)	(1,119,208)	(1,112,724)
Retained earnings	10	1,406,262	226,431	1,417,798
Total equity		296,985	313,005	312,016

The notes on pages 18 to 35 form part of the condensed consolidated Interim Financial Statements.

Condensed consolidated statement of changes in equity

For the six months ended 31 August 2024:

	Share Capital	Share Premium	Other reserves	Foreign exchange reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 March 2024 <i>Audited</i>	4,710	-	(1,112,724)	2,232	1,417,798	312,016
Profit after tax	-	-	-	-	34,016	34,016
Other comprehensive loss	-	-	-	(433)	-	(433)
Acquisition of treasury shares	-	-	(12,300)	-	-	(12,300)
Share-based payments	-	-	9,945	-	-	9,945
Purchase of own shares for cancellation	(141)	-	141	-	(46,259)	(46,259)
Transfer between reserves	-	-	(707)	-	707	-
At 31 August 2024 <i>Unaudited</i>	4,569	-	(1,115,645)	1,799	1,406,262	296,985

For the six months ended 31 August 2023 and year ended 29 February 2024:

	Share Capital	Share Premium	Other reserves	Foreign exchange reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 March 2023 <i>Audited</i>	4,807	1,198,703	(1,128,978)	3,328	212,784	290,644
Profit after tax	-	-	-	-	13,644	13,644
Other comprehensive loss	-	-	-	(1,056)	-	(1,056)
Share-based payments	-	-	9,773	-	-	9,773
Transfer between reserves	-	-	(3)	-	3	-
At 31 August 2023 <i>Unaudited</i>	4,807	1,198,703	(1,119,208)	2,272	226,431	313,005
Profit after tax	-	-	-	-	20,342	20,342
Other comprehensive (loss)/income	-	-	-	(40)	17	(23)
Acquisition of treasury shares	-	-	(7,500)	-	-	(7,500)
Share-based payments	-	-	14,050	-	-	14,050
Purchase of own shares for cancellation	(97)	-	97	-	(27,858)	(27,858)
Capital reduction	-	(1,198,703)	-	-	1,198,703	-
Transfer between reserves	-	-	(163)	-	163	-
At 29 February 2024 <i>Audited</i>	4,710	-	(1,112,724)	2,232	1,417,798	312,016

The notes on pages 18 to 35 form part of the condensed consolidated Interim Financial Statements.

Condensed consolidated cash flow statement

		Six months ended 31 August 2024 <i>Unaudited</i>	Six months ended 31 August 2023 <i>Unaudited</i>	Year ended 29 February 2024 <i>Audited</i>
	<i>Note(s)</i>	£'000	£'000	£'000
Cash flows from operating activities				
Profit before tax		46,490	18,135	48,115
Adjustments for:				
Depreciation and amortisation		21,395	21,490	41,662
Write-off of assets		1,078	-	-
Net finance costs	4, 9	2,691	4,502	7,464
Share-based payment charges		11,336	11,060	22,629
		82,990	55,187	119,870
Changes in working capital:				
Trade and other receivables		(10,183)	7,805	970
Trade and other payables		49,302	34,615	8,945
Cash generated from operating activities		122,109	97,607	129,785
Taxes paid		(7,920)	(9,989)	(10,677)
Interest received		2,067	714	2,621
Net cash generated from operating activities		116,256	88,332	121,729
Cash flows from investing activities				
Payments for intangible assets		(20,651)	(19,916)	(37,030)
Payments for acquisition of subsidiary entities, net of cash acquired		-	(519)	(866)
Payments for property, plant and equipment		(1,008)	(339)	(2,853)
Net cash flows from investing activities		(21,659)	(20,774)	(40,749)
Cash flows from financing activities				
Purchase of treasury shares		(12,300)	-	(7,500)
Purchase of own shares for cancellation		(46,259)	-	(27,858)
Proceeds from Revolving Credit Facility		60,000	70,000	90,000
Repayment of Revolving Credit Facility and other borrowings		(60,000)	(70,000)	(90,000)
Issue costs and fees		(770)	(50)	(58)
Payments of lease liabilities		(2,312)	(1,524)	(4,013)
Payment of interest on lease liabilities		(163)	(215)	(215)
Interest paid		(2,698)	(2,817)	(5,925)
Net cash flows from financing activities		(64,502)	(4,606)	(45,569)
Net increase in cash and cash equivalents		30,095	62,952	35,411
Cash and cash equivalents at beginning of the period		91,085	57,337	57,337
Effect of exchange rate changes on cash		(554)	(958)	(1,663)
Closing cash and cash equivalents		120,626	119,331	91,085

The notes on pages 18 to 35 form part of the condensed consolidated Interim Financial Statements.

Notes

(Forming part of the Interim Financial Statements)

1. General information

Trainline plc (the “Company”) and subsidiaries controlled by the Company (together, the “Group”) are the leading independent rail and coach travel platform selling rail and coach tickets worldwide. The Company is publicly listed on the London Stock Exchange (“LSE”) and is incorporated and domiciled in the United Kingdom. The Company’s registered address is 120 Holborn, London EC1N 2TD.

These Interim Financial Statements for the six months ended 31 August 2024 were approved by the Directors on 7 November 2024. The Interim Financial Statements have been reviewed, not audited. The auditors’ review report is on page 36.

These condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 29 February 2024 were approved by the board on 3 May 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

a) Basis of preparation

The Interim Financial Statements have been prepared in accordance with UK-adopted International Accounting Standard 34, ‘Interim Financial Reporting’ and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority.

These Interim Financial Statements do not include all of the notes of the type normally included in an Annual Report. Accordingly, these Interim Financial Statements are to be read in conjunction with the Annual Report and Group Financial Statements for the year ended 29 February 2024, which have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, and any public announcements made by Trainline plc during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

The Interim Financial Statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its liabilities as they fall due over at least the next twelve months from the date of the approval of these Financial Statements (the “going concern assessment period”).

In adopting this basis of preparation, the Directors have considered the Group’s forecast cash flows, liquidity, borrowing facilities and covenant requirements for 18 months from the date of signing of these Interim Financial Statements. These have been considered in light of the expected operational activities and principal risks and uncertainties of the Group.

Notes (continued)

1. General information (continued)

During H1 FY2025 the Group has delivered positive adjusted EBITDA, reduced its net debt, and generated positive cash flows. Positive adjusted EBITDA of £82 million was earned in the period (FY2024: positive adjusted EBITDA of £122 million, H1 FY2024: positive adjusted EBITDA of £57 million) and net debt at 31 August 2024 was £32 million (FY2024: £64 million, H1 FY2024: £37 million).

As at 31 August 2024 the Group was in a net current liability position of £86 million driven by the negative working capital cycle (FY2024: £72 million net current liability position, H1 FY2024: £70 million net current liability position). The Group had in place bank guarantees of £192 million that could be utilised to settle trade creditor balances (FY2024: £183 million, H1 FY2024: £151 million). Bank guarantees are issued by lenders under the Group's revolving credit facility and therefore reduce the Group's remaining available facility. The remaining available facility at 31 August 2024 was £73 million (FY2024: £82 million, H1 FY2024: £114 million). An option to extend the existing revolving credit facility was exercised in H1 FY2025 extending the maturity date to November 2026. The facility offers optionality of a further 1-year extension after the current maturity date.

The Directors performed a detailed going concern assessment using the most recent Board-approved forecasts (the "base case") as well as considering two severe but plausible downside scenarios, without any mitigations, and their potential impact on the Group's forecast. Two severe but plausible downside scenarios were modelled: (1) a 15% reduction in forecast Group adjusted EBITDA caused by a circa 9% reduction in UK revenue, or a circa 12% increase in Group marketing and other administrative expenses; and (2) a 1% increase above the forecast SONIA interest rate benchmark.

In the base case and both severe but plausible downside scenarios the Group is able to continue in operation and meet its liabilities as they fall due. This includes complying with both the net debt to adjusted EBITDA and the interest coverage covenant requirements at the 28 February 2025 and 31 August 2025 test dates.

Following the assessment described above, the Directors are confident that the Group has adequate resources to continue to meet its liabilities as they fall due and to remain in operation for the going concern assessment period. The Board have therefore continued to adopt the going concern basis in preparing the Interim Financial Statements.

b) Basis of measurement

The Interim Financial Statements have been prepared on a historical cost basis except for the following:

- Financial instruments at fair value through the income statement are measured at fair value.

Notes (continued)

1. General information (continued)

c) Use of judgements and estimates

In preparing the Interim Financial Statements, management has made judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Actual results may differ from these estimates. Revision to estimates is recognised prospectively.

The following estimate is deemed significant as it has been identified by management as one which is subject to a high degree of estimation uncertainty:

- Goodwill impairment test: key assumptions underlying recoverable amounts;

The Group tests goodwill for impairment annually, or more frequently if there are indications that goodwill might be impaired. In the six months to 31 August 2024 no such indications were identified.

Critical accounting judgements are those that the Group has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- Capitalisation of internal software development costs;

The Group capitalises internal costs directly attributable to the development of intangible assets. We consider this a critical judgement given the application of IAS 38 involves the assessment of several different criteria that can be subjective and/or complex in determining whether the costs meet the threshold for capitalisation. During the period, the Group has capitalised internal development costs amounting to £19.8 million (FY2024: £37.5 million, H1 FY2024: £18.6 million). While the Group makes judgements in determining the basis for recognition of these internally developed assets, these judgements are formed in the context of robust systems and controls.

d) Non-GAAP Measures

When discussing and assessing performance of the Group, management use certain measures which are not defined under IFRS, referred to as 'Non-GAAP measures'. These measures are used on a supplemental basis as they are considered to be indicators of the underlying performance and success of the Group.

Notes (continued)

1. General information (continued)

The Non-GAAP measures used within these Interim Financial Statements are:

(i) Net Ticket Sales¹

Net ticket sales represent the gross value of ticket sales to customers, less the value of refunds issued, during the accounting period via B2C or Trainline Solutions channels. The Group acts as an agent or technology provider in these transactions. Net ticket sales do not represent the Group's revenue.

Management believes net ticket sales are a meaningful measure of the Group's operating performance and size of operations as this reflects the value of transactions powered by the Group's platform. The rate of growth in net ticket sales may differ to the rate of growth in revenue due to the mix of commission rates and service fees.

¹ Net ticket sales is not subject to external review as it is a non-statutory measure.

(ii) Adjusted EBITDA

The Group believes that adjusted EBITDA is a meaningful measure of the Group's operating performance and debt servicing ability without regard to amortisation and depreciation methods as well as share-based payment charges which can differ significantly.

Adjusted EBITDA is calculated as profit after tax before net financing income/(expense), tax, depreciation and amortisation, exceptional items and share-based payment charges. Exceptional items are excluded as management believes their nature could distort trends in the Group's underlying earnings. This is because they are often one-off in nature or not related to underlying trade. Share-based payment charges are also excluded as they can fluctuate significantly period-on-period.

(iii) Adjusted earnings

Adjusted earnings are a measure used by the Group to monitor the underlying performance of the business, excluding certain non-cash and exceptional items.

Adjusted earnings is calculated as profit after tax with share-based payments charged in administrative expenses, exceptional items, gain on convertible bond buyback and amortisation of acquired intangibles added back, together with the tax impact of these adjustments also added back.

Exceptional items are excluded as management believes their nature could distort trends in the Group's underlying earnings. Share-based payment charges are also excluded as they can fluctuate significantly period-on-period and are a non-cash charge to the business. Amortisation of acquired intangibles is a non-cash accounting adjustment relating to previous acquisitions and is not linked to the ongoing trade of the Group.

Notes *(continued)*

1. General information *(continued)*

(iv) Net Debt

Net debt is a measure used by the Group to measure the overall debt position after taking into account cash held by the Group. Net debt represents aggregate amount of loans and borrowings as disclosed in Note 9 (excluding accrued interest on secured bank loans) and associated directly attributable transaction costs after taking into account cash held by the Group.

(v) Operating free cash flow

The Group uses operating free cash flow as a supplementary measure of liquidity.

The Group defines operating free cash flow as cash generated from operating activities adding back cash exceptional items, and deducting cash flows in relation to purchase of property, plant and equipment and intangible assets, excluding those acquired through business combinations or trade and asset purchases.

Notes (continued)

2. Operating segments

In accordance with IFRS 8 the Group determines and presents its operating segments based on internal information that is provided to the Board, being the Group's chief operating decision maker ("CODM").

The Group's three operating and reporting segments are summarised as follows:

- UK Consumer – Travel apps and websites for individual travellers for journeys within the UK;
- International Consumer – Travel apps and websites for individual travellers for journeys outside the UK including journeys between the UK and outside the UK; and
- Trainline Solutions¹ – Travel portal platform for Trainline's own branded business units, in addition to external corporates, travel management companies and white label ecommerce platforms for Train Operating Companies. This segment operates Platform One Solutions and recharges a cost to the UK Consumer and International Consumer segments.

¹ The Group's technology platform, UK Trainline Partner Solutions and International Trainline Partner Solutions are collectively referred to as 'Trainline Solutions'.

As of H1 FY2025, the CODM reviews discrete information by segment disaggregated to adjusted EBITDA to better assess performance and to assist in resource-allocation decisions.

- The CODM monitors the three operating segments results at the level of net ticket sales, revenue, gross profit and adjusted EBITDA as shown in this disclosure.
- No results at a profit before/after tax level or in relation to the statement of financial position are reported to the CODM at a lower level than the consolidated Group.

During H1 FY2025, there was a reassessment of the appropriateness of the platform recharge due to a re-platforming in respect of the B2B business. The platform was upgraded to provide an improved value proposition to corporate customers similar to that offered to consumer customers. Owing to this, management decided that a revision to the transaction charge was required to reflect this improved value proposition. This has been reflected within this note. In order to aid comparability, the prior half year and full year operating segments note has been presented on the same basis as H1 FY2025. As such, the presentation is different to that which was presented in the prior half year and full year signed financial statements. The change in transaction fee has impacted the allocation of revenue and other administrative expenses by segment which in turn has impacted the gross profit and adjusted EBITDA by segment.

In UK Consumer, the revised revenue figures for FY2024 and H1 FY2024 are lower than those previously presented as a result of the change in transaction fee (FY2024: £23.6 million decrease, H1 FY2024: £11.2 million decrease). The revised other administrative expenses figures for FY2024 and H1 FY2024 are also lower than those previously presented (FY2024: £3.0 million decrease, H1 FY2024: £1.5 million decrease). In International Consumer, the revised revenue figures for FY2024 and H1 FY2024 are lower than those previously presented as a result of the change in transaction fee (FY2024: £4.3 million decrease, H1 FY2024: £2.2 million decrease). The revised other administrative expenses figures for FY2024 and H1 FY2024 are also lower than those previously presented (FY2024: £0.6 million decrease, H1 FY2024: £0.2 million decrease).

Notes (continued)

2. Operating Segments (continued)

In Trainline Solutions, the revised revenue figures for FY2024 and H1 FY2024 are higher than those previously presented as a result of the change in transaction fee (FY2024: £27.9 million increase, H1 FY2024: £13.4 million increase). The revised other administrative expenses figures for FY2024 and H1 FY2024 are also higher than those previously presented (FY2024: £3.6 million increase, H1 FY2024: £1.7 million increase). There has been no impact at a Group level. There has been no change to the three operating and reporting segments or the CODM review.

Segmental analysis for the six months ended 31 August 2024:

	UK Consumer £'000	International Consumer £'000	Trainline Solutions £'000	Total Group £'000
Net ticket sales¹	1,969,416	582,601	449,347	3,001,364
Revenue	106,445	32,942	89,710	229,097
Cost of sales	(32,032)	(10,374)	(5,315)	(47,721)
Gross profit	74,413	22,568	84,395	181,376
Marketing costs	(13,304)	(20,548)	(323)	(34,175)
Other administrative expenses	(15,960)	(6,586)	(42,743)	(65,289)
Adjusted EBITDA	45,149	(4,566)	41,329	81,912
Depreciation and amortisation				(21,395)
Share-based payment charges				(11,336)
Operating profit				49,181
Net finance costs				(2,691)
Profit before tax				46,490
Income tax expense				(12,474)
Profit after tax				34,016

¹ Non – GAAP measures – see note 1d.

Notes (continued)

2. Operating Segments (continued)

Segmental analysis for the six months ended 31 August 2023 (updated to reflect revision to transaction charge):

	UK Consumer £'000	International Consumer £'000	Trainline Solutions £'000	Total Group £'000
Net ticket sales¹	1,712,486	558,245	377,934	2,648,665
Revenue	90,718	27,822	78,392	196,932
Cost of sales	(31,084)	(9,981)	(4,972)	(46,037)
Gross profit	59,634	17,841	73,420	150,895
Marketing costs	(13,798)	(23,245)	(389)	(37,432)
Other administrative expenses	(15,177)	(5,977)	(35,521)	(56,675)
Adjusted EBITDA	30,659	(11,381)	37,510	56,788
Depreciation and amortisation				(21,490)
Share-based payment charges				(11,060)
Exceptional items				(1,601)
Operating profit				22,637
Net finance costs				(4,502)
Profit before tax				18,135
Income tax expense				(4,491)
Profit after tax				13,644

¹ Non – GAAP measures – see note 1d.

Segmental analysis for the year ended 29 February 2024 (updated to reflect revision to transaction charge):

	UK Consumer £'000	International Consumer £'000	Trainline Solutions £'000	Total Group £'000
Net ticket sales¹	3,469,170	1,040,500	785,402	5,295,072
Revenue	185,242	48,810	162,666	396,718
Cost of sales	(63,472)	(17,364)	(10,597)	(91,433)
Gross profit	121,770	31,446	152,069	305,285
Marketing costs	(26,237)	(40,574)	(621)	(67,432)
Other administrative expenses	(30,433)	(11,341)	(73,946)	(115,720)
Adjusted EBITDA	65,100	(20,469)	77,502	122,133
Depreciation and amortisation				(41,662)
Share-based payment charges				(22,629)
Exceptional items				(2,263)
Operating profit				55,579
Net finance costs				(7,464)
Profit before tax				48,115
Income tax expense				(14,129)
Profit after tax				33,986

¹ Non – GAAP measures – see note 1d.

Notes (continued)

3. Exceptional Items

Exceptional items are costs or credits that, by virtue of their nature and incidence, have been disclosed separately in order to improve a reader's understanding of the Financial Statements. Exceptional items are one-off in nature or are not considered to be part of the Group's underlying trading performance.

	Six months ended 31 August 2024 £'000	Six months ended 31 August 2023 £'000	Year ended 29 February 2024 £'000
Restructuring Costs	-	1,601	2,263
Exceptional items	-	1,601	2,263

Restructuring Costs

Restructuring costs incurred in prior periods related to projects being undertaken to improve operating efficiency. The projects were completed by the end of FY2024. These costs relate to consultancy fees and people costs in relation to the project and are non-recurring and incremental in nature.

4. Net finance costs

Net finance costs comprise bank interest income and interest expense on borrowings and lease liabilities, as well as foreign exchange gains/losses.

	Six months ended 31 August 2024 £'000	Six months ended 31 August 2023 £'000	Year ended 29 February 2024 £'000
Bank interest income	2,161	764	2,745
Finance income	2,161	764	2,745
Interest and fees on bank loans	(3,436)	(3,407)	(7,080)
Net foreign exchange loss	(804)	(1,226)	(1,839)
Interest and fees on convertible bonds	(417)	(417)	(830)
Interest on lease liability	(195)	(216)	(429)
Other interest	-	-	(31)
Finance costs	(4,852)	(5,266)	(10,209)
Net finance costs	(2,691)	(4,502)	(7,464)

Notes (continued)

5. Taxation

	Six months ended 31 August 2024 £'000	Six months ended 31 August 2023 £'000	Year Ended 29 February 2024 £'000
Current tax charge	11,502	3,624	8,106
Deferred tax charge	972	867	6,023
Tax charge	12,474	4,491	14,129
Effective tax rate %	27%	25%	29%
Deferred tax asset	23,881	26,083	24,853
Current tax payable	(6,788)	(1,279)	(3,201)

UK corporation tax was calculated at 25% (FY2024: 25%, H1 FY2024: 25%) of the taxable profit for the period. Taxation for territories outside of the UK was calculated at the rates prevailing in the respective jurisdictions. The corporate tax rate increased to 25% from 19% on 1 April 2023. The income tax expense was recognised based on management's best estimate of the annual income tax rate expected for each jurisdiction for the full financial year applied to profit before tax for the interim period.

The total tax charge of £12.5 million (FY2024: £14.1 million charge, H1 FY2024: £4.5 million charge) consists a current corporation tax charge of £11.5 million (FY2024: £8.1 million charge, H1 FY2024: £3.6 million charge) arising in the UK, and a deferred tax charge of £1.0 million (FY2024: £6.0 million charge, H1 FY2024: £0.9 million charge).

Deferred tax has been recognised at the tax rates that are expected to be applied to temporary differences when they are realised or unwound, based on the tax rates enacted or substantively enacted at the reporting date. The deferred tax charge in H1 FY2025 relates to the unwinding of deferred tax liabilities arising on; losses being utilised against current period taxable profits, acquired intangibles and increase of deferred tax asset with respect to equity settled share-based payment charges. The deferred tax liability has been calculated at a rate of 25% which reflects the expected rate that will prevail on the date the liability will unwind.

Notes (continued)

6. Earnings per share

This note sets out the accounting policy that applies to the calculation of earnings per share, and how the Group has calculated the shares to be included in basic and diluted earnings per share (“EPS”) calculations.

The Group calculates earnings per share in accordance with the requirements of IAS 33 Earnings Per Share. Four types of earnings per share are reported:

(i) *Basic earnings per share*

Earnings attributable to ordinary equity holders of the Group for the period, divided by the weighted average number of ordinary shares outstanding during the period, adjusted for treasury shares held.

(ii) *Diluted earnings per share*

Earnings attributable to ordinary equity holders of the Group for the period, divided by the weighted average number of shares outstanding used in the basic earnings per share calculation, adjusted for the effects of all dilutive ‘potential ordinary shares’.

(iii) *Adjusted basic earnings per share*

Earnings attributable to ordinary equity holders of the Group for the period, adjusted to remove the impact of exceptional items, gain on convertible bonds buyback, share-based payment charges, amortisation of acquired intangibles and the tax impact of these items; divided by the weighted average number of ordinary shares outstanding during the period, adjusted for treasury shares held.

(iv) *Adjusted diluted earnings per share*

Earnings attributable to ordinary equity holders of the Group for the period, adjusted to remove the impact of exceptional items, gain on repurchase of convertible bonds, share-based payment charges, amortisation of intangibles and the tax impact of these items; divided by the weighted average number of shares outstanding used in the basic earnings per share calculation adjusted for the effects of all dilutive ‘potential ordinary shares’.

	At 31 August 2024	At 31 August 2023	At 29 February 2024
Weighted average number of ordinary shares:			
Ordinary shares	463,548,486	480,680,508	477,817,773
Treasury shares	(12,094,199)	(10,851,145)	(10,697,997)
Weighted number of ordinary shares	451,454,287	469,829,363	467,119,776
Dilutive impact of share options outstanding	13,195,556	5,126,308	12,034,501
Weighted number of dilutive shares	464,649,843	474,955,671	479,154,277

Notes (continued)

6. Earnings per share (continued)

	Six months ended 31 August 2024 £'000	Six months ended 31 August 2023 £'000	Year ended 29 February 2024 £'000
Profit after tax	34,016	13,644	33,986
Earnings attributable to equity holders	34,016	13,644	33,986
Exceptional items	-	1,601	2,263
Amortisation of acquired intangibles	2,820	3,269	5,988
Share-based payment charges	11,336	11,060	22,629
Tax impact of the above adjustments	(3,547)	(3,816)	(7,555)
Adjusted earnings	44,625	25,758	57,311
Earnings per share (pence)			
Basic	7.53p	2.90p	7.28p
Diluted	7.32p	2.87p	7.09p
Adjusted earnings per share (pence)			
Basic	9.88p	5.48p	12.27p
Diluted	9.60p	5.42p	11.96p

7. Intangible assets and goodwill

Intangible assets

There were total additions to intangible assets of £19.8 million during the six months ended 31 August 2024 (FY2024: £38.8 million, H1 FY2024: £20.1 million). Total amortisation of intangible assets was £17.8 million during the six months ended 31 August 2024 (FY2024: £35.3 million, H1 FY2024: £19.7 million). Total additions during the six months ended 31 August 2024 included £19.8 million of internally developed intangible assets (FY2024: £37.5 million, H1 FY2024: £18.6 million).

Goodwill

The carrying amount of goodwill as at 31 August 2024 amounted to £417.5 million (FY2024: £418.5 million, H1 FY2024: £418.7 million). No impairment loss was recognised during the six months ended 31 August 2024 (FY2024: £nil, H1 FY2024: £nil).

Notes (continued)

7. Intangible assets and goodwill (continued)

The Group's policy is to test non-financial assets for impairment annually, or if events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. The Group has considered whether there have been any indicators of impairment during the six months ended 31 August 2024, which would require an impairment review to be performed. The Group has considered indicators of impairment with regard to a number of factors, including those outlined in IAS 36 Impairment of Assets. Based upon this review, the Group has concluded that there are no such indicators of impairment as at 31 August 2024.

The Group concluded that there has been no material deterioration in any of the key assumptions made during the last annual impairment review based on current strategy and financial projections for any of the cash-generating units (CGUs) to which goodwill is allocated.

8. Property, plant and equipment

There were total additions to property, plant and equipment of £1.1 million during the six months ended 31 August 2024 (FY2024: £3.1 million, H1 FY2024: £0.4 million). Total depreciation of property, plant and equipment was £3.5 million during the six months ended 31 August 2024 (FY2024: £6.3 million, H1 FY2024: £3.0 million). Total write-offs during the six months ended 31 August 2024 included £1.1 million of plant and equipment assets at cost value (FY2024: £nil, H1 FY2024: £nil).

9. Loans and borrowings

This note details a breakdown of the various loans and borrowings of the Group.

Accounting policy

Borrowings are recognised initially at fair value less attributable transaction costs incurred. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method. At the date borrowings are repaid any attributable transaction costs are released as finance costs.

Notes (continued)

9. Loans and borrowings (continued)

	At 31 August 2024 £'000	At 31 August 2023 £'000	At 29 February 2024 £'000
Non-current liabilities			
Revolving credit facility ¹	57,992	57,806	58,292
Convertible bonds ²	81,933	81,384	81,652
Lease liabilities	5,167	9,263	7,336
	<u>145,092</u>	<u>148,453</u>	<u>147,280</u>
Current liabilities			
Accrued interest on secured bank loans	904	623	841
Lease liabilities	4,839	4,491	4,992
	<u>5,743</u>	<u>5,114</u>	<u>5,833</u>

1 Included within the revolving credit facility is the principal amount of £60.0 million (FY2024: £60.0 million, H1 FY2024: £60.0 million) and directly attributable transaction costs of £2.0 million (FY2024: £1.7 million, H1 FY2024: £2.2 million).

2 Included within the convertible bonds at 31 August 2024 is the principal amount of £82.7 million (FY2024: £82.7 million, H1 FY2024: £82.7 million) and directly attributable transaction costs of £0.8 million (FY2024: £1.0 million, H1 FY2024: £1.3 million). The fair value of this convertible bond, as determined by the price on the Frankfurt Stock Exchange at 31 August 2024 is £77.1 million (FY2024: £74.7 million, H1 FY2024: £70.1 million). The carrying value is £81.9 million (FY2024: £81.7 million, H1 FY2024: £81.4 million).

The revolving credit facility became effective on 26 July 2022, and the total facility amount is £325.0 million. The facility allows draw downs in cash or non-cash to cover bank guarantees. At 31 August 2024 the cash drawn amount is £60.0 million (FY2024: £60.0 million, H1 FY2024: £60.0 million), the non-cash bank guarantee drawn amount is £192.4 million (FY2024: £183.4 million, H1 FY2024: £151.3 million) and the undrawn amount on the facility is £72.6 million (FY2024: £81.6 million, H1 FY2024: £113.7 million).

The Group's revolving credit facility is secured by a fixed and floating charge over certain assets of the Group. Interest payable on the £325.0 million facility was at a margin of 1.20% to 1.30% (FY2024: 1.20% to 1.50%, H1 FY2024: 1.45% to 1.50%) above SONIA.

The Group was subject to bank covenants, all of which have been met during the period. In relation to the facility: (1) net debt to adjusted EBITDA must be no more than 3.00:1; and (2) adjusted EBITDA to net finance charges must be no less than 4:00:1. The test dates for these covenants are at the reporting period end dates i.e. 28 February and 31 August.

Notes (continued)

10. Capital and reserves

Share capital

Share capital represents the number of shares in issue at their nominal value.

Ordinary shares in the Group are issued, allotted and fully paid up. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

Shareholding at 31 August 2024

	Number	£'000
Ordinary shares - £0.01	456,949,480	4,569
	456,949,480	4,569

Shareholding at 31 August 2023

	Number	£'000
Ordinary shares - £0.01	480,680,508	4,807
	480,680,508	4,807

Shareholding at 29 February 2024

	Number	£'000
Ordinary shares - £0.01	471,032,086	4,710
	471,032,086	4,710

In September 2023, the Company commenced a share buyback programme to purchase its own ordinary shares. In May 2024, the Company announced an additional share buyback programme to purchase its own ordinary shares following the completion of the September 2023 programme. The total number of shares bought back in H1 FY2025 was 14,082,606 shares (FY2024: 9,648,422 shares, H1 FY2024: nil shares) with a nominal value of £140,826 (FY2024: £96,484, H1 FY2024: £nil) representing 3% (FY2024: 2%, H1 FY2024: 0%) of the ordinary shares in issue (excluding shares held in treasury). All shares bought back in H1 FY2025 and FY2024 were cancelled.

The shares were acquired on the open market at a total consideration (excluding costs) of £46.0 million (FY2024: £27.7 million, H1 FY2024: £nil). The maximum and minimum prices paid were £3.92 (FY2024: £3.36, H1 FY2024: £nil) and £2.93 (FY2024: £2.32, H1 FY2024: £nil) per share respectively. The average price paid was £3.27 (FY2024: £2.87, H1 FY2024: £nil). Costs incurred on the purchase of own shares in relation to stamp duty and broker expenses were £0.3 million (FY2024: £0.2 million, H1 FY2024: £nil).

Share premium

Share premium represents the amount over the nominal value which was received by the Group upon the sale of the ordinary shares. Upon the date of listing the nominal value of shares was £1.00 but the initial offering price was £3.50.

Share premium is stated net of any direct costs relating to the issue of shares.

On 19 December 2023, the High Court of Justice approved the cancellation of the amount standing to the credit of the Company's share premium account in full. The cancellation resulted in a corresponding increase in the Group's distributable reserves.

Notes (continued)

10. Capital and reserves (continued)

Retained earnings

Retained earnings represents the profit the Group makes that is not distributed as dividends. No dividends have been paid outside the Group in any period.

Foreign exchange

The foreign exchange reserve represents the net difference on the translation of the balance sheets and income statements of foreign operations from functional currency into reporting currency over the period such operations have been owned by the Group.

Other reserves

	Merger reserve	Treasury reserve	Share-based payment reserve	Capital Redemption Reserve	Total other reserves
	£'000	£'000	£'000	£'000	£'000
At 1 March 2023	(1,122,218)	(26,728)	19,968	-	(1,128,978)
Allocation of treasury shares to fulfil share-based payment	-	249	(257)	-	(8)
Share-based payment charge	-	-	9,779	-	9,779
Deferred tax on share-based payment	-	-	2	-	2
Transfer to retained earnings ¹	-	-	(3)	-	(3)
At 31 August 2023	(1,122,218)	(26,479)	29,489	-	(1,119,208)
Addition of treasury shares	-	(7,500)	-	-	(7,500)
Allocation of treasury shares to fulfil share-based payment	-	4,217	(4,187)	-	30
Share-based payment charge	-	-	10,130	-	10,130
Deferred tax on share-based payment	-	-	3,890	-	3,890
Purchase of own shares for cancellation	-	-	-	97	97
Transfer to retained earnings ¹	-	-	(163)	-	(163)
At 29 February 2024	(1,122,218)	(29,762)	39,159	97	(1,112,724)
Addition of treasury shares	-	(12,300)	-	-	(12,300)
Allocation of treasury shares to fulfil share-based payment	-	3,167	(3,167)	-	-
Share-based payment charge	-	-	9,945	-	9,945
Purchase of own shares for cancellation	-	-	-	141	141
Transfer to retained earnings ¹	-	-	(707)	-	(707)
At 31 August 2024	(1,122,218)	(38,895)	45,230	238	(1,115,645)

¹ Transfer to retained earnings relates to the difference between the share price at grant date of the exercised shares and the actual cost of the treasury shares purchased to fulfil the share-based payment.

Notes (continued)

10. Capital and reserves (continued)

Merger reserve

Prior to the IPO, the ordinary shares of the pre-IPO top company, Victoria Investments S.C.A., were acquired by Trainline plc. As the ultimate shareholders their relating rights did not change as part of this transaction and this was treated as a common control transaction under IFRS. The balance of the merger reserve represents the difference between the nominal value of the reserves in the Victoria Investments S.C.A. Group and the value of reserves in Trainline plc prior to the restructure.

Treasury reserve

Treasury shares reflect the value of shares held by the Group's Employee Benefit Trust ('EBT'). At 31 August 2024 the Group's EBT held 13.8 million shares (FY2024: 11.5 million, H1 FY2024: 10.8 million) which have a historical cost of £38.9 million (FY2024: £29.8 million, H1 FY2024: £26.5 million).

Share-based payment reserve

The share-based payment reserve is built up of charges in relation to equity settled share-based payment arrangements which have been recognised within the profit and loss account.

11. Related parties

During the period, the Group entered into transactions in the ordinary course of business with related parties.

Transactions with Key Management Personnel of the Group

Key Management Personnel are defined as the Board of Directors, including Non-Executive Directors.

During the period, Key Management Personnel have received the following compensation, including ongoing long-term share scheme incentives, £3,551,601 (FY2024: £6,685,929, H1 FY2024: £3,018,968).

12. Principal risks and uncertainties

The principal risks and uncertainties that the Group faces for the rest of the financial year are consistent with those previously reported and are summarised below:

- **Regulatory and political environment:** Trainline's operations could be affected by policy and legislative changes enacted by governments and regulators. Our results and performance may be negatively impacted if unfavourable measures are implemented in our key operating markets.
- **Market shock and economic disruption:** Though Trainline is not significantly exposed to inflation and interest spikes directly, adverse economic conditions may impact the spending power of our customers and may therefore affect our financial results. Significant geopolitical events or disruptions in our markets (e.g., rail strikes) could damage our operational results and profitability.

Notes (continued)

12. Principal risks and uncertainties (continued)

- **Technology Operations and Security:** As an online retailing platform, our operations depend on the uptime, availability and security of our technology infrastructure and systems. Significant disruptions to our products and services, including potential security incidents, could significantly impact our financial results and reputation. As we work closely with key third-party technology service providers, a potential failure or outage at these providers may reverberate across our systems infrastructure and product portfolio. Any potential loss or compromise of our critical customer data may also lead to significant financial penalties, and a loss of employee and customer confidence.
- **Competitive landscape:** As we operate in the fast-moving technology sector, we are faced with new and emerging technologies as well as new entrants in our markets. As part of our international expansion in Europe, we undertake targeted branding and marketing activities to acquire customers. If these campaigns were to be unsuccessful, our long-term expansion and growth strategy may be at risk. Failure to ensure that our technology and user experience meet the needs of our customers and that Trainline's offering remains ahead of competitor products could have an adverse impact on our results.
- **People:** Trainline's business depends on hiring and retaining first class talent in the competitive technology industry. Inability to attract and retain critical skills and capabilities could hinder our ability to deliver on our strategic objectives.
- **Compliance:** The Group works within various licence terms and with licensing bodies and regulatory structures in order that it may retail rail and coach tickets to customers across the world. Should Trainline not comply with licences, legislation, regulatory requirements, or other such frameworks, this could affect the Group's ability to conduct business operations and its reputation with customers.
- **Supply and partnership:** Trainline retails rail and coach tickets across many countries and to customers across the world. We therefore rely on secure, reliable, and timely data from our rail and coach carrier partners for all fares and ticket types. A unilateral termination or amendment by a rail or coach carrier of the contractual and licence terms, including a significant reduction in our commissions or the availability of timely carrier data, would have a material impact on our operations and financial results.

13. Post balance sheet events

Subsequent to the end of the reporting period, it was communicated to employees that a cost optimisation exercise would be launched which would include a reduction in headcount. This constitutes a non-adjusting event under IAS 10. This exercise is intended to generate annual cash savings of around £12 million, of which £8 million will impact the income statement and £4 million which will be capital expenditure. It is expected that the cost to deliver these savings will be within a range of £7-9 million which will be recognised as exceptional subject to meeting associated accounting policy criteria. The majority of these costs will be cash items but will also include non-cash share-based payment charges. Most of these costs will be recognised in H2 FY2025.

Independent review report to Trainline plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Trainline plc's condensed consolidated interim financial statements (the "interim financial statements") in the Results for the six months ended 31 August 2024 (H1 FY2025) of Trainline plc for the 6 month period ended 31 August 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed consolidated balance sheet as at 31 August 2024;
- the Condensed consolidated income statement and Condensed consolidated statement of other comprehensive income for the period then ended;
- the Condensed consolidated cash flow statement for the period then ended;
- the Condensed consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Results for the six months ended 31 August 2024 (H1 FY2025) of Trainline plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Results for the six months ended 31 August 2024 (H1 FY2025) and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Results for the six months ended 31 August 2024 (H1 FY2025), including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Results for the six months ended 31 August 2024 (H1 FY2025) in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Results for the six months ended 31 August 2024 (H1 FY2025), including the interim financial statements, the directors are 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 the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Results for the six months ended 31 August 2024 (H1 FY2025) based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
Reading
7 November 2024