

## GENERAL ANNOUNCEMENT::1ST QUARTER 2022 BUSINESS UPDATE

### Issuer & Securities

#### Issuer/ Manager

SBS TRANSIT LTD

#### Securities

SBS TRANSIT LTD - SG1F58858209 - S61

#### Stapled Security

No

### Announcement Details

#### Announcement Title

General Announcement

#### Date &Time of Broadcast

13-May-2022 17:20:58

#### Status

New

#### Announcement Sub Title

1st Quarter 2022 Business Update

#### Announcement Reference

SG220513OTHRSD0

#### Submitted By (Co./ Ind. Name)

Angeline Joyce Lee Siang Pohr

#### Designation

Company Secretary

#### Description (Please provide a detailed description of the event in the box below)

Please see attached

### Attachments

[1st Quarter 2022 Business Update.pdf](#)

Total size =1051K MB



# 1<sup>st</sup> Quarter 2022 Business Update



# Disclaimer

This presentation is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares ("Shares") in SBS Transit Ltd (the "Company"). The value of shares and the income derived from them may fall as well as rise. Shares are not obligations of, deposits in, or guaranteed by, the Company or any of its affiliates. An investment in Shares is subject to investment risks, including the possible loss of the principal amount invested. The past performance of the Company is not necessarily indicative of its future performance.

This presentation may also contain forward looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward looking statements as a result of a number of risks, uncertainties and assumptions. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

No part of this document, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. None of the Company or any of its subsidiaries, affiliates, advisors or representatives and agents shall have any responsibility or liability whatsoever (in negligence or otherwise) relating to the accuracy or completeness of the information and opinions contained in this document or for any loss howsoever arising from any reliance or use of this document or its contents or otherwise arising in connection with the document. The information contained in this document is not to be taken as any recommendation made by the Company or any other person to enter into any agreement with regard to any investment.

The inclusion of financial information in this document should not be regarded as a representation or warranty by the Company, or any of its affiliates, advisors or representatives or any other person as to the accuracy or completeness of such information's portrayal of the financial condition or results of operations of the Company and should not be relied upon when making an investment decision. The information contained in this document is provided as at the date of this document and is subject to change without notice.

If you have any doubt about the foregoing or any content of this document, you should obtain independent professional advice.

## Outline

- Operational Update for 1<sup>st</sup> Quarter 2022
- Financial Update for 1<sup>st</sup> Quarter 2022
- Financial Summary

# Operational Update for 1<sup>st</sup> Quarter 2022



**SBS Transit**

# Operational Update for 1<sup>st</sup> Quarter 2022

- The consolidated Rail licence to operate DTL, NEL and SPLRT under the New Financing Framework (V2) (NRFF 2) for 11 years commenced on 1 January 2022.
- Public Transport Council (PTC) has approved a fare increase of 2.2% w.e.f 26 December 2021. This was factored into the fare revenue for 1<sup>st</sup> Quarter 2022.
- The ridership for Q1 2022 for NEL and DTL was 67% and 62% respectively of pre-COVID-19 levels, an improvement from the previous quarter Q4 2021:

Ridership % of Pre-COVID-19 level			
	Q1 2021	Q4 2021	Q1 2022
NEL	70%	66%	67%
DTL	64%	57%	62%

- We have accepted LTA's offer of a two-year extension for the tendered Seletar Bus Package, commencing on 11 March 2023.

# Financial Update for 1st Quarter 2022



**SBS Transit**

**SBS Transit**  
A member of **Cowi Group**

# 1<sup>st</sup> Quarter 2022 Income Statement

	1Q 2022	1Q 2021	Inc/(Dec)	
	\$'m	\$'m	\$'m	%
Revenue	344.07	316.98	27.09	8.5
Operating Costs	324.70	292.07	32.63	11.2
<b>Operating Profit</b>	<b>19.37</b>	<b>24.91</b>	<b>(5.54)</b>	<b>(22.2)</b>
<b>Profit after Tax</b>	<b>15.51</b>	<b>23.31</b>	<b>(7.80)</b>	<b>(33.5)</b>
<b>EBITDA</b>	<b>42.93</b>	<b>50.32</b>	<b>(7.39)</b>	<b>(14.7)</b>
<b>Operating Profit before COVID-19 Government reliefs</b>	<b>19.37</b>	<b>6.34</b>	<b>13.03</b>	<b>205.5</b>
COVID-19 Government reliefs	-	18.57	(18.57)	NM
<b>Operating Profit after COVID-19 Government reliefs</b>	<b>19.37</b>	<b>24.91</b>	<b>(5.54)</b>	<b>(22.2)</b>

# 1<sup>st</sup> Quarter 2022 Income Statement

## 1<sup>st</sup> Quarter 2022 vs 1<sup>st</sup> Quarter 2021

- Revenue ↑ \$27.1m
  - Public Transport Services ↑ \$27.5m mainly due to higher service fee arising largely from higher fuel indexation and higher other operating income, offset by lower mileage; and
  - Other Commercial Services ↓ \$0.4m.
- Operating costs ↑ \$32.6m due mainly to higher staff costs largely from cessation of wage subsidy from Jobs Support Scheme (JSS) and lower savings from Wage Credit Scheme, higher fuel and electricity costs due to higher average diesel and electricity prices; partially offset by lower expenses in the areas of repairs and maintenance, depreciation and other operating costs.
- As a result, Operating profit ↓ \$5.5m and PAT ↓ \$7.8m.
- Excluding Government reliefs, operating profit for 1<sup>st</sup> Quarter 2022 of \$19.4m ↑ as compared to \$6.3m for the same period last year, representing an increase of \$13.0m.

# Balance Sheet

	Mar 2022	Dec 2021	Inc/(Dec)	
	\$'m	\$'m	\$'m	%
Short-term deposits and bank balances	236.68	204.03	32.65	16.0
Other Current Assets	331.13	354.86	(23.73)	(6.7)
Non-Current Assets	578.41	594.90	(16.49)	(2.8)
<b>Total assets</b>	<b>1,146.22</b>	<b>1,153.79</b>	<b>(7.57)</b>	<b>(0.7)</b>
Current Liabilities	365.27	383.41	(18.14)	(4.7)
Non-current Liabilities	162.52	168.81	(6.29)	(3.7)
<b>Total liabilities</b>	<b>527.79</b>	<b>552.22</b>	<b>(24.43)</b>	<b>(4.4)</b>
<b>Equity</b>	<b>618.43</b>	<b>601.57</b>	<b>16.86</b>	<b>2.8</b>
<b>Total Liabilities and Equity</b>	<b>1,146.22</b>	<b>1,153.79</b>	<b>(7.57)</b>	<b>(0.7)</b>

- Decrease in total liabilities was mainly due to the decrease in trade and other payables, partially offset by higher income tax payable.
- Decrease in total assets was due mainly to the decrease in trade and other receivables and depreciation of vehicles, premises and equipment, partially offset by higher short-term deposits and bank balances and higher deferred tax assets.
- Increase in total equity was mainly due to profits generated from operations.

# Summary and Outlook

- 1<sup>st</sup> Quarter 2022 Operating Profit of \$19.4m, Group PAT \$15.51m.
- Covid-19 restrictions is further relaxed from 26 April 2022 with the Disease Outbreak Response System Condition (DORSCON) level lowered from Orange to Yellow.
- All workers will be allowed to return to office, up from the previous limit of 75% (announced on 29 March 2022) and Covid-19 tests are no longer required for fully vaccinated travellers entering Singapore.
- With the Covid-19 restrictions relaxed, we expect rail ridership and other commercial services revenue to improve.
- The new tenure of five extended bus contracts, negotiated together with the consolidated rail licence NRFF 2, will take effect from 1 September 2022 with revised lower rates.
- The fare increase of 2.2% from 26 December 2021 is unable to cover the rising costs, especially with the absence of the Jobs Support Scheme relief in 2022 and the continuing escalating energy prices. Electricity costs have risen by > 40% as compared to 1st Quarter 2021.



**SBS Transit**  
A member of COMFORT RAIL



THANK YOU

# Appendix – By Segments

	1Q 2022		1Q 2021	
	Revenue \$'m	Operating Profit	Revenue \$'m	Operating Profit
Public Transport Services	333.49	13.64	306.02	18.54
Other Commercial Services	10.58	5.73	10.96	6.37
<b>Total</b>	<b>344.07</b>	<b>19.37</b>	<b>316.98</b>	<b>24.91</b>