



3rd Quarter 2022 Business Update



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Outline

- Operational Update for 3rd Quarter 2022
- Financial Update for 3rd Quarter 2022 & YTD Sept 2022
- Financial Summary

Operational Update for 3rd Quarter 2022

- COVID-19 restrictions in Singapore have been further eased since 28 August 2022. Mask-wearing is no longer required in indoor settings except for MRT/LRT and public buses, and indoor public transport facilities; as well as in hospitals and clinical settings. Border restrictions have also been completely removed.
- The five extended negotiated bus contracts, which are part of the transition agreement of DTL to NRFF version 2, have commenced on 1 September 2022 where their service fees are benchmarked against recent bus tenders and are lower than the service fees we had been receiving.
- The ridership for September 2022 for NEL and DTL was 85% and 83% respectively of pre-COVID-19 levels, an improvement from the previous quarter Q2 2022:

Ridership % of Pre-COVID-19 level			
	Q3 2021	Q2 2022	Q3 2022
NEL	49%	79%	85%
DTL	43%	75%	83%

Financial Update for 3rd Quarter 2022 & YTD Sept 2022



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3rd Quarter and YTD Sept Income Statement

	3Q 2022	3Q 2021	Inc/(Dec)		YTD Sep 2022	YTD Sep 2021	Inc/(Dec)	
	\$'m	\$'m	\$'m	%	\$'m	\$'m	\$'m	%
Revenue	390.51	334.85	55.66	16.6	1,122.91	975.67	147.24	15.1
Operating Costs	371.47	320.75	50.72	15.8	1,060.86	923.39	137.47	14.9
Operating Profit	19.04	14.10	4.94	35.0	62.05	52.28	9.77	18.7
Profit after Tax	17.11	13.86	3.25	23.4	51.75	50.34	1.41	2.8
EBITDA	42.42	41.51	0.91	2.2	133.05	131.35	1.70	1.3
Operating Profit before COVID-19 Government reliefs	19.04	0.17	18.87	NM	62.05	3.76	58.29	NM
COVID-19 Government reliefs	-	13.93	(13.93)	NM	-	48.52	(48.52)	NM
Operating Profit after COVID-19 Government reliefs	19.04	14.10	4.94	35.0	62.05	52.28	9.77	18.7

NM: Not Meaningful

3rd Quarter 2022 Income Statement

3rd Quarter 2022 vs 3rd Quarter 2021

- Revenue ↑ \$55.7m
 - Public Transport Services ↑ \$52.8m mainly due to higher fuel indexation and higher ridership; and
 - Other Commercial Services ↑ \$2.9m mainly from more campaigns due to improved economic conditions as a result of the easing of COVID-19 restrictions.
- Operating costs ↑ \$50.7m due mainly to cessation of wage subsidy from the Job Support Scheme (JSS), higher salaries and related costs, provision for productivity incentives and higher fuel and electricity costs due to higher average diesel and electricity prices, partially offset by lower other operating costs mainly due to lower licence charges.
- As a result, Operating profit ↑ \$4.9m and PAT ↑ \$3.3m.

YTD Sept 2022 Income Statement

YTD Sept 2022 vs YTD Sept 2021

- Revenue ↑ \$147.2m
 - Public Transport Services ↑ \$141.8m mainly due to higher fuel indexation and higher ridership; and
 - Other Commercial Services ↑ \$5.4m mainly from more campaigns due to improved economic conditions as a result of the easing of the COVID-19 restrictions.
- Operating costs ↑ \$137.5m mainly due to cessation of wage subsidy from JSS, higher salaries and related costs, provision for productivity incentives and higher fuel and electricity costs due to higher average diesel and electricity prices, partially offset by lower other operating costs mainly due to lower licence charges.
- As a result, Operating profit ↑ \$9.8m and PAT ↑ \$1.4m.

Balance Sheet

	Sept 2022	Dec 2021	Inc/(Dec)	
	\$'m	\$'m	\$'m	%
Short-term deposits and bank balances	361.41	204.03	157.38	77.1
Other current assets	320.81	354.86	(34.05)	(9.6)
Non-current assets	534.83	594.90	(60.07)	(10.1)
Total assets	1,217.05	1,153.79	63.26	5.5
Current liabilities	443.34	383.41	59.93	15.6
Non-current liabilities	145.39	168.81	(23.42)	(13.9)
Total liabilities	588.73	552.22	36.51	6.6
Total equity	628.32	601.57	26.75	4.4
Total liabilities and equity	1,217.05	1,153.79	63.26	5.5

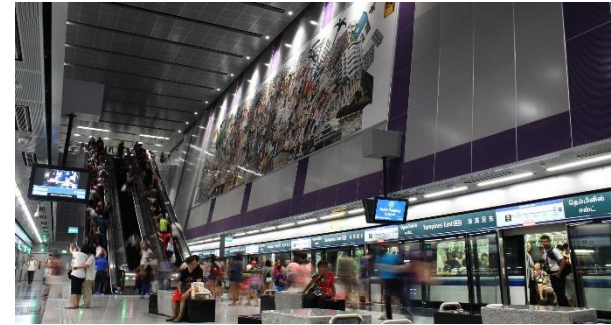
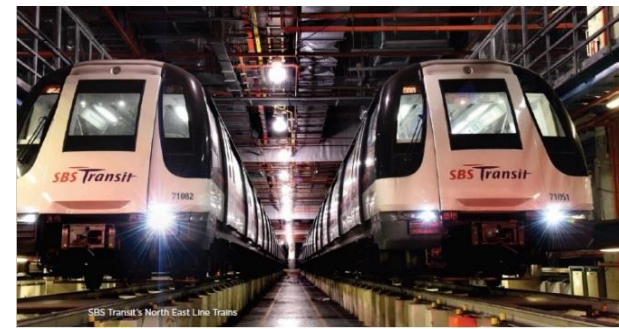
- Increase in total assets was due mainly to the increase in short-term deposits and bank balances, partially offset by the depreciation of vehicles, premises and equipment and decrease in trade and other receivables.
- Increase in total liabilities was mainly due to the increase in trade and other payables,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

Summary and Outlook

- 3rd Quarter 2022 Operating profit was \$19.0m while Group PAT was \$17.1m.
- With the further relaxation of COVID-19 restrictions, we expect rail ridership and other commercial services revenue to improve. With effect from 1 September 2022, the service fees for the five extended negotiated bus contracts, which are part of the transition agreement of DTL to NRFF version 2, are benchmarked against recent bus tenders and are lower than the service fees we had been receiving.
- Public Transport Council (PTC) announced fare increase of 2.9% from 26 December 2022 while the maximum allowable fare adjustment quantum was 13.5% according to PTC's fare adjustment formula. The remaining 10.6% of this year's fare adjustment quantum will be carried over to future Fare Review Exercises.
- The Group continues to face rising costs from operations with rising inflation. Elevated energy prices will continue to create cost pressure to fuel and electricity spend. Manpower costs will also contribute to the increase amidst a competitive labour market.



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Appendix – By Segments

	3Q 2022		3Q 2021	
	Revenue \$'m	Operating Profit \$'m	Revenue \$'m	Operating Profit \$'m
Public Transport Services	377.31	11.10	324.53	8.52
Other Commercial Services	13.20	7.94	10.32	5.58
Total	390.51	19.04	334.85	14.10
	YTD Sept 2022		YTD Sept 2021	
	Revenue \$'m	Operating Profit \$'m	Revenue \$'m	Operating Profit \$'m
Public Transport Services	1,087.78	42.05	945.94	36.35
Other Commercial Services	35.13	20.00	29.73	15.93
Total	1,122.91	62.05	975.67	52.28