

SBS TRANSIT'S RESULTS **FOR HALF-YEAR ENDED 30 JUNE 2023**

- Revenue for the first six months increased by 1.6% to \$744.4 million
- Group operating costs increased by 2.7% to \$708.3 million
- Group operating profit decreased by 16.1% to \$36.1 million
- Net profit attributable to Shareholders increased by 0.4% to \$34.8 million
- An interim dividend of 5.58 cents has been declared

14 August 2023 – SBS Transit today announced its unaudited results for the half-year ended 30 June 2023

Highlights:

	1H2023 (\$'000)	1H2022 (\$'000)	% Change
Revenue	744,382	732,396	1.6
Operating Profit	36,094	43,007	(16.1)
Net Profit Attributable to Shareholders	34,788	34,641	0.4
EBITDA	83,286	90,630	(8.1)
EPS (based on existing share capital) - cents	11.15	11.11	0.4

Group Performance

Group revenue for the first six months of 2023 increased by 1.6% or \$12.0 million to \$744.4 million when compared to the corresponding period in 2022 driven mainly by higher rail revenue from higher ridership offset by lower bus revenue due to lower service fees.

Group operating costs increased by 2.7% or \$18.9 million attributable largely to higher energy prices, higher other operating costs, and higher manpower costs. Energy prices, which remained elevated, recorded a 10.3% or \$12.4 million increase.

Consequently, Group operating profit for the first six months of 2023 fell by 16.1% or \$6.9 million. The lower operating profit was mitigated by higher interest income due to higher interest rates and lower tax expenses, resulting in the Group achieving a 0.4% or \$0.2 million increase in net profit attributable to shareholders of \$34.8 million.

SBS Transit Group CEO, Mr Jeffrey Sim, said: "We saw an increase in rail revenue as rail ridership rose to more than 90% of pre-pandemic levels. On the other hand, bus revenue decreased due to lower service fees for the extended negotiated bus packages. Going forward, we will continue to face cost uncertainties arising from inflation, a tight labour market and energy prices."

Operations Review:

- Public Transport Services

Revenue from Public Transport Services, which comprise bus and rail services, increased by 1.0% or \$6.9 million to \$717.4 million, due mainly to higher rail ridership offset by lower bus service fees. Demand for rail services spiked in 1H2023 with average daily ridership recording strong double-digit growth – the North East Line grew by 25.4% to 558,000 passenger trips; the Downtown Line by 32.2% to 433,000 and the Sengkang Punggol LRT by 22.8% to 157,000.

- Other Commercial Services

Revenue from Other Commercial Services increased by 23.1% or \$5.1 million to \$27.0 million for 1H2023 due mainly to higher advertising revenue as Singapore exited the COVID-19 pandemic phase and full regular activities resumed.

Dividend:

A tax-exempt one-tier interim dividend of 5.58 cents per ordinary share has been declared, representing a payout ratio of 50%, which is in line with our Dividend Payout Ratio of 50%.

Commentary:

Total revenue is expected to stabilise. However, the Group maintains a cautious outlook due to cost uncertainties arising from inflation, tight labour market and energy prices.

Issued by SBS Transit Ltd

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