

27 October 2020

The Manager  
Company Announcements Office  
ASX Limited  
Level 5, 20 Bridge Street  
SYDNEY NSW 2000  
Via ASX Online

### **2020 ANNUAL GENERAL MEETING – CHAIR AND CEO ADDRESSES**

In accordance with ASX Listing Rule 3.13.3, please find attached the addresses to shareholders and accompanying slides that will be delivered by the Chair of the Board, Mr Jeffrey Ellison and the Group Chief Executive Officer, Mr Clinton Feuerherdt at the Annual General Meeting 2020 of SeaLink Travel Group Limited (ASX:SLK) that commences at 4pm ACDT (4:30pm AEDT) today as a virtual meeting.

The results of the Annual General Meeting will be released after the conclusion of the meeting.

*Authorised for lodgement with the ASX by the Company Secretary, Joanne McDonald*

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#### **Further information**

For further information, please contact:

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**SEALINK TRAVEL GROUP LIMITED**

**AGM TO BE HELD AT 4:00pm Adelaide time as a VIRTUAL MEETING**

**ON TUESDAY 27 OCTOBER 2020**

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**CHAIR ADDRESS**

*SLIDE – CHAIR ADDRESS #1 –Photo KANGAROO ISLAND FERRY*

Before we move on to more formal business, I have pleasure in presenting the Chair's Report on the year ended 30 June 2020 for SeaLink Travel Group.

It has been a very challenging year for many Australians, from bushfires over the summer holiday period right the way through the COVID-19 pandemic which we are still experiencing. I do want to acknowledge the difficulty many of our customers are suffering, particularly those on Kangaroo Island and in Victoria, our broader operating teams and of course the wider community.

From our perspective we've been very focused on doing what we can, which is to continue running our business as well as possible, responding and supporting our customers and making sure that we are consistently executing our strategy. Overall, our previously communicated strategy of growth by acquisition of infrastructure like assets has been well founded and impeccably timed.

*SLIDE – CHAIR ADDRESS #2 - Photo ADELAIDE BUSES*

The transformational acquisition of the Transit Systems Group on 16 January 2020 has made the combined operations a business with a very high proportion of contracted revenue, high-quality recurring earnings and entrenched competitive advantages.

The associated capital raising, and debt refinancing was a monumental achievement for SeaLink and placed us in a position of financial strength. We have continued our vision and are building on the strong businesses and opening opportunities for both companies to continue to lead a diverse land and sea transport industry. The success of our multi-modal approach can be seen by the recent winning of new bus contracts in Western Australia and South Australia, the Brisbane ferry contract, ferry contract to Hayman Island and most recently the Singapore bus contracts.

Our bus businesses have remained strong during this period with government backed revenue supporting approximately 87% of revenue for our transport businesses.

Although the pandemic has had a devastating effect on many of our tourism businesses, our outstanding management team and the JobKeeper program have allowed us to keep our teams together and engaged with the company ready for when conditions recover.

As state borders reopen and consumer confidence grows, we see good opportunity in the Australian tourism market to return to strong sustainable earnings in our tourism businesses.

I take this opportunity to again thank our staff who have done an amazing job adapting and changing our businesses to limit the effect of the pandemic and seeking new opportunities to reduce costs and build new revenue opportunities.

Regarding earnings, SeaLink Travel Group Ltd has produced a Statutory Net Loss After Tax of \$13.5 million for the full year. This is after one-off pre-tax costs of \$29.9 million relating to the acquisition of Transit Systems Group and the impairment of certain assets and goodwill to reflect their lower utilization levels due to the coronavirus pandemic. Our Underlying Net Profit after Tax and before Amortisation was \$37.2 million, noting this only includes five and half months' contribution from the Transit Systems business.

Shareholders have recently received a 4.5 cents per share final dividend combined with the interim dividend of 6.5 cents per share, brings the full year dividend to 11.0 cents per share fully franked. (2019 15.0 cents). The Board of course considered a range of different scenarios regarding the final dividend. The final decision is in line with our previous declared guidance of between 50% to 70% of Underlying NPATA, industry outlook and future business opportunities.

The economic outlook still remains highly uncertain, however we at SeaLink feel we are very well positioned for a range of different economic scenarios. We have a strong balance and good cashflow, the majority of our earnings are contracted with government and we have an excellent management team in place.

### ***SLIDE – CHAIR ADDRESS #3 – PHOTO CLINT & JEFF***

I am very pleased to acknowledge the appointment of Clint Feuerherdt as the new Group CEO on 16 January 2020. Clint was the former head of Transit Systems and brings with him enormous experience in public transport, government tendering, business growth and acquisition.

I would like to thank my fellow Board colleagues for their continued commitment and adding value through offering their diversity of skills and experience and active participation into the governance of the Group. A special welcome to our two new Board members, Neil Smith and Lance Hockridge, both of whom bring enormous experience to the board. Also thank you to our recently retired Chairman, Andrew McEvoy who provided great support and insight during a period of strong growth.

Regarding the position of the Chair of the Board, I take this opportunity to thank the Board for showing confidence in me to act as Chair of SeaLink during these unprecedented times. The Board's decision was based on our desire to have stability during the uncertain times brought on by the COVID Pandemic and the acquisition and integration of Transit Systems. It has been the Board's intention to appoint a long-term

Chair once stability has been achieved. At this stage, this is planned for the first half of 2021 and more information will be provided during this time

***SLIDE – CHAIR ADDRESS #4 – GLOBAL MAP***

Finally, I would like to express my thanks to the broader SeaLink team of more than 8,600 employees all around Australia and overseas for their hard work and contribution during the year, and I look forward to our continuing success together.

**CEO ADDRESS**

***SLIDE – CEO ADDRESS – FY20 OVERVIEW***

Hello everyone. I am really pleased to be presenting to you at my first AGM as Group CEO. I would like to thank the board of directors for their confidence in me and collective guidance over what has been a pretty interesting start to a new chapter for the company.

It goes without saying that the last six months of FY20 were some of the most challenging trading and economic conditions that any of us have ever experienced. Exacerbating the effects of COVID, was the emergence from an extremely severe bushfire season, that had a direct effect on the company's assets on Kangaroo Island and obvious disruption to tourism trade.

Fortunately, the company had already repositioned itself through its pursuit of the essential services strategy and for nearly all of the second half of FY20 had the benefit of the recurring government contract income from the Transit Systems Group businesses, along with a number of the marine business that are also underpinned by long term government or corporate contracts.

Although it seems like a distant memory, we shouldn't forget that prior to all of this, our first half performance for just the marine and tourism division was very strong and the summer period before bushfires and COVID was delivering outperformance in most marine and tourism operations, including a very strong result in Sydney's Captain Cook Cruises, for the December half.

The FY20 full year was without doubt, the most transformative year in the company's history.

The key highlight was clearly the acquisition of the Transit Systems Group on 16<sup>th</sup> January 2020. This acquisition takes SeaLink from a domestic based and focused marine and tourism business to Australia's largest land and marine tourism and transport service provider with established international operations in London and Singapore.

When we announced the TSG transaction back in October 2019, there were a number of contracts approaching expiry and new contracts being bid for. I am pleased to highlight that we have had a 100%

success rate in our contract renewal and since January have picked up some very significant new contracts. In total, we secured over \$3.8 billion in contracted revenue during the second half of FY20. \$3.4 billion coming from the Australian bus division. Since the end of the financial year, this success has continued with the recent award in Singapore for two contracts worth more than one billion Singapore Dollars in additional revenue over the first five-year term.

In parallel with this immense success, we have been of course managing the effects of COVID on our people, our customers and our operations. For most of our business, this meant focusing on operational risk management to protect our people and our customers, increased cleaning and sanitization and continuing to deliver high quality and reliable essential services to the community, even in the height of city wide lock downs. While our essential bus and marine services were largely unaffected operationally, all of our tourism assets were impacted.

The management team has done an incredible job of reacting to COVID to scale their businesses accordingly and protecting shareholder value. Additional government support has been pursued to minimize costs and retain our most important asset – our people - during the period of limited revenue in the tourism business. Fortunately, only 11% of our total workforce required JobKeeper support and this payment kept our people connected and engaged with the business.

#### ***SLIDE – CEO ADDRESS– FINANCIAL SNAPSHOT OF FY20***

The full year result demonstrates the resilience and diversification of the new SeaLink business. The result contains a full year trading result for Marine and Tourism but only five and a half months contribution of the Transit Systems Group.

As Jeff highlighted earlier, the Group delivered an underlying profit of \$37.2 million for full year FY20 which is a number, net of one off adjustments - the reported result was a net loss of \$13.5 million.

The yellow portion of this slide illustrates what the result would have been if the Transit Systems business was owned for the whole of FY20 rather than just the five and a half months – indeed a much larger and stronger business.

The other key highlight of this year's result is the demonstrated strength of the operating cash flows and strong balance sheet position – we ended the year with a liquidity buffer of approximately \$200 million. As part of the completion of the TSG acquisition, it was very timely that we put in place brand new group wide corporate debt facilities in January 2020 with a combination of 3 and 5 year terms.

The business has done an excellent job of generating cash and preserving cash leading to some very strong balance sheet metrics. Net debt of just \$150 million and leverage of 1.4x net debt to EBITDA.

#### ***SLIDE – CEO ADDRESS– DIVERSIFIED & RESILIENT PLATFORM FOR GROWTH***

Before I briefly talk to our three divisions, I thought it would be useful to put the new SeaLink into context by showing the split of our contracted versus uncontracted revenue, which now also closely mirrors the split between commuter and tourism patronage. This clearly illustrates that the part of the business that is more discretionary is a much smaller component than it was before the TSG acquisition.

As at 30 June, approximately 87% of the now \$1 billion plus annual revenue is fully contracted with Governments around the world and some large corporates here in Australia. We still retain exposure to tourism and the prior success that we have enjoyed in this sector, but it is now a much much smaller component of what we do.

#### ***SLIDE – CEO ADDRESS – AUSTRALIAN BUS – OVERVIEW OF FY20 PERFORMANCE***

The largest of our divisions performed extremely well through the year and particularly well through the last 4 months of the financial year. All contract revenue continued to flow and in parallel we saw significant future growth secured in this division with the awarding of a new contract in Perth, a new bus contract in Adelaide – on top of renewing existing contracts – and our participation in the Group’s very first light rail contract. EBITDA generated from the Australian Bus division for the five and half months was \$29.7 million.

#### ***SLIDE – CEO ADDRESS – INTERNATIONAL BUS – OVERVIEW OF FY20 PERFORMANCE***

Our International Division also performed very well contributing \$7.9 million of EBITDA to the Group result but endured far more challenging operating conditions in the UK and, to a lesser extent Singapore. Again, this division is underpinned by Government revenue so irrespective of the community challenges, our services are required to keep the cities moving and connected, with many essential services professions relying on us to get them to work, and thus the contract revenue remained resilient throughout this period. The expansion of our electric bus fleet in the international businesses is really exciting and positions the Group well as a leader in zero emission heavy vehicle technology.

#### ***SLIDE – CEO ADDRESS – MARINE AND TOURISM – OVERVIEW OF FY20 PERFORMANCE***

As I mentioned, the Marine and Tourism division experienced two distinct halves, the first half a very strong start to the year travelling into one of our strongest first half performances, followed by the second half that included a period of nearly three months where tourism activities were completely shut down. By the end of the financial year we were ramping up most of our destinations again and were seeing strong support from intrastate domestic travel.

FY20 EBITDA for the Marine and Tourism Division was \$34.1 million versus \$47.4 million in the prior year, a 28% decline. Despite the operating challenges, this division did not lose sight of the opportunities and most significantly secured the contract to operate the iconic Brisbane River ferry contract. It is the first time that this contract has ever changed hands and I think is testament to the powerful combination of our public transport experience and marine credentials.

## **SLIDE 18 – CEO ADDRESS – TRADING UPDATE AND OUTLOOK**

While it would seem that the COVID pandemic is far from over, we have a business positioned to perform strongly even in a COVID and post-COVID world. Over 87% of our revenue in the coming year is contracted with Governments and top tier corporates.

I am pleased to report that our first quarter of FY21 has exceeded our expectations. All contracted revenue remains consistent and the cost controls and disciplines that we focused on during the COVID period have lasting effects that will translate into stronger performance in the public transport side of the business during FY21.

Ongoing challenges and operational risk management in our International Division will continue to be a focus for us during the coming year. We are evaluating the position of Tower Transit in the London market as the growth prospects in a post COVID environment look to be limited.

The trajectory of domestic travel in Australia is impressive. SeaLink serves 14 island destinations around Australia and all of our tourism offerings are unique island based experiences. With a weight of travel money and pent up demand in Australia, we believe that SeaLink is well positioned to benefit from strong domestic travel due to its unique offerings. To capitalize further on this, we have launched our national brand, Brilliant Travels, to bring all of our destinations into one convenient channel.

Sydney and Perth dining and sightseeing businesses will continue to be challenged until we have full interstate border restrictions lifted. While all other businesses have lifted out of requiring JobKeeper support, we anticipate that these two businesses will continue to receive support at least through to the end of December.

SeaLink also has an impressive growth opportunity pipeline that comprises further organic tendering opportunities and some select M&A opportunities that stand to unlock new markets. We were really excited to receive the news recently that our Singapore operation is set to double in size in September next year with the re-award of the Bulim contract and the award of the new Sembawang-Yishun contract.

The pipeline of very significant bus contracts in Australia is well advertised and work is advanced towards all of these processes and we look forward to continuing our recent run of success in tendering for these large contracts.

Over the medium term, we expect the tendered bus contracting opportunities to continue to arise and our plan is to incorporate sensible M&A opportunities to unlock new markets both here in Australia and in new international geographies.

Finally, Kangaroo Island, where SeaLink started, is an ongoing key focus and securing the next generation of ferry license with the SA Government is of the highest priority, along with expanding our tourism and accommodation offerings on KI itself.

All in all, I am sure you will agree that FY20 has been a truly transformational year for SeaLink. Whilst there are some one off costs and sensible impairments running through the result, the underlying result is very strong in the context of the trading environment and the cash flow generation and balance sheet strength is testament to the diverse quality earnings base that the company now enjoys. Thanks for listening and I will now hand back to the Chair to move onto the formal part of the meeting.



**SeaLink Travel Group Limited**  
**Annual General Meeting of Shareholders**

27 October 2020 – 4:00pm Adelaide time

TRANSPORT | CRUISES | TOURS | ACCOMMODATION | PACKAGES

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# SeaLink Travel Group – Board of Directors



**Jeffrey Ellison**  
Chair and Non-Executive Director



**Andrea Staines OAM**  
Non-Executive Director



**Christopher Smerdon**  
Non-Executive Director



**Terry Dodd**  
Non-Executive Director



**Fiona Hele**  
Non-Executive Director



**Lance Hockridge**  
Non-Executive Director



**Neil Smith**  
Non-Executive Director



Clint Feuerherdt  
Group Chief Executive Officer



David Sanders  
Ernst & Young



Andrew Muir  
Joint Company Secretary



Joanne McDonald  
Joint Company Secretary

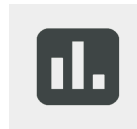
If you require help using Lumi during the meeting, please call **1300 737 760** or **+61 2 9290 9600**

- All resolutions determined by poll.
- Poll for each item now open and to close 10 minutes after close of the meeting.
- A summary of proxies and voting outcome will be lodged with the ASX once finalised.
- Chair of the meeting will vote all directed proxies in accordance with directions given by shareholders.
- Chair of the meeting, will hold open proxies and vote all such proxies in favour of all resolutions.
- Any directed proxies not voted at the AGM automatically default to the meeting Chair who will vote those as directed.
- Each shareholder entitled to attend and vote at the Meeting is entitled to a direct vote on a resolution.
- Shareholders can cast direct vote using the electronic platform as explained in the Notice of Meeting.

If you are a shareholder or proxyholder please ensure you have registered as such on the Lumi online platform to enable you to vote online and ask questions.

- Shareholders, their attorneys, proxies and authorised company representatives may ask questions or comment on each item and on general matters relevant to AGM.
- Opportunity to ask questions in respect of the resolutions as they are introduced. Shareholders and proxyholders will also have an opportunity to ask general questions relevant to the AGM. at the end of the meeting
- If you wish to ask a question, please submit questions via the Lumi platform (registering as a shareholder or proxy holder)
- The Chair will give all Shareholders a reasonable opportunity to ask questions.
- We will endeavour to answer as many questions as possible in the time allotted but reserve the right to rule out questions not relating to the meeting or out of order.

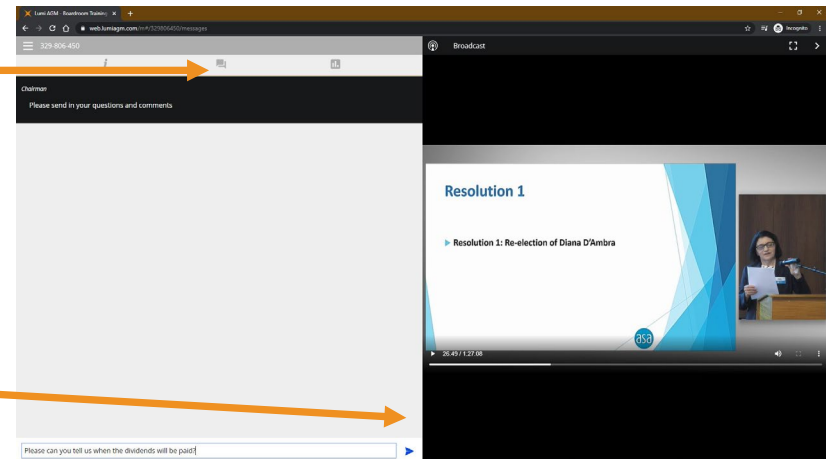
- When the Question function is available, the Q&A icon will appear at the top of the app.



- To send in a question, simply click in the 'Ask a question' box, type your question and then press the send arrow



- Your question will be sent immediately for review





Chair Address







Chair Address

**SEALINK**  
Travel Group

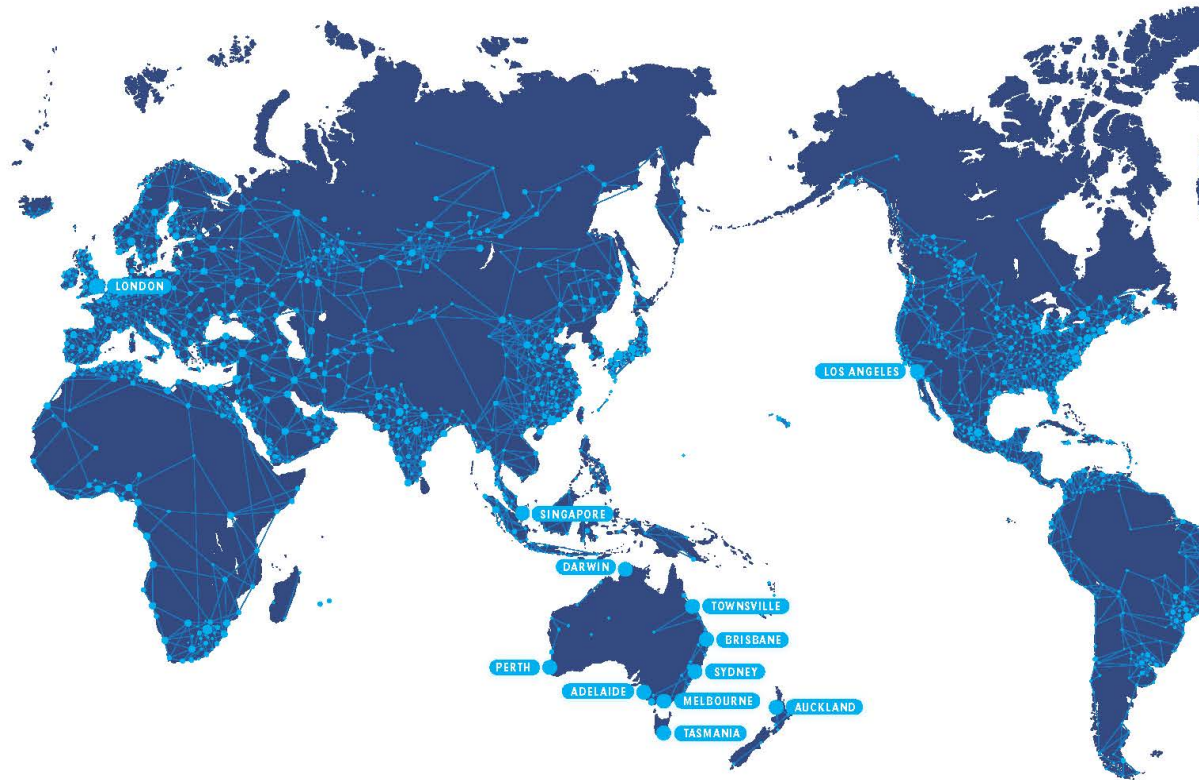


## Chair Address

**SEALINK**  
Travel Group

# Chair Address

SeaLink today, a global, multi-modal transport provider



**8,600**  
EMPLOYEES

**280M**  
PASSENGERS/YEAR

**3,500**  
DUSES

**80**  
FERRIES

**12**  
CITIES

**14**  
ISLANDS

## OUR PUBLIC TRANSPORT GOVERNMENT PARTNERS



## Successfully transforming SeaLink into an integrated, resilient, multi-modal transport business during a period of unprecedented external events

<b>Financial Result</b>	<ul style="list-style-type: none"> <li>– Underlying NPATA (pre IFRS16) - \$37.2 million (up 47.2%)</li> <li>– Statutory NPAT – loss of \$13.5 million (majority is transaction costs and non-cash items, including impairments and write downs)</li> </ul>
<b>Completion of transformational acquisition</b>	<ul style="list-style-type: none"> <li>– Acquisition of Transit Systems Group completed on 16 January 2020 and integration now largely complete</li> <li>– New long term debt funding facilities in place</li> </ul>
<b>Strengthening and enhancing earnings with contract renewals &amp; contract wins</b>	<ul style="list-style-type: none"> <li>– 100% success rate in our major contract renewals</li> <li>– Secured \$3.8 billion of new contracted revenue</li> <li>– New contracts added in Perth, Adelaide and Brisbane</li> </ul>
<b>Successfully managing external factors</b> – Australian bushfires – COVID-19	<ul style="list-style-type: none"> <li>– Operations, particularly public commuter bus services, remain resilient and are providing an essential service in a difficult operating environment. Most marine services are also an essential transport service</li> <li>– Safety and welfare of employees and customers the priority</li> <li>– Marine &amp; Tourism operations impacted by devastating Australian bushfire season</li> <li>– Kangaroo Island property (Vivonne Bay) sustained significant damage along with substantial interruptions to tourism operations. Strong levels of recovery activity underway</li> <li>– Swift and decisive response to COVID-19 across all aspects of the business, in particular Marine &amp; Tourism</li> <li>– 11% of our workforce (15% in Australia) received JobKeeper (equating to approximately 1% of revenue)</li> </ul>
<b>Integration of Transit Systems Group delivered</b>	<ul style="list-style-type: none"> <li>– New management team and organisational structure in place and working effectively</li> <li>– On track to exceed \$4.6 million per annum of run-rate synergies - further cost synergies identified</li> <li>– Earn-out targets on both Transit Systems Group and Sita Group (negotiated by TSG) were set to protect SeaLink against delivery of forecasted contract efficiencies and incentivise strong growth in underlying earnings (particularly through Region 6). These targets were not satisfied and no earn-out is payable to the vendors</li> <li>– Acquisition well received by all government clients, as demonstrated by 100% retention of expiring contracts</li> </ul>

## Solid financial performance, particularly in light of Australian bushfires and COVID-19

**Reported, including  
5.5 months contribution for  
Transit Systems Group**

**Proforma, including 12 months  
contribution for Transit  
Systems Group**

Revenue  
**\$646.5 million**  
*up 157.2% pcp*

Revenue  
**\$1,094.1 million**  
*up 335.2% pcp*

**Strong balance sheet  
supports growth strategy**

Underlying EBITDA  
(pre IFRS16)  
**\$71.7 million**  
*up 49.6% pcp*

Underlying EBITDA  
(pre IFRS16)  
**\$ 109.5 million**  
*up 128.6%*

Senior net debt  
**\$151.9 million**  
*up 74.1% pcp*

Operating cash flow  
**\$90.0 million**  
*up 121.0% pcp*

Underlying NPATA  
(pre IFRS16)  
**\$37.2 million**  
*up 47.2% pcp*

Underlying NPATA  
(pre IFRS16)  
**\$ 47.1 million**  
*up 86.1% pcp*

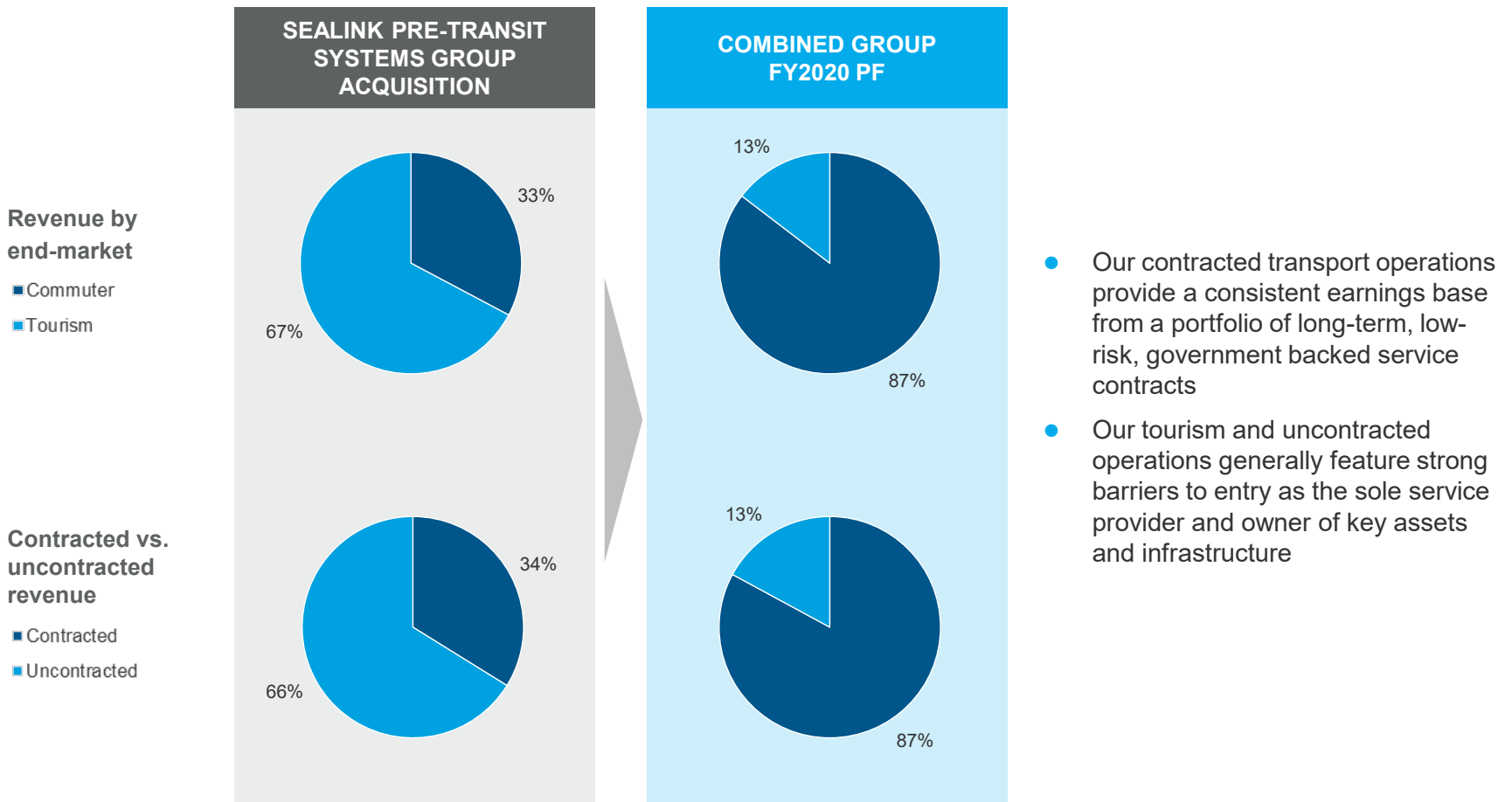
Senior leverage  
**1.4x**  
*down 25.7% pcp*

Fully Franked Final Dividend  
**4.5 cents**  
*full year dividend 11.0 cents*

# CEO Address

## Diversified and Resilient Platform for Growth

Operations diversified by transport mode, geography, contract expiry and client base



# CEO Address

## Australian Bus – Overview of FY20 Performance

100% success in contract retention, securing over \$3.43 billion of future revenue

Full year ending 30 June (pre IFRS16)	FY20 Actual \$m	FY20 Proforma <sup>1</sup> \$m
<b>Profit and loss</b>		
Revenue (external)	277.1	594.7
Direct expenses	(232.2)	(508.4)
Indirect expenses	(15.2)	(31.5)
<b>EBITDA (after corp. allocation)</b>	<b>29.7</b>	<b>54.8</b>
<b>EBITDA margin</b>	<b>10.7%</b>	<b>9.2%</b>
Depreciation & amortisation	(10.5)	(21.7)
<b>EBIT (after corp. allocation)</b>	<b>19.2</b>	<b>33.1</b>

<b>Operational statistics</b>	
Passengers carried	120 million
Kilometres operated	123 million
Buses	2,675
Employees	4,771
Government contracts	17
Revenue weighted average remaining contract term <sup>2</sup>	7.1 years

(1) Proforma 12 months actual

(2) Contract term includes contract extension options

### Commentary

- Solid trading result during a challenging operating environment
- \$3.43 billion of future contract revenue secured in the period underwrite the future of the Australian Bus business
- Contract wins
  - Joondalup, WA
  - Outer North, SA + Tram contract linked to North/South, SA
- Contract renewals or extensions
  - Marmion, Claremont, Canning and Southern River in WA
  - East/West, Outer North East and North/South, SA
- Integration substantially complete
- Sydney Region 6 service change delayed – 1<sup>st</sup> half FY21
- 5 electric buses in NSW – more to come
- Demand responsive transport in NSW underway
- Strong tender pipeline of opportunities



# CEO Address

## International Bus – Overview of FY20 Performance

### Solid performance in the lead up to re-contracting and positioning for post COVID-19 environment

Full year ending 30 June (pre IFRS16)	FY20 Actual \$m	FY20 Proforma <sup>1</sup> \$m
<b>Profit and loss</b>		
Revenue (external)	132.6	285.5
Direct expenses	(98.6)	(231.5)
Indirect expenses	(15.6)	(33.3)
<b>EBITDA (after corp. allocation)</b>	<b>7.9</b>	<b>20.7</b>
<b>EBITDA margin</b>	<b>5.9%</b>	<b>7.3%</b>
Depreciation & amortisation	(1.4)	(3.3)
<b>EBIT (after corp. allocation)</b>	<b>6.5</b>	<b>17.4</b>

<b>Operational statistics</b>	
Passengers carried	147 million
Kilometres operated	35 million
Buses	750
Employees	2,215
Government contracts	21
Revenue weighted average remaining contract term	1.6 years

(1) Proforma 12 months actual

### Commentary

#### London

- Market highly competitive
- Transport for London rationalising / shrinking the network
- Loss of Route 25
- Vulnerable employees furloughed
- Contract wins C3 & 23 – 37 electric double decker buses
- Upgrade of depot infrastructure for electric buses
- Presently reviewing Tower Transit's positioning in the London market

#### Singapore

- Tender submitted for Bulim and Sembawang/Yishan contracts
- 4 electric vehicles
- Well supported by Singaporean Government
- Exceeding contract KPI's





# CEO Address

## Marine and Tourism – Overview of FY20 performance

### Impacted by unprecedented external events

Full year ending 30 June (pre IFRS16)	FY20 \$m	FY19 \$m	Variance %
<b>Profit and loss</b>			
Revenue (external)	213.9	248.8	(14.0%)
Direct expenses	(140.9)	(155.4)	(9.3%)
Indirect expenses	(38.9)	(46.0)	(15.4%)
<b>EBITDA (after corp. allocation)</b>	<b>34.1</b>	<b>47.4</b>	<b>(28.0%)</b>
<b>EBITDA margin</b>	<b>15.9%</b>	<b>19.0%</b>	<b>(16.3%)</b>
Depreciation & amortisation	(15.2)	(16.4)	(7.3%)
<b>EBIT (after corp. allocation)</b>	<b>18.9</b>	<b>29.0</b>	<b>(34.8%)</b>

<b>Operational statistics</b>	
Passengers carried	5 million
Vessels	80
Buses	69
Employees	1,562
Contracts	18
Revenue weighted average remaining contract term <sup>1</sup>	4.3 years

Notes: (1) Contract term includes contract extension options

### Commentary

- Two distinct trading halves
- Bushfires on Kangaroo Island
  - Vivonne Bay Lodge destroyed (insured)
  - Rebuilding / recovery well underway
- COVID-19
  - completely shut down tourism for three months
  - Essential and contracted services continued to operate
  - JobKeeper eligibility
- Contract wins
  - Brisbane Ferries – commencing Nov 2020
- Contract renewals / extensions
  - Gladstone, Mandorah, Tiwi, Groote, Queensland Ambulance
- Launch of Brilliant Travels – national marketing and cross selling – [www.brillianttravels.com.au](http://www.brillianttravels.com.au)



## Strong balance sheet and long dated contracted revenue supports future growth

<b>FY21 YTD trading update</b>	<ul style="list-style-type: none"><li>— First quarter FY21 results ahead of expectations</li><li>— Cost base initiatives implemented during COVID period resulting in permanent cost base improvement</li><li>— Core is non-discretionary and an essential service – over 87% of revenue contracted</li><li>— All tourism based operations except Sydney and Perth tracking well towards pre-COVID levels<ul style="list-style-type: none"><li>— JobKeeper 2.0 being received in Perth and Sydney marine and tourism operation</li></ul></li><li>— Significant pent up demand for domestic tourism driving good performance</li><li>— Brisbane Ferries contract coming online on 4<sup>th</sup> November 2020</li></ul>
<b>Outlook</b>	<ul style="list-style-type: none"><li>— Liquidity and strong balance sheet support business goals</li><li>— Significant contract wins and extensions underwrite business</li><li>— Transport services continue to provide stable growth and new opportunities</li><li>— Marine &amp; Tourism will benefit from tourism demand recovery as restrictions lift</li><li>— Long term opportunity to leverage reputation and track record</li><li>— Kangaroo Island ferry licence renewal a priority before its expiry in June 2024</li><li>— Potential repositioning of the UK business and integration of new contract in Singapore</li></ul>
<b>Growth drivers</b>	<ul style="list-style-type: none"><li>— Additional services being operated in the Australian Bus Division due to social distancing requirements</li><li>— Significant pipeline of new contract opportunities in Sydney, Melbourne and Darwin</li><li>— Repositioning of tourism product to capitalise on significant domestic demand</li><li>— Sensible M&amp;A opportunities domestically and in new international markets in the essential services space</li><li>— Further efficiencies to be unlocked in the newly signed contracts</li></ul>