



Brightline Florida
Monthly Revenue and Ridership Report
November 2024



Brightline Florida Passenger Rail Project

Brightline Florida is a privately-owned passenger rail system comprising 235 miles of track, connecting Miami and Orlando, Florida, with additional stations located in the downtown centers of Aventura, Fort Lauderdale, Boca Raton and West Palm Beach.

Operations

+ 20%

**Ridership
vs. November 2023**

+ 22%

**Total Revenue
vs. November 2023**

88%

**On-Time
Performance**

Key Updates

Performance Summary

- Long-distance ridership was up 67% year over year in November
- Long-distance ridership of 155,939 was a record for long-distance ridership
- Total revenue per passenger was \$68.54, with total revenue year to date up 139% versus same period 2023
- Long-distance ridership from repeat customers remains strong and bookings by repeat customers are now approaching the pace of total long-distance ridership achieved last year

Other Highlights

- In November, Brightline obtained additional tax-exempt bond allocation from the State of Florida and approval from the Florida Development Finance Corporation, which allow Brightline to issue up to \$280 million of private activity bonds; the Company plans to further optimize its capital structure through targeted refinancings, tenders, and reserve funding
- In November, the Martin County Board of County Commissioners unanimously voted to move forward with a Brightline station in Stuart and approved \$15 million in funding for the project

Commercial Overview

Revenue Activities

We provide intercity rail service in Florida, connecting many of the largest population centers and most active economic regions in the state. We initially opened service in South Florida in 2018, with three stations located in Miami, Fort Lauderdale and West Palm Beach. In December 2022, we opened two additional stations in South Florida in Aventura and Boca Raton. In September 2023, we commenced long-distance intercity rail service with the opening of our newest station at the Orlando International Airport and now provide approximately hourly service between South Florida and Orlando from early morning to late evening. We earn revenue through ticket sales from our short-distance service (within South Florida between Miami and West Palm Beach), long-distance service (travel between our South Florida stations and our Orlando station), and by selling ancillary products and services, such as food and beverage, parking, merchandise, baggage handling, advertising, naming rights, and sponsorships.

November Update

November ridership was 246,563 with an average fare of \$56. This average is made up of long-haul full and discount fares and short-haul full and discount fares. The average full fare long-haul ticket was \$84 and the top quartile of fares averaged \$121, demonstrating customers' willingness to pay higher fares when not associated with current promotional activity to introduce our new service. In November, long-haul repeat ridership was 80,469 accounting for 52% of total long-haul ridership and approaching total November 2023 long-haul ridership of 93,184. First-time riders of our long-distance service generated 75,470 long-haul trips in November. We expect both repeat and first-time long-haul riders to grow significantly as we add new distribution channels and continue to penetrate the large Florida travel market. Short-haul ridership of 90,624 compared to 112,423 in November 2023 reflects ongoing seat capacity constraints and the discontinuation of our commuter pass product in June as we restrict short-haul ridership in favor of building our higher fare long-haul business. Capacity constraints will be addressed as we continue to add additional Smart and Premium class passenger cars to our fleet in batches, ultimately reaching seven-car long trains in mid-2025.

Our total marketable database now exceeds 1.2 million, with an additional approximately 55 thousand individuals added in November. Our direct emails consistently achieve open and click-through rates that exceed industry averages, reflecting a highly engaged audience. We continue to penetrate our key market of Florida residents, which represents on average 70% of our total riders each month. Our database of Florida residents who have tried our long-haul service has consistently grown each month since the opening of our Orlando station in September 2023 (approximately 8% in November 2024 to over 326,000) and we expect strong growth to continue through 2024 and into 2025. We are also seeing an increase in distance-from-station for our Florida customer base, indicating that Brightline is continuing to expand its capture area around our station locations.

Ancillary revenues comprised 18% of total revenues for November, an average of \$12.54 per passenger. Passenger ancillary revenues, which include food and beverage, parking, baggage fees, merchandise and other items, account for the majority of ancillary revenues. We took several actions in October to further optimize our passenger ancillary revenues and services. For example, in response to market demand, we increased certain parking fees and baggage fees. In October we introduced "Order to Seat" food and beverage service. Previously, all onboard food and beverage services were only delivered by train attendants via a rolling cart. Now, in addition to having access to cart service, customers can scan a QR code to place food and beverage orders, which are delivered to their seats within minutes. We continue to see success in our Order to Seat rollout with our first full month of operations generating an average onboard Smart check size increase of 17% from \$12.30 in September, prior to our launch, to \$14.37 in November, along with improved customer satisfaction. In addition, on a year-to-date basis, in station retail grew from \$1.1 million through November 2023 to \$3.4 million through November 2024.

We expect our ridership to grow meaningfully in the coming months with the additional seat capacity coming online, ongoing organic growth, and a series of key initiatives outlined below. We believe the combination of capacity additions and the successful implementation of these initiatives positions us to carry more than 400,000 passengers per month in the relatively near term and approach our stabilized monthly goal of approximately 650,000 passengers per month (or eight million per year) by 2026.

Additional Seat Capacity

Historically we have operated trainsets with four passenger cars each for a total capacity of 240 seats per trainset. The currently operating five-car long trainsets have 306 seats per trainset. For comparison, European high speed rail operators typically utilize trainsets with six to ten passenger cars and significantly higher total seat capacity. Our current seat capacity constraints have led to regularly sold-out trains and we frequently see more than 75% of our trains at capacity over weekends and holidays.

To address this capacity limitation, we have on order 15 additional Smart class passenger cars and another 10 Premium class cars to be delivered in batches, allowing us to operate seven-car long trains in mid-2025. On September 19, our first group of new passenger cars shipped from the Siemens facility in Sacramento, California. The cars, configured as Smart class passenger cars, were placed into service and as of mid-October Brightline has been running a fleet of five-car long trainsets. Every 10 Smart class cars enable a total monthly increase in seats offered of approximately 75,000, or 150,000 for all 20 new Smart class cars. Since each seat can be sold more than once (for example to one person traveling from Miami to Fort Lauderdale and a second person traveling from Fort Lauderdale to Orlando), we expect the two additional Smart cars per trainset to enable us to generate approximately 100,000 incremental trips per month in the near term and more over time as load factors increase across the system.

Beginning in October we made changes to our schedule that concentrate capacity on the days and times that our customers are demonstrating they want to travel, leveraging historical data on customer travel preferences, which vary by season. This process will evolve over time as we refine our approach. For example, we recently introduced an additional train on our two busiest days, Friday and Sunday. We continue to analyze opportunities to optimize our schedule to align capacity with market demand.

Marketing, Distribution, and Partnerships

As part of our ongoing market research, we conduct customer surveys of our long-haul riders from time to time. In November, 71% of long-haul rider survey respondents stated that Brightline has changed their habit from mostly driving to mostly taking the train. Approximately 35% stated their primary reason for travel is business, up from 25% in October 2024.

In November, 95% of our bookings came through direct-to-consumer channels, with 5% from indirect sources such as travel agents and corporate accounts. Our website traffic continues to climb, attracting 2 million monthly visitors. Website visitation has a correlation to future ticket sales. We attract site visitors through owned (web, email, social), earned (PR), and paid channels (advertising).

We are also enhancing website Search Engine Optimization (SEO) in the fourth quarter with event-specific content that is search engine-driven, which will make Brightline even easier to find outside of transit searches on Google, Bing, and other search engines. To aid our organic search volume, in October we launched the Brightline City Guide, a curated collection of live events, must-see attractions, hidden gems, and world-class experiences in the Sunshine State. By adding this content to our site, management estimates we have an opportunity to drive up to 2 million website visits annually.

We use a blend of traditional and digital advertising. Our traditional advertising is focused on billboards along the two key driving connection points between Central and South Florida: The Florida Turnpike, and I-95. We currently have more than 20 billboards along those corridors, which we update regularly with new creative content, with the most recent update in October focused on consumer value messaging. Within our digital advertising, by leveraging our data and advertising platform analytics, we create targeted campaigns, maximizing the efficiency of our digital media spend, helping to optimize both load factors and yield. Our digital advertising focus is two-fold: first, we are targeting users most likely to travel between Central and South Florida towards conversion, and secondly, we are targeting new prospects to visit our website and become exposed to our brand and offering.

In November we held two large consumer promotions: BrightWeek and Bright Friday – Cyber Monday, both of which drove two of the highest long-haul booking weeks in our history. With the beginning of the holiday gift-giving season, we leveraged our new Brightline Gift Cards as part of our Bright Friday - Cyber Monday sale, driving \$42,000 of gift card issuances over the course of the four-day promotion.

Distribution

Travel companies typically receive an estimated 15% of their bookings from third parties such as Global Distribution Systems (GDS), Online Travel Agencies (OTAs), or Google Transit, which functions similarly to Google Flights. We launched our integration with AccesRail in early September, marketing Brightline's availability to travel agents through this platform. Our next initiative with AccesRail and GDS is to implement Interline Agreements with major airlines that will increase bookings and Brightline's visibility through these partnerships both domestically and internationally.

We continue to move forward with GDS participation and expect to launch direct GDS connectivity with one of the major systems, Amadeus. This will take technical development and implementation over the coming months. Currently, our database of over 4,500 Travel Advisors, mostly domestic US/Canada across over 600 travel agencies, book travel through our dedicated travel advisor site. With approximately 50,000 travel agencies in the U.S., this new site, combined with evolving GDS content, will allow us to efficiently expand our reach within the travel agency market. Additionally, we are connected to Google Transit, which already displays our inventory and pricing on Google Search. Previously, this capability was delivered via a third party but is now a direct connect to Brightline which improves user experience, enables new capabilities and insights as well as eliminating all distribution costs.

Based on customer surveys, we estimate approximately 27% of current ridership comes from people traveling to take a cruise, visit a theme park, or connect to a flight. Most of these trips are booked through our direct-to-consumer channels as people learn about our service independently. To increase capture rates in these customer segments, we are establishing partnerships with key market participants that allow us to share intellectual property for marketing purposes, cross-market services and promote vacation packages that include Brightline service. We expect these partnerships, combined with GDS capability, to add 60,000 rides per month and grow over time.

Cruise Lines: There are approximately 12 million annual cruise guests departing from Port Everglades and PortMiami. We estimate that 25% of these passengers originate by car from points north of our system and could use our service, for a total addressable market of three million roundtrips annually, or 500,000 one-way trips per month. We currently have co-marketing partnerships with Royal Caribbean, Celebrity, and Princess Cruises in place, with several others in discussion. Our partnership with Princess Cruises also includes baggage service for their cruise passengers arriving through the Orlando airport, at which point Princess coordinates with Brightline to take the passengers baggage and deliver it directly to their cruise cabin. We plan to offer bundled Brightline service / cruise vacation products to further appeal to the travel industry distribution channel. Our partnership with Royal Caribbean will be providing us with additional marketing assets within their mandatory cruise app ahead of the busy travel season, winter through spring.

Theme Parks: The top three primary theme park companies enjoy 90 million gate visits per year, with an estimated 4.9 million one-way annual trips originating from South Florida (approximately 400,000 one-way trips per month). We are in discussions with major Orlando theme park companies on co-marketing agreements and have begun production of joint customer acquisition testing with one partner, including cross-marketing emails to both companies' South Florida databases, and marketing to South Florida residents through our partner's call center. It is anticipated that future co-marketing agreements with partners will involve the theme park promoting us directly to their customers through website, email and social media. In addition, high volume sellers who sell and package theme park tickets will soon be able to package Brightline tickets for their customers through further development and integration via GDS, opening a new channel for this important business source. In October, we partnered with Universal Orlando on their annual Halloween Horror Nights event through a co-marketing relationship which included special promotional fares. We continue active discussions with theme parks surrounding opportunities for them to add us to their packages.

Airlines: Both the Orlando and Miami Airports serve more than 50 million passengers annually each and Fort Lauderdale now serves over 35 million passengers. We estimate based on survey and U.S. Department of Commerce data that 1-2% of passengers arriving in Miami or Orlando are international and domestic visitors who will visit both Central and South Florida on the same trip. In addition, a number of international and domestic airlines serve only the Orlando or Miami airports in Florida and a partnership with Brightline would allow them to offer their customers a convenient "interline" connection to any of our stations. We are actively engaged with several airlines to establish partnerships that will enhance marketing, interline, codeshare, and loyalty program opportunities. Brightline aims to adopt an open partnership model, collaborating with numerous airlines to create new origin and destination options and improve the overall passenger experience. We already partner with multiple airlines to carry their repositioning crewmembers and distressed passengers between our cities. To facilitate these partnerships, in October we were assigned an IATA two letter code, "BE", a requirement for full interline and codeshare partnerships with airlines. This code, along with our recently assigned IATA station three letter codes further facilitates all types of airline partnerships.

Hotels: In addition to our established partnership with over 100 Marriott Bonvoy properties along our corridor where our riders enjoy additional perks as part of their resort stay, we are in active discussions with other hotel brands to add scale and broaden the scope of offerings for our guests. These partnerships strengthen our position for our leisure and business travelers.

Sports Partnerships: Sports partnerships have been useful for generating demand and ridership within South Florida. For example, since opening the Orlando routes last year, we have seen that the Miami Dolphins have a strong draw from Orlando, generating long-haul rides as well as short-haul rides from within South Florida communities. The 2024 NFL football season kicked-off this August with the return of our popular End Zone Express, which includes shuttle transportation to and from the Hard Rock Stadium for all Miami Dolphins home games. Last season ridership averaged over 900 trips per game. We expect to increase that ridership by 20% in 2024 through our partnership this season, which includes targeted marketing campaigns to Dolphins season ticket holders in Orlando as well as targeted promotions to the South Florida market.

Loyalty Program

In November, long-haul repeat customers generated 80,469 long-haul trips, a 7% ratio of our total marketable database. In addition, short-haul customers, who had never previously tried our long-haul service, generated 14,781 long-haul rides. While we anticipate the ratio of long-haul repeat rides to our marketable database will vary with seasonality and decline over time as our database grows and matures, we estimate a loyalty program can improve this ratio by at least 1% and accelerate trial of our long-haul service by short-haul customers. We have selected our loyalty program technology solution

and will be rolling out the program to customers in stages during the first quarter of 2025. The program will be designed to encourage incremental ridership by repeat customers to achieve and maintain status perks and to obtain discounted travel awards. Once established, we estimate the loyalty program will help us generate an incremental 15,000 rides per month, increasing over time as our customer database grows.

Expansion Activity

New Stations

The Company announced in March 2024 that it had selected Martin County and the City of Stuart as the site for its next intercity passenger rail station. While the City of Stuart decided to reevaluate engagement with Brightline, in November, the Martin County Board of County Commissioners unanimously voted to move forward with a Brightline station in Stuart. The County will contribute up to \$15 million toward the project and will partner with Brightline to apply for federal grants to fund the remainder of the project. Martin County is currently on track to submit a Federal-State Partnership for Intercity Passenger Rail grant in mid-December.

Separately, our affiliate, Brightline Tampa LLC, is developing a project to extend the rail system from Orlando to Tampa. Brightline Trains Florida has the right to repurchase the rights to the project once fully permitted.

November 2024 Ridership and Revenue Results

For the month ended November 30, 2024, we carried 246,563 passengers and generated total revenue of \$16.9 million. Ticket revenue in November 2024 was \$13.8 million, an increase of 22% compared to November 2023, with ridership up 20% in November 2024 compared to November 2023. The year over year increase in revenue reflects 155,939 long-distance rides in November 2024, an increase of 67% compared to November 2023 and continued year over year growth in ancillary revenues such as food and beverage and advertising revenues.

To meet demand for our more profitable long-distance segments, in certain instances we continue to restrict available capacity for short-distance trips. November 2024 short-distance trips were 90,624 compared to 112,423 in November 2023 due to these capacity limits. New passenger cars were put in service in October with additional cars to be added, ultimately reaching seven-car long trains in mid-2025 to help address capacity needs. Ancillary revenue totaled \$3.1 million in November 2024 compared to \$2.6 million in November 2023.

Brightline Florida November 2024 Ridership and Revenue						
<i>(in millions of dollars, except ridership and average fare per passenger)</i>						
	Month End November 30			Year to Date November 30		
	2024	2023	% Δ	2024	2023	% Δ
Ridership						
Short-Distance	90,624	112,423	(19)%	1,033,749	1,626,376	(36)%
Long-Distance	155,939	93,184	67%	1,465,562	190,448	670%
Total	246,563	205,607	20%	2,499,311	1,816,824	38%
Average Fare per Passenger						
Short-Distance	\$27.10	\$25.93	5%	\$29.33	\$21.84	34%
Long-Distance	\$72.80	\$89.72	(19)%	\$73.25	\$90.07	(19)%
Total	\$56.00	\$54.84	2%	\$55.09	\$28.99	90%
Ticket Revenue						
Short-Distance	\$2.5	\$2.9	(16)%	\$30.3	\$35.5	(15)%
Long-Distance	11.3	8.4	36%	107.4	17.2	526%
	13.8	11.3	22%	137.7	52.7	161%
Ancillary Revenue	3.1	2.6	18%	32.0	18.3	75%
Total Revenue	<u>\$16.9</u>	<u>\$13.9</u>	22%	<u>\$169.7</u>	<u>\$70.9</u>	139%

Forward Looking Statements

Certain statements in this filing may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are generally identified by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," "target," "projects," "contemplates" or the negative version of those words or other comparable words. The inclusion of any forward-looking information should not be regarded as a representation by the Company or Brightline that the future plans, estimates, or expectations contemplated by the Company or Brightline will be achieved. Forward-looking statements are not historical facts, but instead represent only the Company's or Brightline's belief as of the date of this filing regarding future events, many of which, by their nature, are inherently uncertain and outside of the Company's or Brightline's control. Furthermore, new risks and uncertainties arise from time to time, some of which may be beyond the Company's or Brightline's control, and it is not possible for the Company or Brightline to predict those events or how they may affect the Company or Brightline. Except as may be required by law, the Company, Brightline and their affiliates assume no duty to update or revise its forward-looking statements based on new information, future events or otherwise.

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