



Brightline Florida  
Monthly Revenue and Ridership Report  
July 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

**+41%**

**Ridership  
vs. July 2023**

**+246%**

**Total Revenue  
vs. July 2023**

**91%**

**On Time  
Performance**

## Key Updates

### Monthly Performance Summary

- Long haul ridership of 143,488 in July set a new record, supported by increasing repeat ridership
- Total ridership was up 41% year over year to 220,395 passengers and total revenue was up 246% to \$14.8 million
- Total revenue per passenger was \$67.25, an increase of 146% year over year

### Other Highlights

- In September, in connection with delivery of new passenger cars, we plan to commence operating five car length trainsets. The increase from our current four car length trainsets will enable us to begin addressing current seat capacity constraints. We believe the combination of capacity additions and the successful implementation of several initiatives described below will have a meaningfully positive impact on ridership over the near term
- In mid-August we soft launched our connectivity with AccesRail, which gets us preliminary access into the three main GDS systems (Amadeus, Sabre and Travelport) to obtain better access to travel sellers who also sell and package airfare, cruises, hotel stays and theme park tickets. The subsequent step in the launch of our connectivity with the GDS systems will be to begin marketing Brightline's availability through AccesRail to travel agents, which will occur in early September

## Commercial Overview

### *Revenue Activities*

We provide intercity rail service in Florida, connecting many of the largest population centers and most active economic centers 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 sixteen daily roundtrips between South Florida and Orlando. 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.

### *July Update*

July ridership was 220,395 at an average fare of \$55. 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 \$94 and the top quartile of fares averaged \$115, demonstrating customers' willingness to pay higher fares when not associated with current promotional activity to introduce our new service. Our long-haul ridership increased month over month to a new record of 143,488 passengers, supported by continued growth in repeat ridership and market penetration in the face of seasonally low demand. In July, long haul repeat ridership was 66,342, accounting for 46% of total long haul ridership. The pace of new customer trial of our long haul service remained robust at 77,146 trips in July and we expect this level to remain stable or grow, with some seasonal variability, for the foreseeable future as we add new distribution channels and continue to penetrate the large Florida travel market. Short haul ridership of 76,907 compared to 156,478 in July 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 add 20 additional Smart class passenger cars and 10 additional Premium class cars to our fleet in batches, with the first Smart cars planned to be placed into service in September.

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 over 10% each month since the opening of our Orlando station in September 2023 and we expect this growth to continue through 2024 and into 2025.

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 in excess of 400,000 passenger 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.

During June and July, Brightline proved itself as a reliable travel option when inclement weather and global technical issues closed or severely delayed flights at Miami, Fort Lauderdale, and Orlando airports. Thousands of new customers were exposed to Brightline as they scrambled to find alternative travel plans.

### *Additional Seat Capacity*

At present we operate ten trainsets, each with four passenger cars for a total capacity of 240 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, year to date in 2024, approximately 30% of our trains have reached max load factors. We frequently see in excess of 75% of our trains at capacity over weekends and holidays.

To address this capacity limitation, we have on order 20 additional Smart class passenger cars to be delivered in batches over the next several months and another 10 Premium class cars to be delivered in mid-2025. 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 trips per month in the near term and more over time as load factors increase across the system.

### **Marketing, Distribution and Partnerships**

Currently, our direct-to-consumer channel accounts for over 95% of our bookings, with less than 5% coming from indirect channels such as travel agents and corporate accounts. While Brightline's direct emails have open rates and click rates consistently above industry averages, indicating a highly engaged audience in our direct-to-consumer marketable database, indirect distribution represents a significant opportunity.

Travel companies, including European intercity passenger rail systems, receive, on average, an estimated 15% of their bookings through third parties that include the Global Distribution System ("GDS"), Online Travel Agencies (OTA), or Google Transit that is similar to Google Flights. In mid-August we soft-launched our connectivity with AccesRail. This allows travel agents to begin booking Brightline tickets for their clients. AccesRail, which gets us preliminary access into the three main GDS systems (Amadeus, Sabre and Travelport) to obtain better access to travel sellers who also sell and package airfare, cruises, hotel stays and theme park tickets. The subsequent step in the launch of our connectivity with the GDS systems will be to begin marketing Brightline's availability through AccesRail to travel agents, which will occur in early September. We will continue to enhance our GDS capability and expect to launch direct GDS connectivity with one of the main GDS systems around the end of the year following technical development and implementation.

Currently, our 2,000+ travel agency database books travel on our consumer website. As we continue to market to these travel agents, we will be making some content updates to our website in August that will be better tailored to this audience's needs. Later this year we will launch a dedicated travel agent website with further enhanced capabilities. There are approximately 50,000 travel agencies in the United States and the travel agency website, along with evolving GDS content, will allow us to expand our reach within that market more efficiently. This is in addition to an existing connection to Google Transit that already displays our inventory and pricing on Google Maps and within Google Search. This content is currently delivered to Google via a third party, but soon will be delivered via a direct API, improving the user experience and reducing our cost of distribution. Once our GDS connectivity and new travel agent website are in place and established, we expect indirect channels to comprise the typical 15% of our overall bookings and to enhance sales related to partnerships with key travel partners in Florida.

Based on customer surveys, we estimate approximately 20% of current ridership comes from people traveling to take a cruise, visit a theme park or connect to a flight. Currently, most of these trips are booked through our direct-to-consumer channel 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 in the short-term 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 3 million roundtrips annually, or 500,000 one-way trips per month. We currently have co-marketing partnerships with Royal Caribbean, Celebrity, and Princess Cruise lines in place, with several others in discussion. Our partnership with Princess Cruise lines also includes baggage service for their cruise passengers arriving through the Orlando airport, at which point Princess Cruise 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.

*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 all 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 through GDS will soon be able to package Brightline tickets for their customers, opening a new channel for this important business source.

*Airlines:* Both the Orlando and Miami Airports see in excess of 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 these passengers 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 airport in Florida and a partnership with Brightline would allow them to offer their customers a convenient "interline" connection to our five stations in South Florida. To facilitate this business, we have recently secured International Air Transport Association (IATA) appointment of Location Codes for all our stations in addition to the Orlando Airport (MCO) station. Airlines are also interested in adding Brightline as partner in their loyalty programs, where airline customers could earn and redeem miles for their trips on Brightline. We already partner with multiple airlines to carry their repositioning crewmembers and distressed passengers between our cities. Our airline partner discussions are ongoing, and we expect to add partnership components with various domestic and international airlines over the coming months, pending technical integrations.

### *Loyalty Program*

In July, repeat customers booked over 66,000 long haul trips, a 7% ratio of our marketable database of approximately 890,000 individuals as of July 1. While we anticipate this ratio 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%. We have selected Antavo as 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*

On March 4<sup>th</sup>, the Company announced it selected Martin County and the City of Stuart as the site for its next intercity passenger rail station. The station is planned to be located in Downtown Stuart and supported by a \$45 million dollar contribution from the City of Stuart and Martin County. We anticipate the Stuart station to open in late 2026 and based on the success of our Aventura and Boca Raton stations, we expect the Stuart station to immediately generate additional operating cash flow for the company once passenger service to the station commences.

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.

## July 2024 Ridership and Revenue Results

For the month ended July 31, 2024, we carried 220,395 passengers and generated total revenue of \$14.82 million. Ticket revenue in July 2024 was \$12.03 million, an increase of 327% compared to July 2023, with ridership up 41% in July 2024 compared to July 2023. The year over year increase in revenue reflects 143,488 long-distance rides in July 2024 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. As our long-distance trips increase, we are seeing a decrease in short-distance trips. July 2024 short-distance trips were 76,907 compared to 156,478 in July 2023 due to these capacity limits. We expect the new passenger cars to help address capacity needs. Ancillary revenue totaled \$2.8 million in July 2024 compared to \$1.5 million in July 2023.

Brightline Florida						
July 2024 Ridership and Revenue						
<i>(in millions of dollars, except ridership and average fare per passenger)</i>						
	Month End July 31			Year to Date July 31		
	2024	2023	% Δ	2024	2023	% Δ
<b>Ridership</b>						
Short-Distance	76,907	156,478	(51)%	712,874	1,112,598	(36)%
Long-Distance	143,488	--	NM	908,598	--	NM
Total	220,395	156,478	41%	1,621,472	1,112,598	46%
<b>Average Fare per Passenger</b>						
Short-Distance	\$27.08	\$18.01	50%	\$30.34	\$21.88	39%
Long-Distance	\$69.33	--	NM	\$74.21	--	NM
Total	\$54.59	\$18.01	203%	\$54.92	\$21.88	151%
<b>Ticket Revenue</b>						
Short-Distance	\$2.1	\$2.8	(26)%	\$21.6	\$24.3	(11)%
Long-Distance	9.9	-	NM	67.4	-	NM
	12.0	2.8	327%	89.0	24.3	266%
<b>Ancillary Revenue</b>	2.8	1.5	91%	20.6	10.2	102%
<b>Total Revenue</b>	<b>\$14.8</b>	<b>\$4.3</b>	246%	<b>\$109.6</b>	<b>\$34.5</b>	218%

### 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.