

Lineas enters into long-term partnership with Beacon and Ermewa through sale-and-leaseback of rolling stock

Transaction releases cash to strengthen balance sheet and further invest in transformation and European growth.

Brussels, 19. November 2021 - Today, Lineas announced its partnership with Beacon Rail and Ermewa through a sale-and-leaseback of part of its rolling stock. The transaction will allow Lineas to reimburse entirely its senior credit facilities, further strengthen its financial buffers, increase flexibility going-forward and provide additional financial means to invest in the further transformation of the company and its European growth strategy.

Lineas is pleased to announce it has entered into a long-term partnership with UK-based Beacon Rail and France-based Ermewa. The deal covers the sale and long-term leaseback of 109 T77 diesel locomotives (to happen gradually in the period 2021-2023), as well as approximately 4.000 wagons in 2021.

Jan De Raeymaeker, CFO of Lineas: *“This sale-and-leaseback transaction is an important step towards our transformation into an asset-light company, keeping long term access to these strategic assets, whilst at the same time increasing the flexibility to up and down scale in a continuously evolving market environment. The deal allows us to further strengthen our financial buffers and repay the entirety of our outstanding bank debts. The released capital will also be used to accelerate our transformation and European growth strategy.”*

Kurt Coffyn, COO of Lineas: *“With Beacon Rail and Ermewa, Lineas is gaining strong partners with the necessary expertise to help build a future-proof fleet at European level. The transaction will allow us to join forces in the development of new technologies such as Digital Automatic Coupling (DAC) and the European Train Control System (ETCS). These innovations are essential in making our rail offering even greener and more efficient, and thereby driving Modal Shift and contributing to Europe’s Sustainability Goals.”*

Rob Dee, CCO of Beacon: *“Beacon is delighted to have entered into this long-term partnership with Lineas through the sale-and-leaseback of 109 T77 locomotives. We look forward to supporting Lineas in their drive for continued modal shift across the European rail network through enhancements to these assets and future growth opportunities.”*

David Zindo – President of Ermewa Group: *“We are honoured and proud to have been selected by Lineas for this sale and lease back transaction, allowing Lineas to invest the freed-up capital in growth and business transformation projects. Lineas and Ermewa, as major actors in European rail freight, have a joint responsibility to make shift to rail as attractive as possible to existing and future rail freight customers. We are delighted to start working with Lineas on new wagon concepts, innovation and new technologies to fulfil this responsibility.”*

As a result of the transaction, Lineas will continue to use the assets in its day-to-day operations as well as remain the entity in charge of their maintenance.

Lineas was advised in this transaction by Apex Rail and Allen & Overy LLP.

About Lineas

Lineas is the largest private rail freight operator in Europe with headquarters in Belgium and sites in France, Germany, the Netherlands, Italy and Spain. The company's mission is to offer such superior rail products and services that customers shift the transport of their goods from road to rail, thereby improving their supply chain while decreasing their negative impact on climate, mobility and air pollution.

Lineas' flagship product is the Green Xpress Network (GXN), which provides daily, fast and reliable rail connections between major European hubs, combining different types of cargo into one train. The rail offering is completed with end-to-end solutions covering the "first & last mile". The GXN offering was launched in 2014 and now has over 25 connections.

Lineas employs over 2.100 people and owns a fleet of 250 locomotives and 7.000 wagons. The company's majority shareholders are independent private equity group Argos Wityu together with Lineas management.

www.lineas.net

About Beacon

Beacon Rail Leasing are a rolling stock leasing company headquartered in Luxembourg and focused on serving the European and UK markets. Beacon Rail Leasing's current portfolio will include 489 locomotives on completion of this transaction, 1,100 freight wagons, and 575 passenger train vehicles and intercity coaches operating in 17 European countries. Beacon Rail Leasing provides tailor made rolling stock solutions and prides itself on being agile, working collaboratively and helping each other to thrive.

<https://beaconrail.com/en/>

About Ermewa SA (Member of Ermewa Group)

Ermewa SA is a European leader in railcars leasing. The company provides maintenance, repairs, and operations through its European network of certified workshops and partners. Its addresses all segments thanks to its 44,000 railcars, dedicated to transport hazardous and non-hazardous liquids, gaseous, bulk and diversified general cargoes including food and non-food products. With a network of 16 offices in Europe, Ermewa SA provides industrial companies, railway undertakings and freight forwarders with a range of more than 120 different types of railcars. Ermewa SA is a member of Ermewa Group, which also includes Eurotainer as well as Raffles Lease and Demi, offering management and leasing of ISO tank containers to companies. Inveho workshops complete the portfolio of the Ermewa Group. Their range of services includes the construction, maintenance, and repair of rail vehicles.

www.ermewa.com

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