

Rail First Asset Management change of ownership

5 September 2022 – Rail First Asset Management (“Rail First” or the “Company”) is pleased to announce that Anchorage Capital Partners (“Anchorage”) has signed a definitive agreement to sell the Company to a consortium comprised of Amber Infrastructure (“Amber”) and DIF Capital Partners (“DIF”), two leading global infrastructure investors.

The change in ownership will become effective in the fourth calendar quarter of 2022, subject to regulatory approval.

Anchorage acquired Rail First in 2019 and successfully executed an operational improvement program that repositioned the Company’s end market exposure towards the growing intermodal sector; implemented new systems and processes; and materially invested in assets which delivered strong, sustainable growth.

“This transaction is a significant milestone for Rail First and reinforces our commitment to our people and customers,” Rail First Chief Executive, Mark Kirkpatrick said,

“We thank Anchorage for their contributions to our business over the last three years, and we are excited to partner with Amber and DIF to take Rail First into its next phase of growth.

“This agreement delivers against Rail First’s strategic priorities of providing high quality service to the Australian rail industry and capitalising on strong intermodal market growth.”

Mr. Kirkpatrick said Rail First was excited to partner with Amber and DIF given their successful track record of rail and infrastructure investments, globally and in Australia.

“Their prior experience combined with significant capital commitment to fund our continued growth places Rail First in a strong position to grow alongside our customers.

“We thank our customers for their loyalty, and we will look forward to working closely together to further unlock the full potential of our businesses,” he said.

Amber Infrastructure’s Head of Asia-Pacific, Vaughan Wallace, said Rail First was an excellent Australian business and Amber sees significant opportunities to create long-term value.

“The company is well placed to benefit from government decarbonisation initiatives, which will continue to see more freight shift from road to rail.”

He said Amber were internationally experienced essential infrastructure operators and investors with specific expertise in rail freight assets, as a long-term investor in Angel Trains in the UK and owner of Cargounit in Poland.

“We look forward to leveraging this international expertise to support Rail First’s growth ambitions,” Mr Wallace said.

Partner and Head of Investments for the DIF CIF strategy, Willem Jansonius, said DIF was delighted to invest in Rail First, as it provided unique access to Australia’s attractive rail leasing market.

“The company is well positioned to partner and grow with its customers. We look forward working together with the company’s experienced management team to offer more environmentally friendly leasing solutions to the Australian rail market,” Mr Jansonius said.

About Rail First

Rail First is Australia's leading provider of full-service vertically integrated rolling stock leasing and maintenance solutions to the rail industry. The company operates over 1,300 locomotives and wagons with two strategically located workshops in Islington (SA) and Goulburn (NSW) which service a blue-chip customer base that is primarily focused on the intermodal market.

For more information on Rail First, please see www.railfirst.com.au

About Anchorage Capital Partners

Anchorage Capital Partners is a specialised private equity firm that invests in businesses operating below their full potential requiring significant transformation or in complex special situations.

Anchorage Capital Partners seek active partnerships with management teams where we can apply our unique combination of capital, operational expertise and change disciplines to deliver sustainable performance improvement.

The professionals at Anchorage are highly experienced, having been involved in private equity investments in the Asia-Pacific region for over 25 years. Anchorage has managed ~\$1 billion in commitments across three funds and co-investments.

For more information on Anchorage, please see www.anchoragecapital.com.au

About Amber Infrastructure Group

Amber Infrastructure ('Amber') is a specialist international investment manager, focused on investment origination, asset management and fund management. With approximately €5 billion in funds under management, Amber invests across eight funds and a number of managed accounts. Amber's core business focuses on sourcing, developing, advising, investing in and managing infrastructure assets across the public, transport, energy, digital and demographic infrastructure sectors that support the lives of people, homes and businesses internationally. Amber is headquartered in London with offices in Europe, North America and Australia and manages over 150 investments. Amber employs over 150 infrastructure professionals globally.

About DIF Capital Partners

DIF Capital Partners is a leading global independent investment manager, with ca. EUR 14 billion in assets under management across eleven closed-end infrastructure funds and several co-investment vehicles. DIF invests in infrastructure companies and assets located primarily in Europe, the Americas, and Australia through two complementary strategies:

- Traditional DIF funds, of which DIF Infrastructure VII is the latest vintage, target core infrastructure equity investments with long-term contracted or regulated income streams including public-private partnerships, concessions, utilities, and energy transition projects (incl. renewable energy).
- DIF CIF funds, of which DIF CIF III is the latest vintage, target equity investments in small to mid-sized core-plus infrastructure companies in the telecom, energy transition, and transportation sectors.

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