

Investor Report

1 January to 31 December 2024

angel^{Trains}

Rail people.
Real expertise.



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01.

General Overview

Angel Trains Group (the “Group”) performed strongly during the period with EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) of £452.1m (2023: £456.7m).

The Group has maintained metrics consistent with the Baa2 credit rating throughout the period, confirmed by the Moody’s credit update, which also highlighted that “Angel Trains has procured new rolling stock in recent years, which has contributed to decreasing the age of its fleet and reducing concentration on large fleets.”

At 31 December 2024, the Group owned 4,023 vehicles. This was lower than the 4,085 vehicles owned at 31 December 2023 owing to the disposal or sale of a number of life-expired vehicles, partially offset by acceptance of Class 720 vehicles. During the period, 50 new vehicles were delivered, with a further 115 vehicles in the process of being manufactured for future delivery.

There were 99 vehicles which were either marked for disposal or being held for spares which had either no economic or book value. There were 90 vehicles with an economic value which were off-lease on 31 December 2024; however, a lease had been agreed by 31 December 2024 for 68 of these vehicles which was signed in Q1 2025, giving an effective utilisation rate of 99.5% (22 vehicles with an economic value remain off-lease).

4,023
vehicles owned
by the Group at
31st December 2024



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Revenue of

£603.6m

EBITDA during the period of

£452.1m



02. Significant Business Developments

2.1

New significant business developments to 31 December 2024

New Trains

In December 2024 Angel Trains announced the procurement of 14 new 5-car Hitachi Class 80x trainsets, which will be leased by FirstGroup for use on its newly secured London to Carmarthen and other Open Access routes.

This significant £250m investment was agreed in partnership with FirstGroup and Hitachi Rail in less than three months from initiation to signing and the speed at which this transaction was concluded reflects one of the significant advantages that the private sector continues to offer the industry.

The delivery of these new state-of-the-art trains secures jobs at Hitachi's Newton Aycliffe facility where the vehicles will be assembled, helping to retain critical skills and drive growth within the local economy.

The new trains will be a combination of electric and bi-mode (electric diesel) with the capability to subsequently be converted to battery, aligning with our strategy to support the de-carbonisation of rail in a sustainable manner.

This announcement underpins Angel Trains' continued commitment to investing in the UK rail manufacturing and supply chain.

Acceptance of Class 720 Alstom Aventra vehicles continued during the year. At 31 December 2024, 620 of the 665 vehicles that were procured for use in the East Anglia franchise had been delivered. The new electric fleet will reduce the proportion of diesel trains that the Group owns, reduce the average age of the portfolio and provide a long-term revenue stream.



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Refurbishment Projects and Future Developments

Despite a number of challenges to the industry in general, our supply base has continued to support our maintenance requirements over the past year. To aid this, we are working closely with our strategic supply base to ensure continuity of supply through workload consolidation, whilst also promoting retention of competencies and capacity within the rail industry. We continue to enjoy strong and positive relations with our suppliers and seek to identify further ways to develop these relationships for mutual gain.

The award-winning £120m refurbishment of the iconic Pendolino fleet was completed in June 2024. The refurbishment, undertaken in conjunction with Avanti West Coast and Alstom at the Alstom facility in Widnes, was the largest refurbishment programme ever undertaken in the UK and saw 574 refurbished carriages delivered in just over two years, at a rate of one completed train every two weeks. The upgrade has returned the whole Pendolino fleet to an 'as new' condition.

574



**refurbished carriages delivered
in just over two years**



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Angel Trains completed the UK's first intercity battery trial on a Class 802 unit



Class 802 battery trial

In collaboration with Transpennine Trains Limited and Hitachi Rail, Angel Trains completed the UK's first intercity battery trial on a Class 802 unit.

This multimillion-pound investment demonstrated the benefits that battery technology can deliver on existing and new fleets, driving forward a greener mode of transport that benefits passengers and the environment.

SMBC Leasing

In March 2024, Angel Trains announced that it had acquired a 50% share in SMBC Leasing's UK rail rolling stock portfolio. The portfolio is a diversified fleet of modern rolling stock, serving rural and urban areas throughout the UK. The assets are on long-term lease arrangements with highly rated counterparties. As this is a joint venture, the results are not consolidated into the Group's results.

The 50% share provides an equivalent economic investment in an additional 426 vehicles, which are excluded from the 4,023 vehicles quoted above.



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The award-winning £120m refurbishment of the iconic Pendolino fleet was completed in June 2024. The refurbishment, undertaken in conjunction with Avanti West Coast and Alstom at the Alstom facility in Widnes, was the largest refurbishment programme ever undertaken in the UK



2.2

Re-leasing activity and current fleet utilisation

As at 31 December 2024, Angel Trains owned 4,023 rolling stock vehicles.

189 of these were off-lease (although 68 were leased in Q1 2025), of which 99 are expected to be scrapped or held for spares.

The following leases were extended or entered into during the year;

- Transport for Wales – the lease for the 70 Class 175 vehicles was extended until September 2024, with a planned handback profile over this period.
- Transport for Wales – the lease for the 48 Class 158 vehicles was extended until April 2025. Further extensions are anticipated to April 2027.
- South Eastern – the lease for the 150 Class 707 vehicles was extended until October 2027.
- South Eastern – a new lease was entered into for 222 Class 46x vehicles until October 2027.
- East Midlands Railway – the lease for the 84 Class 360 vehicles was extended until October 2030.
- South Western Trains – the lease for the 225 Class 444 vehicles was extended until May 2025.
- South Western Trains – the lease for the 508 Class 450 vehicles was extended until May 2025.
- West Midlands Trains – the lease for 16 Class 172 vehicles was extended until September 2026.



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The table below summarises the Angel Trains fleet by lease counterparty as at 31 December 2024.

Owning Group	Operator	Total Vehicles	Lease End Dates	Vehicles Leased %	Contract Type
Abellio	Abellio East Anglia Ltd	620	Oct 25	15.41	NRC
	Abellio East Midlands Ltd	116	Aug 27 / Oct 30	2.88	NRC
	Total	736		18.29	
Abellio, JR East and Mitsui	West Midlands Trains Ltd	224	Mar 26 / Sep 26	5.57	NRC
Arriva	Chiltern Railways	89	Dec 27	2.21	NRC
	Grand Central Railway Company Ltd	50	Dec 26	1.24	Open Access
	Total	139		3.46	
First Group	Great Western Railway Ltd	177	Jun 25 / Jun 27 / Jun 28	4.40	NRC
	Hull Trains	25	Dec 29	0.62	Open Access
	Total	202		5.02	
First Group / MTR	First MTR South Western Trains Ltd	733	May 25	18.22	NRC
GB Railfreight	GB Railfreight Ltd	4	May 25 / Jul 25	0.10	Freight
Transport for Wales	Transport for Wales Rail Ltd	48	Apr 25	1.19	OLR
Transport Scotland	ScotRail Trains Ltd	258	Mar 26 / Mar 27	6.41	OLR
Rail Operations Group	Rail Operations Group Ltd	5	Jul 31	0.12	Hauler
Serco / Abellio	Merseyside Passenger Transport Ltd	6	Jan 25	0.15	Franchise
Trenitalia	Trenitalia C2C Ltd	112	Nov 29	2.78	NRC
Department for Transport	Northern Trains Limited	332	Mar 25	8.25	OLR
	SE Trains Ltd	366	Oct 27	9.10	OLR
	TransPennine Trains Ltd	95	May 31	2.36	OLR
	Total	793		19.71	
First Group / Trenitalia	First Trenitalia West Coast Rail Ltd	574	Mar 26	14.27	NRC
	Off lease with future rent expectations	90		2.24	*
	Off lease with no future rent expectations	16		0.40	**
	Marked for disposal	83		2.06	**
	Total	189		4.70	
GRAND TOTAL		4,023			

* Opportunities being explored

**Off lease, life expired with no future identifiable opportunities to release



2.3

Significant Board/Management changes for the period ending 31 December 2024

Following its acquisition of a 10% stake in Angel Trains from PSP Investments in June 2023, Arjun Infrastructure Partners completed the acquisition of a further 1.65% from PSP Investments in March 2024. PSP Investments remains Angel Trains' majority shareholder with 62.6%.

There were no significant changes of directors or officers in the Angel Trains Group of companies during the period.



62.6%

PSP Investments
remains Angel Trains'
majority shareholder



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As at 31 December 2024

4,023

rolling stock vehicles
owned by Angel Trains

115

new vehicles on order

03.

Regulatory/Governmental Developments

3.1 Significant announcements / publications by any regulator or relevant government department

Following the general election in July 2024 and the resulting change in government, the new Labour government gained royal assent for the Passenger Railway Services (Public Ownership) Act 2024 in November 2024. The Act makes provision for passenger railway services to be provided by public sector companies instead of by means of franchises awarded to private operators, a key Labour policy during its election campaign.

The timetable for the transfer of the first three private train operators to be taken into public ownership was published in December 2024. The initial three operators to be nationalised are South Western Railway in May 2025, c2c in July 2025 and Greater Anglia in autumn 2025. Our Redelivery Plan is well-developed and we are working with all parties to ensure a smooth transition to the new lessees.

The timetable for the transition of the remaining private operators into public ownership remains unclear but the Group's pre-existing contracts with train operators continue in force until their existing expiry dates.



04. Capital Expenditure

4.1 Material matters of capital expenditure including future commitments made during the relevant period

During the period the Group incurred capital expenditure of £139m, mainly comprising of:

- Stage payments for Class 720 vehicles.
- Refresh and modifications for Class 165/166, Class 15x, HSTs, Class 350, Class 360 and Class 390 vehicles.
- Continued Service Operation work on Class 15x vehicles.

The Group had total capital commitments of £489m as at 31 December 2024, mainly comprising of:

- Stage and delivery payments for Class 720 vehicles.
- Stage and delivery payments for Class 80x vehicles.
- Retention payments for Class 802 vehicles.
- Continued Service Operation work on Class 15x vehicles.



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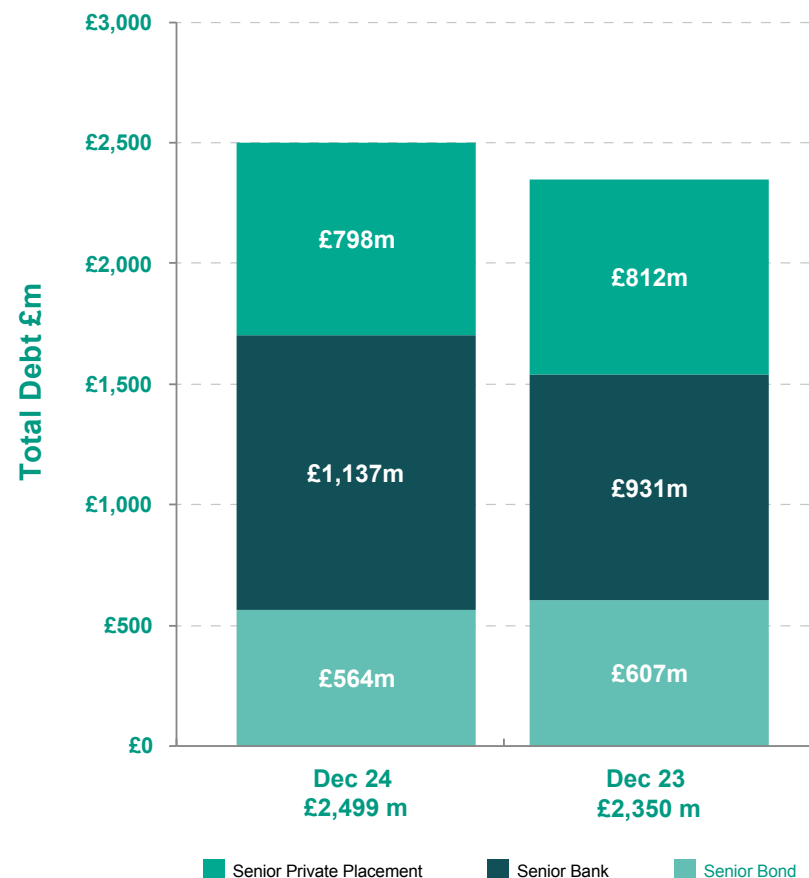
05. Financing

5.1. Total Senior debt outstanding at 31 December 2024

Group Entity: The Great Rolling Stock Company PLC

Debt Type	Debt Facility	Balance Outstanding £	Issue / Facility Limit £	Maturity Date
Senior Bond	20-yr Amortising Bond	317,400,000	460,000,000	Apr 31
	25-yr Amortising Bond	247,000,000	500,000,000	Jul 35
	Total for Debt Type	564,400,000	960,000,000	
Senior Private Placement	US Senior Private Placement	30,000,000	30,000,000	Jun 31
	US Senior Private Placement	85,000,000	85,000,000	Nov 32
	US Senior Private Placement	200,000,000	200,000,000	Sep 34
	US Senior Private Placement	100,000,000	100,000,000	Nov 37
	Senior Private Placement	382,842,296	437,534,052	Nov 27
	Total for Debt Type	797,842,296	852,534,052	
Senior Bank	Revolving Credit Facility	30,000,000	500,000,000	Aug 29
	15-yr Amortising Debt	257,142,857	300,000,000	Oct 33
	10-yr Amortising Debt	450,000,000	450,000,000	Dec 31
	10-yr Amortising Debt	150,000,000	150,000,000	Dec 31
	10-yr Amortising Debt	250,000,000	250,000,000	Aug 33
	Total for Debt Type	1,137,142,857	1,650,000,000	
Grand Total		2,499,385,153	3,462,534,052	

5.2. Senior Debt Facilities: December 2024 v December 2023



06. Historical Financial Performance and Ratios



2024 £452.1m

2023 £456.7m

6.1 Update on financial performance for the year including ratios

EBITDA, the Group's key measure, for the period ending 31 December 2024 was £452.1m (2023: £456.7m). Revenue for the period was £603.6m (2023: £600.2m). The increase in revenue from 2023 is mainly due to more Class 720s being introduced into passenger service and revenue from rail and infrastructure services, partly offset by the decline in revenue associated with older life expired fleets coming off lease.

The Group's total external senior debt at 31 December 2024 was £2,499.3m, compared to £2,349.7m at 31 December 2023. The net increase of £149.6m was due to utilising a new £250m amortising term facility, partially offset by £85.4m of scheduled debt repayments, and Revolving Credit Facility net repayments of £15.0m.

All senior floating rate debt remained economically hedged and no speculative derivatives were executed.

The Senior Interest Cover ratio for the period to 31 December 2024 was 3.7, compared to the financial covenant requirement of at least 1.5:1.

The Senior Leverage ratio for the year ending 31 December 2024 was 5.5, compared to the financial covenant requirement of no greater than 8.5:1.

The Group remains insulated from the direct impact of foreign exchange volatility and the senior debt is hedged for interest rates.

6.2 Credit ratings

Moody's completed its annual review for 2024 and reaffirmed the Baa2 stable credit rating in March 2025, again recognising "strong operational performance since privatisation", and noting that "revenue is not linked to passenger volumes or ticket sales" and "the protective features of Angel Trains' ring-fenced finance structure."

Moody's commented that the stable outlook reflected its' "expectation of strong cash flow generation supported by rolling stock lease renewals at lease rates that are, at a minimum, in line with base case forecast and that Angel Trains will continue to implement conservative financial policies."

Regarding re-leasing risk, Moody's also highlighted "that the Class 390 fleet includes features to accommodate requirements and specifications associated with the West Coast franchise, the Class 450 fleet represents a very significant portion of the fleet serving the South Western franchising, making a replacement difficult to implement, while the Class 720 is one of the newest and most modern fleets in the UK."



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07. Other business matters

7.1

Accreditations

Angel Trains retained its Global Real Estate Sustainability Benchmark (“GRESB”) rating as a 5-star rated business for the fourth consecutive year, increasing its benchmark score from 95/100 to 99/100.

The business had another successful audit by LRQA on its Quality (ISO 9001) Management System. The ISO 9001 approval, together with our RISAS approval, provides assurance to our customers in the QMS processes used to provide our engineering services.

During the period, Angel Trains was again recognised by Effectory as a World Class Workplace. Angel Trains has worked with Effectory on employee surveys for over a decade. They survey over a million employees globally and award the “World-class Workplace” label to organisations that score above the national benchmark for “Employership”, which takes into account employee engagement, the level of employee commitment, and how successful businesses are at enabling employees to reach their potential. Our annual employee survey resulted in an increased response rate of 97% (up from 95% in 2023) and a Net Promoter Score of 74, (up from 68 in 2023) again significantly above the global benchmark.

In December 2024, Angel Trains was accredited for both ‘We Invest in People’ and ‘We Invest in Wellbeing’ at the Platinum level. This is the highest level possible and achieved by only 7% of organisations. As well as being accredited at Platinum level, we were also shortlisted for three awards by Investors in People - Best Culture, Best People Team and the Award for Social Responsibility – and were delighted to win Best People Team.

In December 2024, Angel Trains was accredited for both ‘We Invest in People’ and ‘We Invest in Wellbeing’ at the Platinum level.



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7.2

Corporate structure

During the year, Willow Topco Limited (“WTC”) (the previous ultimate parent), underwent a reorganisation, resulting in a change in the ultimate parent company. In summary, three new Jersey-incorporated companies, Willow Group Holdings Limited (“WGH”), Willow Group Midco Limited and Willow Group Limited, were established, with WGH becoming the new ultimate parent undertaking. These were established via share for share exchanges and shareholders loan notes of the equivalent value of those held in WTC.

On 19 February 2025, The Great Rolling Stock Company PLC was re-registered as a private limited company, changing its name to The Great Rolling Stock Company Limited. There is no impact to the credit rating as a result of this change.



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1 January to 31 December 2024

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Real expertise.**