

STRATEGY

Strategic focus areas

Own rolling stock ensures independence

At the end of 2019 the Hupac Group had a fleet of 7,297 rail platforms. This corresponds to an increase of 5.9% over the previous year. The proportion of rented wagons in the total rolling stock was 14.4%.

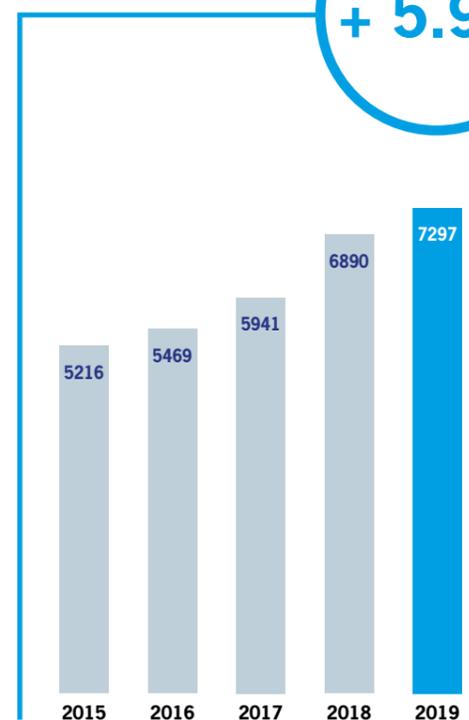
In the year under report, 200 wagons of type T3000 and 160 48-foot container wagons worth

approximately EUR 27.0 million were delivered to Hupac Ltd. In addition, orders were placed for 100 90-foot container carrying wagons. In cooperation with the Chinese manufacturer CRRC, two prototypes of six-axle 90-foot container wagons were developed and built, which were subjected to extensive testing in Europe in 2019. These are necessary for obtaining approval.

Rolling stock

Number of rail platforms

+ 5.9%



Strong footprint in the terminal sector

Significant progress was made in the terminal sector in the year under review. In October 2019 Hupac took over the majority of the terminal company CIM SpA Interporto Novara – an important step for transalpine traffic through Switzerland via the Lötschberg axis. The majority acquisition of the Dutch terminal company Geleen RTC also offers interesting opportunities.

In the future, Hupac intends to commit itself in the economic area Rhine-Ruhr and in the European region along the Silk Road. Last year Hupac was able to conclude letters of intent for participation in the construction of new terminals in the Duisburg Coal Port and in Minsk (Belarus).

Construction work, coordinated by an internal engineering team, was also successful. In Piacenza, construction of the new terminal of Centro Intermodale SpA began in collaboration with Mercitalia

Logistics. The completion is scheduled for mid 2022. The terminal projects Milano Smistamento and Brescia are currently in the preparatory phase.

Preparatory work was completed at the Brwinów terminal near Warsaw. Due to COVID-19 crisis, the start of construction has been delayed; nevertheless, we expect the plant to be ready for operation in mid 2022.

Various expansion investments were also implemented in the existing terminals. A container depot was created at the Singen terminal as an important prerequisite for the efficient operation of maritime hinterland transportation. At the Busto Arsizio-Gallarate terminal, the Gallarate transfer track and the signaling system are currently being renewed. By the end of the year, the extension work for handling 740 m long trains should be completed.

Terminals of the Hupac Group

- Terminal management
- Minority participation
- Terminal projects



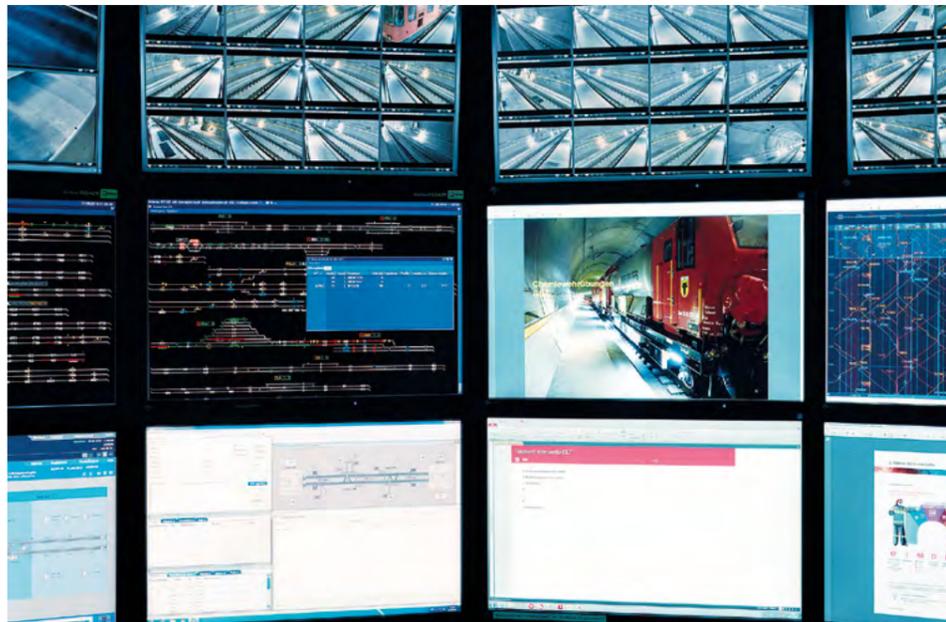
Rail traction with partners

Over 95% of Hupac intermodal transport is conducted in accordance with the principle of integrated international traction responsibility. Markets where the structures only partly allow this business model are an exception. In the year under review, the main freight carriers for Hupac Intermodal trains included SBB Cargo International, DB Cargo AG, Mercitalia Rail, BLS Cargo, Crossrail, Captrain, WLB Wiener Lokalbahnen, SNCF Fret, SNCB Logistics, Rotterdam Rail Feeding, NOI Nuovo Operatore Intermodale, LTE, Railtraxx, Rail Cargo Hungaria, Metrans and Fox-

rail. ERS Railways cooperates with the railway undertakings boxXpress, LTE and Freightliner.

The railway undertaking Hupac SpA owns a total of 10 shunting and/or mainline locomotives. With these resources Hupac SpA handles shunting operations in the Busto Arsizio-Gallarate and Piacenza terminals and wagon transport between the terminal and the workshops.

Hupac Ltd owns 8 locomotives type Vectron and 3 locomotives type Taurus.



Significant progress in digital transformation

Extensive investments have also been made in information technology. In addition to installing GPS units in approx. 1000 wagons for better train tracking throughout Europe, 250 wagons have been equipped with RFID chips. The information obtained here – in conjunction with the data from the train control devices in Switzerland – facilitates the predictive maintenance of the wagons.

The further use of OCR gates in the Busto Arsizio-Gallarate terminal allows for a better utilization of the facility. The handling time per train is reduced by an average of 20 minutes. This generates a capacity increase of the terminal of 10%.

Last year, the digitisation of booking processes also started. The automation of these processes and the resulting optimisation of loading capacity leads to mandatory transport plans and reliable information on the status of the transport. The “Hupac Train Radar” makes this information visible on a platform. Customers can virtually follow their loading unit; if necessary, they receive proactive information on deviations from the timetable and a new estimation of the arrival time.

With the digital transformation of its business processes, Hupac is strengthening the competitiveness of combined transport. The focus is on wagon technology, terminal productivity, better planning of the interface between wagon, terminal and customer and, last but not least, better visibility of the supply chain.

Highlights 2019



February

Foundation of the EDIGES consortium with the aim of further developing the EDIGES data exchange system as an industry standard



May

All Hupac Intermodal trains are equipped with GPS sensors for tracking & tracing



June/July

Hupac signs letters of intent for the construction of terminals along the Silk Road (Duisburg Coal Port, Minsk)



September

Opening of a container depot at the terminal in Singen



September

Commissioning of OCR portals at the Busto Arsizio-Gallarate terminal to optimize check-in and check-out processes



October

Hupac becomes majority shareholder in CIM SpA Interporto Novara



November

Hupac decides to take over the majority of the terminal company Geleen RTC



November

Start of construction of the Piacenza terminal