

# Notice to attend the Extraordinary General Meeting of Railcare Group AB (publ)

**The shareholders of Railcare Group AB, reg. no. 556730-7813, (“Railcare Group” or the “Company”) are hereby given notice to attend the Extraordinary General Meeting to be held at 10:00 a.m. CEST, Wednesday 24 July 2024 at the Company’s head office, Näsuddsvägen 10 in Skelleftehamn, Sweden. Registration for the Meeting commences at 9:30 a.m. CEST.**

## NOTICE OF PARTICIPATION

Shareholders who wish to participate in the proceedings of the General Meeting must:

- both be entered in the register of shareholders kept by Euroclear Sweden AB on the record date on Tuesday 16 July 2024, and
- notify the Company no later than by Thursday 18 July 2024, in writing to Railcare Group, Att: Extraordinary General Meeting, Box 34, SE-932 21 Skelleftehamn, Sweden. Notice can also be made by telephone at +4670-622 50 01 or by e-mail [ir@railcare.se](mailto:ir@railcare.se). Such notice must contain the shareholder’s full name, personal identification number or registration number, the number of shares, address, daytime telephone number and, if applicable, information regarding any attending representative or deputy (maximum two). The notice should, when applicable, be accompanied by proxies, registration certificates and other authorization documents.

Personal data obtained from the share register kept by Euroclear Sweden AB, notification of attendance at the Meeting and information on representatives, proxies and deputies will be used for registration, preparation of the voting list for the Meeting and, where appropriate, the minutes of the Meeting. Personal data is handled in accordance with the Data Protection Regulation (European Parliament and Council Regulation (EU) 2016/679). For full information regarding the Company’s handling of personal data, please refer to our privacy policy: <https://www.railcare.se/integritetspolicy/>.

## Nominee registered shares

The shareholders who have their shares registered in the name of a nominee must, in order to exercise their voting rights at the meeting, through the nominee register their shares in their own name so that the shareholder is registered in the register of shareholders kept by Euroclear Sweden AB by the latest on the record date, Tuesday 16 July 2024. Such registration may be temporary (so-called “voting registration”). Shareholders wishing to register their shares in their own name must, in accordance with the procedures of the respective nominee, request the nominee to carry out such voting registration. Voting registration requested by shareholders in such time that the registration has been made by the nominee no later than Thursday 18 July 2024 will be considered in the preparation of the shareholder register.

## Proxy etc.

If shareholders are to be represented by a proxy, the proxy must bring a written, by the shareholder signed and dated power of attorney to the General Meeting. The power of attorney may not be older than one year, unless a longer period of validity (but no longer than five years) has been stated in the power of attorney. If the power of attorney is issued by a legal person, the proxy must also include the current registration certificate or the corresponding authorization document for the legal person. A copy of the power of attorney and any registration certificate should be submitted to the Company at the above address, or by e-mail to [ir@railcare.se](mailto:ir@railcare.se), well in advance of the General Meeting. The power of attorney in original shall also be presented at the General Meeting. A proxy form is available on the Company’s website [www.railcare.se](http://www.railcare.se) and sent by post to shareholders who contact the Company and state their

postal address.

## PROPOSED AGENDA

1. Opening of the Meeting.
2. Election of the Chairman at the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the Agenda.
5. Election of one or two persons to approve the minutes.
6. Determination of whether the Meeting has been duly convened.
7. Resolution regarding approval of related party transaction.
8. Closing of the Meeting

## PROPOSALS BY THE BOARD OF DIRECTORS

### Election of the Chairman at the Meeting (item 2)

The Board of Directors proposes that Anders Westermark is elected as Chairman of the Meeting.

### Resolution regarding approval of related party transaction (item 7)

#### *Background and reasons*

The Company has entered into an agreement to acquire 4,000 shares, corresponding to 40 per cent of the shares, in the newly started locomotive rental company AC Finance AB (“**AC**”). In connection with the acquisition, the Company enters into a loan agreement together with the existing owners of AC regarding shareholder loans of up to SEK 50,000,000. Shareholder loans shall be contributed in proportion to the shareholding of AC Finance AB, thus Railcare has committed to contributing up to SEK 20,000,000 in shareholder loans. In connection with the acquisition, the Company enters into a lease agreement to rent nine locomotives from AC for five years.

Nornan Invest AB (“**Nornan**”) is the selling majority shareholder in AC and also a lender to AC under the same loan agreement as the Company. Nornan owns shares corresponding to 29.52 per cent of the capital and votes in the Company and is thus the largest shareholder in the Company. Based on the above, the overall transaction, comprising the acquisition agreement, the loan agreement and the lease agreement, is such a related party transaction that needs to be approved by the general meeting (the “**Related Party Transaction**”).

#### *The Acquisition Agreement*

AC is a company established to acquire locomotives for the purpose of leasing them to commercial operators. Railcare has entered into an agreement to acquire 4,000 shares, corresponding to 40 per cent, in AC. The purchase price amounts to SEK 400,000. The existing shareholders in AC selling shares to Railcare are Nornan and Actinvest AB, which will hold shares in AC correspond to 30 per cent each after the acquisition.

The acquisition agreement is subject to, that Railcare holds an extraordinary general meeting, at which the shareholders of Railcare vote in favor of Railcare's acquisition of the shares in AC with the required majority, and that AC secures external financing for the acquisition of the locomotives. In connection with the share transfer, the sellers have provided customary guarantees regarding the shares.

#### *The Loan Agreement*

AC has invested in 14 newly manufactured locomotives of the Effishunter 1000 model, which will be delivered in

2024 and 2025. The investment amounts to approximately SEK 480,000,000. AC is financed by bank financing, equity and shareholder loans. The loans from Railcare to AC in accordance with the loan agreement are provided to meet AC's need for capital to finance the purchase of locomotives and to ensure that the required external bank financing can be obtained. Pursuant to the loan agreement, Railcare undertakes to contribute up to SEK 20,000,000. In total, the shareholders of AC undertake to contribute up to SEK 50,000,000 in shareholder loans on essentially the following terms.

- The shareholder loans are provided in relation to the shareholding of each shareholder in AC.
- AC has the right to call for a shareholder loan as the need for capital arise.
- The principal amount bears interest at a rate equal to AC's average interest cost on the loans to the financing bank from time to time.
- The parties annually agree on the repayments and the repayments shall be made quarterly no later than 30 days after the end of each calendar quarter unless the Lenders agree otherwise.

#### *The lease agreement*

Railcare has previously, through a press release on 25 October 2023, announced that Railcare has been awarded additional agreements for standby locomotives with the Swedish Transport Administration (Sw: *Trafikverket*) for a period of five years and with a total order value of SEK 403,000,000.

Effishunter 1000, the locomotive model in which AC has invested, fulfils the requirements set by the Swedish Transport Administration in the agreements and Railcare has in connection with the transaction entered into an agreement to lease nine locomotives on essentially the following terms.

- The lease period is five years from the date of access to each locomotive, which means that the lease period is different for the different locomotives.
- At the end of the initial rental period, Railcare has the right to extend the agreement by 1+1 years. For time thereafter, the rental period shall be automatically extended by one year at a time.
- The rent is market-based, and Railcare bears the currency and interest rate risk.

#### *Resolution of decision*

The Board of Directors proposes that the Extra General Meeting approve the Related Party Transaction.

#### *Majority requirement*

Valid resolution requires the support of shareholders representing at least half of the votes cast at the meeting. Shares and votes held by Nornan will not be taken into account.

### **NUMBER OF SHARES AND VOTES**

The number of outstanding shares and votes in the Company amounts to 24,124,167 at the time of this notice. The Company has no own shares.

### **SHAREHOLDERS REQUEST FOR INFORMATION**

According to Chapter 7, Sections 32 and 57 of the Swedish Companies Act, the Board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors considers that it can be done without material harm to the Company, provide information at the meeting on circumstances that may affect the assessment of an item on the agenda. The duty of disclosure also includes the Company's relationship with other group companies, the consolidated financial statements and such circumstances regarding subsidiaries as referred to in the previous sentence.

## DOCUMENTATION

The Board of Directors' complete proposal for resolutions will be available at the Company no later than three weeks prior to the meeting and will be sent to shareholders who so request and state their postal address. This document will also be available at Näsuddsvägen 10 in Skelleftehamn, Sweden, and the Company's website from the same date.

Skelleftehamn, June 2024

### **Railcare Group AB**

#### THE BOARD

*This information is of the nature that Railcare Group AB (publ) is obliged to make it public pursuant to Nasdaq Stockholm rulebook for issuers.*

#### **For further information contact:**

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#### **About Railcare Group**

The railway specialist Railcare offers innovative products and services for the railway; for example, railway maintenance with self-developed machines, a locomotive workshop, special transport and machine sales projects. Our market is mainly in Scandinavia and the United Kingdom. The railway industry is in a positive development with increasing traffic volumes, extensive investment programs, developing cost-effective freight and passenger transport, and rising environmental awareness. Railcare delivers both sustainable and efficient solutions that contribute to the railway, so it can be used for the maximum number of years to come. The shares of Railcare Group AB (publ) are listed on the Small Cap list of the Nasdaq Stockholm exchange. The Group has approximately 170 employees and annual sales of approximately SEK 550 million. The company's headquarters are in Skellefteå.