



Press release

25 October 2023

Railcare awarded five-year contract worth SEK 403 million

Railcare has won another five-year contract with the Swedish Transport Administration relating to standby locomotives worth a total of SEK 403 million, corresponding to just over SEK 80 million annually. The contract covers six locations, with the first assignment starting on 1 January 2025 and the final assignment starting on 1 January 2026. The contract also includes an option for a further 1+1 years, corresponding to a value of SEK 161 million.

“This is the second largest contract in Railcare’s history, and of key significance to the profitability and long-term success of the company’s transport operations. Alongside existing contracts, we are now contracted to provide a total of ten standby locomotives,” commented Mattias Remahl, CEO of Railcare Group AB.

The assignment in Borlänge represents an extension of an existing assignment, although the other five locations in Gävle, Hallsberg, Ånge, Nässjö and Älmhult are new. Railcare will supply standby locomotives including staff for each location, which will be available for call-off around the clock 365 days a year.

Standby locomotives are used to ensure faster recovery of vehicles and, in exceptional cases, evacuation. The assignment involves transport of railway vehicles involved in an adverse event or affected by breakdown on the railway network managed by the Swedish Transport Administration. Recovery/transport relates to initial measures aimed at removing obstacles and making the track usable for traffic.

The closing date for appealing the allocation is 10 days from today’s date, and a formal agreement can only be signed after the end of this period.

This information is such that Railcare Group AB (publ) is required to disclose under the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, for publication on 25 October 2023 8:30 pm CEST.

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About Railcare Group

The railway specialist Railcare offers innovative products and services for railways, such as railway maintenance with proprietary machines, locomotive workshops, special transport and machine sales. Our market is mainly in Scandinavia and the United Kingdom. The railway industry is benefitting from increasing traffic volumes, extensive investment programs, the development of cost-effective freight and passenger transport, and growing environmental awareness. Railcare delivers sustainable and efficient solutions that contribute to maximising the use of the railway for many 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 160 employees and annual sales of approximately SEK 500 million. The company's headquarters are in Skellefteå, Sweden.