



Notice to attend the annual general meeting of Railcare Group AB (publ)

The shareholders of Railcare Group AB (publ), reg. no. 556730-7813, are hereby given notice to attend the annual general meeting to be held at 13:00 CET, Wednesday 8 May 2019 at the company's head office, Näsuddsvägen 10 in Skelleftehamn. Registration for the meeting commences at 12:15 CEST.

NOTICE OF PARTICIPATION

Shareholders who wish to participate in the proceedings of the general meeting must:

- be entered in the shareholders' register kept by Euroclear Sweden AB, as of Thursday 2 May 2019; and
- notify the company no later than by Thursday 2 May 2019, in writing, at Railcare Group AB, Att: General meeting, Box 34, SE-932 21 Skelleftehamn, Sweden. Notice can also be made via telephone +4672-528 00 09 or by e-mail at ir@railcare.se. Such notice must contain the shareholder's full name, personal identification number or registration number, the number of shares, address, telephone number and, if applicable, information regarding any attending representative or deputy (maximum two). The notice should, when appropriate, be accompanied by proxies, registration certificates and other authorization documents.

Personal data obtained from the share register kept by Euroclear Sweden AB, notice 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), applicable from 25 May 2018. 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

Shareholders whose shares are nominee-registered, through a bank or other nominee, must, in order to be entitled to attend the general meeting, temporarily register the shares in their own name with Euroclear Sweden AB. Such re-registration must be completed no later than Thursday, 2 May 2019, which means that shareholders who desire such a re-registration must notify the nominee well in advance of that date.

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 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 kept available on the company's website 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. Address by the managing director.
8. Presentation of the annual accounts and the audit report and the consolidated financial statements and the consolidated audit report.
9. Resolutions regarding:
 - a) adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet.
 - b) allocation of the company's earnings in accordance with the duly adopted balance sheet.
 - c) discharge from liability for the members of the board of directors and the managing director.
10. Determination of the number of board members, deputy board members and of the numbers of auditors and deputy auditors.
11. Resolution of remuneration for the board of directors and the auditor.
12. Election of board members and auditor.
13. Resolution regarding the principles for appointing members of the election committee and the duties of the election committee.
14. Resolution regarding guidelines for remuneration to senior executives.
15. Closing of the meeting.

THE ELECTION COMMITTEES PROPOSED RESOLUTIONS WITH RESPECT TO ITEMS 2 AND 10-13 ON THE AGENDA

The election committee has consisted of Åke Elveros, appointed by Norra Västerbotten Fastighets AB, Per Martin Holmgren, appointed by TREAC AB and Kjell Lindskog, appointed by the Marklund & Dahlqvist Families. The chairman of the election committee has been Åke Elveros.

Election of the chairman at the meeting (item 2)

The election committee proposes Catharina Elmsäter-Svärd as chairman of the meeting.

Determination of the number of board members and the number of auditors (item 10)

The election committee proposes that the annual general meeting resolve that the number of board members shall be six and that there shall be one auditor.

Determination of remuneration to the board of directors and auditor (item 11)

The election committee proposes that the annual general meeting resolve that the remuneration to non-employed board members elected by the general meeting and the remuneration to non-employed members of the different board committees shall be distributed as follows:

- SEK 200 000 to the chairman of the board of directors; and
- SEK 100 000 to each of the other board members.



The above remunerations also include remuneration for work in both the audit and remuneration committees. The election committee proposes that no remuneration shall be paid to the members of the election committee. However, the company reimburse reasonable costs that the members of the election committee may have, such as, for example, costs that may arise during recruitment services, and for external consultants who are deemed necessary by the election committee for the election committee to be able to fulfill its duty.

The election committee proposes that audit remunerations be paid according to approved invoice in accordance with custom billing standards.

Election of board members and auditor (item 12)

The election committee proposes that the annual general meeting resolves to re-elect the board members Catharina Elmsäter-Svärd, Ulf Marklund, Anna Weiner Jiffer, Adam Ådin and Anders Westermarck and to elect Björn Östlund as a new board member. It is proposed to re-elect Catharina Elmsäter-Svärd as chairman of the board.

Furthermore, the election committee has proposed that the auditing company Ernst & Young Aktiebolag be re-elected as auditor until the end of the annual general meeting that is to be held the next financial year. The election committees proposal is in accordance with the audit committees recommendation.

Further information about the proposed directors is available on www.railcare.se

Resolution regarding the principles for appointing members of the election committee and the duties of the election committee (item 13)

It is proposed by the election committee that the annual general meeting 2019 adopts the following principles for appointing the members of the election committee and the duties of the election committee:

The company shall have an election committee which shall consist of one member appointed by each of the three largest shareholders by votes, based on the ownership statistics that the company receives from Euroclear Sweden AB at the end of the second quarter each year. If the shareholder does not exercise his or her right to appoint a member, the second largest shareholder by votes shall be entitled to appoint a member of the election committee, and so on. However, there is no need to contact more than maximum five additional shareholders, unless the chairman of the board of directors finds that there are special reasons for such an action. In connection to the appointment of a new election committee, the chairman of the board shall, in an appropriate manner, contact the three largest identified shareholders and invite them, within a reasonable period of time which shall not exceed 30 days, to name in writing the person the shareholder wishes to appoint as a member of the election committee.

The majority of the members of the election committee shall be independent in relation to the company and the company management. The managing director or any other person from the executive management shall not be a member of the election committee. At least one of the members of the election committee shall be independent in relation to the, in terms of voting rights, largest shareholder in the company or group of shareholders who cooperate regarding the company's management. Board members may form part of the election committee, but shall not constitute a majority of the members of the election committee. The chairman of the board of directors or other board member shall not be the chairman of the election committee. If more than one board member is included in the election committee, at the most one of them may be dependent in relation to the company's major shareholders.

Information on the finally appointed election committee shall include the names of the three appointed members, together with the names of the shareholders who nominated them, and shall be published no later than six months before the planned annual general meeting. The election committee's period of mandate is until the appointment of a new election committee. The chairman of the election committee shall, unless otherwise agreed by the members, be the member appointed by the largest shareholder in terms of the number of votes.

If one or more of the shareholders who nominated members of the election committee are no longer one of the three largest shareholders in terms of the number of votes, members appointed by these shareholders

shall make their seats available and the shareholder(s) who have become one of the three largest shareholders in terms of voting rights shall be entitled to appoint their members. However, if there are no special reasons, no changes shall take place in the composition of the election committee if only marginal changes in the number of votes have taken place or if the change occurs later than two months before the annual general meeting. Shareholders who have appointed a member of the election committee have the right to dismiss such a member and appoint a new member of the election committee, as well as to appoint a new member if the member appointed by the shareholder chooses to leave the election committee. Changes in the composition of the election committee shall be made public as soon as such changes have taken place. In the following matters, the election committee shall present proposals to be submitted to the annual general meeting for resolution:

- proposal for chairman of the annual general meeting;
- proposals for the number of board members elected by the general meeting and, if applicable, the number of auditors;
- proposals for remuneration to non-employed members of the board and to non-employed members of the board of directors' various committees (if committees exist);
- proposals for remuneration for auditors';
- proposals for the election of the chairman of the board of directors and other board members, and, if applicable, the election of auditors; and
- proposals for principles for appointing members of the election committee and for the election committee's duties.

The company's chairman of the board of directors is convening the first meeting and shall ensure that the election committee immediately receives relevant information about the result of the board of director's completed evaluation of its work. Such information shall be provided no later than during January and shall include information on the board of director's 's working methods and the effectiveness of its work. Furthermore, the chairman of the board of directors shall co-opt into the meetings of the election committee, if necessary.

For the rest, the election committee shall have the composition and fulfill the duties that from time to time follow by the Swedish Code of Corporate Governance. The members of the election committee shall not receive remuneration from the company. The company shall pay any costs incurred in connection with the work of the election committee, provided that the chairman of the board of directors has approved these. At the request of the election committee, the company shall provide human resources such as secretarial function in the election committee to facilitate its work.

PROPOSAL BY THE BOARD OF DIRECTORS WITH RESPECT TO RESOLUTIONS UNDER ITEMS 9B AND 14 OF THE AGENDA

Distribution of results (item 9b)

SEK 24,394,628 is at the disposal of the annual general meeting. The board of directors proposes that the year's result, in total SEK 525 156, is capitalized on a new account and that no dividend is paid for the financial year 2018.

Proposal for resolution regarding remuneration to senior executives (item 14)

The board of directors proposes that the annual general meeting resolves on principles for remuneration to and other terms of employment for senior executives as follows. The principles also apply to board members insofar as they receive remuneration for services rendered to the group in addition to the board assignment.

The principles for remuneration and other terms of employment for the executive management of Railcare Group AB essentially mean that the company shall offer its senior executives marketable remuneration and that the criterias in this respect shall consist of the executive's responsibility, role, competence and

position. Remuneration to senior executives is decided by the board of directors, excluding any board members who are dependent on the company or management. The principles shall be applied to new agreements, or amendments to existing agreements that are made with senior executives after the principles have been established and until new or revised principles are established. What is stipulated about the company also applies, if applicable, to the group.

1. Basic principle

Salaries and other remuneration as well as any share-related incentive programs shall be marketable and shall be weighted together in such a way that the company can attract and retain competent senior executives, to expenses that are reasonable for the company.

2. Fixed salary

Senior executives shall be offered a fixed salary that is marketable and based on the severity of the work and the senior executive's responsibility, role, competence and position. The fixed salary shall be reviewed once a year.

3. Variable salary

Senior executives can, from time to time, be offered variable salary. Such variable salary shall be marketable and shall be based on the outcome in relation to the performance targets within the individual area of responsibility with clear, predetermined and measurable criterias and financial results and pre-set individual goals and operational goals in order to promote long-term value creation. The variable salary must have a ceiling for outcomes. To avoid unnecessary risk taking, there must be a fundamental balance between fixed and variable salary. The fixed salary shall account for a sufficiently large portion of the senior executive's total remuneration in order for it to be possible to reduce the variable part to zero. The terms and calculation bases for variable salary shall be determined for each fiscal year.

Variable salary is regulated the year after earning and can be paid either as a cash salary or as a one-time paid pension premium. When paid out as a one time paid pension premium, some enumeration takes place so that the total cost for the company becomes neutral. The basic principle is that the variable salary component per year can amount to a maximum of 20 per cent of the fixed annual salary.

Currently, senior executives are not entitled to variable remuneration. If the employment conditions were to be changed and variable remuneration agreed, the maximum outcome for 2020 is estimated to amount to a maximum of SEK 800,000.

When designing variable remuneration to the executive management, the board of directors shall consider introducing reservations that;

- i. conditionally disburses some part of such compensation on that the performance on which the vesting is based proves to be sustainable over time;
- ii. gives the company the opportunity to recover such remuneration paid on the basis of data which subsequently proved to be obviously incorrect.

4. Pension

Senior executives are entitled to marketable pension solutions in relation to the situation in the country in which the executives are permanently resident. All pension commitments must be premium based. Wage waivers can be utilized for increased pension provisions through one-time paid pension premiums, provided that the total cost for the company becomes neutral. As a general rule, variable salary shall be pensionable.

5. Other benefits

Other benefits, such as company car, extra health insurance or occupational health care, shall be of limited value in relation to other remuneration and may be paid to the extent that this is deemed to be marketable for senior executives in corresponding positions in the current labor market.

6. Notice period

Between the company and the managing director, a mutual notice period of 12 months applies. Upon termination by the company, a severance pay amounting to 12 months' salary is obtained.

The severance pay is not offset against other income. In the event of termination by managing director, no severance pay is to be paid. Between the company and other senior executives, a mutual notice period of six months applies.

7. The board of director's preparation and decision making

Remuneration to senior executives is decided by the board of directors, excluding any board members who are dependent on the company or management.

8. Share-related incentive programs decided by the general meeting

The board of directors shall annually evaluate the need for share-related incentive programs and, if necessary, present resolution proposals to the annual general meeting. Resolutions on any share and share price related incentive programs directed at senior executives shall be made by the general meeting and contribute to long-term value growth. Senior executives must be offered a corresponding incentive as would be the case under a share or share price-related incentive program, if such a program would prove practically unrealizable in the taxable domicile of any senior executive, or as a result of participation not being able to be effected at reasonable administrative costs or financial efforts. The cost and the investment for the company and the incentive and the financial outcome for such senior executives shall, in such circumstances, in all material respects correspond to the share or share price related incentive program.

9. Information on previously resolved remuneration that has been due for payment

There are no previously resolved remunerations that have not been due for payment.

10. Information on deviation from the principles adopted by the general meeting

There have been no deviations from previously adopted principles.

11. Other

The board of directors shall have the right to deviate from the above principles if the board of directors considers that in a particular case there are special reasons justifying it.

NUMBER OF SHARES AND VOTES

The number of outstanding shares and votes in the company amounts to 23,013,056 at the time of this notice. The company has no own shares.

SHAREHOLDERS REQUEST FOR INFORMATION

Pursuant to Chapter 7, section 32 and 57 of the Swedish Companies Act (Sw. aktiebolagslagen), the board of directors and the managing director are under a duty to, if any shareholder so requests and the board of directors deems that it can be made without material damage to the company, provide information at the meeting, regarding circumstances which may affect the assessment of a matter on the agenda or of the company's economic situation. Such duty to provide information also comprises the company's relation to other group companies, the consolidated accounts and such circumstances regarding subsidiaries which are set out in the foregoing sentence.

DOCUMENTATION

Financial accounts and auditors' report as well as the board of director's complete proposal for resolutions under items 9b and 14 of the agenda will be available at the company no later than Wednesday, 17 April 2019 and will be sent to shareholders who so request and state their postal address. These documents will also be available on Näsuddsvägen 10 in Skelleftehamn and the company's website from the same date. The election committee's proposals and reasoned opinions and information on all proposed board members are held available on the company's website from the day of issue of the notice.