



Press release

1 December 2020

Railcare signs a 10-year contract worth SEK 740 million with Kaunis Iron AB for the transport of iron ore

The railway specialist Railcare signs a ten-year contract with the mining company Kaunis Iron AB worth SEK 740 million. The contract will take effect from 16 November 2021 to 16 November 2031 and will replace the previous contract from 2018. The previous contract will continue to apply until 15 November 2021. Up until 31 October 2020, Railcare has performed 1400 shipments of iron ore for Kaunis Iron AB.

Equivalent to the previous contract, the wagons to be used during the contract period are owned by Kaunis Iron AB, the locomotives and shunting locomotives will be provided by Railcare T. Railcare T is responsible for planning train production, resources for shunting in connection with transport from lorry to railway at the terminal in Pitkäjärvi, Sweden, to Narvik harbour, Norway, and in-between. Railcare will run two train journeys per day, seven days a week with a volume of approximately 2.3 million tonnes of iron ore per year.

“We have now transported 1,400 shipments of iron ore for Kaunis Iron since August 2018 and I am delighted that Kaunis Iron has continued confidence in our transport operations. The new contract, which runs over ten years, provides stability in Railcare T and it shows that Railcare can deliver good solutions to our customers, especially when it comes to special transports”, says Daniel Öholm, CEO of Railcare Group AB.

“We are pleased to have signed this agreement, which builds a long-term perspective for our continued operations and gives us the foundation to continue to develop our collaboration with Railcare,” says Klas Dagertun, CEO of Kaunis Iron AB.

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 1 December 2020 at 08:00 a.m. CET.

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About Railcare Group

Railway specialist Railcare Group AB offers products and services that strengthen customer reliability, punctuality and profitability, mainly in the Nordic countries and the United Kingdom. The rail industry is growing and developing well, with increasing traffic volumes and extensive investment programs, along with a rapid development of cost-effective freight and passenger transport and increasing environmental awareness. Railcare has unique opportunities to deliver efficient solutions that contribute to the railways increasing their share of the total transport market. Railcare Group AB (publ)'s share is listed on the Nasdaq Stockholm Small Cap since April 2018. The Group has approximately 140 employees and annual sales amounting to approximately 400 MSEK. The Company's registered office is domiciled in Skelleftehamn, Sweden.