

Year-end report 2024

railcare

Railcare Group AB (publ)
Corp. ID No.: 556730-7813



Railcare signed a 5-year agreement with LKAB Malmtrafik relating to raw materials transports in the period 2025-2029. The agreement is worth an estimated SEK 70 million annually, totalling SEK 350 million. The agreement also includes the option for LKAB to extend the agreement for a further three years with a potential value of SEK 210 million.

YEAR-END REPORT JANUARY-DECEMBER 2024

New contracts strengthen foundation for continued growth

ADJUSTED REPORTING

Railcare has reclassified certain locomotive lease contracts from capacity rent to leasing. This has a positive effect on operating profit (EBIT) but also results in higher financing costs. Assets and liabilities have increased significantly in the Balance Sheet.

The adjustment has been applied retroactively and calculated from the start dates of the contracts. Comparison periods have been restated according to the new adjustment, and all financial information provided going forward follows the new principles. For more information and a breakdown of the period's figures and comparative numbers, see Financial summary on page 5 and Note 5.

FOURTH QUARTER

- Consolidated net sales increased by 5.1 percent to SEK 157.0 million (149.3).
- Operating profit (EBIT) amounted to SEK 13.7 million (13.7).
- Earnings per share before and after dilution amounted to SEK 0.13 (0.34).

FULL-YEAR 2024, JANUARY-DECEMBER

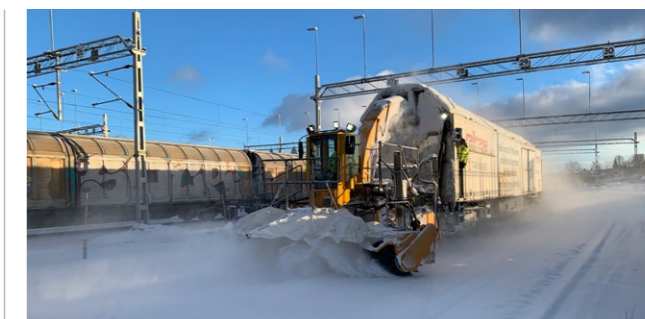
- Consolidated net sales increased by 12.6 percent to SEK 635.3 million (564.2).
- Operating profit (EBIT) amounted to SEK 66.3 million (70.3).
- Earnings per share before and after dilution amounted to SEK 1.26 (1.83).
- The Board of Directors intends to propose that the Annual General Meeting approve a dividend of SEK 0.70 (0.70) per share for the 2024 financial year.

SIGNIFICANT EVENTS IN THE FOURTH QUARTER

- Railcare signs 5-year agreement with LKAB Malmtrafik.
- Johan Elveros has been appointed as new CFO of Railcare Group AB. He took up his position and joined Group management in January 2025.

SIGNIFICANT EVENTS AFTER THE END OF THE FOURTH QUARTER

- Railcare signed a new snow clearance contract with the Swedish Transport Administration worth SEK 355 million.



FINANCIAL SUMMARY

Group, SEK m	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Net sales	157.0	149.3	635.3	564.2
Operating profit/loss (EBIT)	13.7	13.7	66.3	70.3
Operating margin, %	8.8	9.2	10.4	12.5
Profit for the period	3.1	8.3	30.4	44.1
Equity/assets ratio, %	27.4	30.5	27.4	30.5
Earnings per share before and after dilution, SEK	0.13	0.34	1.26	1.83

CEO comments

Net sales in the fourth quarter were SEK 157.0 million (149.3) and operating profit amounted to SEK 13.7 million (13.7). This corresponds to an operating margin of 8.8 percent.

Once again, we delivered a stable quarter with continued growth. The slightly lower margin was the result of ongoing adjustments and organizational expansion to ensure continued growth. The new long-term contracts for contingency operations using clearance locomotives on behalf of the Swedish Transport Administration will be gradually initiated over the coming year. In addition, we signed a long-term agreement with LKAB for raw material transport, and a new snow clearance contract with the Swedish Transport Administration, both of which will commence in 2025. All of these contracts contribute to ensure our long-term stability and provide a strong foundation for continued growth.

In the contracting operations, the maintenance work continued further into the quarter due to a mild start to the winter. In parallel, the snow clearance contract commenced, which involves snow removal using snow ploughs and snow melters at locations across Sweden selected by the Swedish Transport Administration.

Although weather conditions were favourable for the relining operations, volumes were down on the previous year. This was due to a combination of lower customer demand and uncertainty relating to scheduling work towards the end of the year, as relining operations cannot be carried out at lower temperatures. Operational volumes in the UK remain low, and the outlook for Control Period 7 (CP7) is uncertain. Our short-term focus is on introducing cost reductions and organizational changes.

In the transport operations, Railcare successfully transported the majority of the iron ore concentrate stockpiled by Kaunis Iron at the Pitkäjärvi terminal due to last winter's stoppage on Malmbanan. By increasing capacity to three roundtrips per 24-hour period to the Port of Narvik, instead of the usual two, we gradually reduced the stockpile to normal levels.



”All these new contracts contribute to long-term stability and provide a strong foundation for continued growth.”

In mid-October, we signed a 5-year agreement with LKAB Malmtrafik relating to continued raw material transport, covering the period from 2025 to 2029, with an option for an additional three years. This represents confirmation that our customers prioritize the delivery reliability we offer, as the logistics chain is crucial to profitability.

We are continuing our growth journey by adapting and preparing the business for the next steps ahead. For example, we recruited personnel for the new clearance locomotive assignment in the transport operations, and are strengthening and expanding leadership functions to ensure we are well-prepared for the future.

New long-term snow clearance contract

At the end of January, we signed a new snow clearance contract with the Swedish Transport Administration. The contract spans a six-year period, including a two-year option, with a total value of just over SEK 350 million. The assignment begins in October 2025. The snow clearance contract is crucial for maintaining capacity utilisation during the winter season. It is also a prerequisite for ensuring the profitability of the contracting operations year-round. The fact that we won this long-term contract highlights the Swedish Trans-

“In 2025, sales will increase by SEK 40 million from these assignments, and once all new assignments are fully operational in 2026, the annual sales increase will be SEK 80 million.”

port Administration’s continued strong demand for our proprietary snow melters and snow ploughs.

New locations for clearance locomotives initiated

In January 2025, contingency operations began in two new locations, and will be followed by two more in May 2025. This will lead to increased volumes within transport operations as the new locations become operational. In 2025, sales will increase by SEK 40 million from these assignments, and once all new assignments are fully operational in 2026, the annual sales increase will be SEK 80 million. Delivery of the new EffiShunter locomotives is underway, with the first five locomotives delivered by the end of the year.

Exploring future investments for the locomotive workshop

The locomotive workshop has experienced strong growth in recent years. We foresee continued growing demand for the locomotive workshop’s services, driven by the industry’s transition and the installation of the new ERTMS signalling system. As part of evaluating opportunities for the long-term development of the business, Railcare signed an agreement to acquire the company that owns the property where the workshop is located. Work is underway to analyse the needs and

scope of future investments in the locomotive workshop. A detailed planning process is currently underway and is expected to continue throughout 2025.

Well-equipped to drive vision and strategy

Railcare has a new Group Management team as of early 2025. The team will include CFO Johan Elveros, Safety Manager Hans Flodmark, HR Manager Sofie Strömberg, and Hanna Hedlund, Head of IR, Communications and Sustainability. The CEO and business area managers were already part of the team. Alongside all our fantastic employees, Railcare is well-equipped to drive both vision and strategy forward, with the goal of achieving our 2027 targets.

Mattias Remahl

CEO

Financial summary - Group

ADJUSTED ACCOUNTING PRINCIPLES IFRS 16

Railcare has historically classified certain group lease contracts for locomotives as capacity rent. The IFRS Interpretation Committee has issued a clarification on the interpretation of IFRS 16 and identifiable assets.

The clarification means that Railcare will account for the mentioned locomotives under IFRS 16. The adjustment will be applied retroactively from the start of the contracts, impacting items in both the Income Statement and Balance Sheet.

Comparison periods have been restated according to the new adjustment, and all financial information provided going forward follows the new principles.

All contracts are attributable to the Transport segment. The reconciliation and breakdown of comparative figures, as well as the effects on the period's figures, can be found in Note 5.

NET SALES

Net sales for the fourth quarter 2024 increased by 5.1 percent to SEK 157 million (149.3) compared to the corresponding quarter last year. The Contracting Sweden segment has contributed positively to the increase,



driven by a higher number of completed maintenance projects. The mild start to the winter allowed work to continue well into the fourth quarter.

In the Transport Scandinavia segment, sales decreased by 2.1 percent. This was due to slightly lower capacity utilization at the Locomotive Workshop and decreased sales in the Transport operations. In the Contracting Abroad segment, sales declined slightly due to lower demand.

During the full year 2024, net sales increased by 12.6 percent to SEK 635.3 million (562.2), compared to the previous year. Contracting Sweden and Transport Scandinavia generated increased sales, while the segments Contracting Abroad and Machines and Technology saw lower sales compared to the previous year. For Contracting Sweden, a large proportion of the increase was derived from a major reballasting project in the second quarter of the year, and the mild start to the winter which allowed more contracting assignments to be carried out.

OPERATING EXPENSES

Operating expenses for the fourth quarter 2024 increased by 9.0 percent compared to the corresponding quarter last year.

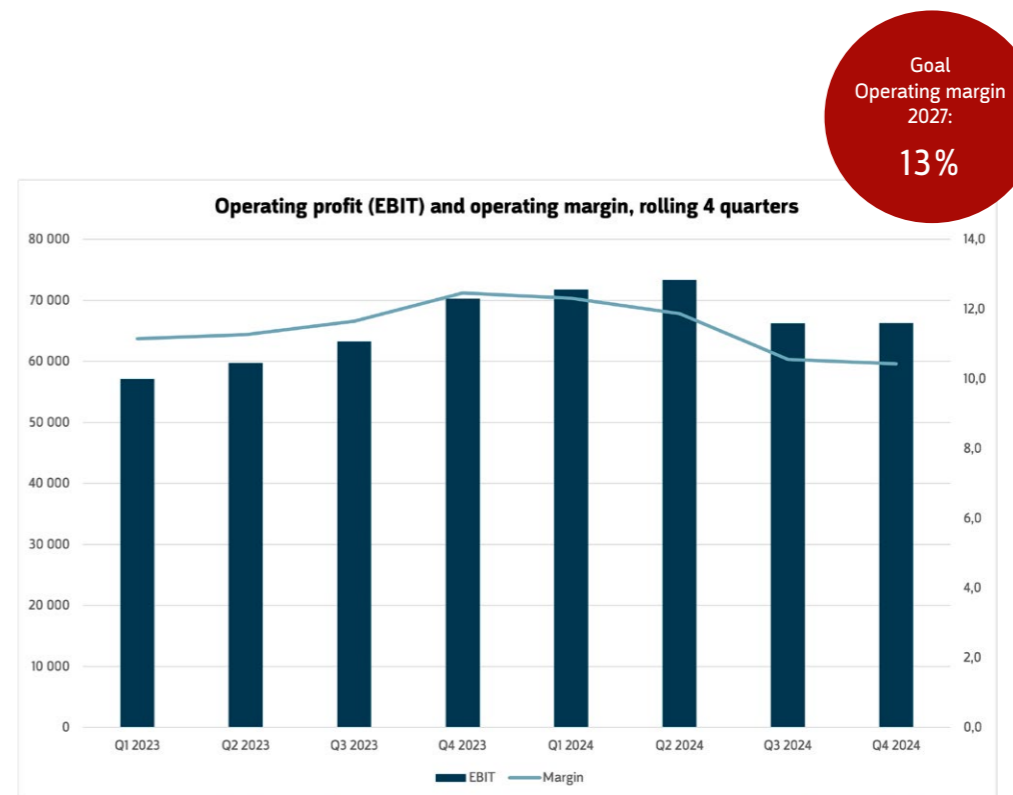
For Contracting Sweden, the cost increase is linked to the higher sales. The cost increase in Transport Scandinavia is primarily related to personnel expenses and the machine fleet, as the business adapts to new assignments and prepares for continued growth.

In 2024 operating expenses increased by 16.0 percent compared to the previous year. The increased operating expenses were mainly due to higher volumes, and to new recruitment to satisfy growing demand for the Group’s services, such as standby clearance locomotives and an increased focus on the sale of maintenance machines.

OPERATING PROFIT

Operating profit (EBIT) for the fourth quarter 2024 was in line with the corresponding period in the previous year, totalling SEK 13.7 million (13.7). Operating margin amounted to 8.8 percent against 9.2 percent in the corresponding quarter of the previous year.

For the full year 2024, operating profit (EBIT) amounted to SEK 66.3 million (70.3). Operating margin was 10.4 percent against 12.5 percent in the previous year. The lower operating margin was largely explained by increased costs to meet growing demand for the Group’s services.



PROFIT FOR THE PERIOD

Profit for the fourth quarter 2024 totalled SEK 3.1 million (8.3). For the full-year 2024, profit amounted to SEK 30.4 million (44.1).

Interest expenses and exchange rate losses were up on the previous year, largely due to a weaker EUR/SEK exchange rate.

CASH FLOW

Cash flow for the fourth quarter of the year was SEK 21.1 million (37.2). Cash flow from operating activities amounted to SEK 69.9 million (75.9), primarily affected by an inflow from current receivables in the quarter.

EQUITY/ASSET RATIO

At the end of the period, the equity/assets ratio was 27.4 percent, compared to 30.5 percent on 31 December 2023.

Railcare has signed an agreement to acquire Y-ettan AB, the company that owns the property where Railcare currently operates its locomotive workshop in Långsele. The acquisition is part of Railcare's long-term strategy to develop the locomotive workshop in Långsele to meet the high market demand.



Financial summary - Contracting Sweden

Railcare's contracting operations in Sweden carry out maintenance contracts on the railways, using proprietary staff and machinery. With the help of vacuum technology in our Railvac machines, and with the Ballast Feeder System, various types of track maintenance is performed, such as cable relocation, cable laying, reballasting and snow clearing. The same technology is now available in Railcare's 100% battery-powered MPVs (Multi Purpose Vehicle).

Another part of the contracting business specialises in culvert renovations beneath railways and roads and at industrial sites, as well as permit inspections of culverts. Relining, as it is called, is performed using fibreglass lining that is UV-cured. An environmentally friendly technology that can be used on culverts regardless of shape. The relining is carried out without disrupting rail traffic.

Net sales in the Contracting Sweden segment in the fourth quarter of 2024 amounted to SEK 72.1 million (59.7), which is an increase of 20.8 percent on the corresponding period in the previous year. Operating profit increased compared to the preceding year and amounted to SEK 9.4 million (6.7).

The sales increase in the fourth quarter was primarily driven by a higher number of completed maintenance projects, facilitated by favourable weather conditions, largely due to the mild start to the winter.

At the end of January, Railcare and the Swedish Transport Administration signed a new six-year snow clearance contract, including a two-year option. The new contract includes the entire month of March, extending the term by 14 days compared to the current agreement, which expires after this winter.

The volume of work in the relining operations was lower compared to the corresponding quarter last year, despite the mild start to the winter. This was explained by lower customer demand, partly due to challenges in scheduling work at the beginning of winter.

The segments' net sales also include intra-Group sales between segments. See Note 3 for sales between segments.



Key performance indicators – Contracting Sweden

SEK 000	Oct-Dec 2024	Oct-Dec 2023	Change, %	Full-year 2024	Full-year 2023	Change, %
Net sales	72,089	59,684	20.8	271,524	217,076	25.1
Operating profit/loss (EBIT)	9,374	6,705	39.8	28,316	22,654	25.0
Operating margin, %	13.0	11.2	1.8	10.4	10.4	0.0
Profit/loss after financial items	7,475	5,167	44.7	21,677	17,150	26.4
Net margin, %	10.4	8.7	1.8	8.0	7.9	0.1

Financial summary - Contracting Abroad

Railcare also provides services using vacuum technology outside Sweden. This segment is currently operated from the UK, where railway maintenance largely involves reballasting beneath tracks and switches. Proprietary Railvac machines and specially-adapted Ballast Feeder UK machines are used for these assignments.

The machines that are adapted for the UK can also be used in other countries, which means that the market potential for these machines is extensive.

Net sales in Contracting Abroad decreased by 39.3 percent in the fourth quarter of 2024 compared with the corresponding quarter in the preceding year, and amounted to SEK 5.1 million (8.4). Operating profit decreased compared to the corresponding quarter of the preceding year and amounted to SEK -2.7 million (-1.8).

Operating profit for the quarter was negatively impacted by SEK 1.3 million due to organizational changes.

Volumes in the UK have declined in recent years, and we have not seen a return to pre-pandemic levels. This is not only true for Railcare, but the overall trend in the industry shows a decline in volumes in the UK. Like in Sweden, the maintenance needs are significant, but allocated funds are lower and not used efficiently enough, resulting in lower volumes for us as a supplier.

The segments' net sales also include intra-Group sales between segments. See Note 3 for sales between segments.



Key performance indicators – Contracting Abroad

SEK 000	Oct-Dec 2024	Oct-Dec 2023	Change, %	Full-year 2024	Full-year 2023	Change, %
Net sales	5,113	8,427	-39.3	22,772	32,449	-29.8
Operating profit/loss (EBIT)	-2,736	-1,754	-55.9	-7,012	-2,615	-168.1
Operating margin, %	-53.5	-20.8	-32.7	-30.8	-8.1	-22.7
Profit/loss after financial items	-2,730	-1,710	-59.7	-6,999	-2,557	-173.8
Net margin, %	-53.4	-20.3	-33.1	-30.7	-7.9	-22.9

Financial summary - Transport Scandinavia

In the transport business, Railcare offers railway transport using proprietary locomotives, wagons and staff. The company provides freight, contracting and specialist transport, with transportation licenses in Sweden and Norway.

In connection with major maintenance contracts, Railcare operates transport of sleepers and macadam, and the track replacement train. Railcare transports ore on behalf of the mining industry using round trips. Furthermore, Railcare provides locomotives for the Swedish Transport Administration that can be used at short notice for vehicle recovery and, in exceptional cases, evacuation.

Within this segment, Railcare also offers workshop services for railway vehicles, such as extending the service life of rolling stock, reviews, repairs and regular maintenance. The locomotive workshop has been certified as a unit responsible for maintenance (ECM) for railway vehicles.

Adjusted accounting principles regarding the impact of IFRS 16 on the Transport Scandinavia segment. The reconciliation and breakdown of comparative figures, as well as the effects on the period's figures, can be found in Note 5.

Net sales in the Transport Scandinavia segment decreased by 2.1 percent in the fourth quarter of 2024 year-on-year, amounting to SEK 89.9 million (91.2). Operating profit decreased compared to the corresponding quarter of the preceding year and amounted to SEK 5.8 million (14.5).

The lower operating profit was partly due to lower volumes of contracting transport services during the quarter, and partly to increased costs as a result of the business adapting to new assignments and preparing for continued growth in the coming years. The cost increase primarily related to personnel expenses and the machine fleet. A weakened EUR/SEK exchange rate negatively impacted net financial items, as several large locomotive contracts are denominated in EUR.

The new contracts for contingency clearance locomotives started at the beginning of the year in Nässjö and Älmhult, with contingency operations starting in Ånge and Gävle in May 2025, and finally in Hallsberg in January 2026.

The segments' net sales also include intra-Group sales between segments. See Note 3 for sales between segments.



Key performance indicators – Transport Scandinavia

SEK 000	Oct-Dec 2024	Oct-Dec 2023	Change, %	Full-year 2024	Full-year 2023	Change, %
Net sales	89,890	91,773	-2.1	368,648	340,062	8.4
Operating profit/loss (EBIT)	5,849	14,457	-59.5	43,984	51,768	-15.0
Operating margin, %	6.5	15.8	-9.2	11.9	15.2	-3.3
Profit/loss after financial items	-101	15,908	-100.6	26,541	47,034	-43.6
Net margin, %	-0.1	17.3	-17.4	7.2	13.8	-6.6

Financial summary - Machines and Technology

In this segment Railcare constructs, builds, develops and sells maintenance machinery using vacuum technology for railways. The latest machine the company has developed is the battery-powered Multi Purpose Vehicle (MPV), the world's first and largest battery-powered maintenance machine of its kind.

Other machines that Railcare has developed are: Railvac: vacuum technology enables maintenance work that does not damage the infrastructure. Ballast Feeder System: handles large volumes during reballasting and refilling. Snow machines: shovel and melt the snow into water directly in large tanks. The machines operation also develops existing machines and vehicles. This may include new technology and new operational methods, as well as service and maintenance. The machinery is exported to countries where Railcare does not carry out its own contracting work.

Net sales in the Machines and Technology segment decreased in the fourth quarter of 2024 compared to the corresponding quarter last year and amounted to SEK 14.5 million (20.8). Operating profit was higher than for the equivalent quarter in the preceding year and amounted to SEK -0.1 million (-2.0).

The lower sales were primarily explained by a decrease in intra-Group rentals of locomotives and machinery.

At the workshop in Skelleftehamn, the third maintenance machine with electric and battery power is currently being built, including a pantograph that enables simultaneous operation and battery charging.

The segments' net sales also include intra-Group sales between segments. See Note 3 for sales between segments.



Key performance indicators – Machines and Technology

SEK 000	Oct-Dec 2024	Oct-Dec 2023	Change, %	Full-year 2024	Full-year 2023	Change, %
Net sales	14,495	20,804	-30.3	67,961	81,124	-16.2
Operating profit/loss (EBIT)	-136	-2,011	93.2	-32	1,813	-101.8
Operating margin, %	-0.9	-9.7	8.7	0.0	2.2	-2.3
Profit/loss after financial items	-455	-2,428	81.3	-1,250	577	-316.8
Net margin, %	-3.1	-11.7	8.5	-1.8	0.7	-2.6

Shares

Railcare Group AB's share has been listed since 2007 and was included on Nasdaq Stockholm's Small Cap list in 2018 under the ticker "RAIL", ISIN code SE0010441139.

SHARE CAPITAL AND CAPITAL STRUCTURE

The share capital amounted to approximately SEK 9.9 million and the quotient value was SEK 0.41 per share as of 31 December 2024. Each share carries one vote at the Annual General Meeting.

More information about the development of share capital can be found at www.railcare.se.

SHAREHOLDERS

As of 31 December 2024, Railcare Group AB had 5,098 shareholders. The ten largest shareholders represented 55 percent of the total shareholding. The largest shareholder was Nornan Invest AB with a holding representing 29.5 percent of the company's share capital.

Distribution by size category

Holding	Number of shareholders	No. of shares	% of votes and capital
1-500	3,393	477,226	1.98
501-1,000	654	522,489	2.17
1,001-5,000	798	1,827,378	7.57
5,001-10,000	124	942,686	3.91
10,001-15,000	34	430,370	1.78
15,001-20,000	16	292,650	1.21
20,001-	79	19,631,368	81.38
Total	5,098	24,124,167	100.0

Shareholder structure

Ten largest shareholders as of	No. of shares	Proportion of share capital and votes (%)
31 December 2024		
Nornan Invest i Skellefteå AB	7,121,395	29.52
Treac AB	2,390,000	9.91
Avanza Pension	794,330	3.29
Bernt Larsson	750,987	3.11
Canaccord Genuity Wealth Management	599,906	2.49
Mikael Gunnarsson	507,000	2.10
Nordnet Pensionsförsäkring	342,970	1.42
Torsten Germund Dahlquist	295,175	1.22
Per Åke Nilsson	272,000	1.13
Harry Markku Sjöblom	270,000	1.12
Ten largest shareholders	13,343,763	55.31
Other shareholders	10,780,404	44.69
Total	24,124,167	100.0

Source: Modular Finance AB. Compiled and processed data sourced from Euroclear, Morningstar and the Swedish Financial Supervisory Authority.

5,098
Number of shareholders
in Railcare Group AB
as of 31 December 2024

Other information

EMPLOYEES

As of 31 December 2024, the Railcare Group had 187 employees, compared to 173 on 31 December 2023. This represents an increase of 14 employees. The organisation has mainly been strengthened in Transport Scandinavia and in Machines and Technology, in order to satisfy growing demand.

PARENT COMPANY

Railcare Group AB (publ), Corp. ID no. 556730-7813 is a Parent Company registered in Sweden with its registered office in Skellefteå. Railcare Group AB is listed on Nasdaq Stockholm Small Cap under the ticker RAIL.

Parent Company net sales for the fourth quarter of 2024 amounted to SEK 14.5 million (11.7) and consisted mainly of Group-wide services. Operating profit amounted to SEK 1.4 million (-3.7).

TARGETS

Financial targets

- Net sales SEK 1,000 million
- Operating margin 13 percent

Railcare's updated financial targets are net sales of SEK 1,000 million by 2027 and an operating margin of over 13 percent.

Sustainability

- Reduce fossil fuel emissions from proprietary locomotives and machinery by 40 percent by 2025.

Railcare has set clear goals as part of its ongoing sustainability work. Railcare has concluded that the biggest difference can be achieved by reducing fossil fuel emissions from fuel used in the contracting and transport operations.

DIVIDEND

The company's dividend policy is to distribute 30-40 percent of profit after tax while maintaining an equity/assets ratio of 25 percent after dividends.

The Board of Directors intends to propose a dividend of SEK 0.70 (0.70) per share, totalling SEK 16,886,917 (16,886,917), for the 2024 financial year.

SIGNIFICANT RISKS AND UNCERTAINTIES

A description of significant risks and uncertainties can be found in Railcare's Annual Report for 2023, which can be downloaded at www.railcare.se. There have been no material changes to significant risks and uncertainties since the publication of the Annual Report.

EVENTS AFTER THE END OF THE PERIOD

- Railcare signed a new snow removal contract with the Swedish Transport Administration worth SEK 355 million.

More information can be found at www.railcare.se.

TRANSACTIONS WITH RELATED PARTIES

Railcare Group AB acquired 4,000 shares, corresponding to 40 percent of the shares in the locomotive leasing company AC Finance AB, for SEK 400,000. Of these 4,000 shares, 3,667 shares were acquired for SEK 366,700 from Nornan Invest AB, which holds 29.52 percent of the shares in Railcare Group AB. The other shareholders in AC Finance AB are Nornan Invest AB and Actinvest AB, which own 30 percent each of AC Finance AB.

In connection with the acquisition, Railcare entered a loan agreement alongside the other shareholders in AC Finance AB to provide lending from the owners totalling up to SEK 20,000,000, which was issued in the fourth quarter. In connection with the acquisition, Railcare also entered a lease agreement relating to 9 locomotives from AC Finance over a period of 5 years.

Lease agreements for five of these nine locomotives were initiated during the fourth quarter.

More information about the material terms and conditions of these agreements can be found in the Notice convening the EGM.

Transactions with closely related parties are described in the Annual Report 2023. In addition to the changes outlined above, and the fact that Ulf Marklund is no longer a closely related party of the Group as he is no longer a Board member, no material changes have occurred in the period for the Group or Parent Company in terms of relations or transactions with closely related parties, compared to the information provided in the Annual Report.

2025 ANNUAL GENERAL MEETING

Railcare's Annual General Meeting 2025 will take place on Wednesday, 7 May 11.00 a.m. CET at the company's premises at Näsuddsvägen 10, SE-932 32 Skelleftehamn, Sweden.

The Annual Report and other documents are available on Railcare's website, www.railcare.se.

NOMINATION COMMITTEE FOR RAILCARE GROUP AB'S ANNUAL GENERAL MEETING 2025

In consultation with the largest shareholders, the Chairman of the Board of Railcare Group AB has established a Nomination Committee in preparation for the Annual General Meeting 2025. The Nomination Committee comprises Anders Westermark, Chairman of the Board and Jonas Holmqvist, appointed by Norran Invest AB. The Nomination Committee appointed Jonas Holmqvist as Chairman. Combined, the members of the Nomination Committee represent 29.9 percent of the total number of shares and votes in the Company (as of 30 September 2024).

The Nomination Committee is tasked with submitting a proposal to the Annual General Meeting regarding the Chairman of the Board and other members of the Board

of Directors, and regarding fees and other compensation to each of the Board members for their Board assignments. The Nomination Committee shall also submit a proposal regarding the election and remuneration of auditors. In addition, the Nomination Committee shall submit a proposal regarding the process for appointing a Nomination Committee in preparation for the Annual General Meeting 2026.

Shareholders wishing to submit proposals to the Nomination Committee may do so by sending an e-mail to ir@railcare.se.

Skelleftehamn, Sweden, 20 February 2025

Railcare Group AB (publ)

This report has not been subject to review by the Company's auditors.

Anders Westermark
Chairman of the Board

Andreas Lantto
Board member

Catharina Elmsäter-Svärd
Board member

Maria Kröger
Board member

Björn Östlund
Board member

Mattias Remahl
CEO

Linn Andersson
Board member

About Railcare

OPERATIONS

Railcare offers innovative products and services for the railway, such as railway maintenance with proprietary machines, freight, contracting and specialist transport, a locomotive workshop and machine sales.

Our corporate culture is to do things differently and this approach characterises our entire operation. For us, this means coming up with unexpected ways of solving problems. It also means that all our employees show – and are expected to show – a high degree of personal responsibility for everything from customer deliveries to embodying our values.

The Group has some 190 employees and annual sales of approximately SEK 630 million. The company's registered office is located in Skellefteå, Sweden.

VISION

Railcare shall develop with satisfied customers and positive profitability, thereby increasing shareholder value.

BUSINESS CONCEPT

In close partnership with its customers, Railcare shall develop innovative and sustainable services, products and methods for the railway industry's various segments. Railcare is to be characterised by its culture of safety, skilled personnel, high quality and delivery reliability.

STRATEGY

- Focus on the employees, who are by far our most important asset
- Efficient contracting assignments that contribute to more sustainable railways
- Provide reliable, sustainable transport
- Embodying the entrepreneurial spirit
- Driving progress towards more sustainable railways

FINANCIAL TARGETS

- Net sales of SEK 1,000 million
- Operating margin of 13%

Railcare's ambition is to achieve these targets by the end of 2027.



Consolidated Statement of Comprehensive Income in summary

Amounts in SEK 000	Note	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Net sales	3	156,995	149,313	635,298	564,220
Other operating income		3,568	487	6,753	4,022
Capitalised work on own account		6,696	4,731	18,560	14,247
Raw materials and consumables		-50,459	-45,455	-199,756	-176,325
Other external costs		-20,966	-25,155	-89,280	-85,600
Personnel costs		-53,360	-46,394	-196,933	-170,134
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		-28,441	-23,150	-106,402	-77,202
Other operating expenses		-292	-673	-1,961	-2,938
Operating profit/loss (EBIT)		13,741	13,704	66,278	70,289
Share of profit after tax from associated companies		140	-	140	-
Net financial income/expense		-8,039	-1,193	-25,644	-12,421
Profit/loss before tax		5,841	12,511	40,774	57,868
Income tax		-2,722	-4,249	-10,390	-13,766
Profit for the period		3,120	8,262	30,385	44,102
Other comprehensive income					
Items that may be reclassified to profit/loss for the period					
Exchange rate differences from the translation of foreign operations		-190	715	-328	873
Other comprehensive income for the period, net of tax		-190	715	-328	873
Total comprehensive income for the period		2,930	8,977	30,057	44,975
Earnings per share*		0.13	0.34	1.26	1.83
Average number of shares		24,124,167	24,124,167	24,124,167	24,124,167
Number of shares outstanding on the reporting date		24,124,167	24,124,167	24,124,167	24,124,167

* Since there are no potential shares, there is no dilution effect.

Consolidated Statement of Financial Position in summary

Amounts in SEK 000	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Intangible assets		15,434	10,198
Property, plant and equipment	4	822,459	712,851
Financial non-current assets		25,166	4,465
Deferred tax assets	5	5	10
Total non-current assets		863,064	727,524
Inventories		38,152	36,284
Accounts receivable		44,787	56,518
Other current receivables		36,080	35,958
Total current receivables		80,867	92,476
Cash and cash equivalents		61,691	39,432
Total current assets		180,710	168,192
TOTAL ASSETS		1,043,774	895,717
EQUITY AND LIABILITIES			
Equity		286,470	273,301
Deferred tax liabilities and other provisions		61,459	59,427
Non-current liabilities to credit institutions		76,511	74,346
Non-current lease liabilities		295,857	250,888
Total non-current liabilities		433,828	384,661
Current liabilities to credit institutions		127,262	84,698
Current lease liabilities		92,190	51,863
Accounts payable		35,215	47,693
Other current liabilities		68,810	53,501
Total current liabilities		323,477	237,755
TOTAL EQUITY AND LIABILITIES		1,043,774	895,717

Consolidated Statement of Changes in Equity in summary

Amounts in SEK 000	Note	31 Dec 2024	31 Dec 2023
Equity, opening balance		274,118	244,095
Effect of adjusted accounting principles		-817	-1,294
Adjusted equity, opening balance		273,301	242,801
Comprehensive income for the period		30,057	44,975
Dividend		-16,887	-14,475
Equity, closing balance		286,470	273,301

The Group's equity is attributable in its entirety to Parent Company shareholders.

Consolidated Statement of Cash Flows in summary

Amounts in SEK 000	Note	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Cash flow from operating activities					
Operating profit		13,740	13,704	66,278	70,289
Adjustment for non-cash items		28,433	24,580	107,173	79,120
Interest paid		-7,814	-377	-24,407	-11,299
Interest received		19	64	64	150
Income tax paid		1,574	2,002	-4,823	-381
Cash flow from operating activities before changes in working capital		35,952	39,973	144,285	137,879
Cash flow from changes in working capital					
Increase/decrease in inventories		-801	-4,631	-3,142	-4,647
Increase/decrease in operating receivables		41,946	33,927	12,091	-14,470
Increase/decrease in operating liabilities		-7,185	6,668	-1,515	17,223
Total changes in working capital		33,960	35,964	7,434	-1,894
Cash flow from operating activities		69,912	75,937	151,719	135,985
Cash flow from investing activities					
Investments in intangible assets		-1,188	-1,517	-5,777	-3,007
Investments in property, plant and equipment		-15,849	-17,636	-60,503	-57,364
Investments in other financial non-current assets		-20,000	-	-21,260	-1,557
Divestment of property, plant and equipment		60	-	60	1,210
Cash flow from investing activities		-36,977	-19,153	-87,480	-60,718

Amounts in SEK 000	Note	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Cash flow from financing activities					
Loans raised		14,084	10,000	68,067	20,525
Net change in overdraft facility		-	-4,235	-	-
Amortisation of loans		-6,664	-7,438	-24,867	-26,776
Amortisation of lease liabilities		-19,218	-17,952	-68,418	-47,243
Dividend paid		-	-	-16,887	-14,475
Cash flow from financing activities		-11,798	-19,625	-42,105	-67,969
Cash flow for the period					
Opening cash and cash equivalents		40,503	2,363	39,432	31,976
Exchange rate difference in cash and cash equivalents		51	-90	124	158
Closing cash and cash equivalents		61,691	39,432	61,691	39,432

Parent Company Income Statement in summary

Amounts in SEK 000	Note	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Net sales		14,529	11,703	51,323	45,292
Other operating income		5		10	149
Total operating income		14,535	11,703	51,333	45,441
Raw materials and consumables		-2,418	-4,292	-8,845	-12,448
Other external costs		-5,565	-5,886	-23,037	-18,577
Personnel costs		-5,000	-5,062	-17,844	-17,190
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		-162	-143	-610	-531
Other operating expenses		-12	-17	-28	-34
Total operating expenses		-13,156	-15,400	-50,363	-48,780
Operating profit		1,378	-3,697	970	-3,339
Profit/loss from financial items		177	-47	-99	451
Profit/loss after financial items		1,556	-3,744	871	-2,888
Appropriations		31,300	26,100	31,300	26,100
Tax on net profit/loss for the period		-6,767	-4,512	-6,746	-4,741
Profit for the period		26,089	17,844	25,425	18,471

Parent Company Balance Sheet in summary

Amounts in SEK 000	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Intangible assets		1,059	630
Property, plant and equipment		5,981	5,496
Financial non-current assets		49,890	28,969
Total non-current assets		56,930	35,094
Receivables from Group companies		111,282	105,191
Other current receivables		2,643	2,895
Total current receivables		113,925	108,086
Cash and cash equivalent		59,440	35,342
Total current assets		173,365	143,428
TOTAL ASSETS		230,295	178,522
EQUITY AND LIABILITIES			
Restricted equity		9,891	9,891
Non-restricted equity		42,109	33,571
Total equity		52,000	43,462
Provisions		123	77
Current liabilities to Group companies		161,191	119,006
Other current liabilities		16,981	15,976
Total current liabilities		178,172	134,982
TOTAL EQUITY AND LIABILITIES		230,295	178,522

The Parent Company has no items recognised as other comprehensive income, which is why total comprehensive income is the same as profit/loss for the year.

NOTE 1 GENERAL INFORMATION

Railcare Group AB (publ), ("Railcare"), Corp. ID no. 556730-7813 is a limited company registered in Sweden and domiciled in Skellefteå, with the address Näsuddsvägen 10, SE-932 32 Skelleftehamn, Sweden. Railcare Group AB is the Parent Company of the Group.

Unless otherwise stated, all amounts are given in SEK 000. Disclosures in parentheses pertain to the comparison year.

NOTE 2 BASIS FOR PREPARATION OF STATEMENTS

Railcare's consolidated financial statements have been prepared in accordance with the Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Group Financial Statements, International Financial Reporting Standards (IFRS) and the interpretations of the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act.

The accounts of the Parent Company have been prepared in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Interim Report for the Parent Company has been prepared in accordance with the Annual Accounts Act.

The accounting principles applied are consistent with those described in the Railcare Group's Annual Report for 2023, with the exception of classifications of certain lease contracts. Leasing is accounted for as previously in accordance with IFRS 16. However, agreements have been revalued due to the IFRS Interpretation Committee's agenda decision, resulting in the previously assessed capacity implicitly being considered an identifiable asset, which increases the Group's right-of-use assets. The revaluation results in a historical restatement effect, further details can be found in Note 5.

New or revised IFRS that have come into effect in 2024 do not have a material impact on the consolidated financial statements.

The fair value of financial assets and liabilities is estimated to correspond to their book value.

NOTE 3 OPERATING SEGMENTS

Group Management has identified four reportable segments in the Group's operations:

Contracting Sweden

Railway contracting work involving machinery and personnel, and renovation of fibre-glass-lined culverts beneath railways, roads and industrial areas in Sweden.

Contracting Abroad

Railway contracting work involving machinery and personnel in countries other than Sweden, currently predominantly in the UK.

Transport Scandinavia

Specialist transport involving locomotives, wagons and personnel in Scandinavia, as well as internal and external repair and upgrading services for locomotives and wagons performed in workshops.

Machines and Technology

Technological development, construction and sales of new machines, and the further development and conversion of existing machines to a national and international market.

The "Group-wide" item is used for reconciliation purposes and includes Group Management and other Group-wide services.

Starting from 2025, changes to segment reporting will be introduced. Contracting Sweden and Contracting Abroad will be reported together under the '**Contracting**' segment. Transport Scandinavia will be reported under the '**Transport**' segment. The locomotive workshop in Långsele, previously reported under the Transport segment, will be reported under the '**Machines and Technology**' segment starting from 2025.

Income

Sales between segments are conducted on market terms. Income from external customers reported to Group Management is valued in line with the consolidated statement of comprehensive income. The Group's customers are private and public sector operators in the railway industry and vary according to the area of operation. The Group's customers are largely repeat customers based on long-term relationships.

	Oct-Dec 2024			Oct-Dec 2023		
	Income from external customers	Sales between segments	Segment income	Income from external customers	Sales between segments	Segment income
Contracting Sweden	66,942	5,147	72,089	52,051	7,634	59,684
Contracting Abroad	5,113	0	5,113	8,267	160	8,427
Transport Scandinavia	82,724	7,166	89,890	85,628	6,145	91,773
Machines and Technology	2,194	12,301	14,495	3,329	17,475	20,804
Group-wide	21	14,508	14,529	38	11,665	11,703
Total	156,995	39,121	196,116	149,313	43,078	192,391

	Full-year 2024			Full-year 2023		
	Income from external customers	Sales between segments	Segment income	Income from external customers	Sales between segments	Segment income
Contracting Sweden	250,735	20,789	271,524	193,683	23,393	217,076
Contracting Abroad	22,244	529	22,772	32,289	160	32,449
Transport Scandinavia	348,688	19,959	368,648	322,197	17,865	340,062
Machines and Technology	13,514	54,447	67,961	15,609	65,515	81,124
Group-wide	116	51,207	51,323	442	44,850	45,292
Total	635,298	146,931	782,229	564,220	151,784	716,003

Profit/loss after financial items

Group Management primarily uses profit/loss after financial items to assess consolidated earnings.

The Group has reclassified certain locomotive lease contracts from capacity rent to leasing, which has some effect on profit after financial items in the Transport Scandinavia segment. Comparative figures have been restated. For more information, see Note 5.

	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Contracting Sweden	7,475	5,167	21,677	17,150
Contracting Abroad	-2,730	-1,710	-6,999	-2,557
Transport Scandinavia	-101	15,908	26,541	47,034
Machines and Technology	-455	-2,428	-1,250	577
Group-wide	1,653	-4,426	806	-4,336
Total	5,841	12,510	40,774	57,868

Breakdown of income

Sales comprise the income groups Income from services, Sales of goods and Leasing. A breakdown of income is provided below.

Segment	Income from services		Sales of goods		Leasing		Total	
	Oct-Dec 2024	Oct-Dec 2023	Oct-Dec 2024	Oct-Dec 2023	Oct-Dec 2024	Oct-Dec 2023	Oct-Dec 2024	Oct-Dec 2023
Contracting Sweden	66,942	52,051	-	-	-	-	66,942	52,051
Contracting Abroad	5,113	8,267	-	-	-	-	5,113	8,267
Transport Scandinavia	78,925	80,848	1,717	2,427	2,082	2,354	82,724	85,628
Machines and Technology	620	1,678	1,574	1,651	-	-	2,194	3,329
Group-wide	21	38	-	-	-	-	21	38
	151,622	142,882	3,291	4,078	2,082	2,354	156,995	149,313

Segment	Income from services		Sales of goods		Leasing		Total	
	Full-year 2024	Full-year 2023	Full-year 2024	Full-year 2023	Full-year 2024	Full-year 2023	Full-year 2024	Full-year 2023
Contracting Sweden	250,684	193,655	51	28	-	-	250,735	193,683
Contracting Abroad	22,244	32,289	-	-	-	-	22,244	32,289
Transport Scandinavia	326,732	304,297	13,069	8,504	8,888	9,395	348,688	322,197
Machines and Technology	5,014	6,558	8,500	9,051	-	-	13,514	15,609
Group-wide	116	442	-	-	-	-	116	442
	604,790	537,241	21,620	17,584	8,888	9,395	635,298	564,220

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

SUMMARY
CEO COMMENTS
FINANCIAL SUMMARY
→ FINANCIAL STATEMENTS, NOTES
MISCELLANEOUS

	Buildings and land	Locomotives and wagons	Mobile machinery	Vehicles	Equipment, tools, fixtures and fittings	Construction in progress and advances for property, plant and equipment	Total
Closing carrying amount 31 December 2022	35,170	134,772	179,959	3,996	5,445	78,779	438,123
Effect of adjusted accounting principles	-	132,291	-	-	-	-	132,291
As of 1 January 2023							
Adjusted carrying amount, opening balance	35,170	267,063	179,959	3,996	5,445	78,779	570,413
Exchange rate differences	20	-	-	5	-	-	25
Purchases/capitalised expenses for the year	6,767	153,802	4,530	3,978	1,392	52,446	222,915
Reclassifications	-	8,239	35,490	-	-	-43,350	378
Disposals and scrappings	-	-297	-120	-90	-339	-3,320	-4,166
Depreciation and amortization	-7,967	-47,718	-17,119	-2,559	-1,351	-	-76,714
Closing carrying amount 31 December 2023	33,990	381,088	202,741	5,329	5,147	84,555	712,851
Of which right-of-use assets	22,756	273,911	1,493	5,295	-	-	303,455
As of 1 January 2024							
Opening carrying amount	33,990	381,088	202,741	5,329	5,147	84,555	712,851
Exchange rate differences	30	-	-	16	-	-	46
Purchases/capitalised expenses for the year	16,246	147,353	2,534	7,016	2,018	40,556	215,723
Reclassifications	-339	2,475	-1,472	-	339	271	1,274
Disposals and scrappings	-1,459	-	-	-115	-	-	-1,574
Depreciation	-8,787	-73,115	-18,993	-3,615	-1,351	-	-105,861
Closing carrying amount 31 December 2024	39,681	457,802	184,811	8,631	6,153	125,382	822,459
Of which right-of-use assets	16,262	357,990	1,309	8,333	-	-	383,894

NOTE 5 EFFECT OF ADJUSTED ACCOUNTING PRINCIPLES IFRS 16

During Q4 2024, the company adjusted to the IFRS Interpretation Committee's clarification regarding identifiable assets under IFRS 16. The adjustment meant that Railcare reclassified certain locomotive lease contracts from capacity rent to leasing. The adjustment has been applied retroactively and calculated from the contracts' start dates. The first contract started in 2022. The following tables show the changes resulting from the adjustment for 2023.

	Oct-Dec 2023			Full-year 2023		
	Previous principles	Change	New principle	Previous principles	Change	New principle
Consolidated Statement of Comprehensive Income 1)						
Raw materials and consumables	-57,607	12,152	-45,455	-211,783	35,459	-176,325
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-11,522	-11,628	-23,150	-44,099	-33,103	-77,202
Operating profit/loss (EBIT)	13,180	524	13,704	67,934	2,355	70,289
Net financial income/expense	-3,431	2,238	-1,193	-10,667	-1,754	-12,421
Profit/loss before tax	9,749	2,762	12,511	57,266	602	57,868
Income tax	-3,680	-568	-4,249	-13,643	-123	-13,766
Profit for the period	6,068	2,194	8,262	43,624	478	44,102
Earnings per share before and after dilution	0.25	0.09	0.34	1.81	0.02	1.83
Operating margin, %	8.83		9.18	12.04		12.46

	1 Jan 2023			31 Dec 2023		
	Previous principles	Change	New principle	Previous principles	Change	New principle
Consolidated Statement of Financial Position 2)						
Property, plant and equipment	438,123	132,291	570,413	460,157	252,695	712,851
Equity	244,095	-1,296	242,799	274,118	-817	273,301
Deferred tax liabilities and other provisions	54,756	-336	54,419	59,639	-212	59,427
Non-current lease liabilities	42,646	120,021	162,667	37,128	213,760	250,888
Current lease liabilities	10,658	13,901	24,559	11,899	39,964	51,863
Equity/assets ratio, %	41.2		33.5	42.6		30.5
Equity per share	10.1		10.1	11.4		11.3

	Oct-Dec 2023			Full-year 2023		
	Previous principles	Change	New principle	Previous principles	Change	New principle
Consolidated Statement of Cash Flow 3)						
Operating profit	13,180	524	13,704	67,934	2,355	70,289
Adjustment for non-cash items	12,951	11,629	24,580	46,017	33,103	79,120
Interest paid	-2,616	2,239	-377	-9,546	-1,753	-11,299
Cash flow from operating activities before changes in working capital	25,581	14,392	39,973	104,174	33,705	137,879
Increase/decrease in operating receivables	33,939	-12	33,927	-14,470	-	-14,470
Increase/decrease in operating liabilities	6,668	-	6,668	17,223	-	17,223
Cash flow from operating activities	61,557	14,380	75,937	102,280	33,705	135,985
Amortisation of lease liabilities	-3,572	-14,380	-17,952	-13,538	-33,705	-47,243
Cash flow from financing activities	-5,245	-14,380	-19,625	-34,264	-33,705	-67,969
Cash flow for the period	37,159	-	37,159	7,298	-	7,298

All adjustments are attributable to the Transport segment.

1) In the Income Statement, the cost of leasing is reallocated to depreciation and interest expenses. Under the previous principles, the leasing cost was included in the 'Raw materials and consumables' item, meaning that this item decreases while depreciation costs increase. This results in an overall increase in operating profit (EBIT). The adjustment results in an increase in financing costs due to interest expenses on the lease liability. Some of the lease agreements are denominated in EUR, so any fluctuations in the EUR exchange rate also impact net financial items.

2) In the Balance Sheet, the contracts are recognized as an asset and depreciated over the contract term. The corresponding value is also recognized as a liability, which is amortized over the contract term. The interest is expensed. As some of the contracts are denominated in EUR, the liability is also recognized in EUR and is converted at the exchange rate as of the Balance Sheet date.

3) In the Cash Flow Statement, cash flow from operating activities increases, while cash flow from financing activities decreases.

The effect of the adjustment on the figures presented in this report, compared to the previous principles, is indicated below.

	Oct-Dec 2024			Full-year 2024		
	Previous principles	Change	New principle	Previous principles	Change	New principle
Consolidated Statement of Comprehensive Income						
Raw materials and consumables	-65,996	15,537	-50,459	-258,106	58,351	-199,756
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-14,342	-14,099	-28,441	-53,434	-52,968	-106,402
Operating profit/loss (EBIT)	12,303	1,438	13,741	60,896	5,382	66,278
Net financial income/expense	-3,016	-5,024	-8,039	-11,759	-13,885	-25,644
Profit/loss before tax	9,427	-3,586	5,841	49,277	-8,502	40,774
Income tax	-3,460	739	-2,722	-12,141	1,751	-10,390
Profit for the period	5,967	-2,847	3,120	37,136	-6,751	30,385
Earnings per share before and after dilution	0.25	-0.12	0.13	1.54	-0.28	1.26
Operating margin, %	7.84		8.75	9.59		10.43

31 Dec 2024

	Previous principles	Change	New principle
Consolidated Statement of Financial Position			
Property, plant and equipment	502,046	320,413	822,459
Other current receivables	38,752	-2,672	36,080
Equity	294,038	-7,568	286,470
Deferred tax liabilities and other provisions	63,423	-1,964	61,459
Non-current lease liabilities	39,228	256,629	295,857
Current lease liabilities	57,261	70,001	127,262
Other current liabilities	68,167	643	68,810
Equity/assets ratio, %	40.5		27.4
Equity per share	12.2		11.9

	Oct-Dec 2024			Full-year 2024		
	Previous principles	Change	New principle	Previous principles	Change	New principle
Consolidated Statement of Cash Flow						
Operating profit	12,302	1,438	13,740	60,896	5,382	66,278
Adjustment for items not included in the cash flow.	14,334	14,099	28,433	54,205	52,968	107,173
Interest paid	-2,790	-5,024	-7,814	-10,522	-13,885	-24,407
Cash flow from operating activities before changes in working capital	25,439	10,513	35,952	99,820	44,466	144,285
Increase/decrease in operating receivables	44,618	-2,672	41,946	14,763	-2,672	12,091
Increase/decrease in operating liabilities	-7,185	-	-7,185	-1,515	-	-1,515
Cash flow from operating activities	62,071	7,841	69,912	109,926	41,794	151,719
Amortisation of lease liabilities	-11,377	-7,841	-19,218	-26,624	-41,794	-68,418
Cash flow from financing activities	-3,957	-7,841	-11,798	-311	-41,794	-42,105
Cash flow for the period	21,137	-	21,137	22,134	-	22,134

Key performance indicators, Group in summary

Amounts in SEK 000, unless otherwise stated	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Net sales	156,995	149,313	635,298	564,220
Sales growth, %	5.1	16.6	12.6	13.5
Operating profit/loss (EBIT)	13,741	13,704	66,278	70,289
Operating margin, %	8.8	9.2	10.4	12.5
Profit for the period	3,120	8,262	30,385	44,102
Net financial income/expense	-8,039	-1,193	-25,644	-12,421
Total assets	1,043,774	895,717	1,043,774	895,717
Equity/assets ratio, %	27.4	30.5	27.4	30.5
Key performance indicators per share, SEK	Oct-Dec 2024	Oct-Dec 2023	Full-year 2024	Full-year 2023
Earnings per share before and after dilution	0.13	0.34	1.26	1.83
Equity per share	11.87	11.33	11.87	11.33
Dividend, SEK per share	-	-	0.7	0.7

Quarterly data, Group in summary

Amounts in SEK million	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Net sales	157.0	169.1	179.8	129.4	149.3	159.2	144.7	111.0
Other operating income	3.6	1.7	0.9	0.7	0.5	0.4	0.5	2.6
Capitalised work on own account	6.7	3.2	3.4	5.3	4.7	2.0	3.2	4.3
Raw materials and consumables	-50.5	-54.8	-60.9	-33.6	-45.5	-45.6	-47.9	-37.4
Other external costs	-21.0	-23.5	-25.5	-19.3	-25.2	-22.4	-22.7	-15.3
Personnel costs	-53.4	-46.5	-54.1	-43.0	-46.4	-42.6	-45.5	-35.7
Depreciation and impairment of property, plant and equipment	-28.4	-28.3	-25.9	-23.8	-23.2	-22.9	-16.3	-14.9
Other operating expenses	-0.3	-0.5	-0.5	-0.6	-0.7	-0.9	-0.4	-1.0
Operating profit/loss (EBIT)	13.7	20.3	17.2	15.1	13.7	27.4	15.6	13.6
Profit from participations in Group companies*	0.1	-	-	-	-	-	-	-
Net financial income/expense	-8.0	-4.7	-3.8	-9.1	-1.2	-3.3	-4.9	-3.0
Profit/loss before tax	5.8	15.6	13.4	6.0	12.5	24.1	10.7	10.6
Tax	-2.7	-3.6	-2.8	-1.3	-4.3	-5.1	-2.2	-2.2
Profit for the period	3.1	12.0	10.6	4.7	8.3	19.0	8.4	8.4
Equity/Asset ratio	27.4	29.1	27.9	31.5	30.5	29.7	31.2	33.6

* Reported according to the equity method

Definitions

GENERAL

All amounts in the tables are in SEK 000 unless otherwise stated. All values in brackets are comparative figures for the corresponding period in the preceding year unless otherwise stated. Amounts in tables and other summaries have been rounded individually. Accordingly, minor rounding differences may be found in totals.

ALTERNATIVE PERFORMANCE MEASURES

This Interim Report refers to a number of financial measures not defined in accordance with IFRS, known as alternative performance measures. Railcare uses these performance measures to monitor and analyse the financial outcome of the Group's operations and its financial position. These alternative performance measures are intended to supplement, not replace, the financial measures presented in accordance with IFRS. See definitions and further information below.

FINANCIAL PERFORMANCE MEASURES	DEFINITION/CALCULATION	PURPOSE
Operating profit/loss (EBIT)	Calculated as net profit/loss for the period before tax, profit from holdings in associated companies and financial items.	This performance measure illustrates the company's profit/loss generated by operating activities.
Net financial income/expense	Net financial items are calculated as financial income less financial expenses.	This performance measure illustrates the net amount from the company's financial activities.
Net margin	The net margin is calculated as income after financial items divided by net sales.	This performance measure illustrates how much of the company's earnings remain after all expenses, excluding corporation tax, have been deducted.
Total assets	Calculated as the total of the company's assets at the end of the period.	
Equity per share, SEK	Calculated as equity divided by the number of shares outstanding at the end of the period.	This performance measure illustrates the company's net worth per share.

FINANCIAL PERFORMANCE MEASURES	DEFINITION/CALCULATION	PURPOSE
Sales growth, %	Calculated as the difference between net sales for the period and net sales for the preceding period, divided by net sales for the preceding period.	This performance measure illustrates the company's growth and historical performance, contributing to an understanding of the company's development.
Operating margin, %	Calculated as operating profit divided by net sales.	This performance measure illustrates how much of the company's profit/loss is generated by its operating activities.
Equity/assets ratio, %	Calculated as equity divided by total assets.	This performance measure illustrates the company's financial position and long-term solvency.
Dividend per share, SEK	Dividend per share approved by a General Meeting at which the Annual Report for the specified financial year is adopted.	
Earnings per share before dilution, SEK	Calculated as profit/loss attributable to Parent Company shareholders divided by the weighted average number of shares outstanding in the period.	This performance measure illustrates the company's earnings per share, excluding any dilution effect from outstanding convertibles.
Earnings per share after dilution, SEK	When calculating earnings per share after dilution, the weighted average number of shares outstanding is adjusted for the dilution effect of all potential shares. The Parent Company has a category of potential common shares with a dilution effect: convertible debentures. The convertible debentures are assumed to have been converted into shares and net profit is adjusted to eliminate interest expenses less tax effect. Convertible debentures do not give rise to a dilution effect when the interest per share that may be received upon conversion exceeds earnings per share before dilution.	This performance measure illustrates the company's earnings per share, excluding any dilution effect from outstanding convertibles.

Glossary

BALLAST FEEDER	The machine handles large volumes during reballasting and refilling.
CP6/CP7	Control Periods are the five-year periods Network Rail applies for the financial and other planning of the UK's railway infrastructure. Control Period 6 extends to 31 March 2024. Control Period 7 starts on 1 April 2024.
CULVERT INSPECTIONS	Assessment and documentation of the condition and potential maintenance need for culverts, mainly under railways and roads.
ERTMS	New signalling system for Sweden's entire rail network. Replaces an old system, simplifies traffic management and maintenance, and in the long term facilitates international traffic.
ETCS	The on-board system required in locomotives once the new ERTMS signalling system has been implemented on Sweden's railways.
EXTENDING SERVICE LIFE	Obsolete locomotives are upgraded with better engines, new signalling systems and a modernised working environment with the aim of better meeting future environmental requirements and technical standards.
MPV	Railcare's newest maintenance machine, Multi Purpose Vehicle, which is battery powered. Equipped with its own power source, vacuum pumps, hydraulics and operator cabs. The improved MPV has the same functionality, but is also equipped with a pantograph. This enables batteries to charge directly from overhead lines.
ONBOARD EQUIPMENT	The equipment required on board locomotives to enable communication with the relevant railway signalling system.
PANTOGRAPH	The trailing contact that transfers power from the overhead lines above the railway track to the electric vehicles and machines operating on the railways.

RAILVAC	Railcare's machines that are able to perform various types of track maintenance on the railways using vacuum technology.
RE-MOTORISATION	Engine replacement where older diesel motors are replaced with new modern diesel motors that meet current environmental standards, reduce operating costs and improve accessibility.
STAGE V ENGINES	Engines that meet the standard for emissions class stage V. Classification for industrial vehicles that regulates permitted emissions.
STANDBY LOCOMOTIVE/ CLEARANCE LOCOMOTIVE	A clearance locomotive with personnel that is available around the clock 365 days of the year to urgently clear or remove vehicles involved in incidents or breakdowns on the railway. The aim is to quickly get the track open for traffic again.
TB LOCOMOTIVE/ TC LOCOMOTIVE	Two types of locomotives that function as combined freight train and snow removal locomotives. The Tb is the largest of them and was built mainly for snow clearance in railway yards.
TRACK TIMETABLES	Time slots allocated by the Swedish Transport Administration for maintenance relating to carrying out work on the relevant tracks. During these periods, the tracks cannot be used for regular rail traffic.

PRESS RELEASES IN THE FOURTH QUARTER

- 19 Dec** Railcare Locomotive Workshop certified according to ISO 9001.
- 17 Dec** Railcare appoints new functions and expands Group Management.
- 9 Dec** Nomination Committee for Railcare Group AB's Annual General Meeting 2025
- 25 Nov** Railcare Locomotive Workshop upgrades historic 1144 locomotives for a new future.
- 20 Nov** Drainage crucial for a functioning railway
- 15 Nov** Railcare enables future investments in Långsele
- 7 Nov** Presentation of the Interim Report for January-September 2024
- 7 Nov** Interim Report January-September 2024
- 16 Oct** Railcare signs 5-year agreement with LKAB Malmtrafik
- 10 Oct** Johan Elveros appointed new CFO of Railcare

FINANCIAL CALENDAR 2025

- 7 May** Interim Report January-March
- 7 May** 2025 Annual General Meeting
- 14 Aug** Interim Report January-June
- 6 Nov** Interim Report January-September
- 12 Feb 2026** Year-end Report 2025

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ABOUT RAILCARE

The railway specialist Railcare offers innovative products and services for the railway; for example, railway maintenance with self-developed machines, a locomotive workshop, project and specialist transport, and machine sales. Our market is mainly in Scandinavia and the United Kingdom. The railway industry is undergoing positive development with increasing traffic volumes, extensive investment programmes, development of cost-effective freight and passenger transport, and rising environmental awareness. Railcare delivers both sustainable and efficient solutions that ensure that railway services 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 some 190 employees and annual sales of approximately SEK 630 million. The company's registered office is located in Skellefteå, Sweden.