

Allocation under Long-Term Incentive Programme LTIP 2026

At the Annual General Meeting of Railcare Group AB ("Railcare" or "the Company") held on 7 May 2026, it was resolved to establish a long-term incentive programme, LTIP 2026, for employees of the Railcare Group. LTIP 2026 gives participants the opportunity to acquire shares in a directed share issue at market value, together with rights to receive shares free of charge in the form of Matching Share Rights and Performance Share Rights. The Board of Directors of Railcare has now resolved on the allocation of shares in the directed share issue and the warrants issued to ensure the future delivery of shares under the programme.

LTIP 2026

The subscription price for the shares in the directed share issue has, in accordance with the terms and conditions of the programme, been determined at SEK 33.28 per share, corresponding to the volume-weighted average price of the Railcare share during the five trading days preceding the commencement of the subscription period. A total of 80 participants have been allocated an aggregate of 308,395 shares in Railcare. The directed share issue will provide the Company with proceeds of approximately SEK 10.3 million.

There was a great deal of interest in and participation in the programme, and several of the participants oversubscribed. In addition to the allocation guaranteed to each participant within the relevant tranche, 46 participants applied for additional shares (overallotment). For each allocated share, the participant will receive one (1) employee stock option consisting of one (1) Matching Share Right and one (1) Performance Share Right. Accordingly, a total of 308,395 employee stock options will be granted.

Hedging arrangements and share rights

To secure the delivery of shares upon the future exercise of the Share Rights, the Company has, in accordance with the resolution of the Annual General Meeting, issued warrants of series 2026/2029 to the Company itself, with the right and obligation to transfer them to the participants within the framework of LTIP 2026. Each Matching Share Right entitles the holder to subscribe for one (1) new share, and each Performance Share Right entitles the holder to subscribe for 1.2 new shares (rounded down), provided that applicable conditions and performance targets are satisfied during the vesting period. The vesting period runs from 1 June 2026 until 31 December 2029, and the Share Rights may be exercised during the period following the publication of the Company's year-end report for 2029. Subject to full vesting, the Share Rights may entitle the holders to subscribe for a maximum of 678,469 new shares.

Number of shares and dilution

As a result of the directed share issue under LTIP 2026, the number of shares in Railcare will increase by 308,395 shares, from 24,124,167 to 24,432,562 shares. The share capital will increase by SEK 126,441.95, corresponding to a quotient value of SEK 0.41 per share. The dilution resulting from the directed share issue amounts to approximately 1.26 percent of the total number of shares and votes in the Company.

Upon full exercise of all Matching Share Rights and Performance Share Rights following the end of the vesting period, the number of shares may increase by a further maximum of 678,469 shares, to a total of 25,111,031 shares, and the share capital by a further maximum of SEK 278,172.29. The additional dilution resulting therefrom amounts to approximately 2.70 percent, whereby the total dilution resulting from LTIP 2026, assuming full exercise, amounts to approximately 3.93 percent of the total number of shares and votes in the Company.

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

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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 200 employees and annual sales of approximately SEK 670 million. The company's headquarters are in Skellefteå.