

# Year-end report

JANUARY – DECEMBER 2024



Säby Bridge  
Åkersberga

**PEAB**  
THE NORDIC COMMUNITY BUILDER

# Strong finish for the year

In this report amounts and comments are based on segment reporting if not otherwise specified. The Group has different accounting principles in segment reporting compared to reporting according to IFRS for our own housing development projects and for IFRS 16 (previously operational leasing contracts). For more information on our accounting principles and the differences between segment reporting and reporting according to IFRS, see note 1 and 3. For information on alternative performance measures, see the section Alternative performance measures and definitions.

## Summary according to segment reporting

### October – December 2024

- Net sales SEK 16,785 million (15,639)
- Operating profit SEK 1,255 million (133)
- Operating margin 7.5 percent (0.9)
- Pre-tax profit SEK 1,183 million (31)
- Earnings per share before and after dilution SEK 3.63 (-0.25)
- Orders received SEK 12,052 million (10,527)
- Cash flow before financing SEK 1,719 million (1,462)

### January – December 2024

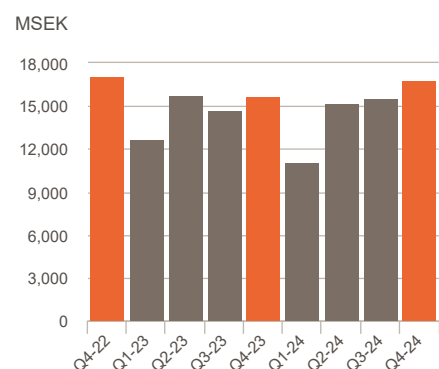
- Net sales SEK 58,697 million (58,821)
- Operating profit SEK 2,763 million (1,853)
- Operating margin 4.7 percent (3.2)
- Pre-tax profit SEK 2,425 million (1,895)
- Earnings per share before and after dilution SEK 7.25 (4.92)
- Orders received SEK 56,510 million (45,108)
- Order backlog SEK 44,906 million (39,060)
- Cash flow before financing SEK 2,601 million (-1,317)
- Net debt SEK 9,118 million (8,676)
- Net debt/equity ratio 0.5 (0.6)
- The Board proposes a dividend of SEK 2.75 (1.50) per share divided into two payments

## Group

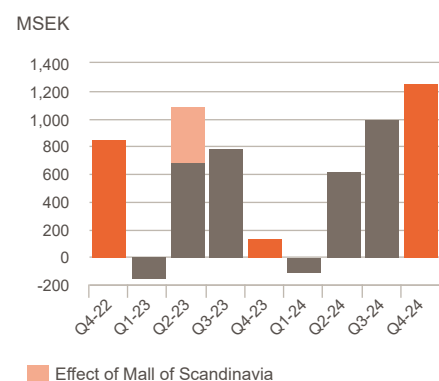
MSEK	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<b>Segment reporting</b>				
Net sales	16,785	15,639	58,697	58,821
Operating profit	1,255	133	2,763	1,853
Operating margin, %	7.5	0.9	4.7	3.2
Pre-tax profit	1,183	31	2,425	1,895
Profit for the period	1,037	-72	2,080	1,414
Earnings per share before and after dilution, SEK	3.63	-0.25	7.25	4.92
Return on equity, % <sup>1)</sup>	13.3	9.5	13.3	9.5
Return on capital employed, % <sup>1)</sup>	10.7	8.7	10.7	8.7
Net debt	9,118	8,676	9,118	8,676
Net debt/equity ratio, multiple	0.5	0.6	0.5	0.6
Equity/assets ratio, %	37.1	34.0	37.1	34.0
Cash flow before financing	1,719	1,462	2,601	-1,317
Average number of employees	12,979	13,771	12,899	13,808
<b>Reporting according to IFRS</b>				
Net sales, IFRS	17,185	17,365	61,283	61,600
Operating profit, IFRS	1,369	471	3,163	2,586
Pre-tax profit, IFRS	1,285	359	2,780	2,586
Profit for the period, IFRS	1,114	211	2,388	1,988
Earnings per share before and after dilution IFRS, SEK	3.90	0.74	8.32	6.92
Net debt, IFRS	11,253	14,537	11,253	14,537
Equity/assets ratio, IFRS, %	34.6	29.4	34.6	29.4
Cash flow before financing, IFRS	3,046	3,155	6,744	2,655

<sup>1)</sup> Calculated on rolling 12 months

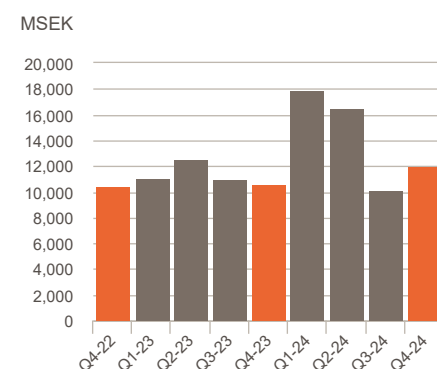
### Net sales



### Operating profit



### Orders received



# Comments from the CEO

The last quarter of the year was strong and illustrated that we are once again growing. We present better profits, a strong cash flow and a higher level of orders received for both the last quarter of the year and the full year 2024. Operations in civil engineering and paving have developed particularly well during the year and on the whole Peab yet again proves how well our four business areas complement each other.

## Group development

The year 2024 was characterized by continued varied activity on Peab's different markets. Operations in business area Civil Engineering and paving in business area Industry developed very well with higher net sales while Construction and Project Development had lower net sales. Group net sales were unchanged for 2024 at SEK 58,697 (58,821) million. After declining net sales in the first half of the year Peab grew during the last two quarters.

Operating profit increased to SEK 2,763 million (1,853) and the operating margin improved to 4.7 percent (3.2). During the year we carried out two major transactions in business area Project Development that contributed to the positive development. Last year was charged with provisions, write-downs and restructuring costs for a total of SEK 525 while a positive effect of SEK 400 million resulted from a judgement in the Mall of Scandinavia arbitration. Cash flow before financing improved considerably during the year and amounted to SEK 2,601 million (-1,317) leading to a lower net debt/equity ratio that at the end of 2024 was 0.5 (0.6).

The level of orders received was high for the year, especially after two record quarters during the first half-year and despite the weak housing market. During 2024 the level of orders received increased by 25 percent to SEK 56,510 million (45,108). This was primarily due to business area Civil Engineering where major projects like developing the New Bodø Airport and building a new dock in Skellefteå contributed. The level of orders received also rose in Industry and Project Development where the first business area benefitted from more paving commissions, particularly in Finland. In Project Development we started up several new housing projects in Sweden and Finland. The high level of orders received means we have extended our order backlog which at the end of the year amounted to SEK 44,906 million (39,060).

As previously stated operations in Construction and Civil Engineering increasingly participate in dialogues early on with customers prior to planned projects and we are therefore experiencing a greater number of preliminary agreements, so-called phase 1 contracts. Currently the potential worth of the final construction contracts from these preliminary agreements is around SEK 13 billion over the next two years (SEK 19 billion December 31, 2023).

## Business area development

Net sales contracted in business area Construction due to the weak housing market which other kinds of projects have not been able to fully compensate for. Meanwhile demand in other building construction is good, primarily from the public sector, and counteracts the impact of fewer housing projects. The operating margin in Construction amounted to 1.7 percent for the year. The operating margin in business area Civil Engineering, which benefitted from many public sector investments and was highly active in 2024, was 3.0 percent. In total, the operating margin for the construction contract businesses was 2.3 percent. The profit and margin in business area Industry increased significantly as a result of the high activity in paving operations, particularly in Finland due to the government's extra funds for road maintenance in 2024. The operating margin was 6.6 percent. On the other hand, operations in concrete, prefab and rentals have been affected by the weak housing market and activity in them was lower in 2024 compared to 2023. Operating profit and the operating margin in business area Project Development increased due to capital gains in Property Development from the divestiture of Peab's shares in the joint venture company Tornet Bostadsproduktion and the division of assets in the joint venture company Fastighets AB Centur. The total effect on profit of these transactions was SEK 620 million. These are not transactions that reoccur annually but they exhibit our ability to build value over time in Property Development, both on our own balance sheet and together with partners in joint venture companies.

The level of sales in our own developed homes continued to be low but we have sold them at an even pace. During the fourth quarter we started up 370 homes, of which 167 were converted from rental apartment projects on our own balance sheet to tenant-owner apartments/condominiums. This illustrates the continuing trend that sales opportunities increase as the project approaches completion. For this reason we are further developing the strategy of starting projects on our own balance sheet to then convert them into tenant-owner apartments.



This entails more tied-up capital and deferred effects on profits compared with our traditional method of advance sales before production starts of our own developments. There is an underlying need for new housing although aspects like high construction costs and downward revised forecasts regarding population growth make it harder to assess demand in the medium-term.

## Market and prospects for the future

Prospects for the Nordic construction markets are on the whole the same as they were in the previous quarter. The housing markets are expected to improve during 2025 as lower interest rates take effect, although from a low level. Development in other building construction is expected to be somewhat more diversified even if investments in general are stable in the segment. In 2025 civil engineering investments are expected to remain stable on a high level.

Peab's four business areas complement each other well and enable us to take advantage of the demand in our various product segments and the geographic markets. This is particularly evident in how well Peab has developed during the year.

## Target outcome 2024

Target outcome in 2024 is good with important progress in our sustainability work despite the rather challenging market situation that has marked the year. Particularly positive is the contracting trend in serious workplace accidents. For the full year 2024 they continued to decline and were 33 (48 per December 31, 2023). We will continue our work to maintain this contracting trend. Our climate and equality targets have continued to move in the right direction as well and for 2025 we are raising our target regarding recruiting women as skilled workers. Both customers and employees alike are pleased with Peab and the outcomes of both CSI och eNPS surpass our targets.

Regarding Peab's financial targets the operating margin increased significantly to 4.7 percent (3.2) for 2024 compared to the target of six percent. The net debt/equity ratio at the end of the year was 0.5, which is in the middle of the target interval of 0.3-0.7.

## Dividend proposal

Taking into consideration profit for 2024, our financial position and future capital needs, the Board proposes that Peab's Annual General Meeting decide on a dividend of SEK 2.75 (1.50) per share divided into two payments, one in May and one in October. Calculated on the number of outstanding shares, this corresponds to 38 percent of profit for the year according to segment reporting, which is less than our financial target of more than 50 percent of profit for the year.

Jesper Göransson  
President and CEO

# Net sales and profit

## October – December 2024

Group net sales increased by seven percent during the fourth quarter 2024 and amounted to SEK 16,785 million (15,639).

Net sales in business area Construction decreased by seven percent compared to the same quarter last year. The decrease is due to less activity in new housing production that has not been fully compensated for by other types of projects. Activity in business area Civil Engineering continued to be high during the quarter and net sales increased by ten percent. Net sales in business area Industry grew by ten percent, which is mainly explained by higher volumes in paving, above all in Finland. More public investments in infrastructure have had a positive impact on both business areas Civil Engineering and Industry. Net sales in business area Project Development increased by 19 percent, with higher net sales in both Housing Development and Property Development.

Operating profit for the fourth quarter 2024 increased and amounted to SEK 1,255 million (133). During the quarter a division of assets in the joint venture company Fastighets AB Centur affected the Group positively by SEK 400 million. The operating margin improved to 7.5 percent (0.9). The fourth quarter last year was charged with provisions, write-downs and restructuring costs totaling SEK 525 million, of which goodwill write-downs were SEK 125 million. Of the total amount of SEK 525 million, SEK 465 million was charged to business area Construction and SEK 60 million to Group functions.

In business area Construction the operating margin was 1.5 percent (-5.1) and 2.9 percent (4.0) in business area Civil Engineering. All in all the operating margin for construction contract operations amounted to 2.1 percent (-1.6). Operating profit improved significantly in business area Industry and the operating margin was 10.7 percent (9.4). The improved operating margin is due to better earnings in paving, above all in Finland linked to the Finnish government's extra funds for road maintenance in 2024. Operating profit in business area Project Development was SEK 521 million (17). During the fourth quarter a division of assets was carried out in the joint venture company Fastighets AB Centur, where both Peab and the other owner, Fastighets AB Balder, acquired the majority of the property portfolio. The transactions had a positive effect of SEK 367 million on operating profit in Property Development which was recognized in profit/loss from joint venture companies. For more information, see business area Project Development, section Property Development and Other information, Significant events during the period. Our other joint venture companies generated a slightly higher profit contribution in the fourth quarter of 2024 compared to the corresponding quarter in 2023.

Capital gains from property divestitures in Property Development amounted to SEK 169 million (88). The quarter included among others the divestiture of a logistics property in Södertälje. Operating profit in Housing Development was SEK -12 million (-46). The negative operating profit is primarily explained by so few housing projects in ongoing production.

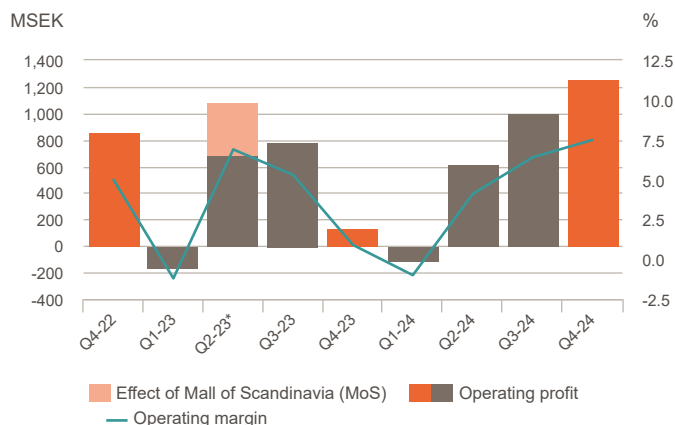
Depreciation and write-downs for the fourth quarter were SEK -433 million (-482).

Elimination and reversal of internal profit in our own development projects affected operating profit during the quarter by net SEK 43 million (-23), of which SEK 33 million related to transactions in Fastighets AB Centur.

Net financial items amounted to SEK -72 million (-102) of which net interest was SEK -87 million (-120).

Pre-tax profit was SEK 1,183 million (31). Profit for the period was SEK 1,037 million (-72).

## Operating profit and operating margin, per quarter



Kesberget Preschool  
Vårgårda

## January – December 2024

Group net sales for 2024 amounted to SEK 58,697 million (58,821). The portion of profit for the year represented by the public sector continued to grow and accounted for 56 percent (48) of net sales while private customers represented 44 percent (52).

Net sales in business area Construction decreased by 14 percent compared to the last year. The decrease is due to less activity in new housing production which has not been fully compensated for by other types of projects, and has been experienced in all the countries we operate in. Activity in business area Civil Engineering continued to be high during the year and net sales increased by nine percent. Net sales in business area Industry increased by eight percent primarily due to higher net sales in paving, above all in Finland. Greater government investments in infrastructure have had a positive effect in both business area Civil Engineering and business area Industry during the year. Concrete, prefab and rental operations have been affected by the weak housing market and reported less activity compared to the last year. In business area Project Development net sales decreased by 25 percent due to the weak demand for housing throughout the Nordic region which affected net sales in Housing Development.

Operating profit for 2024 was SEK 2,763 million (1,853) and the operating margin was 4.7 percent (3.2). During the year business area Project Development carried out two major transactions that contributed a total of SEK 620 million to the Group. The fourth quarter last year was charged with provisions, write-downs and restructuring costs totaling SEK 525 million, of which goodwill write-downs were SEK 125 million. Of the total amount of SEK 525 million, SEK 465 million was charged to business area Construction and SEK 60 million to Group functions. Last year included a positive effect of SEK 400 million resulting from arbitration in the case between Peab and Unibail-Rodamco-Westfield regarding the construction contract for Mall of Scandinavia (MoS). Excluding the effect of (MoS), operating profit in 2023 amounted to SEK 1,453 million and the operating margin was 2.5 percent.

In business area Construction the operating margin was 1.7 percent (0.1 excl. MoS). In business area Civil Engineering the operating margin was 3.0 percent (3.3). All in all the operating margin for construction contract operations was 2.3 percent (1.3 excl. MoS). Business area Industry reported a higher operating margin amounting to 6.6 percent (4.8) for the year. The improvement is due to better earnings in paving, above all in Finland linked to the Finnish government's extra funds for road maintenance in 2024. Operating profit in concrete, rental and prefab operations contracted due to the weaker housing market. There were only minor changes in profit for the year in Industry's other product areas. Operating profit in business area Project Development was higher and amounted to SEK 728 million (304). Operating profit included positive effects from capital gains in Property Development of SEK 440 million (96), of which the divestiture of the shares in the joint venture company Tornet Bostadsproduktion contributed SEK 220 million. During the fourth quarter a division of assets was carried out in the joint venture company Fastighets AB Centur, where Peab and the other owner, Fastighets AB Balder, acquired the majority of the property portfolio. The transactions had a positive effect on operating profit of SEK 367 million and were recognized in Property Development as profit from joint venture companies.

Operating profit in Housing Development was negative and the operating margin was -2.7 percent (3.8). The negative operating profit is explained by just a few production starts of our own housing developments during the year and fewer housing projects in ongoing production.

Depreciation and write-downs for the year were SEK -1,499 million (-1,532).

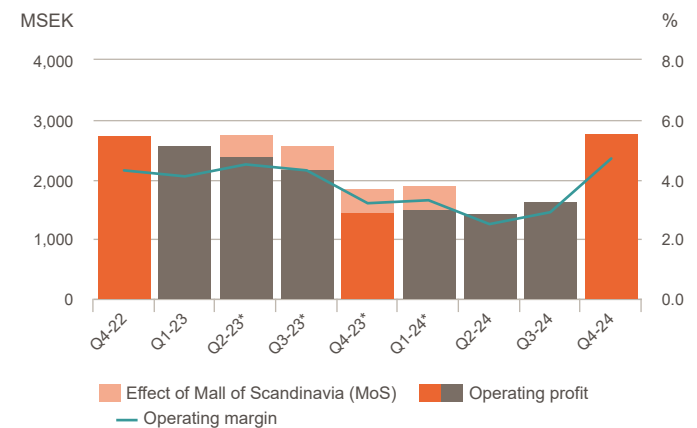
Elimination and reversal of internal profit in our own development projects affected operating profit for the year by net SEK 46 million (-56), of which SEK 33 million was related to transactions in Fastighets AB Centur.

Net financial items amounted to SEK -338 million (42) of which net interest was SEK -402 million (-420 excl. MoS). The comparative period included a positive effect of SEK 390 million as a result of the arbitration in Mall of Scandinavia.

Pre-tax profit improved and was SEK 2,425 million (1,895). Tax for the year was SEK -345 million (-481) and corresponds to a tax of 14 percent (25). The low tax rate is primarily due to capital gains that are not taxable and profit from joint venture companies in business area Project Development.

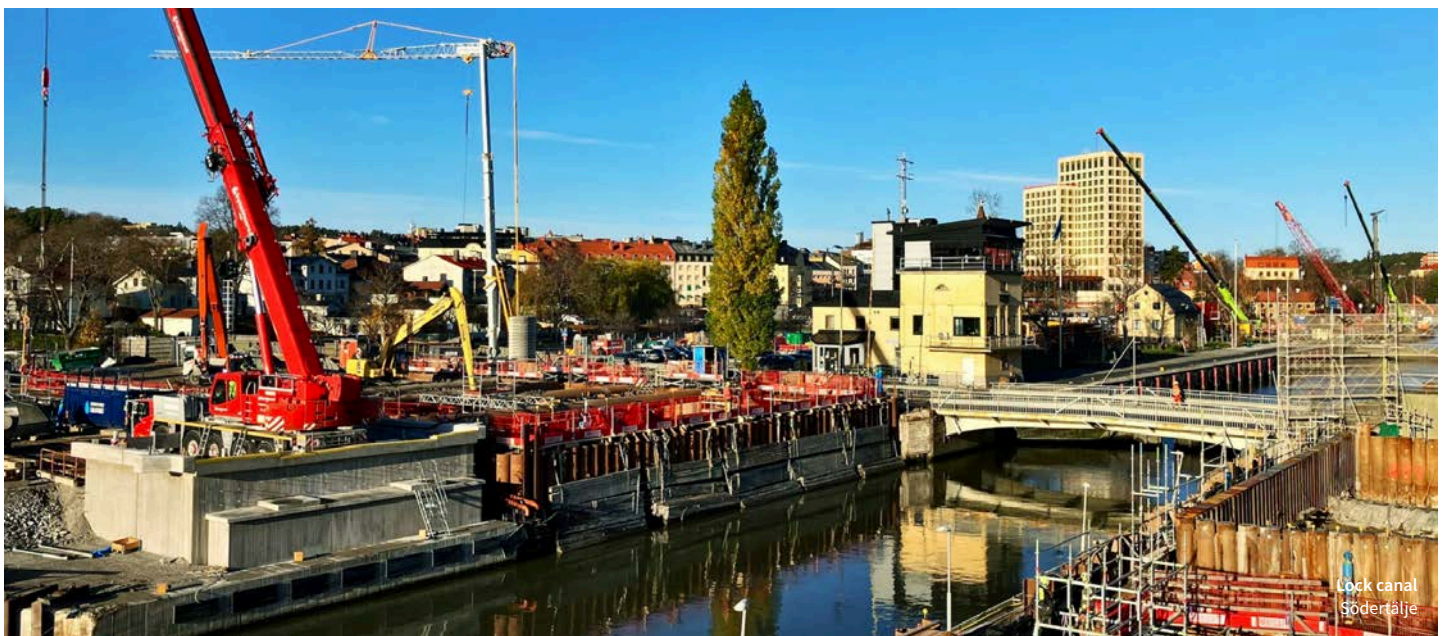
Profit for the year was SEK 2,080 million (1,414).

## Operating profit and operating margin, rolling 12 months



## Seasonal variations

Group operations, particularly in Industry and Civil Engineering, are normally affected by fluctuations that come with the cold weather during the winter half of the year. The first quarter is usually weaker than the rest of the year.



# Financial position and cash flow

## Financial position

Total assets according to segment reporting per December 31, 2024 were SEK 45,226 million (44,295). Equity amounted to SEK 16,760 million (15,082), which means the equity/assets ratio was 37.1 percent (34.0).

Interest-bearing net debt amounted to SEK 9,118 million (8,676) per December 31, 2024. During the fourth quarter a number of properties in Varvsstaden, Malmö were acquired from the joint venture company Fastighets AB Centur. All in all the transactions resulted in an increase in net debt of approximately SEK 2,000 million. During the first quarter of 2025, net debt is expected to decrease by SEK 1 billion as a dividend will be distributed by Fastighets AB Centur. During the year improved earnings and lower investments in business area Industry had a positive effect on net debt. Net debt includes project financing of the unsold part of our own housing developments while they are in production. The unsold part was SEK 2,237 million (2,685). Interest-bearing receivables amounted to SEK 1,643 million (2,638). The amount includes a capital claim of SEK 1,067 million (1,067) on Unibail-Rodamco-Westfield according to the arbitration decision announced on June 30, 2023. For details regarding the arbitration, see the section Risks and uncertainty factors and the Annual and Sustainability Report 2023. The average interest rate in the loan portfolio, including derivatives, was 5.1 percent (5.7) on December 31, 2024.

Group liquid funds according to IFRS, including unutilized credit facilities but excluding project financing, were SEK 8,822 million at the end of the year compared to SEK 6,410 million on December 31, 2023.

As a consequence of Peab consolidating Swedish tenant-owner associations according to IFRS, surety for tenant-owner associations under production is not reported. When homebuyers take possession of their apartments and the tenant-owner association is no longer consolidated in Peab's accounts, Peab then reports the part of surety that covers unsold homes. Peab has a guarantee obligation to acquire unsold homes six months after completion. Group contingent liabilities, excluding joint and several liabilities in trading and limited partnerships, amounted to SEK 2,179 million at the end of the year compared to SEK 2,428 million on December 31, 2023. Surety for credit lines in tenant-owner associations regarding the unsold part after deconsolidation made up SEK 508 million of contingent liabilities compared to SEK 328 million on December 31, 2023.

## Investments and divestments

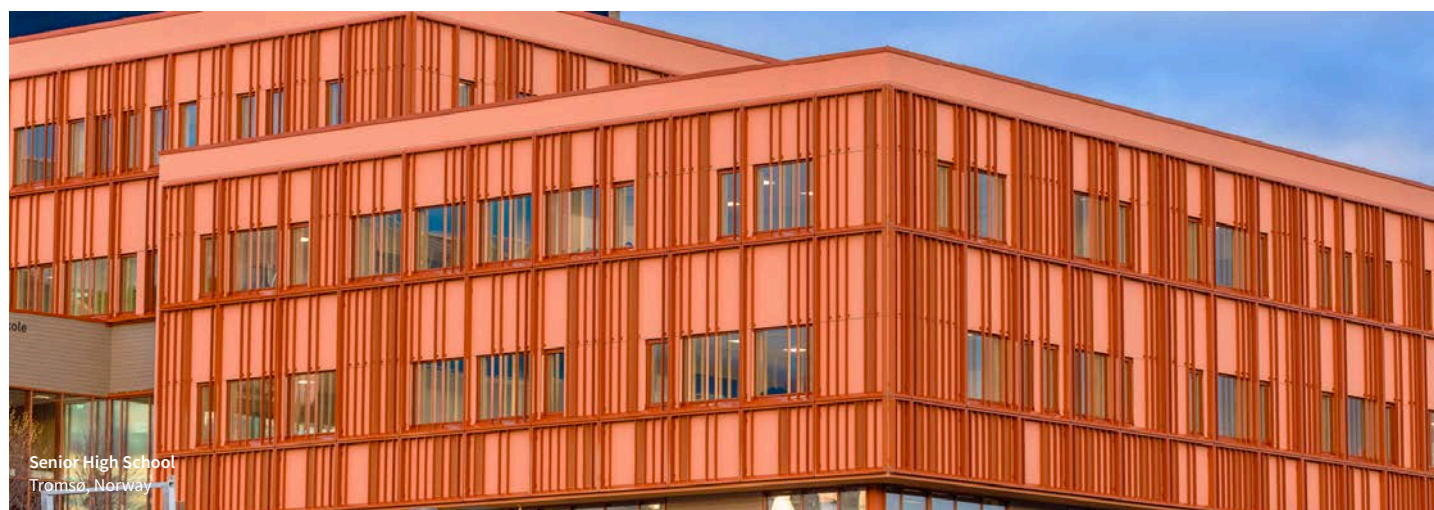
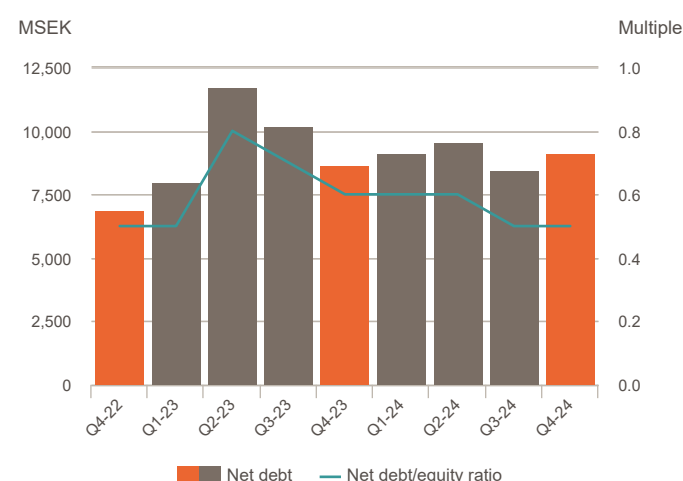
During the quarter tangible and intangible fixed assets were net invested for SEK 242 million (165). During 2024 tangible and intangible fixed assets were net invested for SEK 764 million (1,488). The investments mainly refer to investments in machines in business area Industry. Last year included investments in the construction of production facilities for prefab operations in business area Industry as well.

Net investments in project and development properties, which are recognized as inventory items, totaled SEK 1,767 million (net divestments SEK 420 million) during the quarter. Net investments in project and development properties during 2024 were SEK 2,471 million (1,608). The investments included acquisition of building rights in Nacka through the acquisition of Sickalön Bygg Invest AB in the first quarter. During the fourth quarter investment property and development property in Varvsstaden, Malmö worth approximately SEK 2,000 million were acquired.

## Net debt

MSEK	Dec 31 2024	Dec 31 2023
Bank loans	3,790	5,380
Commercial papers	642	523
Bonds	3,722	3,047
Financial leasing liabilities	733	837
Project financing, unsold part of housing projects	2,237	2,685
Other interest-bearing liabilities	1,115	85
Interest-bearing receivables	-1,643	-2,638
Liquid funds	-1,478	-1,243
<b>Net debt, segment reporting</b>	<b>9,118</b>	<b>8,676</b>
Additional leasing liabilities according to IFRS 16	1,460	1,420
Project financing, sold part of housing projects	675	4,441
<b>Net debt, IFRS</b>	<b>11,253</b>	<b>14,537</b>

## Net debt and net debt/equity ratio



## Cash flow

### October – December 2024

Cash flow from current operations was SEK 968 million (1,853) in the fourth quarter, of which cash flow from changes in working capital was SEK -150 million (736). The reduced cash flow is mainly related to business area Project Development where properties in Varvsstaden, Malmö have been acquired.

Cash flow from investment activities was SEK 751 million (-391). The improved cash flow is explained by less investment in machines in business area Industry and repayment of interest-bearing receivables in business area Project Development.

Cash flow before financing improved to SEK 1,719 million (1,462).

Cash flow from financing operations amounted to SEK -1,091 million (-1,225).

### January – December 2024

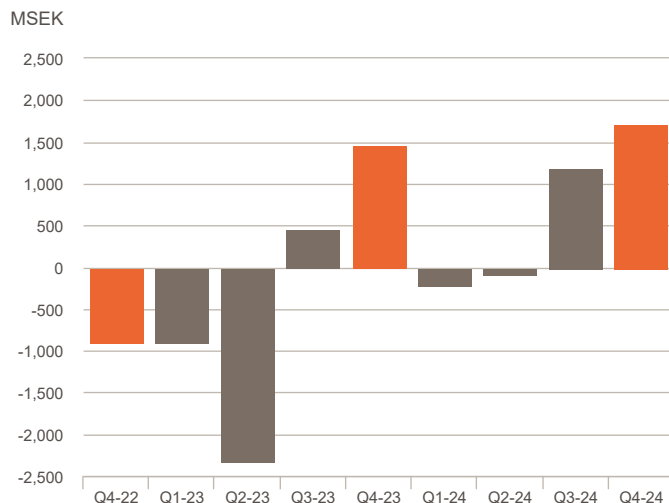
Cash flow from current operations during the year amounted to SEK 1,356 million (-56), of which cash flow from changes in working capital was SEK -1,617 million (-2,357). The improved cash flow is linked to business areas Industry and Project Development. In business area Project Development cash flow from changes in working capital has been affected by the acquisition of development rights in, among other places, Kvarnholmen, Nacka and the acquisition of properties in Varvsstaden in Malmö.

Cash flow from investment activities was SEK 1,245 million (-1,261). Cash flow has been positively affected by the divestiture of the shares in the joint venture company Tornet Bostadsproduktion in business area Project Development and by repayment of interest-bearing receivables from joint venture companies. During the year the level of investment in machines in business area Industry has been lower than compared to the last year.

Cash flow before financing improved to SEK 2,601 million (-1,317).

Cash flow from financing operations amounted to SEK -2,375 million (1,051). During the year dividends of SEK -431 million (-1,150) were paid to shareholders. Repayment of loans amounted to SEK -1,946 million. Last year loans of SEK 2,201 million were taken out.

## Cash flow before financing



# Order situation

## October – December 2024

Orders received increased by 14 percent during the fourth quarter 2024 and amounted to SEK 12,052 million (10,527). Orders received increased in both business areas Construction, Industry and Project Development. The increase in orders received in Industry is mainly attributable to paving in Finland. In Project Development we started production of several tenant-owner apartment projects/condominiums in Sweden and Finland, which has had a positive impact. Orders received in business area Civil Engineering were on the same level as the corresponding quarter last year.

## January – December 2024

The level of orders received increased by 25 percent during 2024 and amounted to SEK 56,510 million (45,108). The level of orders received increased primarily in business area Civil Engineering but also in Industry and Project Development. Orders in business area Civil Engineering include developing the New Bodø Airport in Norway for NOK 3.3 billion, the Haga-Rosenlund stage of West Link in Gothenburg worth about SEK 1.5 billion, a new dock in Skellefteå for about SEK 1.1 billion and operation and maintenance contracts worth around SEK 1.1 billion. Orders increased in paving in business area Industry, above all in Finland. In Project Development we started production of several tenant-owner apartment projects/condominiums in Sweden and Finland, which has had a positive impact. The level of orders received in business area Construction was slightly lower during the year. Orders in Construction included a swimming block in Partille for about SEK 1.3 billion. The level of orders received from the public sector has continued to be good during the year.

Order backlog yet to be produced at the end of the year grew and amounted to SEK 44,906 million (39,060). Of the total order backlog, 37 percent (35) is expected to be produced after 2025 (2024). Swedish operations accounted for 79 percent (82) of the order backlog.

## Preliminary agreements

Operations in Construction and Civil Engineering increasingly participate in dialogues early on with customers in preparation for planned projects and we are therefore experiencing a greater number of preliminary agreements, so-called phase 1 contracts. Through the preliminary agreements Peab is contracted to arrive at, together with the customer, an optimal product with the right quality and also deal with risks and uncertainties. As of 2024, we present the potential value of the final construction contracts generated by these preliminary agreements.

At the start of 2024 the potential value was approximately SEK 19 billion. During the year several projects went from phase 1 to phase 2, which meant that the projects became construction contracts and are included in Peab's orders received. At the same time new projects continue to flow into phase 1 but there are others that fall away. The value of the construction contracts generated from these preliminary agreements at the end of December was around SEK 13 billion, and these orders will potentially be received over the next two years.

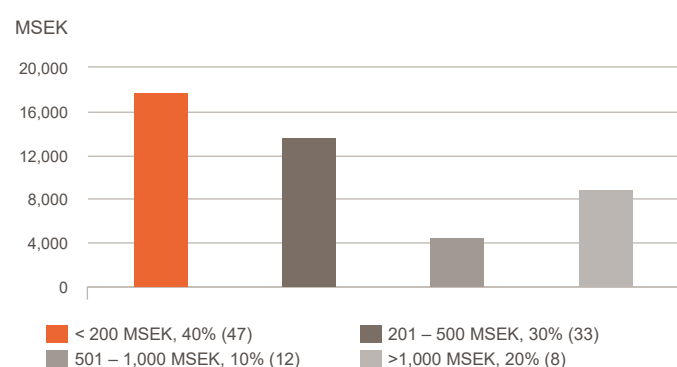
## Orders received

MSEK	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Construction	6,325	5,835	22,224	22,779
Civil Engineering	3,229	3,274	22,453	15,090
Industry	3,091	2,424	13,763	11,186
Project Development	1,246	-151	2,213	136
Eliminations	-1,839	-855	-4,143	-4,083
<b>Group</b>	<b>12,052</b>	<b>10,527</b>	<b>56,510</b>	<b>45,108</b>

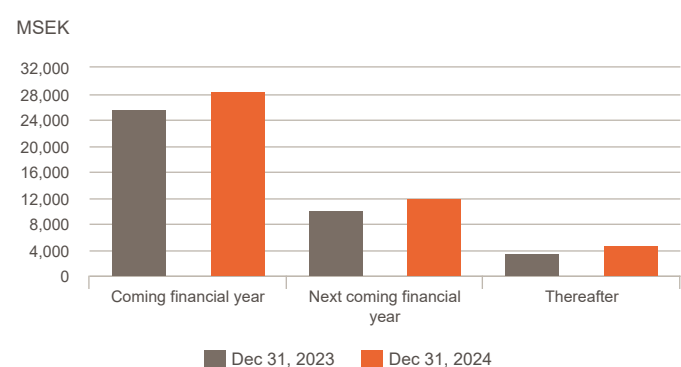
## Order backlog

MSEK	Dec 31 2024	Dec 31 2023
Construction	23,188	24,469
Civil Engineering	19,853	13,905
Industry	4,282	3,954
Project Development	1,536	1,620
Eliminations	-3,953	-4,888
<b>Group</b>	<b>44,906</b>	<b>39,060</b>

## Project size of order backlog, December 31, 2024



## Order backlog allocated over time





### **We received a number of major construction projects and contracts in the fourth quarter, including:**

- 🇸🇪 Commission to carry out demolition of old apartment buildings and construction of new apartment buildings in Visby. The customer is Gotlandshem. The contract is worth SEK 225 million.
- 🇸🇪 Construction of an elementary school in Munka Ljungby. The customer is AB Ängelholmslokaler. The contract is worth SEK 161 million.
- 🇫🇮 Construction of two apartment buildings in Oulunkylä in Helsinki. The customer is the City of Helsinki. The contract is worth EUR 13 million.
- 🇳🇴 Renovation of twelve apartment buildings in Tromsø. The customer is Knausen Bostadsrättsförening. The contract is worth NOK 141 million.
- 🇸🇪 Construction of a new crematorium at Hovdestalund in Västerås. The customer is the Church of Sweden. The contract is worth SEK 190 million.
- 🇸🇪 Construction of a new nursing home in Grums. The customer is Stiftelsen Grums kommuns hyresbostäder. The contract is worth SEK 123 million.
- 🇸🇪 Commission to build LKAB's demonstration plant for critical minerals in Luleå. The contract is worth SEK 118 million.
- 🇳🇴 Construction of an office building in Nørvevika in Ålesund. The customer is the real estate company Kolvika Brygge AS. The contract is worth NOK 104 million.
- 🇸🇪 Construction of Överby Waterworks in Trollhättan. The customer is Trollhättan Energi AB. The contract is worth SEK 580 million.
- 🇸🇪 Construction of LKAB's new office building in Kiruna. The customer is LKAB. The contract is worth SEK 459 million.
- 🇸🇪 Construction of rental apartments in Trelleborg. The customer is Sjöormen AB. The contract is worth SEK 101 million.
- 🇸🇪 Commission to expand and rebuild underground pipelines from Lule River to Boden's new industrial area, Boden Industrial Park. The customer is Boden Municipality. The contract is worth SEK 276 million.
- 🇫🇮 Construction of a defense industry facility in Jyväskylä. The customer is Jytkia Oy. The contract is worth EUR 11 million.
- 🇸🇪 Construction of a new pump station with pressure lines for the Ekeby Wastewater Treatment Plant in Eskilstuna. The customer is Eskilstuna Energi och Miljö AB. The contract is worth SEK 335 million.
- 🇸🇪 Construction of a new county archive in Nässjö. The customer is Regionfastigheter, Region Jönköping County. The contract is worth SEK 192 million.
- 🇸🇪 Commission to relocate a number of cultural buildings in Kiruna. The customer is LKAB. The contract is worth SEK 105 million.
- 🇸🇪 Construction of Björkås School in Ulricehamn. The customer is Ulricehamn Municipality. The contract is worth SEK 255 million.

### **The following own housing developments were production-started in the fourth quarter:**

- 🇸🇪 Brf Lunden in Lund comprising 77 apartments. The building will be environmentally certified according to the Swan, is being built with ECO-Betong (ECO-Concrete) and solar panels. The project is expected to be completed in October 2027.
- 🇸🇪 Brf Ocean Wave in Varberg comprising 31 apartments. The building will be environmentally certified according to the Swan and is being built with solar panels and a sedum roof. The project is expected to be completed in September 2026.
- 🇸🇪 Brf Västra Vakten in Malmö comprising 96 apartments. The buildings will be environmentally certified according to the Swan and built with ECO-Betong (ECO-Concrete), reuse, solar panels and sedum roofs. The project is expected to be completed in November 2025. The project was converted from rental apartments to tenant-owner apartments during the quarter.
- 🇸🇪 Brf Bellevue Deux in Örebro comprising 31 apartments. The building will be environmentally certified according to the Swan and the project is expected to be completed in February 2025. The project was converted from rental apartments to tenant-owner apartments during the quarter.
- 🇸🇪 Brf Skeppet in Västerås comprising 40 apartments. The building will be environmentally certified according to the Swan and built with ECO-Betong (ECO-Concrete). The project is expected to be completed in October 2025. The project was converted from rental apartments to tenant-owner apartments during the quarter.
- 🇫🇮 Asunto Oy Kalevanrinteen Vanamo in Tampere comprising 95 apartments. The project will be built according to the EU Taxonomy, have energy class A and will be certified according to Breeam-In-Use. The project is expected to be completed in January 2027.

### **We received a number of paving contracts in the fourth quarter, including:**

- 🇸🇪 Three-year federal contract in southern and northern Skåne worth SEK 99 million.
- 🇸🇪 Three-year municipal contract in the City of Helsingborg worth SEK 77 million with an option for another year.
- 🇸🇪 Two-year federal contract in Skåne worth SEK 57 million.
- 🇸🇪 Four-year municipal contract in Lerum worth SEK 32 million.
- 🇸🇪 One-year municipal contract in Svalöv worth SEK 24 million.
- 🇫🇮 One-year federal contract in Ostrobothnia worth EUR 2 million with an option for another two years.

# Overview business areas

The Peab Group is presented in four different business areas: Construction, Civil Engineering, Industry and Project Development. The business areas are also operating segments.

For more information regarding the differences between segment reporting and reporting according to IFRS, see note 1 and note 3.

In addition to the business areas central companies, certain subsidiaries and other holdings are presented as Group functions. The central companies primarily consist of the parent company Peab AB and Peab Finans AB.

## Net sales and operating profit per business area

MSEK	Net sales				Operating profit			
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2024	2023	2024	2023	2024	2023	2024	2023
Construction	6,541	7,029	23,817	27,780	96	-358	416	41
Civil Engineering	4,893	4,454	16,539	15,164	140	180	499	501
Industry	5,576	5,056	21,548	19,962	597	476	1,415	962
Project Development	1,737	1,456	4,270	5,722	521	17	728	304
– of which Property Development	636	453	686	534	533	63	823	107
– of which Housing Development	1,101	1,003	3,584	5,188	-12	-46	-95	197
Group functions	343	377	1,350	1,487	-142	-159	-341	-299
Eliminations	-2,305	-2,733	-8,827	-11,294	43	-23	46	-56
<b>Group, segment reporting excl. MoS</b>	<b>16,785</b>	<b>15,639</b>	<b>58,697</b>	<b>58,821</b>	<b>1,255</b>	<b>133</b>	<b>2,763</b>	<b>1,453</b>
Construction – effect Mall of Scandinavia (MoS)								400
<b>Group, segment reporting</b>	<b>16,785</b>	<b>15,639</b>	<b>58,697</b>	<b>58,821</b>	<b>1,255</b>	<b>133</b>	<b>2,763</b>	<b>1,853</b>
Adjustment housing to IFRS	400	1,726	2,586	2,779	103	330	364	696
IFRS 16, additional leases	–	–	–	–	11	8	36	37
<b>Group, IFRS</b>	<b>17,185</b>	<b>17,365</b>	<b>61,283</b>	<b>61,600</b>	<b>1,369</b>	<b>471</b>	<b>3,163</b>	<b>2,586</b>
<i>Of which construction contract businesses according to segment reporting excl. MoS (Construction and Civil Engineering)</i>	<i>11,434</i>	<i>11,483</i>	<i>40,356</i>	<i>42,944</i>	<i>236</i>	<i>-178</i>	<i>915</i>	<i>542</i>

Percent	Operating margin			
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
	2024	2023	2024	2023
Construction	1.5	-5.1	1.7	0.1
Civil Engineering	2.9	4.0	3.0	3.3
Industry	10.7	9.4	6.6	4.8
Project Development	30.0	1.2	17.0	5.3
– of which Property Development	83.8	13.9	120.0	20.0
– of which Housing Development	-1.1	-4.6	-2.7	3.8
Group functions				
Eliminations				
<b>Group, segment reporting excl. MoS</b>	<b>7.5</b>	<b>0.9</b>	<b>4.7</b>	<b>2.5</b>
<b>Group, segment reporting</b>	<b>7.5</b>	<b>0.9</b>	<b>4.7</b>	<b>3.2</b>
Adjustment housing to IFRS				
IFRS 16, additional leases				
<b>Group, IFRS</b>	<b>8.0</b>	<b>2.7</b>	<b>5.2</b>	<b>4.2</b>
<i>Of which construction contract businesses according to segment reporting excl. MoS (Construction and Civil Engineering)</i>	<i>2.1</i>	<i>-1.6</i>	<i>2.3</i>	<i>1.3</i>

# Business area Construction

With local roots close to customers business area Construction does construction work for both external and internal customers. Construction projects include everything from new production of housing, public and commercial premises to renovations and extensions as well as construction maintenance.

Operations in business area Construction are run via some 150 local offices around the Nordic region, organized in eleven regions in Sweden, three in Norway and two in Finland. There are specialized housing production units in Stockholm, Gothenburg and the Öresund region. Construction maintenance is a nationwide organization in Sweden focused on major cities. Other regions are responsible for all types of construction projects in their geographic area.

## Net sales and profit

### October – December 2024

Net sales for the fourth quarter 2024 decreased by seven percent and amounted to SEK 6,541 million (7,029). The decrease is due to less activity in new housing production that has not been fully compensated by other types of projects. Operating profit was SEK 96 million (-358) and the operating margin was 1.5 percent (-5.1). During the fourth quarter last year, the operating profit was charged with provisions and write-downs totaling SEK -465 million, of which goodwill write-downs were SEK -125 million.

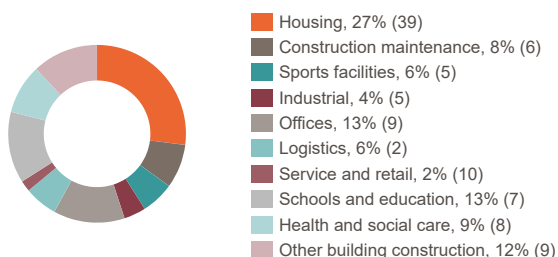
### January – December 2024

Net sales for 2024 decreased by 14 percent and amounted to SEK 23,817 million (27,780). The decrease is due to less activity in new housing production that has not been fully compensated by other types of projects and has been experienced in all the countries we operate in.

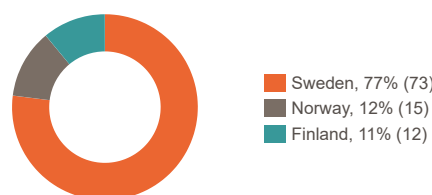
The portion of other building construction, primarily for the public sector, has increased in net sales. Housing accounted for 27 percent (39) of net sales for the full year 2024.

## Net sales

### per product area, 2024

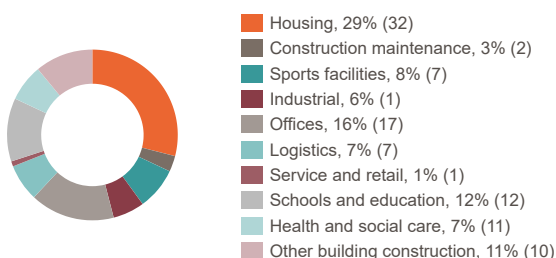


### per geographic market, 2024

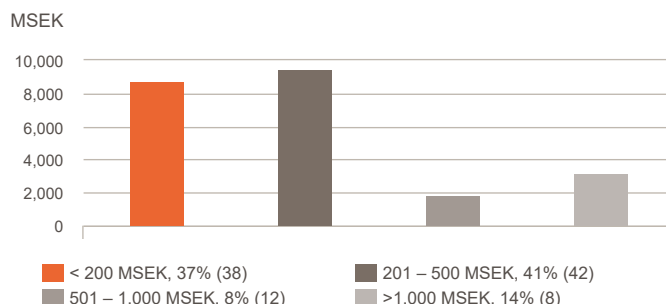


## Order backlog, December 31, 2024

### per product area



### per project size



## Key ratios

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales, MSEK	6,541	7,029	23,817	27,780
Operating profit excl. MoS, MSEK	96	-358	416	41
Operating margin excl. MoS, %	1.5	-5.1	1.7	0.1
Operating profit, MSEK	96	-358	416	441
Operating margin, %	1.5	-5.1	1.7	1.6
Orders received, MSEK	6,325	5,835	22,224	22,779
Order backlog, MSEK	23,188	24,469	23,188	24,469
Operating cash flow, MSEK	-93	86	-3	146
Average number of employees	4,356	4,911	4,477	5,067

Operating profit amounted to SEK 416 million (41 excl. MoS) and the operating margin was 1.7 percent (0.1 excl. MoS). Last year the operating profit was charged with provisions and write-downs of a total of SEK -465 million, of which goodwill write-downs were SEK -125 million. Last year included a positive effect of SEK 400 million from the outcome of the arbitration in the case between Peab and Unibail-Rodamco-Westfield regarding the construction contract Mall of Scandinavia (MoS) in Solna. Operating profit for the comparable period amounted to SEK 441 million and the operating margin was 1.6 percent.

## Orders received and order backlog

### October – December 2024

The level of orders received in the fourth quarter increased to SEK 6,325 million (5,835).

### January – December 2024

The level of orders received during 2024 amounted to SEK 22,224 million (22,779), among them a new swimming pool block with a swimming pool facility, homes, commercial premises and parking space in Partille worth of around SEK 1.3 billion and construction of Gothenburg's new station building for SEK 870 million. In addition, orders received from the public sector for other building construction continued to be good.

Order backlog on December 31, 2024 amounted to SEK 23,188 million (24,469). There is a large portion of other building construction for the public sector in order backlog. The proportion of housing projects at the end of the year was 29 percent (32).

# Business area Civil Engineering

Business area Civil Engineering is a leading actor in Sweden and one of the larger players in Norway. Civil Engineering works with landscaping and pipelines, builds and maintains roads, railroads, bridges and other infrastructure as well as does foundation work. Operations are organized in seven geographic regions, one region for foundations, and one nationwide region in Sweden for operation and maintenance.

Local market in business area Civil Engineering works with landscaping, streets, pipelines, foundation work as well as construction of different kinds of facilities and water and pipeline systems. Infrastructure and heavy construction builds roads, railroads, bridges, tunnels and ports. Operation and maintenance handles national and municipal highways and street networks, tends parks and outdoor property as well as operates water and wastewater networks.

## Net sales and profit

### October – December 2024

Activity in business area Civil Engineering continued to be high during the fourth quarter and net sales increased by ten percent to SEK 4,893 million (4,454). The increase is related to both Swedish and Norwegian operations. Operating profit amounted to SEK 140 million (180) and the operating margin was 2.9 percent (4.0).

### January – December 2024

Activity was high during 2024 in business area Civil Engineering in both Sweden and Norway. Public investments in the form of infrastructure and water and wastewater facilities as well as the ongoing climate transition have had a positive impact. Net sales increased by nine percent to SEK 16,539 million (15,164). Adjusted for divested operations and exchange rate effects, net sales increased by ten percent.

Operating profit was SEK 499 million (501) and the operating margin was on a stable level at 3.0 percent (3.3).

## Orders received and order backlog

### October – December 2024

The level of orders received during the fourth quarter amounted to SEK 3,229 million (3,274).

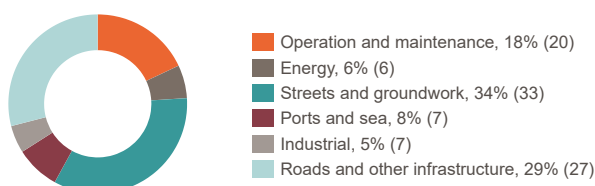
### January – December 2024

The level of orders received during 2024 has been record high and amounted to SEK 22,453 million (15,090). The year included among others the Haga-Rosenlund stage of the West Link in Gothenburg worth around SEK 1.5 billion, a new dock in Skellefteå worth about SEK 1.1 billion, operation and maintenance contracts for about SEK 1.1 billion and New Bodø Airport worth NOK 3.3 billion.

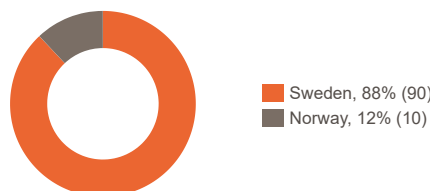
The high order level means that we have extended the duration of the order backlog. Order backlog on December 31, 2024 was SEK 19,853 million (13,905). Roads and other infrastructure make up the largest portion of the order backlog at 38 percent (28).

## Net sales

### per product, 2024

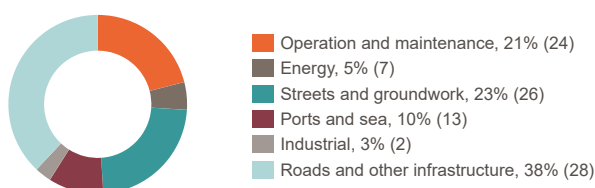


### per geographic market, 2024

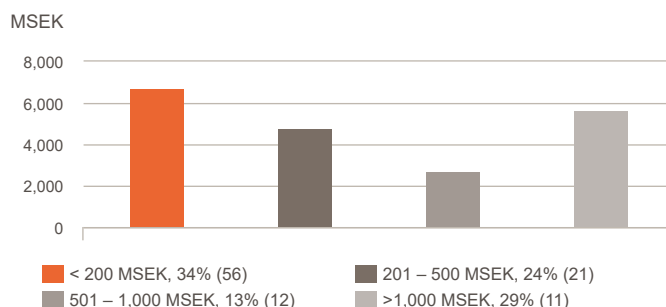


## Order backlog, September 30, 2024

### per product



### per project size



## Key ratios

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales, MSEK	4,893	4,454	16,539	15,164
Operating profit, MSEK	140	180	499	501
Operating margin, %	2.9	4.0	3.0	3.3
Orders received, MSEK	3,229	3,274	22,453	15,090
Order backlog, MSEK	19,853	13,905	19,853	13,905
Operating cash flow, MSEK	252	339	697	698
Average number of employees	3,276	3,379	3,235	3,356

# Business area Industry

Business area Industry provides the products and services needed to carry out more sustainable and cost-efficient construction and civil engineering projects on the Nordic market. With local roots we work with both external and internal customers.

Business area Industry offers everything from mineral aggregates, concrete, paving and temporary electricity to prefabricated concrete elements and frame assembly. Industry also assists with crane and machine rental, distribution of binder to the concrete industry, transportation as well as recycles residue from the construction and civil engineering industry. The business area is run in six product areas; mineral aggregates, paving, concrete, transportation and machines, rentals and construction system.

## Net sales and profit

Business area Industry has a very clear seasonal pattern where the first quarter is characterized by substantial deficits since the paving season begins in the second quarter.

### October – December 2024

Net sales during the fourth quarter 2024 increased by ten percent and amounted to SEK 5,576 million (5,056). The increase in net sales is primarily due to paving, above all in Finland. Operating profit increased and amounted to SEK 597 million (476) and the operating margin improved to 10.7 percent (9.4). The improved operating margin is due to better earnings in paving, above all in Finland linked to the Finnish government's extra funds for road maintenance in 2024.

### January – December 2024

Net sales during 2024 increased by eight percent and amounted to SEK 21,548 million (19,962). The increase is primarily due to paving, above all in Finland. Concrete, prefab and rental operations have been affected by the weak housing market and reported a lower level of activity compared to the last year.

Operating profit increased during the year and amounted to SEK 1,415 million (962). The operating margin improved to 6.6 percent (4.8), which is primarily due to higher earnings in paving, above all in Finland linked to the Finnish government's extra funds for road maintenance in 2024. Concrete, prefab and rental operations reported lower operating profit as a result of the weaker housing market. There were minor changes in profit in the business area's other product areas during the year.

Capital employed at the end of the year contracted and was SEK 9,920 million compared to SEK 10,699 million at the end of last year. The decrease is due to a lower investment rate and an improvement in working capital.

## Orders received and order backlog

### October- December 2024

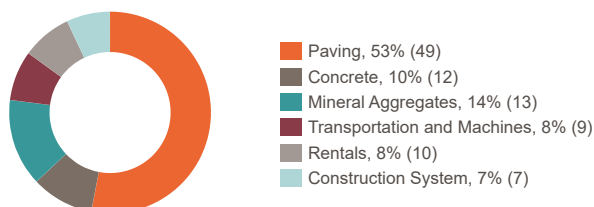
The level of orders received during the fourth quarter increased to SEK 3,091 million (2,424). The increase is mainly related to paving contracts, particularly in Finland.

### January – December 2024

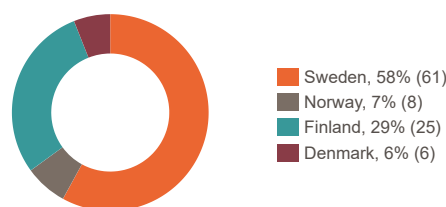
The level of orders received during 2024 increased and amounted to SEK 13,763 million (11,186). The increase is mainly related to paving contracts, particularly in Finland. Order backlog per December 31, 2024 was SEK 4,282 million (3,954).

## Net sales

### per product area, 2024



### per geographic market, 2024



## Key ratios

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales, MSEK	5,576	5,056	21,548	19,962
Operating profit, MSEK	597	476	1,415	962
Operating margin, %	10.7	9.4	6.6	4.8
Orders received, MSEK	3,091	2,424	13,763	11,186
Order backlog, MSEK	4,282	3,954	4,282	3,954
Capital employed at the end of the period, MSEK	9,920	10,699	9,920	10,699
Operating cash flow, MSEK	1,465	1,448	2,324	1,012
Average number of employees	4,641	4,620	4,441	4,485
Concrete, thousands of m <sup>3</sup> <sup>1)</sup>	261	255	916	1,104
Paving, thousands of tons <sup>1)</sup>	1,498	1,149	6,671	5,511
Mineral Aggregates, thousands of tons <sup>1)</sup>	7,751	6,572	27,830	24,784

<sup>1)</sup> Refers to sold volume

# Business area Project Development

Business area Project Development, which comprises Housing Development and Property Development, develops sustainable and vibrant urban environments with residential, commercial and public property.

The business area is responsible for the Group's property acquisitions and divestitures as well as project development which generates contract work for the other business areas. Project Development works through wholly owned companies or in collaboration with other partners in joint ventures.

Housing Development offers a broad range of housing forms including apartment buildings with tenant-owner apartments, condominiums and apartments for rent.

Property Development develops office buildings, premises and sometimes entire city districts in collaboration with municipalities and other partners. Operations are primarily concentrated to the big city areas throughout the Nordic region.

## Net sales and profit

### October – December 2024

Net sales in Project Development increased by 19 percent in the fourth quarter and amounted to SEK 1,737 million (1,456). Operating profit amounted to SEK 521 million (17) and the operating margin was 30.0 percent (1.2).

### January – December 2024

Net sales in Project Development contracted during 2024 and amounted to SEK 4,270 million (5,722). The decrease is attributable to Housing Development. Operating profit amounted to SEK 728 million (304) and the operating margin was 17.0 percent (5.3).

Capital employed in Project Development at the end of the year amounted to SEK 19,767 million (18,093).

## Capital employed

MSEK	Dec 31 2024	Dec 31 2023
Operations property	34	146
Investment property	36	36
Project and development property	17,017	14,603
<i>of which housing development rights</i>	9,344	7,981
<i>of which commercial development rights</i>	1,671	901
<i>of which unsold part of ongoing housing projects</i>	1,979	2,461
<i>of which ongoing rental projects</i>	761	1,712
<i>of which ongoing commercial projects</i>	115	489
<i>of which completed property</i>	2,212	165
<i>of which other</i>	935	894
Participation in joint ventures	2,880	2,820
Loans to joint ventures	484	1,498
Working capital and other	-684	-1,010
<b>Total</b>	<b>19,767</b>	<b>18,093</b>
<i>of which Property Development</i>	6,165	5,034
<i>of which Housing Development</i>	13,602	13,059

## Key ratios

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales, MSEK	1,737	1,456	4,270	5,722
<i>of which Property Development</i>	636	453	686	534
<i>of which Housing Development</i>	1,101	1,003	3,584	5,188
Operating profit, MSEK	521	17	728	304
<i>of which Property Development</i>	533	63	823	107
<i>of which Housing Development</i>	-12	-46	-95	197
Operating margin, %	30.0	1.2	17.0	5.3
<i>of which Property Development</i>	83.8	13.9	120.0	20.0
<i>of which Housing Development</i>	-1.1	-4.6	-2.7	3.8
Capital employed at the end of the period, MSEK	19,767	18,093	19,767	18,093
Orders received, MSEK	1,246	-151	2,213	136
Order backlog, MSEK	1,536	1,620	1,536	1,620
Operating cash flow, MSEK	204	-213	422	-2,254
Average number of employees	139	199	155	222

## Housing Development

### October – December 2024

Net sales for the quarter amounted to SEK 1,101 million (1,003). Operating profit amounted to SEK -12 million (-46) and the operating margin was -1.1 percent (-4.6). The negative operating profit is due to few housing projects in ongoing production.

Demand for newly produced homes with a long time before occupancy remains low. During the fourth quarter production started on a total of 370 (79) our own developed homes, all of which were tenant-owner apartments/condominiums, of which 167 were converted from rental apartments. Last year 79 homes were production-started in rental apartment projects. The total number of sold homes was 267 (330), all of which were tenant-owner apartments/condominiums (201). Last year 129 homes were sold in rental apartment projects as well.

### January – December 2024

Continued weak demand on the housing market throughout the Nordic region is clearly noticeable in Housing Development. Net sales decreased to SEK 3,584 million (5,188). Operating profit amounted to SEK -95 million (197) and the operating margin was -2.7 percent (3.8).

A total of 615 (727) own developed homes were started during the year, all of them tenant-owner apartments/condominiums, of which 167 were converted from rental apartments. Last year production started on 121 tenant-owner apartments/condominiums, of which 85 were converted from rental apartments and 606 were homes in rental apartment projects on our own balance sheet. The number of sold homes was 1,008 (934), of which 710 (542) were tenant-owner apartments/condominiums and 298 (392) were homes in rental apartment projects.

The total number of homes in production at the end of the year was 1,550 (3,694), of which 1,056 (2,392) were tenant-owner apartments/condominiums and 494 (1,302) were homes in rental apartment projects. The portion of sold tenant-owner apartments/condominiums in ongoing production was 45 percent (68). The number of repurchased homes per December 31, 2024 was 224 (252) and approximately half of them were in Finland.

Production starts and sales of our own housing developments continued to be at low levels during the year, although we are selling at a steady pace. During the fourth quarter, we started new projects and converted rental apartment projects from our own balance sheet to tenant-owner apartments/condominiums. This illustrates the continuing trend that sales opportunities increase as the project approaches completion. For this reason we are further developing the strategy of starting projects on our own balance sheet to then convert them into tenant-owner apartments. This entails more tied-up capital and deferred effects on profits compared with our traditional method of advance sales before production starts of our own developments.

## Development rights for housing

Number, approx.	Dec 31 2024	Dec 31 2023
Development rights on our own balance sheet	24,000	22,000
Development rights via joint ventures	3,700	4,700
Development rights via options etc.	7,400	7,400
<b>Total</b>	<b>35,100</b>	<b>34,100</b>

## Own housing development construction

	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<b>Tenant-owner associations, ownership and residential limited companies</b>				
Number of production-started homes during the period	370 <sup>1)</sup>	–	615 <sup>2)</sup>	121 <sup>2)</sup>
Number of sold homes during the period	267	201	710	542
Total number of homes under production, at the end of the period	1,056	2,392	1,056	2,392
Portion of sold homes under production, at the end of the period	45%	68%	45%	68%
Number of repurchased homes on our balance sheet, at the end of the period	224	252	224	252
<b>Rentals</b>				
Number of production-started homes during the period	–	79	–	606
Number of sold homes during the period	–	129	298	392
Number converted to tenant-owner associations during the period	167	–	167	85
Total number of homes under production, at the end of the period	494	1,302	494 <sup>3)</sup>	1,302 <sup>3)</sup>
Number of homes completed, at the end of the period	306	–	306	–

<sup>1)</sup> Includes 167 (–) homes that have been converted from rentals

<sup>2)</sup> Includes 167 (85) homes that have been converted from rentals

<sup>3)</sup> Of which 80 (365), respectively 16 (28) percent, are under contract to be sold upon completion

There is an underlying need for new housing although aspects like high construction costs and downward revised forecasts regarding population growth make it harder to assess demand in the medium-term. As far as Peab is concerned we have a well-dimensioned development rights portfolio in attractive locations and in anticipation of market recovery we are further developing and preparing projects for start-ups in the future.

Capital employed increased and amounted to SEK 13,602 million (13,059) at the end of the year. The increase is primarily due to investments in development rights in, among other places, Kvarnholmen in Nacka and Varvsstaden in Malmö.

In December 2023 Peab signed a contract to acquire Folksam's shares in Sicklaön Bygg Invest AB that partly and wholly owns development rights in Kvarnholmen in Nacka. The acquisition was concluded in January 2024 and Peab thereby increased its ownership from 50 to 100 percent. Peab has developed homes on Kvarnholmen since 2013. Sicklaön Bygg Invest AB has more than 270 zoning approved, wholly owned development rights for a gross area of 26,000 m<sup>2</sup>. In addition, the company owns 50 percent of the shares in Kvarnholmen Utveckling AB that has an ongoing zoning process for more than 120,000 m<sup>2</sup> housing development rights. Half of them will be turned over to Peab.

During the fourth quarter Peab acquired, among other things, development properties with about 280,000 m<sup>2</sup> of planned development rights in Malmö from the joint venture company Fastighets AB Centur, which increased the number of housing development rights in Housing Development by about 1,700. For more information, see the section Property Development below.

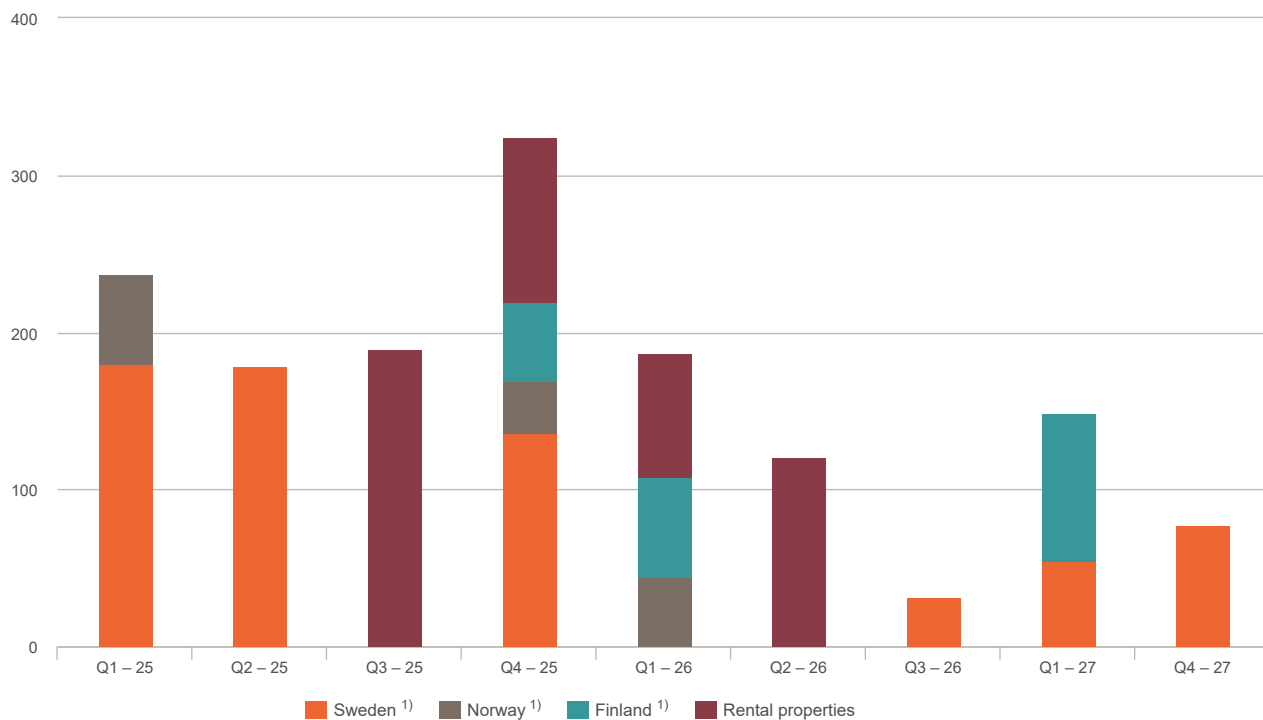
## Net sales

### per geographic market, 2024



## Time of completion of our own ongoing housing development projects

Number of homes



<sup>1)</sup> Refers to Swedish tenant-owner associations and single homes, Norwegian condominiums and share housing and Finnish residential limited companies



Rental apartments Bara Centrum Svedala



## Property Development

Net sales and operating profit from operations are derived from acquisitions, development, running and managing wholly owned property, shares in the result from joint venture companies as well as capital gains/losses from the divestiture of completed property and shares in joint venture companies.

### October – December 2024

Net sales for the fourth quarter 2024 were SEK 636 million (453) and operating profit was SEK 533 million (63). Capital gains from property divestitures amounted to SEK 169 million (88). The quarter included among others the divestiture of a logistics property in Södertälje. Profit contributions from joint venture companies amounted to SEK 385 million compared to SEK 7 million in the corresponding quarter last year, of which profit contributions from Fastighets AB Centur amounted to SEK 375 million.

During the fourth quarter Peab acquired four investment properties in Varvsstaden, Malmö for SEK 784 million with a net operating income of SEK 43 million and development properties with about 280,000 m<sup>2</sup> of planned development rights in Malmö for SEK 1,239 million from the joint venture company Fastighets AB Centur. The acquisition also included an ongoing development project, Hall 259 with 11,000 m<sup>2</sup> leasable area and 550 parking spaces, which will be completed in 2027. Peab also acquired an investment property in the Kirseberg-Östervärn area in Malmö for SEK 68 million. The zoning process is underway with the intention to develop around 55,000 m<sup>2</sup> development rights for homes and offices in the area. All in all the acquisitions amounted to SEK 2,091 million. At the same time Fastighets AB Centur divested investment properties to the other owner, Fastighets AB Balder, for a total of SEK 5,228 million. The transactions had a positive effect on operating profit of SEK 367 million and are included in joint venture profit from Fastighets AB Centur. Peab has developed homes and offices in Varvsstaden for several years and will be operating in the area for a long time to come.

### January – December 2024

Net sales were SEK 686 million (534) and operating profit was SEK 823 million (107) in 2024. Capital gains from property divestitures amounted to SEK 440 million (96) in total, of which the divestiture of the shares in Tornet Bostadsproduktion contributed by SEK 220 million. Profit contributions from joint venture companies amounted to SEK 441 million compared to SEK 77 million last year, of which profit contributions from Fastighets AB Centur amounted to SEK 417 million.

In December 2023 Peab signed a contract to divest its 33.3 percent ownership in Tornet Bostadsproduktion to the two other owners, Folksam and Fastighets AB Balder. Peab has been a part owner in Tornet Bostadsproduktion since 2009. The company owns and manages around 2,200 rental apartments and has some 650 rental apartments in production in a number of cities in Sweden. The deal was closed in January 2024, entailing capital gains of SEK 220 million.

The transactions concerning Tornet Bostadsproduktion and Fastighets AB Centur had a major impact on profit in 2024. These are not transactions that reoccur annually but they exhibit our ability to build value over time in Property Development, both on our own balance sheet and together with partners in joint venture companies.

At the end of 2024 the capital employed in Property Development was SEK 6,165 million (5,034). The increase is due to the acquisition of properties from Fastighets AB Centur. A large part of the capital employed consists of shares in joint venture companies and loans to joint venture companies.

The table below presents current property projects per December 31, 2024.

## Current property projects

Type of project	Location	Rentable area in m <sup>2</sup>	Degree rented, %	Recognized value, MSEK	Adopted investment, MSEK	Completion time point	Completion level, %
<b>Ongoing</b>							
Retail, office building and parking	Malmö	11,000	13	79	592	Q3-2027	13
<b>Completed</b>							
Office building	Gothenburg	12,900	40	532			
Apartment hotel	Malmö	4,200	100	138			
Office building	Malmö	2,500	100	145			
Office building	Malmö	3,600	100	135			
Office building	Malmö	4,900	100	267			

## Significant joint ventures

Peab's significant joint venture companies Fastighets AB Centur, Fastighets AB ML4, Point Hyllie Holding AB and Skiab Invest AB are developing well and via them Peab has built up considerable indirect holdings in investment property and development property for both commercial and residential purposes. Regular returns are in the form of shares in the profit from joint ventures recognized in operating profit and interest income on lending. Changes in market values that affect booked values in the joint venture companies are not included in Peab's accounts.

### Fastighets AB Centur

Own, manage and develop commercial property and housing. In November 2024 Peab and Fastighets AB Balder acquired most of the existing property portfolio from Centur. Only a few properties remain in Fastighets AB Centur. After the transactions Fastighets AB Centur is no longer classified as a significant joint venture in Peab. For more information, see Property Development above and the section Other information, Significant events during the period.

### Fastighets AB ML4

Own and manage the research facility Max IV. The facility is rented to Lund University.

**Peab's share:** 50 percent

**Partner:** Wihlborgs

**Geography:** Lund

**Recognized value on properties December 31, 2024:** SEK 1,840 million (1,890)

**Major ongoing projects:** No major ongoing projects

### Point Hyllie Holding AB

Develop, own and manage the office property The Point as well as own and manage the hotel property Vårdshuset 5 (Operator Quality Hotel View).

**Peab's share:** 50 percent

**Partner:** Volito

**Geography:** Hyllie, Malmö

**Recognized value on properties December 31, 2024:** SEK 1,344 million (1,379)

**Major ongoing projects:** No major ongoing projects

### Skiab Invest AB

Develop, own and manage commercial property and housing in the Scandinavian mountains.

**Peab's share:** 50 percent

**Partner:** SkiStar

**Geography:** Scandinavian mountains

**Recognized value on properties December 31, 2024** <sup>1)</sup>: SEK 2,157 million (2,149)

**Peab's portion of unrecognized fair value exclusive tax** <sup>1)</sup>: SEK 59 million (40)

**Major ongoing projects:** No major ongoing projects

<sup>1)</sup> Valued at market price in joint venture companies. The point in time when market valuations take place can differ between the companies. Market prices on properties that affect the recognized values in the joint venture companies are not included in Peab's accounts.

# Construction market

## Sweden

The Swedish GNP is believed to have grown by 0.7 percent in 2024 and growth is estimated at a bit over 2 percent in 2025. The Riksbank has successively lowered the repo rate from 4.0 to 2.25 percent. The recession in the Swedish economy will most likely continue until the end of 2026. Households, which should be the engines of recovery, are still cautious. Housing construction contracted in 2024. The construction of single homes appeared to have declined dramatically while apartment building construction probably just leveled out. Housing construction is expected to grow in 2025 but from a low level. In other building construction it looks like private and public premise construction, including industry's building construction, grew last year. Growth is expected to continue in 2025 but at a lower rate. Building construction investments are affected positively by a slow-down in inflation, lower interest rates and the government's expansive finance policy but they are dampened by unemployment and several years of significantly higher construction costs. Civil engineering construction appears to have grown on a broad front in 2024 and this is expected to continue in 2025.

## Norway

The Norwegian mainland economy was squeezed by high interest rates, high inflation and low international demand. Norway's GNP is believed to have grown by 0.8 percent in 2024 and calculated growth in 2025 is 1.7 percent. Gross investments have fallen while household consumption appears to have increased. Housing construction is expected to have contracted in 2024 but growth is forecasted in 2025 supported by lower interest rates. Private investments seem to have diminished in other building construction last year while the public sector grew. Total premise construction, including industry, contracted in 2024 but is expected to grow in 2025 as the economy recovers. Civil engineering construction is expected to have grown slightly in 2024 due to a recovery in roads and railroads and will likely have about the same investment volume in 2025.

## Finland

The Finnish GNP is expected to have contracted by 0.5 in 2024. Falling inflation, higher private consumption and a gradual increase in export demand are expected to support an anticipated growth of around 1.7 percent in 2025. Interest rates and unemployment probably reached their culmen last year and both are expected to decrease in 2025. Housing construction contracted slightly in 2024 as a result of fewer apartment buildings under construction. Both single homes and apartment buildings are expected to develop positively in 2025. Development in other building construction is splintered. Investments in office buildings and retail diminished in 2024 while industry and the public sector increased. All in all, investments are expected to have remained on the same level in 2024 as the previous year. A slight downturn is expected in 2025 due to industry, which most probably developed negatively, while weak growth is forecasted for the other segments. Civil engineering is expected to have decreased in 2024 due to fewer investments in railroads but there can be a slight upswing in 2025.

## Housing

	2024	2025	2026
Sweden	↘	↗	↗
Norway	↘	↗	↗
Finland	→	↗	↗

Forecast for production-started housing investments, new production and renovations  
Source: Navet

## Other building construction

	2024	2025	2026
Sweden	↗	→	→
Norway	↘	↗	↗
Finland	↗	→	↗

Forecast for production-started other building construction investments, new production and renovations (Industry, office/retail etc. and public premises)  
Source: Navet

## Civil engineering

	2024	2025	2026
Sweden	↗	↗	-
Norway	↗	→	-
Finland	↘	↗	-

Forecast for civil engineering investments  
Source: Navet

- Same forecast compared to the previous quarterly report
- Better forecast compared to the previous quarterly report
- Worse forecast compared to the previous quarterly report



Preschool  
Jyväskylä, Finland

# Non-financial targets and sustainability

Every day Peab contributes to sustainable social development and works to improve everyday life for people in their local communities. We do this by building everything from homes, schools and hospitals to bridges, roads and other infrastructure. Working sustainably is a strategic matter for Peab that primarily takes place locally, connected to everyday life based on our core values, business concept, mission, strategic targets and Code of Conduct.

We monitor our business based on nine external targets – both financial and non-financial – that also identify our material sustainable aspects. These are found in the strategic targets Best workplace and Leader in social responsibility. We report the targets quarterly, semi-annually or annually. In this report we report on all nine targets.

## Most satisfied customers

It is imperative for a long-term, sustainable relationship that Peab deliver on its obligations to customers. A satisfied customer is a customer that comes back and is vital to marketing our company. Our annual customer survey is an important measure of how well we are meeting our customers' expectations while also indicating where there is room for improvement.

As of 2024 we are using a different measurement in the Customer Satisfaction Index (CSI) where each business area corresponds to 25 percent of the rating for the Group's compiled CSI result. In 2024 CSI amounted to 78 which is a good result and bit over our target of 75. If we had maintained our former measurement CSI would have remained unchanged at 80.

In connection with the CSI survey we also ask customers how they perceive Peab based on a number of factors. Both private and business customers give Peab's personnel the highest rating while reliability increased the most. Almost 2,400 customers participated in the autumn survey. Now we will continue to work together with our customers – and strive for early and tight dialogues – to achieve the highest possible value for customers and their greatest satisfaction with Peab.

## Best workplace

Peab's business is founded on a strong corporate culture. Employees can make a difference by building the local community in the places all over the Nordic region where they live and work. Every employee has a great deal of personal responsibility, and should be met by both good working conditions and development opportunities as well as safe and inclusive workplaces.

## Serious accidents

A safe work environment is the foundation of our business. Everyone at our workplaces should be able to be there under safe and secure conditions, despite the fact that there are risks involved in the work we do. Peab has a vision of zero workplace accidents. We continuously develop our quality-assured work methods and train our employees to reinforce our safety culture. The focus is on preventive work, remediation of reported incidents and risk observations and learning from them.

In order to reach our vision of zero workplace accidents, we have a target of a contracting trend in serious accidents\* that includes everyone at our workplaces. We are happy to say that the number of serious accidents has diminished in 2024. During the fourth quarter of the year there were six serious accidents, of which three involved our own employees and three employees of subcontractors. The number of serious accidents for the full year 2024 was 33 (48), of which 20 pertained to own personnel and 13 to subcontractors.

We also monitor the number of workplace accidents with more than four days absence, excluding the day of injury (LTI4), and workplace accidents according to the same definition per one million hours worked (LTIF4) for our own employees. During the fourth quarter of the year the number of LTI4 was 37 (34 in the third quarter 2024) and the LTIF4 frequency rate on a rolling 12 month basis remained 5.9 (5.9 after the third quarter 2024). Now we will continue with unabated intensity to reduce the number of accidents.

## Attractive employers (eNPS)

We should be the best workplace in the industry and thereby the obvious choice of employer. Twice a year we hold our personnel survey The Handshake so that co-workers and teams can continuously develop. The questions mainly concern productivity, the team's sustainability and if employees are willing to recommend Peab as an employer (eNPS). The latter is also one of our nine external targets that we report twice a year and should be above the benchmark for the industry (industry and manufacturing).

In the autumn survey the eNPS value for the Group continued to be far above the Nordic benchmark. We increased by a point to 28 (27) even though last year was full of external challenges. At the same time the benchmark fell by three points to

17 (20). The eNPS value rose particularly for female skilled workers. In the survey employees rated collaboration with co-workers, community and Peab's core values as some of the company's greatest strengths. The negative trend was strain. Participation in the autumn survey was the highest in Peab's history with 90.2 (89.9) percent, displaying the great interest our employees have in contributing to the development of our business.

The total number of employees per December 31, 2024 was 13,383 (14,107). The average number of employees\* on a rolling 12 month basis amounted to 12,899 compared to 13,808 for the full year 2023.

\* For a definition see section *Alternative performance measures and definitions*.

## Leader in social responsibility

### Climate target for carbon dioxide intensity

As the Nordic Community Builder we have a big responsibility for reducing the considerable climate impact of the construction and civil engineering industry at the rate required by the Paris Agreement. Peab impacts the environment and the climate through our own operations and for the impact our value chains upstream and downstream. Operations primarily cause emissions of greenhouse gases by using various materials in production like concrete, steel and asphalt. Two other major sources of carbon emissions in production are energy consumption and transportation. So these are the areas we prioritize our emission reduction activities. As community builders we also have a comprehensive perspective on our climate work and strive to contribute to a sustainable society on the whole by building, for example, solar power plants and railroads or by building in such a way that people can live more sustainably. We have a life cycle perspective in our operations and take responsibility for both making and meeting demands in our value chain. We have an advantage in that we can supply our construction contract operations and the projects we develop ourselves with input goods and raw material through business area Industry, which augments our ability to actively steer towards lower carbon emissions.

In 2045 Peab will be climate neutral. Our sub-targets by 2030 are to reduce carbon dioxide intensity by at least 60 percent in our own operations (Scope 1 and 2) and for input goods and purchased services (Scope 3) by at least half compared to base year 2015. The outcome after 2024 revealed that developments are going in the right direction although to different degrees. Carbon dioxide intensity in our own operations has gone down by 50 percent compared to base year 2015. Carbon dioxide intensity for input goods and purchased services, where the scope and extent of reported data has improved in 2024, has decreased by 12 percent since 2015. Using more ECO-products in operations and a higher degree of reuse and recycling of waste contribute to the reduction although this positive effect is diminished due to the change in Sweden as of 2024 of the reduction obligation. There might also be a certain delay in revision of emission factors as a result of the changed reduction obligation on our fuel-related products. In 2024 in absolute figures (tCO<sub>2</sub>e) Scope 1 amounted to 176,000, Scope 2 (market based) was 14,500 and Scope 3 was 910,000. These figures show that we are well on the road to converting the production we ourselves have control over but the greater challenge is when we are dependent on other parties for a reduction in our carbon footprint. It is therefore vital that together with our customers we continue to make explicit and stringent demands for the climate improvement measures in order to reduce emissions. We work actively to better the quality of our metrics of greenhouse gases emissions, particularly in Scope 3 reporting, and we have also increased the scope of reported data in 2024.

### Equal opportunity recruitment

The construction and civil engineering industry has a major role to play in taking advantage of all the competence society has to offer. The portion of women that graduate with, for Peab, degrees in relevant, practical education in the Nordic region has increased to around eight percent from previously five or six percent. As one of the largest Nordic community builders we have a responsibility to nudge the entire industry forward. Therefore our target is that the percentage of women recruited to Peab for our core skills to always be higher than the percentage of women who have graduated with, for us, relevant degrees on the education markets. We are focused on core skills in production (skilled workers) as well as in production management and production support (white-collar workers).

At the end of 2024 the percentage of women in new recruitments was 10.6 percent in production and processing compared to our target of at least 6.0 percent. For 2025 we have raised our target to at least 8.0 percent. New recruitment in production management and production support rose to 39.1 percent compared to our target of at least 30.0 percent. There have been relatively few recruitments during the past year because of the current market situation.

## Activities during the fourth quarter

- During the quarter Peab prepared for changes in managing subcontractors. The main principle as of 2025 is that subcontractors will be limited to two steps away from Peab. The reason for the change is Peab's efforts to increase traceability and our ability to monitor the value chain in order to promote a sustainable construction industry.
- Peab launched a new concept for construction workplaces – ECO-Construction site – for lower energy consumption and environmental impact. The objective is to reduce the environmental impact of construction sites through instruments and guidelines for waste, water consumption, logistics and construction machines. We have calculated that in a standard project we can reduce energy consumption by around 25 percent.
- In collaboration with Castellum, Peab in Västerås is working to electrify property maintenance and make it more climate efficient. The partners have gone over the equipment and replaced several machines with electrical machines, vehicles and hand tools. Electrification is also beneficial to the work environment because it reduces vibrations and noise.
- Peab and Jernhusen are working actively to implement sustainable initiatives in building the new station building Gothenburg Grand Central. This entails solely using ECO-Betong (ECO-Concrete) in the project, casting with circular concrete and reusing and recycling concrete. In addition, the first reused steel beam was mounted in the construction.
- Peab was the first company in the Nordic region to develop and test a completely electric asphalt paver with net zero emissions after working together with the manufacturer Volvo/Ammann to develop it. Now the electric asphalt paver is being tested in several Peab projects.
- Byggelement launched yet another climate-improved product in its range of prefabricated elements. It is the prefabricated slab in ECO 60 which is used as a slab in all kinds of construction projects and is in the highest ECO-class possible according to the current standard. The product reduces carbon emissions by 25 percent compared to the corresponding prefabricated slab in ECO 30. An EPD (Environmental Product Declaration) is under preparation for ECO 60.
- During the autumn Peab held its annual employee survey the Handshake which examines how employees experience their work environment. It focuses on teams and how together we can improve the work environment in our organization. The response frequency of the survey was the highest ever so far at 90.2 percent (89.9).
- In Finland Peab won the award for the Most responsible summer job employer for 2024 (Vastuullinen kesäduuni 2024) in the class of companies with more than 1,000 employees. Peab was particularly good at orienting and guiding summer workers.
- Peab continues to be a key partner to Sweden for the UN refugee organization UNHCR and donated this year's Christmas gift to the organization's vital work in aiding fleeing people.



Apartment building  
Turku, Finland

# Summary external targets

In order to further promote value creation Peab updated its targets as of 2021 – everything from our mission, business concept and strategic target areas to internal and external financial and non-financial targets. We report the performance of our business by monitoring nine external targets, of which three are financial and based on segment reporting and six are non-financial targets. We consider the external targets particularly important and they are a subset of our internal targets and action plans. At the beginning of 2024, Peab communicated that all nine targets will remain unchanged for the period 2024 – 2026.

Both the internal and external financial and non-financial targets are categorized under the strategic targets: Most satisfied customers, Best workplace, Most profitable company and Leader in social responsibility. All targets relate to the industry. For a more detailed description of each target please see [www.peab.com/targets](http://www.peab.com/targets).



## Most satisfied customers

We are close to our customers and meet their needs with sustainable offers. Quality permeates our work methods and end results. The right expertise in the right place is key to success.

>75

CSI always over 75



## Best workplace

We are a safe, secure and inclusive workplace rooted in a strong company culture. Leadership takes responsibility and is close to operations. Employees have value-creating and developing work assignments that they complete together.

eNPS always over benchmark

**Zero Vision**  
serious accidents  
Through a contracting trend



## Most profitable company

We take on the right projects and have the right business mix. Employees work according to quality-ensured work methods that are efficient in every aspect. Through our own resources and internal collaboration we maintain a high degree of value creation. We take advantage of our size and experience.

>6% Operating margin

0.3–0.7 Net debt/equity ratio

Dividend >50% of profit for the year



## Leader in social responsibility

As the Nordic Community Builder we drive developments in our industry in matters concerning the climate and environment, ethics, and equal opportunity and inclusion. We work well together with stakeholders in the world around us and stride every day towards a sustainable value chain. With our extensive local presence we are also an important actor in the local community.

**-60% Carbon dioxide intensity**  
Reduction of emissions from our own production by 2030 (Scope 1+2).

**-50% Carbon dioxide intensity**  
Reduction of emissions from input goods and purchased services by 2030 (Scope 3).

**Equal opportunity recruitment**  
Share of women recruited always over the education market

# Target and target fulfilment

Most profitable company

## Operating margin

Target: >6% according to segment reporting (reported quarterly)

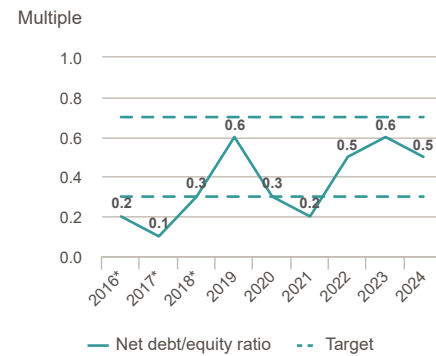


\* Years 2016-2018 not translated according to changed accounting principles for own housing development projects. \*\* Operating margin 4.5 % excl. the effect of the distribution of Annehem Fastigheter (SEK 952 million). \*\*\* Operating margin 2.5 % excl. Mall of Scandinavia (SEK 400 million).

Most profitable company

## Net debt/equity ratio

Target: 0.3-0.7 according to segment reporting (reported quarterly)

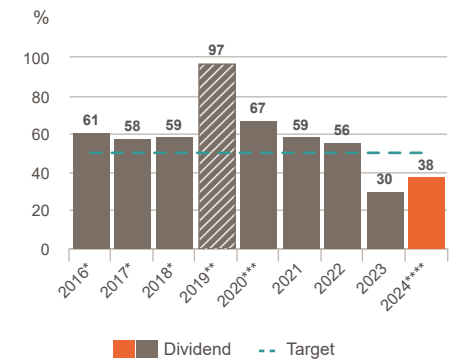


\* Years 2016-2018 not translated according to changed accounting principles for own housing development projects.

Most profitable company

## Dividend

Target: >50% of profit for the year according to segment reporting (reported annually)

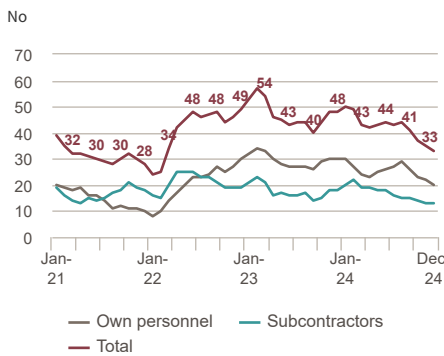


\* Years 2016-2018 not translated according to changed accounting principles. \*\* For 2019, no cash dividend has been paid. The value of the distribution of Annehem Fastigheter at the time of the distribution in December 2020 amounted to 97 percent of the profit for the year 2019. \*\*\* The proportion is calculated without the effect of SEK 952 million on profit due to the distribution of Annehem Fastigheter. \*\*\*\* Board of Directors' proposal to the AGM

Best workplace

## Serious accidents

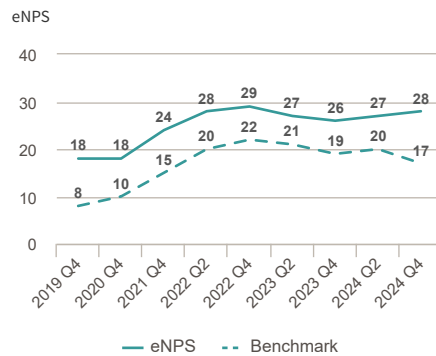
Target: Zero fatal accidents and contracting trend, rolling 12 months, serious accidents classification 4 (reported quarterly)



Best workplace

## eNPS

Target: > over benchmark (reported semiannually)



eNPS stands for employee Net Promoter Score and measures employee engagement. The score can vary between -100 and 100.

Most satisfied customers

## Customer Satisfaction Index (CSI)

Target: > 75 (reported annually)

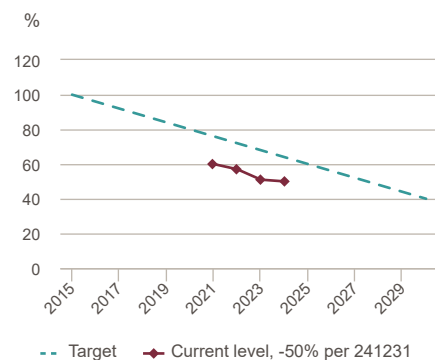


CSI stands for Customer Satisfaction Index and measures how satisfied Peab's customers are. CSI is a weighted measurement between 0 and 100.

Leader in social responsibility

## Carbon dioxide intensity: Climate targets for our own production

Target: Reduced emissions of GHG Scope 1+2\* (tons CO<sub>2</sub>e/MSEK) by 60% until 2030 (reported annually)

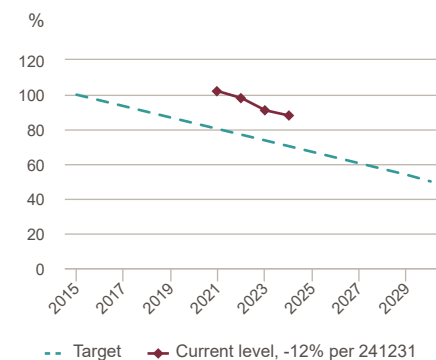


\* Direct and indirect emissions as a result of using fuel and energy in our own production.

Leader in social responsibility

## Carbon dioxide intensity: Climate targets for input goods and purchased services

Target: Reduced emissions of GHG Scope 3\* (tons CO<sub>2</sub>e/MSEK) by 50% until 2030 (reported annually)



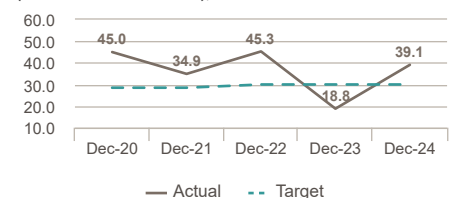
\* Includes concrete/cement, asphalt/bitumen, transportation and machine services, steel, waste and business trips.

Leader in social responsibility

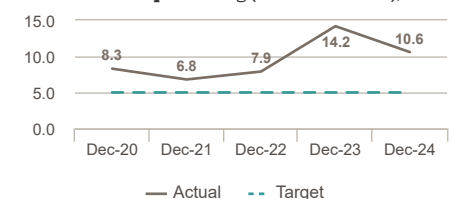
## Equal opportunity recruitment

Target: Share of women recruited > the education market (reported annually)

Production management and production support (white-collar workers), %



Production and processing (skilled workers), %



# Risks and uncertainty factors

Peab's business is exposed both to operative and financial risks as well as compliance risks and external and market risks. How much risks affect Peab's profits and position depends on how well the company handles daily operations. External and market risks are events that are out of Peab's control but which affect the business environment. These are, for example, developments in the economy, interest rate trends, customer behavior, climate impact and political decisions.

Managing operative risks is a continuous process due to the large number of projects the Group is always starting up, carrying out and completing. Operative risks are managed in the line organization in the business areas through established procedures, processes and control systems. Peab's business is largely project-related. There are a number of different contract forms where risk levels vary depending on the type of contract. However, with any type of contract ambiguities can arise concerning the terms, which can lead to delimitation issues that create a dispute with the customer.

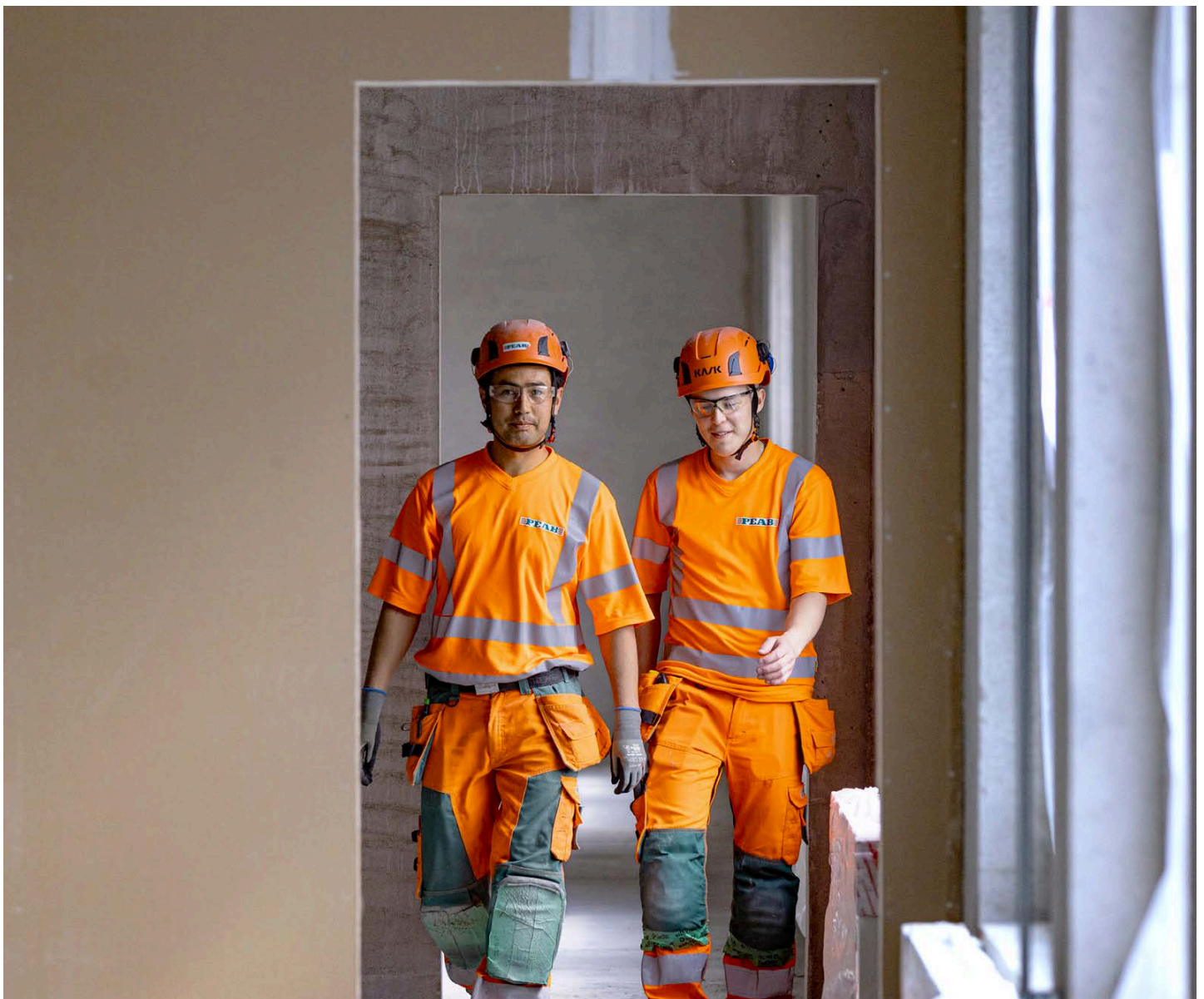
A decision in the case between Peab and Unibail-Rodamco-Westfield regarding the contract for Mall of Scandinavia in Solna was handed down in Peab's favor on June 30, 2023. In August Unibail-Rodamco-Westfield petitioned the Swedish Court of Appeal to set aside the judgment in its entirety in a so-called protest action. After a thorough legal trial through arbitration lasting nearly seven years Peab cannot see any grounds for a protest action. In the further process Peab will counter the protest action. During the process the arbitration judgement is suspended and thereby unenforceable, which defers the time of payment. For details see the Annual and Sustainability Report 2023.

Financial risks are primarily associated with the company's need for capital, tied-up capital and access to financing. Financial risks are managed on Group level.

In recent years there has been a significant rise in the price of materials and energy. However, during the past year we have noticed that material prices have stagnated and there has even been a slight decline in prices, mainly regarding energy. We follow developments carefully and continually work to adapt and streamline production all the while expecting continued high construction costs. High construction costs make it harder for calculations to come out ahead, which dampens demand on the construction market throughout the Nordic region.

Since Russia invaded Ukraine in February 2022 the global situation has changed dramatically. In addition to the terrible tragedy for the people the war touches, the situation risks further hampering macroeconomic growth in the world. The construction industry is affected through greater uncertainty and cautiousness concerning investments and continued high material and energy prices. Peab is not directly exposed to Russia, Ukraine or Belarus but may be indirectly affected through material suppliers. We follow developments carefully to continually assess any effects on Peab.

For further information about risks and uncertainty factors, see the Annual and Sustainability Report 2023.





# Other information

## Significant events during the period

### Peab reiterated its external targets at Capital Markets Day

In connection with Peab's Capital Markets Day in February 2024 Peab communicated that the nine external targets adopted in 2021 are still relevant and therefore remain unchanged. The targets are both financial and non-financial and are categorized under the strategic targets; Most satisfied customers in the industry, Most profitable company in the industry, Best workplace in the industry and Leader in social responsibility in the industry. Peab's President and CEO Jesper Göransson and the rest of Peab's executive management presented an update on Peab's business situation and strategic focus going forward. At the same time Peab also reported a potential level of orders received of about SEK 19 billion in total over the next two years due to more preliminary agreements, so-called phase 1 contracts, in construction contract operations.

### Performance share program and transfer of own shares

The AGM on May 6, 2024 resolved to approve the Board's proposal of Performance Share Program 2024 and transfer of a maximum of 2,785,324 B shares. The purpose of the Performance Share Program is to tie key employees' rewards closer to the company's long-term earnings and value development.

### Green bond issue

On June 13, 2024 Peab issued bonds for a total value of SEK 1,500 million. The bonds mature in 3 respectively 4.5 years. With a maturity of 3 years SEK 900 million were issued with a variable interest rate of 3 months Stibor (the Stockholm Interbank Offered Rate) plus 2.30 percentage points. With a maturity of 4.5 years SEK 600 million were issued with a variable interest rate of 3 months Stibor plus 2.70 percentage points. Funds from the issue will be used to finance investments in green buildings, energy ECO efficient and circular products and production processes, clean transportation as well as water and pollution management. The green bonds were issued within the framework of Peab's Swedish MTN program and the newly updated Green Finance Framework.

### Peab acquired property and development rights in Malmö and divested partly owned investment property

On November 1, 2024 Peab acquired four investment properties in Varvstaden, Malmö with a net operating income of SEK 43 million for SEK 784 million and about 280,000 m<sup>2</sup> of planned development rights for SEK 1,239 million. Also included is an ongoing development project, Hall 259 with 11,000 m<sup>2</sup> leasable area and 550 parking spaces, which will be completed in 2027. Peab has developed homes and offices in Varvstaden for several years and will continue to operate in the area for a long time to come.

Peab also acquired an investment property in the Kirseberg-Östervärn area in Malmö for SEK 68 million. A zoning plan process is underway intended to enable development of around 55,000 m<sup>2</sup> building rights for both residential and office space in the area.

In conjunction with this Fastighets AB Centur divested the majority of its investment properties to the other co-owner Fastighets AB Balder for SEK 5,228 million. After this Centur will have a few remaining properties with a total booked value of about SEK 600 million. The deal had a positive effect on Peab's profit of about SEK 400 million in the fourth quarter 2024, of which SEK 367 million in business area Project Development and SEK 33 million as a positive effect of eliminations.

The transactions entailed an increase in Peab's net debt by around SEK 2 billion in the fourth quarter 2024 and a calculated decrease of SEK 1 billion in the first quarter 2025 when a dividend from Fastighets AB Centur will be distributed. All in all, net debt increased through the transactions over the years by around SEK 1 billion.

As a result of the transactions Peab divested partly owned, completed properties in the management phase and invested in development rights for future development as well as a number of completed properties in Varvstaden.

## Significant events after the period

No significant events occurred after the end of the reporting period.

## Holdings of own shares

At the beginning of 2024 Peab's holding of its own shares was 8,597,984 B shares which corresponds to 2.9 percent of the total number of shares. No changes have occurred during 2024.

## Related parties

The character and extent of transactions with related parties is presented in the Annual and Sustainable Report 2023, note 41. For more information about transactions with related parties during the period see business area Project Development and the section above, Significant events during the period. No other new significant transactions have occurred during 2024.

## Proposed dividend

The Board has proposed a dividend of SEK 2.75 (1.50) per share for 2024 divided into two payments. Excluding the 8,597,984 shares owned by Peab AB per February 6, 2025, which are not entitled to dividends, the proposed dividend is equivalent to a total dividend distribution of SEK 790 million (431). Calculated as a share of the Group's reported profit for the year after tax according to segment reporting, the proposed dividend amounts to 38 percent (30). The proposed dividend is equivalent to a direct return of 3.4 percent based on the closing price on February 5, 2025. The proposed record day for the first payment amounting to SEK 1.50 per share is May 8, 2025. The proposed record day for the second payment amounting to SEK 1.25 per share is October 28, 2025.

## Annual General Meeting

The Annual General Meeting of Peab will be held on May 6, 2025. The form of the Annual General Meeting will be decided by the Board at the latest in connection with the notice to attend the Annual General Meeting.

## Nomination Committee

According to the "Principles for the Nomination Committee's appointment and instructions for the Nomination Committee", adopted by the Annual General Meeting on May 6, 2024, the Nomination Committee is appointed by the three largest shareholders of the company per the final banking day in June 2024, i.e. June 28, 2024, that want to appoint a member of the Nomination Committee as well as the Chairman of the Board. If one of the three largest shareholders decline to appoint a member of the Nomination Committee, the right to appoint a member will be offered to the shareholder that, based on the number of allotted votes, is next in line. This process will continue until the Nomination Committee consists of three members as well as the Chairman of the Board.

The two largest shareholders per June 28, 2024, Ekhaga Utveckling AB and AB Axel Granlund, have agreed to appoint a member to Peab's Nomination Committee. Mats & Fredrik Paulsson with families, Peab's Profit-Sharing Foundation, Vanguard and Kamprad Family Foundation, which were in terms of votes the third to the sixth largest shareholders in Peab, have when asked replied that they do not wish to appoint a member to the Nomination Committee for the Annual General Meeting 2025. Handelsbanken Funds, which was the next largest shareholder, has agreed to participate in the Nomination Committee.

The Nomination Committee for the Annual General Meeting 2025 therefore consists of the following members:

- Anders Sundström, Ekhaga Utveckling AB
- Ulf Liljedahl, AB Axel Granlund
- Suzanne Sandler, Handelsbanken Funds
- Anders Runevad, Chairman of the Board of Peab AB

The Nomination Committee has appointed Anders Sundström to be Chairman of the Nomination Committee.

# Report on the Group income statement, IFRS

Group net sales according to IFRS amounted during 2024 to SEK 61,283 million (61,600). The adjustment of our own housing development projects to the completion method affected net sales by SEK 2,586 million (2,779).

Operating profit according to IFRS for 2024 amounted to SEK 3,163 million (2,586) and the operating margin was 5.2 percent (4.2). The adjustment of our own housing development projects to the completion method affected operating profit by SEK 364 million (696).

MSEK	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	17,185	17,365	61,283	61,600
Production costs	-14,939	-16,139	-55,402	-56,183
<b>Gross profit</b>	<b>2,246</b>	<b>1,226</b>	<b>5,881</b>	<b>5,417</b>
Sales and administrative expenses	-932	-843	-3,189	-3,164
Other operating income	47	91	482	357
Other operating costs	8	-3	-11	-24
<b>Operating profit</b>	<b>1,369</b>	<b>471</b>	<b>3,163</b>	<b>2,586</b>
Financial income	66	61	259	584
Financial expenses	-150	-173	-642	-584
<b>Net finance</b>	<b>-84</b>	<b>-112</b>	<b>-383</b>	<b>0</b>
<b>Pre-tax profit</b>	<b>1,285</b>	<b>359</b>	<b>2,780</b>	<b>2,586</b>
Tax	-171	-148	-392	-598
<b>Profit for the period</b>	<b>1,114</b>	<b>211</b>	<b>2,388</b>	<b>1,988</b>
<b>Profit for the period, attributable to:</b>				
Shareholders in parent company	1,121	211	2,392	1,988
Non-controlling interests	-7	0	-4	0
<b>Profit for the period</b>	<b>1,114</b>	<b>211</b>	<b>2,388</b>	<b>1,988</b>
<b>Key ratios, IFRS</b>				
Earnings per share before and after dilution, SEK	3.90	0.74	8.32	6.92
Average number of outstanding shares, million	287.5	287.5	287.5	287.5
Return on capital employed, % <sup>1)</sup>	10.8	9.1	10.8	9.1
Return on equity, % <sup>1)</sup>	15.7	14.1	15.7	14.1

<sup>1)</sup> Calculated on rolling 12 months

# Report on the Group income statement and other comprehensive income in summary, IFRS

MSEK	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<b>Profit for the period</b>	<b>1,114</b>	<b>211</b>	<b>2,388</b>	<b>1,988</b>
<b>Other comprehensive income</b>				
<b>Items that can be reclassified or have been reclassified to profit for the period</b>				
Translation differences for the period from translation of foreign operations	53	-123	41	-145
Changes in fair value of cash flow hedges for the period	15	-10	13	18
Shares in joint ventures' other comprehensive income	-1	-7	-8	-4
Tax referring to items that can be reclassified or have been reclassified to profit for the period	-3	2	-3	-4
<b>Other comprehensive income for the period</b>	<b>64</b>	<b>-138</b>	<b>43</b>	<b>-135</b>
<b>Total comprehensive income for the period</b>	<b>1,178</b>	<b>73</b>	<b>2,431</b>	<b>1,853</b>
<b>Total comprehensive income for the period, attributable to:</b>				
Shareholders in parent company	1,185	74	2,435	1,854
Non-controlling interests	-7	-1	-4	-1
<b>Total comprehensive income for the period</b>	<b>1,178</b>	<b>73</b>	<b>2,431</b>	<b>1,853</b>

## Balance sheet for the Group in summary, IFRS

Total assets on December 31, 2024 were SEK 47,768 million (49,176). Equity amounted to SEK 16,504 million (14,470), which generated an equity/assets ratio of 34.6 per cent (29.4). During 2024, a dividend of SEK 431 million (1,150) was paid to the shareholders.

MSEK	Dec 31 2024	Dec 31 2023
<b>Assets</b>		
Intangible assets	3,727	3,789
Tangible assets	7,653	8,333
Investment property	59	61
Interest-bearing long-term receivables	516	1,293
Other financial fixed assets	2,889	2,857
Deferred tax recoverables	48	97
<b>Total fixed assets</b>	<b>14,892</b>	<b>16,430</b>
Project and development properties	18,342	18,061
Inventories	1,612	1,705
Interest-bearing current receivables	1,127	1,345
Other current receivables	10,317	10,392
Liquid funds	1,478	1,243
<b>Total current assets</b>	<b>32,876</b>	<b>32,746</b>
<b>Total assets</b>	<b>47,768</b>	<b>49,176</b>
<b>Equity</b>		
Equity attributable to shareholders in parent company	16,482	14,453
Non-controlling interests	22	17
<b>Total equity</b>	<b>16,504</b>	<b>14,470</b>
<b>Liabilities</b>		
Interest-bearing long-term liabilities	6,094	7,046
Interest-bearing long-term liabilities, project financing	53	193
Deferred tax liabilities	544	623
Other long-term liabilities	1,657	2,005
<b>Total long-term liabilities</b>	<b>8,348</b>	<b>9,867</b>
Interest-bearing current liabilities	5,368	4,246
Interest-bearing current liabilities, project financing	2,859	6,933
Other current liabilities	14,689	13,660
<b>Total current liabilities</b>	<b>22,916</b>	<b>24,839</b>
<b>Total liabilities</b>	<b>31,264</b>	<b>34,706</b>
<b>Total equity and liabilities</b>	<b>47,768</b>	<b>49,176</b>
<b>Key ratios, IFRS</b>		
Capital employed	30,878	32,888
Equity/assets ratio, %	34.6	29.4
Net debt	11,253	14,537
Equity per share, SEK	57.34	50.28
Number of outstanding shares at the end of the period, million	287.5	287.5

# Report on changes in Group equity in summary, IFRS

MSEK	Dec 31 2024	Dec 31 2023
<b>Equity attributable to shareholders in parent company</b>		
Opening equity on January 1	14,453	13,768
Profit for the period	2,392	1,988
Other comprehensive income for the period	43	-134
<b>Total comprehensive income for the period</b>	<b>2,435</b>	<b>1,854</b>
<b>Cash flow hedge transferred to cost of inventory</b>		
Cash flow hedge transferred to cost of inventory	-1	-24
Tax on cash flow hedge	0	5
<b>Contribution from, and value transferred to, owners</b>		
Share-based payments settled with equity instruments	26	-
Cash dividend	-431	-1,150
<b>Total contribution from, and value transferred to, owners</b>	<b>-405</b>	<b>-1,150</b>
<b>Closing equity</b>	<b>16,482</b>	<b>14,453</b>
<b>Non-controlling interests</b>		
Opening equity on January 1	17	18
Comprehensive income for the period	-4	-1
<b>Contribution from, and value transferred to, owners</b>		
New issues	9	-
<b>Total contribution from, and value transferred to, owners</b>	<b>9</b>	<b>-</b>
<b>Closing equity</b>	<b>22</b>	<b>17</b>
<b>Total closing equity</b>	<b>16,504</b>	<b>14,470</b>

# Report on Group cash flow in summary, IFRS

MSEK	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
<b>Cash flow from current operations before changes in working capital</b>	<b>1,301</b>	<b>1,503</b>	<b>3,663</b>	<b>3,285</b>
Increase (-) / Decrease (+) of project and development properties	263	1,279	1,184	862
Increase (-) / Decrease (+) of inventories	248	189	114	-152
Increase (-) / Decrease (+) of current receivables / current liabilities	483	575	538	-79
<b>Cash flow from changes in working capital</b>	<b>994</b>	<b>2,043</b>	<b>1,836</b>	<b>631</b>
<b>Cash flow from current operations</b>	<b>2,295</b>	<b>3,546</b>	<b>5,499</b>	<b>3,916</b>
Sale of subsidiaries / businesses, net effect on liquid funds	-	-	28	50
Acquisition of fixed assets	-174	-493	-932	-1,720
Sale of fixed assets	925	102	2,149	409
<b>Cash flow from investment operations</b>	<b>751</b>	<b>-391</b>	<b>1,245</b>	<b>-1,261</b>
<b>Cash flow before financing</b>	<b>3,046</b>	<b>3,155</b>	<b>6,744</b>	<b>2,655</b>
Shareholder contribution non-controlling interests	-	-	2	-
Increase (+) / Decrease (-) of interest-bearing liabilities	-1,400	-1,115	-1,862	1,338
Increase (+) / Decrease (-) of interest-bearing liabilities, project financing	-1,018	-1,803	-4,227	-3,109
Dividend distributed to shareholders in parent company	-	-	-431	-1,150
<b>Cash flow from financing operations</b>	<b>-2,418</b>	<b>-2,918</b>	<b>-6,518</b>	<b>-2,921</b>
<b>Cash flow for the period</b>	<b>628</b>	<b>237</b>	<b>226</b>	<b>-266</b>
Cash at the beginning of the period	844	1,005	1,243	1,506
Exchange rate differences in cash	6	1	9	3
<b>Cash at the end of the period</b>	<b>1,478</b>	<b>1,243</b>	<b>1,478</b>	<b>1,243</b>

## Parent company

The parent company Peab AB's net sales for 2024 amounted to SEK 910 million (267) and mainly consisted of internal Group services. Profit for the year amounted to SEK 1,948 million (4,207). The year's results included dividends from subsidiaries of SEK 990 million (3,165).

The parent company's assets mainly consist of participations in Group companies amounting to SEK 10,339 million (10,433). The assets have been financed from equity of SEK 13,352 million (11,809). During the year, a dividend of SEK 431 million (1,150) was paid to the shareholders. During the year, the parent company reported share-based payments of SEK 26 million in equity. For further information on share-based payments, see Significant events during the reporting period.

As of February 1, 2024 Peab's Swedish support functions are run in Peab AB. The change has been implemented through a so-called business transition, which means that all employees in Peab Support AB (Shared Service Centre) and Peab Utveckling AB have been offered a transfer of employment to Peab AB.

The parent company is indirectly affected by the risks described in the section Risks and uncertainty factors.

## Report on the parent company income statement in summary

MSEK	Oct-Dec 2024	Oct-Dec 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	244	64	910	267
Administrative expenses	-364	-128	-1,166	-494
Other operating income	-1	2	0	3
<b>Operating profit</b>	<b>-121</b>	<b>-62</b>	<b>-256</b>	<b>-224</b>
<b>Result from financial investments</b>				
Profit from participation in Group companies	-168	145	822	3,310
Other financial items	44	33	181	23
<b>Result after financial items</b>	<b>-245</b>	<b>116</b>	<b>747</b>	<b>3,109</b>
Appropriations	1,452	1,367	1,452	1,367
<b>Pre-tax profit</b>	<b>1,207</b>	<b>1,483</b>	<b>2,199</b>	<b>4,476</b>
Tax	-249	-304	-251	-269
<b>Profit for the period <sup>1)</sup></b>	<b>958</b>	<b>1,179</b>	<b>1,948</b>	<b>4,207</b>

<sup>1)</sup> Profit/loss for the period corresponds to comprehensive profit/loss for the period and therefore only one income statement is presented and no separate one for comprehensive profit/loss

## Balance sheet for the parent company in summary

MSEK	Dec 31 2024	Dec 31 2023
<b>Assets</b>		
<b>Fixed assets</b>		
Intangible assets	300	2
Tangible assets	48	2
<b>Financial assets</b>		
Participation in Group companies	10,339	10,433
Receivables from Group companies	23	–
Deferred tax recoverables	106	83
<b>Total financial assets</b>	<b>10,468</b>	<b>10,516</b>
<b>Total fixed assets</b>	<b>10,816</b>	<b>10,520</b>
<b>Current assets</b>		
<b>Current receivables</b>		
Receivables from Group companies	5,734	4,940
Other receivables	61	70
<b>Total current receivables</b>	<b>5,795</b>	<b>5,010</b>
Cash and bank	0	0
<b>Total current assets</b>	<b>5,795</b>	<b>5,010</b>
<b>Total assets</b>	<b>16,611</b>	<b>15,530</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Restricted equity	1,884	1,884
Non-restricted equity	11,468	9,925
<b>Total equity</b>	<b>13,352</b>	<b>11,809</b>
<b>Untaxed reserves</b>	<b>2,798</b>	<b>2,919</b>
<b>Provisions</b>		
Other provisions	44	43
<b>Total provisions</b>	<b>44</b>	<b>43</b>
<b>Current liabilities</b>		
Liabilities to Group companies	112	645
Current tax liabilities	89	21
Other liabilities	216	93
<b>Total current liabilities</b>	<b>417</b>	<b>759</b>
<b>Total liabilities</b>	<b>417</b>	<b>759</b>
<b>Total equity and liabilities</b>	<b>16,611</b>	<b>15,530</b>



## Note 1 – Accounting principles

The quarterly report has been prepared according to the IFRS standards that have been adopted by EU as well as the interpretations of the valid standards adopted by EU, IFRICs. This report for the Group has been prepared according to IAS 34, Interim financial reporting as well as applicable regulations in the Annual Accounts Act. The parent company quarterly report has been prepared according to chapter 9 in the Annual Accounts Act, Quarterly reports and RFR 2, Accounting rules for legal entities. The Group and parent company have applied the same accounting principles and conditions as in the latest Annual and Sustainability Report.

In addition to the financial reports and their accompanying notes further information according to IAS 34.16A can be found in other sections of the quarterly report.

### Differences in segment reporting and reporting according to IFRS

The Group is reported in the four business areas Construction, Civil Engineering, Industry and Project Development. The business areas are also operating segments. Segment reporting is the model Peab believes best describes Peab's business regarding both internal steering and risk profile, and it is also how the Board and executive management monitor operations.

For Peab's construction contract businesses, Construction and Civil Engineering, revenue and profit are recognized over time in both segment reporting and reporting according to IFRS. For business area Industry revenue and profit are recognized both over time and at a certain point in time, and reporting is the same in both segment reporting and reporting according to IFRS. For business area Project Development in segment reporting within the unit Housing Development revenue and expenses are recognized over time as the projects are successively completed. This applies to Swedish tenant-owner associations and own single homes, Norwegian condominiums and share housing and Finnish residential limited companies. In reporting according to IFRS, housing projects are recognized when the final homebuyers take possession of their apartments. In business area Project Development and the unit Property Development revenue and profit are recognized at a certain point in time in both segment reporting and reporting according to IFRS.

Group functions are reported in addition to the business areas and consist of central companies, certain subsidiaries and other holdings. Central companies consist primarily of the parent company Peab AB and Peab Finans AB. There is no difference in segment reporting and reporting according to IFRS regarding Group functions.

In segment reporting leasing fees for the lessee are recognized linearly over the leasing period for leasing contracts that by the counterparty (lessor) are classified as operational leasing contracts. IFRS 16 Leases is applied in the consolidated accounts according to IFRS which entails that the lessee recognizes depreciation and interest attributable to leasing assets respectively leasing liabilities. Leasing contracts that by the counterparty (lessor) are classified as financial leasing contracts are recognized in Peab's segment accounting according to the principles that correspond with those for the lessee according to IFRS 16.

### Reporting on internal projects between business areas Construction and Project Development

Business area Construction recognizes revenue and profit referring to the construction contract part of our own housing developments, rental project developments and other property development projects for business area Project Development. Recognition takes place over time as the projects are completed. Business area Project Development recognizes revenue for both the construction contract and developer part of our own housing development projects. Recognized profit consists of the profit in the developer part over time. Internal net sales between business area Construction and business area Project Development regarding the construction cost of our own housing development projects are eliminated in consolidated reporting. Internal profit is returned when the project is divested.

### Reporting on property projects on our own balance sheet

The underlying sales value of property projects on our own balance sheet, recognized as project and development property, that are sold in the form of a company via shares, is recognized as revenue and the book value on the balance sheet is recognized as an expense. When property projects recognized as operations property or investment property are divested the net effect on profit is recognized as other operating income or other operating cost. Recognition of property projects is the same in both segment reporting and reporting according to IFRS.

### Financial key ratios in segment reporting

Financial key ratios such as capital employed, total assets, equity, equity/assets ratio, net debt, net debt/equity ratio, cashflow before financing and earnings per share are presented in segment reporting with consideration taken to the above prerequisites. Net debt in segment reporting includes project financing for the unsold portion of ongoing own housing development projects. This is because Peab has an obligation to acquire unsold homes six months after completion.

### Change in the presentation of the parent company's financial reporting

The presentation of the parent company's reporting has changed as of the year-end report 2024. As a result the items accounts receivable, other receivables as well as prepaid expenses and accrued income have been merged together into the item other receivables. The change also entails that the items accounts payable, other liabilities as well as accrued expenses and deferred income have been merged together into the item other liabilities. This change will also be applied in the Annual Report 2024.

## Note 2 – Revenue allocation

Group Jan-Dec 2024 MSEK	Construction	Civil Engineering	Industry	Project Development	Group functions	Eliminations	Group Segment	Differences in accounting principles <sup>1)</sup>	Group IFRS
<b>Allocation per external/internal</b>									
External sales	21,290	15,384	17,725	4,243	55		58,697	2,586	61,283
Internal sales	2,527	1,155	3,823	27	1,295	-8,827	-		-
<b>Total</b>	<b>23,817</b>	<b>16,539</b>	<b>21,548</b>	<b>4,270</b>	<b>1,350</b>	<b>-8,827</b>	<b>58,697</b>	<b>2,586</b>	<b>61,283</b>
<b>Allocation per country</b>									
Sweden	18,405	14,510	12,299	3,363	1,075	-7,975	41,677	2,166	43,843
Norway	2,872	2,028	1,549	372	131	-535	6,417	403	6,820
Finland	2,540	1	6,248	535	143	-314	9,153	17	9,170
Denmark			1,440		1	-3	1,438		1,438
Other			12				12		12
<b>Total</b>	<b>23,817</b>	<b>16,539</b>	<b>21,548</b>	<b>4,270</b>	<b>1,350</b>	<b>-8,827</b>	<b>58,697</b>	<b>2,586</b>	<b>61,283</b>
<b>Allocation per type of customer</b>									
Public sector	12,884	12,222	7,045	382	45		32,578		32,578
Private customers	8,406	3,162	10,680	3,861	10		26,119	2,586	28,705
Internal customers	2,527	1,155	3,823	27	1,295	-8,827	-		-
<b>Total</b>	<b>23,817</b>	<b>16,539</b>	<b>21,548</b>	<b>4,270</b>	<b>1,350</b>	<b>-8,827</b>	<b>58,697</b>	<b>2,586</b>	<b>61,283</b>
<b>Allocation per point in time</b>									
At one point in time	66	26	6,227	1,599	58	-1,141	6,835	5,127	11,962
Over time	23,738	16,499	13,288	2,561	1,065	-6,124	51,027	-2,541	48,486
Rent revenue <sup>2)</sup>	13	14	2,033	110	227	-1,562	835		835
<b>Total</b>	<b>23,817</b>	<b>16,539</b>	<b>21,548</b>	<b>4,270</b>	<b>1,350</b>	<b>-8,827</b>	<b>58,697</b>	<b>2,586</b>	<b>61,283</b>
<b>Allocation per type of revenue</b>									
Construction contracts	23,738	16,499	13,288	2,561	38	-5,097	51,027	-2,541	48,486
Sales of goods			4,890			-817	4,073		4,073
Sales of property projects				1,573			1,573	5,127	6,700
Transportation services			1,218			-290	928		928
Administrative services					1,027	-1,027	-		-
Rent revenue <sup>2)</sup>	13	14	2,033	110	227	-1,562	835		835
Other	66	26	119	26	58	-34	261		261
<b>Total</b>	<b>23,817</b>	<b>16,539</b>	<b>21,548</b>	<b>4,270</b>	<b>1,350</b>	<b>-8,827</b>	<b>58,697</b>	<b>2,586</b>	<b>61,283</b>

<sup>1)</sup> Refers to differences in accounting principles regarding our own housing development projects. In segment reporting revenue is recognized over time while in reporting according to IFRS it is at the time of possession.

<sup>2)</sup> Rent revenue is recognized according to IFRS 16.

Group Jan-Dec 2023 MSEK	Construction	Civil Engineering	Industry	Project Development	Group functions	Eliminations	Group Segment	Differences in accounting principles <sup>1)</sup>	Group IFRS
<b>Allocation per external/internal</b>									
External sales	23,195	13,786	16,086	5,695	59		58,821	2,779	61,600
Internal sales	4,585	1,378	3,876	27	1,428	-11,294	-		-
<b>Total</b>	<b>27,780</b>	<b>15,164</b>	<b>19,962</b>	<b>5,722</b>	<b>1,487</b>	<b>-11,294</b>	<b>58,821</b>	<b>2,779</b>	<b>61,600</b>
<b>Allocation per country</b>									
Sweden	20,250	13,692	12,272	4,331	1,169	-9,633	42,081	857	42,938
Norway	4,236	1,472	1,588	357	159	-749	7,063	261	7,324
Finland	3,294		4,934	1,034	158	-910	8,510	1,661	10,171
Denmark			1,145		1	-2	1,144		1,144
Other			23				23		23
<b>Total</b>	<b>27,780</b>	<b>15,164</b>	<b>19,962</b>	<b>5,722</b>	<b>1,487</b>	<b>-11,294</b>	<b>58,821</b>	<b>2,779</b>	<b>61,600</b>
<b>Allocation per type of customer</b>									
Public sector	12,047	10,847	5,475	47	47		28,463	-32	28,431
Private customers	11,148	2,939	10,611	5,648	12		30,358	2,811	33,169
Internal customers	4,585	1,378	3,876	27	1,428	-11,294	-		-
<b>Total</b>	<b>27,780</b>	<b>15,164</b>	<b>19,962</b>	<b>5,722</b>	<b>1,487</b>	<b>-11,294</b>	<b>58,821</b>	<b>2,779</b>	<b>61,600</b>
<b>Allocation per point in time</b>									
At one point in time	51	20	6,387	1,785	84	-1,129	7,198	6,807	14,005
Over time	27,717	15,131	11,392	3,820	1,193	-8,490	50,763	-4,028	46,735
Rent revenue <sup>2)</sup>	12	13	2,183	117	210	-1,675	860		860
<b>Total</b>	<b>27,780</b>	<b>15,164</b>	<b>19,962</b>	<b>5,722</b>	<b>1,487</b>	<b>-11,294</b>	<b>58,821</b>	<b>2,779</b>	<b>61,600</b>
<b>Allocation per type of revenue</b>									
Construction contracts	27,717	15,131	11,392	3,820	77	-7,374	50,763	-4,028	46,735
Sales of goods			5,036			-790	4,246		4,246
Sales of property projects				1,743			1,743	6,807	8,550
Transportation services			1,205			-273	932		932
Administrative services					1,116	-1,116	-		-
Rent revenue <sup>2)</sup>	12	13	2,183	117	210	-1,675	860		860
Other	51	20	146	42	84	-66	277		277
<b>Total</b>	<b>27,780</b>	<b>15,164</b>	<b>19,962</b>	<b>5,722</b>	<b>1,487</b>	<b>-11,294</b>	<b>58,821</b>	<b>2,779</b>	<b>61,600</b>

<sup>1)</sup> Refers to differences in accounting principles regarding our own housing development projects. In segment reporting revenue is recognized over time while in reporting according to IFRS it is at the time of possession.

<sup>2)</sup> Rent revenue is recognized according to IFRS 16.

## Note 3 – Operating segment and reconciliation between segment reporting and reporting according to IFRS

Group Jan-Dec 2024 MSEK	Construction	Civil Engineering	Industry	Project Development	Group functions	Eliminations	Group Segment	Differences in accounting principles <sup>1)</sup>	Group IFRS
External sales	21,290	15,384	17,725	4,243	55		58,697	2,586	61,283
Internal sales	2,527	1,155	3,823	27	1,295	-8,827	-		-
<b>Total revenue</b>	<b>23,817</b>	<b>16,539</b>	<b>21,548</b>	<b>4,270</b>	<b>1,350</b>	<b>-8,827</b>	<b>58,697</b>	<b>2,586</b>	<b>61,283</b>
<b>Operating profit</b>	<b>416</b>	<b>499</b>	<b>1,415</b>	<b>728</b>	<b>-341</b>	<b>46</b>	<b>2,763</b>	<b>400</b>	<b>3,163</b>
Operating margin, %	1.7	3.0	6.6	17.0			4.7		5.2
Financial income							259		259
Financial expenses							-597	-45 <sup>2)</sup>	-642
<b>Net finance</b>							<b>-338</b>	<b>-45</b>	<b>-383</b>
<b>Pre-tax profit</b>							<b>2,425</b>	<b>355</b>	<b>2,780</b>
Tax							-345	-47	-392
<b>Profit for the year</b>							<b>2,080</b>	<b>308</b>	<b>2,388</b>
Capital employed (CB)	-215	-370	9,920	19,767	-103 <sup>3)</sup>		28,999	1,879	30,878
Total assets							45,226	2,542 <sup>4)</sup>	47,768
Equity							16,760	-256	16,504
Equity/assets ratio, %							37.1		34.6
Net debt							9,118	2,135	11,253
Cashflow before financing	-3 <sup>5)</sup>	697 <sup>5)</sup>	2,324 <sup>5)</sup>	423 <sup>5)</sup>	-840 <sup>6)</sup>		2,601	4,143	6,744

<sup>1)</sup> For more information about the allocation of revenue and profit items see note 2 and the section Overview business areas.

<sup>2)</sup> Refers to IFRS 16, additional leases SEK -45 million.

<sup>3)</sup> Unallocated capital employed.

<sup>4)</sup> Divided between IFRS 16, additional leases SEK 1,411 million and housing projects SEK 1,131 million.

<sup>5)</sup> Refers to operating cash flow. For definition, see section Alternative performance measures and definitions.

<sup>6)</sup> Unallocated cash flow.

Group Jan-Dec 2023 MSEK	Construction	Civil Engineering	Industry	Project Development	Group functions	Eliminations	Group Segment	Differences in accounting principles <sup>1)</sup>	Group IFRS
External sales	23,195	13,786	16,086	5,695	59		58,821	2,779	61,600
Internal sales	4,585	1,378	3,876	27	1,428	-11,294	-		-
<b>Total revenue</b>	<b>27,780</b>	<b>15,164</b>	<b>19,962</b>	<b>5,722</b>	<b>1,487</b>	<b>-11,294</b>	<b>58,821</b>	<b>2,779</b>	<b>61,600</b>
<b>Operating profit</b>	<b>441</b>	<b>501</b>	<b>962</b>	<b>304</b>	<b>-299</b>	<b>-56</b>	<b>1,853</b>	<b>733</b>	<b>2,586</b>
Operating margin, %	1.6	3.3	4.8	5.3			3.2		4.2
Financial income							584		584
Financial expenses							-542	-42 <sup>2)</sup>	-584
<b>Net finance</b>							<b>42</b>	<b>-42</b>	<b>0</b>
<b>Pre-tax profit</b>							<b>1,895</b>	<b>691</b>	<b>2,586</b>
Tax							-481	-117	-598
<b>Profit for the year</b>							<b>1,414</b>	<b>574</b>	<b>1,988</b>
Capital employed (CB)	-985	-173	10,699	18,093	5 <sup>3)</sup>		27,639	5,249	32,888
Total assets							44,295	4,881 <sup>4)</sup>	49,176
Equity							15,082	-612	14,470
Equity/assets ratio, %							34.0		29.4
Net debt							8,676	5,861	14,537
Cash flow before financing	146 <sup>5)</sup>	698 <sup>5)</sup>	1,012 <sup>5)</sup>	-2,254 <sup>5)</sup>	-919 <sup>6)</sup>		-1,317	3,972	2,655

<sup>1)</sup> For more information about the allocation of revenue and profit items see note 2 and the section Overview business areas.

<sup>2)</sup> Refers to IFRS 16, additional leases SEK -42 million.

<sup>3)</sup> Unallocated capital employed.

<sup>4)</sup> Divided between IFRS 16, additional leases SEK 1,386 million and housing projects SEK 3,495 million.

<sup>5)</sup> Refers to operating cash flow. For definition, see section Alternative performance measures and definitions.

<sup>6)</sup> Unallocated cash flow.

## Note 4 – Financial assets and liabilities valued at fair value

The table below shows the allocated level for financial assets and financial liabilities recognized at fair value in the Group's balance sheet. Measurement of fair value is based on a three level hierarchy;

Level 1: prices that reflect quoted prices on an active market for identical assets.

Level 2: based on direct or indirect inputs observable to the market not included in level 1.

Level 3: based on inputs unobservable to the market.

For a description of how fair value has been calculated see the Annual and Sustainability Report 2023, note 35. The fair value of financial assets and liabilities recognized as their amortized cost is estimated to be, in principle, the same as their recognized values.

Group	Dec 31, 2024			Dec 31, 2023		
	Level 2	Level 3	Total	Level 2	Level 3	Total
<b>MSEK</b>						
<b>Financial assets</b>						
Securities held as fixed assets		45	45		46	46
<i>Of which unlisted funds</i>		4	4		5	5
<i>Of which unlisted shareholdings and participations</i>		41	41		41	41
Other current receivables	10		10	10		10
<i>Of which commodity hedging with futures</i>	9		9	9		9
<i>Of which currency derivatives</i>	1		1	1		1
<b>Total financial assets</b>	<b>10</b>	<b>45</b>	<b>55</b>	<b>10</b>	<b>46</b>	<b>56</b>
<b>Financial liabilities</b>						
Other current liabilities	1		1	16	6	22
<i>Of which currency derivatives</i>			-	3		3
<i>Of which commodity hedging with futures</i>	1		1	13		13
<i>Of which contingent consideration</i>			-		6	6
<b>Total financial liabilities</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>16</b>	<b>6</b>	<b>22</b>

The tables below are a reconciliation between the opening and closing balance for assets and liabilities included in level 3.

Group	Securities held as fixed asset			
	Unlisted funds		Unlisted shares and participations	
	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023
<b>MSEK</b>				
<b>Opening balance</b>	5	26	41	41
Investments		5		
Sales				-1
Dividends received	-1			
Reported in profit/loss for the period				
Other operating costs (+)/other operating income (-)				1
Net finance		-26		
<b>Closing balance</b>	<b>4</b>	<b>5</b>	<b>41</b>	<b>41</b>

Group	Contingent consideration	
	Dec 31, 2024	Dec 31, 2023
<b>MSEK</b>		
<b>Opening balance</b>	6	20
Payments during the period	-6	
Reported in profit/loss for the period		
Other operating costs (+)/other operating income (-)		-13
Reported in other comprehensive income		-1
<b>Closing balance</b>	<b>-</b>	<b>6</b>

# Future financial information

- Annual and Sustainability Report 2024 April, 2025
- Quarterly report January – March 2025 and Annual General Meeting May 6, 2025
- Quarterly report January – June 2025 July 15, 2025
- Quarterly report January – September 2025 October 24, 2025
- Year-end report January – December 2025 February 4, 2026

*Förslöv, February 6, 2025*

*Jesper Göransson  
CEO and President*

*The information in this interim report has not been reviewed separately by the company's auditors.*

## Presentation of the interim report

This interim report will be presented digitally and on a phone conference Thursday February 6, 2025 at 09.00 a.m. by the President and CEO Jesper Göransson and CFO Niclas Winkvist. The presentation will be held in Swedish and is available via <https://www.peab.com/financial-info/>.

Click on one of the links to participate in the presentation.

Participate in the web broadcast:

<https://app.videosync.fi/web-studio/675c27aa17f3e59e8e903c9b?code=jDfN9axTIZ&role=speaker>

Participate via telephone conference:

<https://financialhearings.com/event/49854>

For further information, please contact:

Jesper Göransson, President and CEO of Peab, is reached through Juha Hartomaa, Head of Investor Relations Peab, +46 725 33 31 45

*This information is information that Peab AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at February 6, 2025, 08:00 a.m. CET.*

# Quarterly data

## Group, IFRS

MSEK	Oct-Dec 2024	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022
Net sales	17,185	15,720	16,928	11,450	17,365	15,159	16,098	12,978	17,141
Production costs	-14,939	-14,174	-15,281	-11,008	-16,139	-13,765	-14,141	-12,138	-15,466
<b>Gross profit</b>	<b>2,246</b>	<b>1,546</b>	<b>1,647</b>	<b>442</b>	<b>1,226</b>	<b>1,394</b>	<b>1,957</b>	<b>840</b>	<b>1,675</b>
Sales and administrative expenses	-932	-613	-885	-759	-843	-600	-867	-854	-851
Other operating income	47	46	60	329	91	100	124	42	72
Other operating costs	8	13	-8	-24	-3	17	-17	-21	-10
<b>Operating profit</b>	<b>1,369</b>	<b>992</b>	<b>814</b>	<b>-12</b>	<b>471</b>	<b>911</b>	<b>1,197</b>	<b>7</b>	<b>886</b>
Financial income	66	66	59	68	61	56	431	36	39
Financial expenses	-150	-170	-167	-155	-173	-198	-125	-88	-85
<b>Net finance</b>	<b>-84</b>	<b>-104</b>	<b>-108</b>	<b>-87</b>	<b>-112</b>	<b>-142</b>	<b>306</b>	<b>-52</b>	<b>-46</b>
<b>Pre-tax profit</b>	<b>1,285</b>	<b>888</b>	<b>706</b>	<b>-99</b>	<b>359</b>	<b>769</b>	<b>1,503</b>	<b>-45</b>	<b>840</b>
Tax	-171	-154	-110	43	-148	-145	-315	10	-282
<b>Profit for the period</b>	<b>1,114</b>	<b>734</b>	<b>596</b>	<b>-56</b>	<b>211</b>	<b>624</b>	<b>1,188</b>	<b>-35</b>	<b>558</b>
<b>Profit for the period, attributable to:</b>									
Shareholders in parent company	1,121	732	596	-57	211	623	1,189	-35	559
Non-controlling interests	-7	2	0	1	0	1	-1	0	-1
<b>Profit for the period</b>	<b>1,114</b>	<b>734</b>	<b>596</b>	<b>-56</b>	<b>211</b>	<b>624</b>	<b>1,188</b>	<b>-35</b>	<b>558</b>
<b>Key ratios, IFRS</b>									
Earnings per share before and after dilution, SEK	3.90	2.54	2.08	-0.20	0.74	2.17	4.13	-0.12	1.93
Average number of outstanding shares, million	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	288.0
Capital employed (CB)	30,878	30,526	31,962	33,016	32,888	35,805	36,442	33,831	33,590
Equity (CB)	16,504	15,316	14,666	14,481	14,470	14,405	13,780	13,652	13,786

Business areas

MSEK	Oct-Dec 2024	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022
<b>Net sales</b>									
Construction	6,541	5,130	6,358	5,788	7,029	5,789	7,540	7,422	8,330
Civil Engineering	4,893	3,810	4,278	3,558	4,454	3,491	3,891	3,328	4,405
Industry	5,576	7,528	6,033	2,411	5,056	6,780	5,347	2,779	5,658
Project Development	1,737	758	720	1,055	1,456	856	1,569	1,841	1,986
– of which Property Development	636	6	21	23	453	7	65	9	11
– of which Housing Development	1,101	752	699	1,032	1,003	849	1,504	1,832	1,975
Group functions	343	333	345	329	377	343	390	377	409
Eliminations	-2,305	-2,020	-2,502	-2,000	-2,733	-2,523	-2,981	-3,057	-3,740
<b>Group, segment reporting</b>	<b>16,785</b>	<b>15,539</b>	<b>15,232</b>	<b>11,141</b>	<b>15,639</b>	<b>14,736</b>	<b>15,756</b>	<b>12,690</b>	<b>17,048</b>
Adjustment of housing to IFRS	400	181	1,696	309	1,726	423	342	288	93
IFRS 16, additional leases									
<b>Group, IFRS</b>	<b>17,185</b>	<b>15,720</b>	<b>16,928</b>	<b>11,450</b>	<b>17,365</b>	<b>15,159</b>	<b>16,098</b>	<b>12,978</b>	<b>17,141</b>
<b>Operating profit</b>									
Construction	96	96	123	101	-358	96	141	162	166
Civil Engineering	140	117	165	77	180	110	152	59	175
Industry	597	848	449	-479	476	588	333	-435	283
Project Development	521	-6	-33	246	17	46	114	127	309
– of which Property Development	533	8	21	261	63	21	29	-6	19
– of which Housing Development	-12	-14	-54	-15	-46	25	85	133	290
Group functions	-142	-62	-79	-58	-159	-33	-34	-73	-53
Eliminations	43	2	-6	7	-23	-21	-16	4	-27
<b>Group, segment reporting excl. MoS</b>	<b>1,255</b>	<b>995</b>	<b>619</b>	<b>-106</b>	<b>133</b>	<b>786</b>	<b>690</b>	<b>-156</b>	<b>853</b>
Construction – effect MoS							400		
<b>Group, segment reporting</b>	<b>1,255</b>	<b>995</b>	<b>619</b>	<b>-106</b>	<b>133</b>	<b>786</b>	<b>1,090</b>	<b>-156</b>	<b>853</b>
Adjustment of housing to IFRS	103	-14	190	85	330	115	98	153	25
IFRS 16, additional leases	11	11	5	9	8	10	9	10	8
<b>Group, IFRS</b>	<b>1,369</b>	<b>992</b>	<b>814</b>	<b>-12</b>	<b>471</b>	<b>911</b>	<b>1,197</b>	<b>7</b>	<b>886</b>
<b>Operating margin, %</b>									
Construction	1.5	1.9	1.9	1.7	-5.1	1.7	1.9	2.2	2.0
Civil Engineering	2.9	3.1	3.9	2.2	4.0	3.2	3.9	1.8	4.0
Industry	10.7	11.3	7.4	-19.9	9.4	8.7	6.2	-15.7	5.0
Project Development	30.0	-0.8	-4.6	23.3	1.2	5.4	7.3	6.9	15.6
– of which Property Development	83.8	133.3	100.0	1,134.8	13.9	300.0	44.6	-66.7	172.7
– of which Housing Development	-1.1	-1.9	-7.7	-1.5	-4.6	2.9	5.7	7.3	14.7
Group functions									
Eliminations									
<b>Group, segment reporting excl. MoS</b>	<b>7.5</b>	<b>6.4</b>	<b>4.1</b>	<b>-1.0</b>	<b>0.9</b>	<b>5.3</b>	<b>4.4</b>	<b>-1.2</b>	<b>5.0</b>
<b>Group, segment reporting</b>	<b>7.5</b>	<b>6.4</b>	<b>4.1</b>	<b>-1.0</b>	<b>0.9</b>	<b>5.3</b>	<b>6.9</b>	<b>-1.2</b>	<b>5.0</b>
Adjustment of housing to IFRS									
IFRS 16, additional leases									
<b>Group, IFRS</b>	<b>8.0</b>	<b>6.3</b>	<b>4.8</b>	<b>-0.1</b>	<b>2.7</b>	<b>6.0</b>	<b>7.4</b>	<b>0.1</b>	<b>5.2</b>
<b>Key ratios, segment reporting, MSEK</b>									
Earnings per share before and after dilution excl. MoS, SEK	3.63	2.59	1.48	-0.45	-0.25	1.85	1.68	-0.54	1.89
Earnings per share before and after dilution, SEK	3.63	2.59	1.48	-0.45	-0.25	1.85	3.86	-0.54	1.89
Capital employed (CB)	28,999	27,537	28,719	27,721	27,639	29,072	29,406	25,910	25,000
Equity (CB)	16,760	15,650	14,992	14,976	15,082	15,239	14,770	14,687	14,978
Orders received	12,052	10,135	16,434	17,889	10,527	11,034	12,505	11,042	10,455
Order backlog at the end of the period	44,906	47,026	50,578	47,808	39,060	41,669	43,638	44,595	44,389



# Alternative performance measures and definitions

Alternative performance measures are used to describe the development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by executive management and Board of Directors to measure the company's financial performance. Alternative performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement.

The difference between segment reporting and reporting according to IFRS is described in more detail in note 1. The difference primarily consists of differences in accounting principles for our own housing development projects where revenue and profit are recognized over time in segment reporting and at one point in

time, when homebuyers take over their homes, in reporting according to IFRS. In segment reporting leasing fees for the lessee are recognized linearly over the leasing period for leases that are classified by the counterparty (the lessor) as operational leases. IFRS 16 Leases is applied in Group reporting according to IFRS, which entails that lessees recognize depreciation and interest attributable to leasing assets and liabilities. As a result the difference between segment reporting and reporting according to IFRS even affects the items on the balance sheet, including net debt. Nonetheless, in the key ratios below the method of calculation is the same for both segment reporting and reporting according to IFRS. For more information and calculations, see Peab's website

[www.peab.com/alternative-keyratios](http://www.peab.com/alternative-keyratios).

## Financial definitions

### Available liquidity

Liquid funds and short-term investments along with unutilized credit facilities, excluding unutilized credit facilities for project financing. Shows the Group's available liquidity.

### Capital employed for the business areas

Total assets in the business area at the end of the period reduced by deferred tax recoverables and internal receivables from the internal bank Peab Finans with deductions for non-interest-bearing liabilities and deferred tax liabilities. The measurement is used to measure capital utilization and its effectiveness for the business areas, and is only presented as a net amount per business area.

### Capital employed for the Group

Total assets at the end of the period less non-interest-bearing operating liabilities and provisions. The measurement is used to measure capital utilization and its effectiveness.

### Earnings per share/Earnings per share excl. MoS, before and after dilution

Profit for the period attributable to shareholders in parent company divided by the average number of outstanding shares during the period. Shows earnings per share. Earnings per share excl. MoS are calculated excluding the effect of arbitration decision concerning Mall of Scandinavia. For details, see Annual and Sustainability Report 2023.

### Equity/assets ratio

Equity as a percentage of total assets at the end of the period. Shows financial position.

### Equity per share

Equity attributable to shareholders in parent company divided by the number of outstanding shares at the end of the period. Shows equity per share.

### Net debt

Interest-bearing liabilities including provisions for pensions less liquid funds and interest-bearing assets. Shows financial position.

### Net debt, segment reporting

Interest-bearing liabilities including provisions for pensions less liquid funds and interest-bearing assets. As of January 1, 2019 liabilities concerning unsold part of ongoing own housing development projects is included in net debt. Shows financial position for segment.

### Net debt/equity ratio

Interest-bearing net debt in relation to equity. Shows financial position.

### Net investments

The change in the period of the recognized value of current assets (CB-OB) plus depreciation and write-downs. Shows the size of net investments made.

### Operating margin/Operating margin excl. MoS

Operating profit as a percentage of net sales. Shows profitability in the business. Operating margin excl. MoS is calculated excluding the effect of arbitration decision concerning Mall of Scandinavia. For details, see Annual and Sustainability Report 2023.

### Operative cash flow

Cash flow before financing according to segment reporting. The cash flow does not include received internal Group interest, paid interest and paid tax that is not allocated to the business areas but only reported for the Group. Investments via leasing charge cash flow from investment operations in the business areas. Operative cash flow is only calculated for the business areas. Shows the cash flow generated per business area.

### Order backlog

The value at the end of the period of the remaining income in ongoing production plus orders received yet to be produced. Order backlog is based on segment reporting. Shows how much will be produced in the future.

### Orders received

The sum of orders received during the period. Measures how new orders replace produced work. Regarding our own housing development projects, tenant-owner associations and housing companies are considered external customers.

### Return on capital employed

Pre-tax profit for the rolling 12 month period with the addition of financial expenses in percent of the average (last four quarters) capital employed. The measurement is used to measure capital efficiency and to allocate capital for new investments and shows the Group's earning capacity independent of financing.

### Return on equity

Profit for the rolling 12 month period attributable to shareholders in the parent company divided by the average (last four quarters) equity attributable to shareholders in the parent company. The measurement is used to create efficient business and a rational capital structure and show how the Group has multiplied shareholders' equity.

## Non-financial definitions

### Average number of employees

The sum of the number of hours Peab has paid for, divided by the annual working time.

### CSI

CSI stands for Customer Satisfaction Index and measures how satisfied Peab's customers are. CSI is a weighted measurement between 0 and 100 and is based on three questions: 1) Total satisfaction, 2) In relation to expectations 3) In relation to ideal supplier.

### eNPS

eNPS stands for employee Net Promoter Score and measures employee engagement. The score can vary between -100 and 100 and is based on the question to employees: "How probable is it that you would recommend your employer to a friend or acquaintance?"

### LT14 and LTIF4

LT14 refers to the number of workplace accidents with more than four days absence, excluding the day of injury, and LTIF4 refers to the frequency rate per one million hours worked according to the same definition. LTI stands for Lost Time Injury.

### Project and development property

Holdings of undeveloped land and decontamination property for future development, property with buildings for project development, processing and thereafter divestiture within Peab's normal business cycle.

### Risk observations

A risk observation means at a workplace noticing behavior, risks or shortcomings that could lead to an incident or accident.

### Serious accidents

Peab uses the Swedish Work Environment Authority's definition of a serious accident as an accident where one or more persons are injured at a workplace or a place they have visited for work. Serious accidents can be injuries such as bone fractures, effusive bleeding or nerve, muscle or tendon damage, injuries to inner organs or second or third degree burns. Serious accidents that occur in our other Nordic countries are categorized by the same definition.



# The Nordic Community Builder



## Local and close to our customers

Peab works locally where our customers are and where people live their lives. Every day our employees contribute through four collaborating business areas to community building in Sweden, Norway, Finland and Denmark. Together we build homes, schools, retirement homes, hospitals, swimming pool facilities, museums, offices, airports and ports. We build and maintain roads, railroads, bridges, parks and much, much more.

Peab has contributed to locally produced community building for more than 60 years. Now the journey continues. Long-lastingly and responsibly we are forging ahead, and improving everyday life where it's lived.

Net sales, appr.

# SEK 59 billion

Employees, appr.

# 13,000



**Business area Construction**



**Business area Civil Engineering**



**Business area Industry**



**Business area Project Development**

Peab is the Nordic Community Builder with some 13,000 employees and net sales of approximately SEK 59 billion. The Group has strategically located offices in Sweden, Norway, Finland and Denmark. Group headquarters are in Förslöv on the Bjäre Peninsula in Skåne. The share is listed on Nasdaq Stockholm.

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