

# Half-year report

JANUARY – JUNE 2025

**PEAB**  
THE NORDIC COMMUNITY BUILDER

The Docks at Societet Park  
Norrtälje

# Continued stable development

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

### April – June 2025

- Net sales SEK 14,937 million (15,232)
- Operating profit SEK 760 million (619)
- Operating margin 5.1 percent (4.1)
- Pre-tax profit SEK 57 million (522). The settlement agreement regarding Mall of Scandinavia affected net financial items by SEK -611 million
- Earnings per share before and after dilution SEK 0.20 (1.48)
- Orders received SEK 13,183 million (16,434)
- Cash flow before financing SEK -560 million (-95)

### January – June 2025

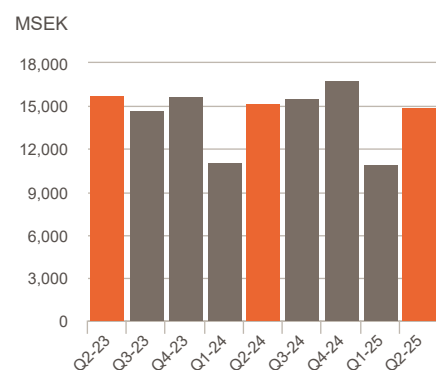
- Net sales SEK 25,862 million (26,373)
- Operating profit SEK 482 million (513)
- Operating margin 1.9 percent (1.9)
- Pre-tax profit SEK -327 million (340). The settlement agreement regarding Mall of Scandinavia affected net financial items by SEK -611 million
- Earnings per share before and after dilution SEK -1.04 (1.03)
- Orders received SEK 29,757 million (34,323)
- Order backlog SEK 51,757 million (50,578)
- Cash flow before financing SEK -923 million (-313)
- Net debt SEK 9,525 million (9,585)
- Net debt/equity ratio 0.6 (0.6)

## Group

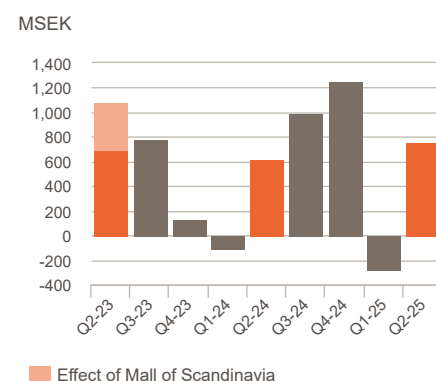
MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
<b>Segment reporting</b>						
Net sales	14,937	15,232	25,862	26,373	58,186	58,697
Operating profit	760	619	482	513	2,732	2,763
Operating margin, %	5.1	4.1	1.9	1.9	4.7	4.7
Pre-tax profit	57	522	-327	340	1,758	2,425
Profit for the period	58	427	-293	298	1,489	2,080
Earnings per share before and after dilution, SEK	0.20	1.48	-1.04	1.03	5.18	7.25
Return on equity, % <sup>1)</sup>	9.3	5.0	9.3	5.0	9.3	13.3
Return on capital employed, % <sup>1)</sup>	10.6	5.9	10.6	5.9	10.6	10.7
Net debt	9,525	9,585	9,525	9,585	9,525	9,118
Net debt/equity ratio, multiple	0.6	0.6	0.6	0.6	0.6	0.5
Equity/assets ratio, %	35.0	32.0	35.0	32.0	35.0	37.1
Cash flow before financing	-560	-95	-923	-313	1,991	2,601
Average number of employees	12,241	13,073	11,912	12,551	12,621	12,899
<b>Reporting according to IFRS</b>						
Net sales, IFRS	15,063	16,928	25,888	28,378	58,793	61,283
Operating profit, IFRS	790	814	508	802	2,869	3,163
Pre-tax profit, IFRS	76	706	-325	607	1,848	2,780
Profit for the period, IFRS	72	596	-295	540	1,553	2,388
Earnings per share before and after dilution IFRS, SEK	0.25	2.08	-1.05	1.88	5.39	8.32
Net debt, IFRS	11,321	13,154	11,321	13,154	11,321	11,253
Equity/assets ratio, IFRS, %	32.8	29.1	32.8	29.1	32.8	34.6
Cash flow before financing, IFRS	16	2,271	-469	2,252	4,023	6,744

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

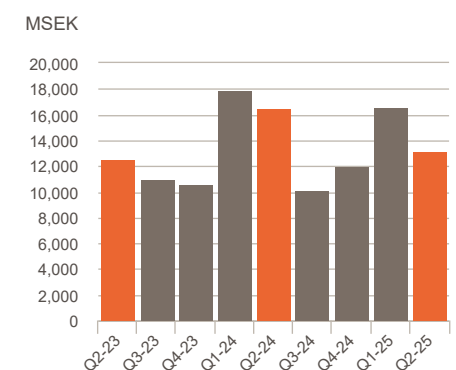
### Net sales



### Operating profit



### Orders received



# Comments from the CEO

Peab's stable development continued during the second quarter of the year. We reported slightly lower net sales for the quarter but a higher operating profit and improved operating margin. Civil engineering operations, premise construction and large sections of business area Industry continued to develop well while less housing construction impacted operations in project development, construction system and crane rentals.

## Group development

Group net sales contracted somewhat during the first half-year 2025 and amounted to SEK 25,862 million (26,373). Operating profit was SEK 482 million (513) and the operating margin was unchanged at 1.9 percent. Capital gains of SEK 220 million resulting from the sales of Peab's shares in the joint venture Tornet Bostadsproduktion were included in the first quarter last year. A very positive factor pertaining particularly to the second quarter is that we – thanks to our broad business model – can report an operating margin in excess of five percent despite lower income recognition than previous years in project development operations. Net debt amounted to SEK 9.5 billion (9.6) and the net debt/equity ratio was 0.6 (0.6).

The level of orders received continued to be stable during the second quarter. The level of orders received for the first half-year amounted to SEK 29.8 billion (34.3). The comparable period included several billion kronor orders, among them development of the New Bodø Airport worth NOK 3.3 billion. Order backlog per June 30, 2025 increased and was SEK 51.8 billion (50.6). We also have a stable level of incoming phase 1 contracts which are preliminary agreements that can lead to construction contracts. They therefore provide an indication of future projects in business areas Construction and Civil engineering. The potential value of final construction contracts at the end of the second quarter was around SEK 16 billion over the next two years (SEK 13 billion per December 31, 2024).

At the end of the quarter we reached a settlement agreement in the lengthy dispute with Unibail Rodamco Westfield (URW) regarding Mall of Scandinavia in Solna. The settlement entailed Peab being compensated with an amount equivalent to the amount determined for costs for completing the contract in the arbitral award on June 30, 2023. In the agreement Peab also waived an amount equivalent to accrued default interest. Net financial items were charged in the second quarter 2025 by SEK 611 million due to the write-down of receivables equivalent to the accrued default interest, which did not have any effect on cash flow. On July 2 we received a billion Swedish kronor from URW, which increased our liquidity by the same amount and net debt remained unchanged. After the settlement all transactions between the parties are resolved. We can therefore put the construction contract Mall of Scandinavia behind us and reiterate how proud we are about having built the largest Nordic mall.

## Business area development

Net sales contracted in business area Construction due to lower activity in new production of homes which other kinds of projects have not been able to fully compensate for. At the same time the operating margin improved in the period to 2.2 percent (1.8) which signifies stable operations. Construction operations are working on a number of big and small projects all over the Nordic region that include everything from building industrial premises to schools and care facilities. Business area Civil Engineering continues to prove its worth with its high level of activity and projects stretch from port facilities, roads and railroads to energy related projects. Net sales increased by 3 percent and the operating margin improved to 3.9 percent (3.1). In total, the operating margin for the construction contract businesses was 2.9 percent (2.3).

In business area Industry net sales contracted by six percent and the decrease is related to paving and to less activity in construction system and rentals due to the weak housing market. Operating profit increased somewhat in the period and the operating margin improved to -0.1 percent (-0.4). Paving, mineral aggregates and concrete reported improved operating profit for the first half year while construction system and rentals reported lower profit.

Net sales in business area Project Development were basically the same as the corresponding period last year. Operating profit amounted to SEK 82 million (213). Capital gains of SEK 220 million resulting from the sales of Peab's shares in the joint venture Tornet Bostadsproduktion were included in the comparable period. A number of production starts in Housing Development have impacted the period positively, although the level of activity continues to be low. The operating margin in Housing Development was 1.3 percent (-4.0).

The housing market seems to have landed on a new level where during the past three years production starts of homes are significantly fewer than there used to be. We are adjusting and wherever the market is that's where we are. At the same time we see the trend of sales increasing as a project approaches completion continues.



As of 2025 we work from the strategy of – given our financial targets – more production of own housing developments on our own balance sheet to later on convert them into tenant-owner apartments. This is preferably on projects in metropolitan areas. In the first half-year 2025 we production-started 803 (137) in total of own developed homes. Of these, 444 (137) were tenant-owner apartments/condominiums, 125 converted from homes on our own balance sheet. Starting projects on our own balance sheet increases tied-up capital and defers profit effects in segment reporting compared to our traditional method of pre-sales before production starts of our own development projects.

## Target outcome

After the second quarter 2025 we report four of our nine external targets: operating margin, net debt/equity ratio, serious accidents and attractive employer (eNPS). The operating margin was 4.7 percent calculated on a rolling twelve month basis, equivalent to the full year 2024. The target is six percent. The net debt/equity ratio was 0.6 (0.6) at the end of June, which is inside the target interval 0.3-0.7. The trend in serious accidents continues to be lower compared to the full year 2024 and the number of serious accidents over a rolling twelve month period per June 30, 2025 was 29 (33 per December 31, 2024). We will continue to work with unabated intensity to keep the contracting trend going. Even the Group's eNPS value, if employees are willing to recommend Peab as an employer, notably increased to 32 (28).

## Market and prospects for the future

Geopolitical unpredictability continues to result in a more cautious market and investment uncertainty. Macroeconomic recovery is proceeding slower than previously expected but a turnaround is expected in the second half of 2025 with broader financial growth as a result. Meanwhile, in some aspects Peab's business can benefit from the volatile world around us, such as an increase in funding for the police, the penal system, security and defense related projects along with the accompanying infrastructure. 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 as lower interest rates take effect, but more slowly than expected. Premise construction development points to a continued positive market, although somewhat more diversified between segments. Forecasts for the civil engineering market in 2025 show good growth there.

Now we are going to continue to make use of Peab's broad business model with our four business areas that complement each other well and enable us to take advantage of the demand in our various product segments and geographic markets.

*Jesper Göransson  
President and CEO*

# Net sales and profit

## April – June 2025

Group net sales decreased slightly during the second quarter 2025 and amounted to SEK 14,937 million (15,232).

Net sales in business area Construction decreased by six 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 four percent. Net sales in business area Industry decreased by six percent due to lower activity in paving and construction system. Net sales in Project Development increased slightly compared to the same quarter last year.

Group operating profit increased during the second quarter and amounted to SEK 760 million (619) and the operating margin improved to 5.1 percent (4.1). The operating margin improved in business area Construction to 2.3 percent (1.9) and in business area Civil Engineering the operating margin improved to 4.6 percent (3.9). All in all, the operating margin for construction contract operations amounted to 3.3 percent (2.7). Operating profit in business area Industry increased and the operating margin improved to 9.6 percent (7.4). Operating profit was higher in paving, mineral aggregates and concrete compared to the second quarter 2024, while both construction system and rental operations were affected by the weak housing market and reported lower profitability. Operating profit in business area Project Development amounted to SEK -1 million (-33). A number of production starts in Housing Development had a positive effect during the quarter, although activity continued to be low. In Housing Development the operating margin was -1.7 percent (-7.7). In Property Development, profit from joint ventures was on the same level as last year. No property transactions have taken place during the quarter. In the comparable period, capital gains from real estate transactions contributed by SEK 17 million.

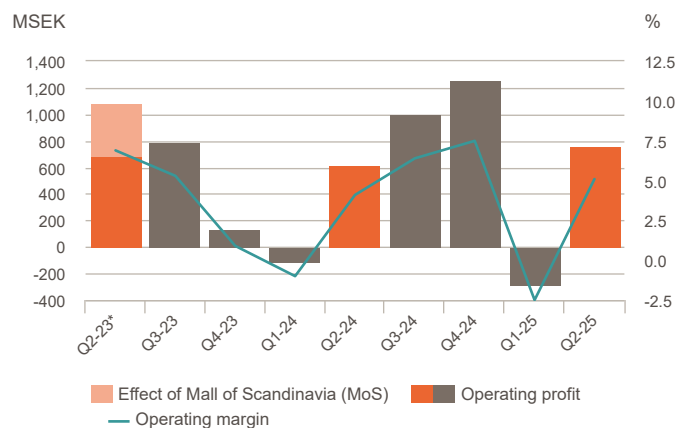
Depreciation and write-downs for the second quarter were SEK -354 million (-354).

Elimination and reversal of internal profit in our own projects affected operating profit during the quarter by net SEK -3 million (-6).

Net financial items amounted to SEK -703 million (-97) of which net interest was SEK -85 million (-109). The effect of the settlement regarding Mall of Scandinavia affected net financial items by SEK -611 million. For more information about the settlement, see the section Other information.

Pre-tax profit was SEK 57 million (522). Profit for the quarter was SEK 58 million (427).

## Operating profit and operating margin, per quarter



## January – June 2025

Group net sales decreased slightly during the first half-year 2025 and amounted to SEK 25,862 million (26,373). Net sales for the latest rolling 12 month period amounted to SEK 58,186 million compared to SEK 58,697 million for the full year 2024. The share of public sector customers of net sales calculated on a rolling 12 month basis increased and accounted for 56 percent (53) and private customers for 44 percent (47).

Net sales in business area Construction decreased by seven percent compared to the same period 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 period and net sales increased by three percent. Net sales in business area Industry decreased by six percent due to paving and lower activity in construction system and rental operations resulting from a weak housing market. Net sales in Project Development were basically on the same level as the same period last year.

Group operating profit amounted to SEK 482 million (513) and the operating margin was 1.9 percent (1.9). The first quarter is markedly affected by the season, particularly in business area Industry, since the beginning of the year is characterized by considerable deficits because the paving season begins in the second quarter. The first quarter last year included a positive effect of SEK 220 million in business area Project Development as a result of the divestment of the shares in the joint venture Tornet Bostadsproduktion.

The operating margin improved in business area Construction to 2.2 percent (1.8) in the first half-year and in business area Civil Engineering the operating margin improved to 3.9 percent (3.1). All in all, the operating margin for construction contract operations amounted to 2.9 percent (2.3). Operating profit in business area Industry improved during the period and the operating margin was -0.1 percent (-0.4). Operating profit improved in paving, mineral aggregates and concrete during the first half of the year, while both construction system and rental operations were affected by the weak housing market and reported lower profitability. Operating profit in business area Project Development amounted to SEK 82 million (213) where capital gains from divestitures of properties and shares in joint ventures in Property Development contributed by SEK 47 million (275). The comparable period included a capital gain of SEK 220 million from the sale of shares in the joint venture Tornet Bostadsproduktion. A number of production starts in Housing Development had a positive effect during the period, although activity continued to be low. In Housing Development the operating margin was 1.3 percent (-4.0).

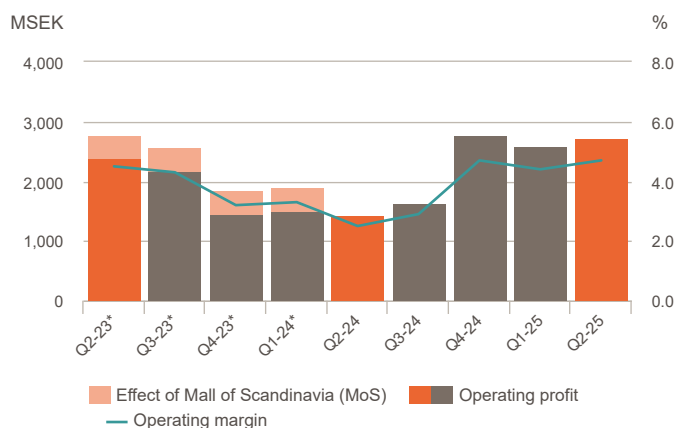
Depreciation and write-downs for the first half-year were SEK -709 million (-704).

Elimination and reversal of internal profit in our own projects affected operating profit during the period by net SEK 16 million (1).

Net financial items amounted to SEK -809 million (-173) of which net interest was SEK -164 million (-211). The effect of the settlement regarding Mall of Scandinavia affected net financial items by SEK -611 million. For more information about the settlement see the section Other information.

Pre-tax profit was SEK -327 million (340). Profit for the period was SEK -293 million (298).

## Operating profit and operating margin, rolling 12 months



\* Operating margin rolling 12 months excluding effect of MoS was 3.8% as of June 30, 2023, 3.6% as of September 30, 2023, 2.5% as of December 31, 2023 and 2.6% as of March 31, 2024.

## 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.



Preeschool  
Helsinki, Finland

# Financial position and cash flow

## Financial position

Total assets according to segment reporting per June 30, 2025 were SEK 44,525 million (46,840). Equity amounted to SEK 15,572 million (14,992), which entails an equity/assets ratio of 35.0 percent (32.0).

Interest-bearing net debt amounted to SEK 9,525 million (9,585) per June 30, 2025. During the period dividends of SEK 1,100 million were received from Fastighets AB Centur, which was offset against interest-bearing debt that arose in connection with the acquisition of properties from Fastighets AB Centur during the fourth quarter of 2024. Net debt includes project financing of the unsold part of our own housing developments while they are in production. At the end of the period the unsold part amounted to SEK 1,915 million (2,272). Interest-bearing receivables amounted to SEK 1,554 million (2,652). The amount includes a claim on Unibail-Rodamco-Westfield under a settlement agreement regarding Mall of Scandinavia of SEK 979 million (1,067), which was paid on July 2, 2025. For more information regarding the settlement of Mall of Scandinavia, see the section Other information. The average interest rate in the loan portfolio was 4.5 percent (5.7) on June 30, 2025.

Group liquid funds according to IFRS, including unutilized credit facilities but excluding project financing, were SEK 6,455 million at the end of the period compared to SEK 8,822 million on December 31, 2024.

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 1,983 million at the end of the period compared to SEK 2,193 million on December 31, 2024. Surety for credit lines in tenant-owner associations regarding the unsold part after deconsolidation made up SEK 452 million of contingent liabilities compared to SEK 508 million on December 31, 2024.

## Investments and divestments

During the quarter tangible and intangible fixed assets were invested for SEK 254 million (210). During the first half-year tangible and intangible fixed assets were invested for SEK 407 million (389). The investments mainly refer to investments in machines in business area Industry. During the quarter tangible and intangible fixed assets of SEK 73 million (159) were divested. During the first half-year tangible and intangible fixed assets of SEK 116 million (203) were divested.

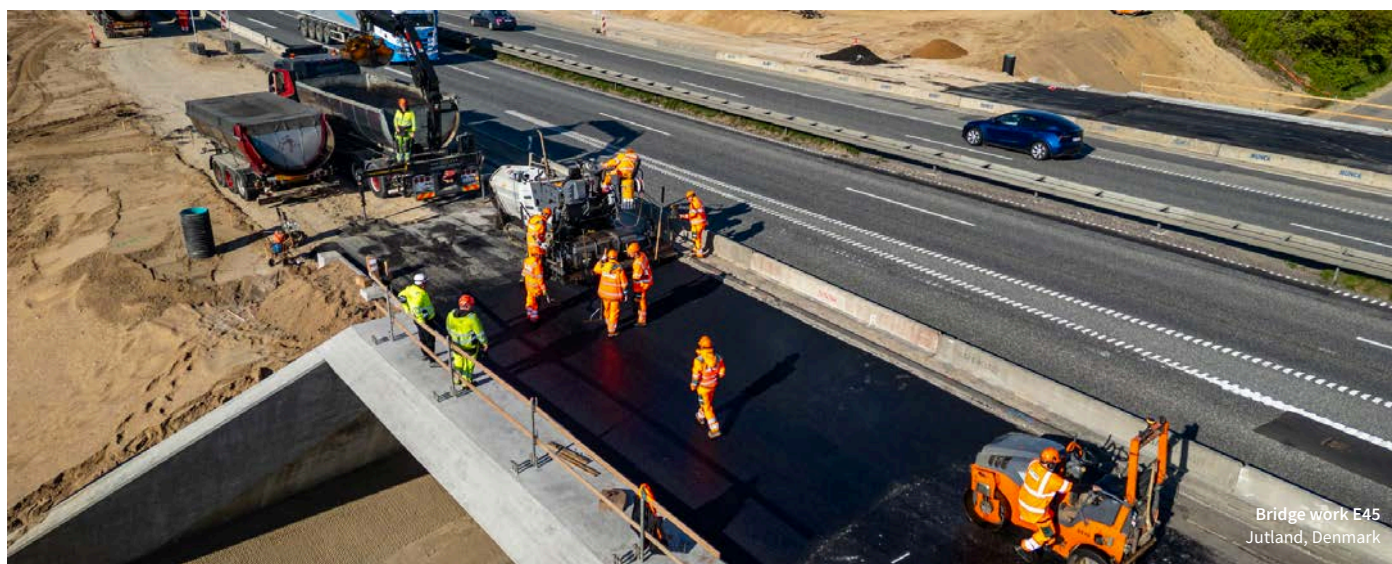
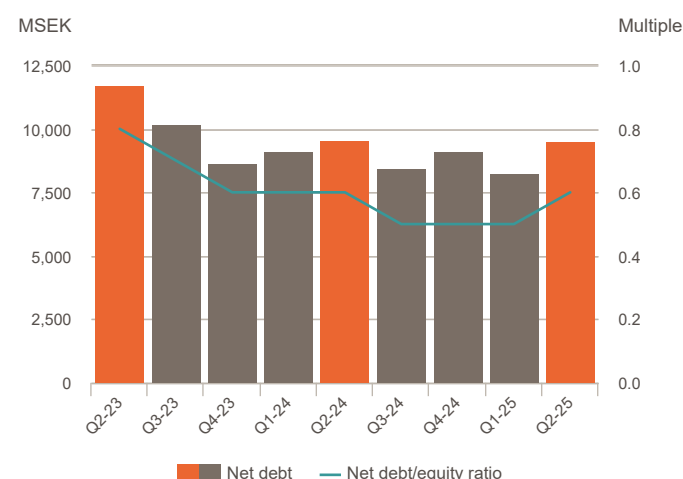
## Project and development properties

Project and development properties, which are reported as inventory items, amounted to SEK 17,364 million as of June 30, 2025, compared to SEK 16,828 million as of December 31, 2024. The net change during the first half-year was SEK 536 million (916) and is mainly due to more capital tied up in housing projects in ongoing production. The change during the first half year of the previous year is largely explained by the acquisition of building rights in Nacka through the purchase of Sicklaön Bygg Invest AB.

## Net debt

MSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Bank loans	4,034	5,668	3,790
Commercial papers	693	474	642
Bonds	4,138	4,406	3,722
Financial leasing liabilities	735	781	733
Project financing, unsold part of housing projects	1,915	2,272	2,237
Other interest-bearing liabilities	17	126	1,115
Interest-bearing receivables	-1,554	-2,652	-1,643
Liquid funds	-453	-1,490	-1,478
<b>Net debt, segment reporting</b>	<b>9,525</b>	<b>9,585</b>	<b>9,118</b>
Additional leasing liabilities according to IFRS 16	1,411	1,516	1,460
Project financing, sold part of housing projects	385	2,053	675
<b>Net debt, IFRS</b>	<b>11,321</b>	<b>13,154</b>	<b>11,253</b>

## Net debt and net debt/equity ratio



Bridge work E45  
Jutland, Denmark

## Cash flow

### April – June 2025

Cash flow from current operations was SEK -391 million (62) in the second quarter 2025, of which cash flow from changes in working capital was SEK -1,235 million (-732). The negative cash flow is related to business area Industry and Project Development. For business area Industry the season starts in the second quarter, which means building up working capital. For business area Project Development more capital tied up in housing projects in ongoing production has charged cash flow.

Cash flow from investment activities was SEK -169 million (-157). The investments mainly consisted of machines and vehicles in business area Industry.

Cash flow before financing was SEK -560 million (-95).

Cash flow from financing operations amounted to SEK -463 million (556). During the quarter dividends of SEK -431 million (-431) were paid to shareholders.

### January – June 2025

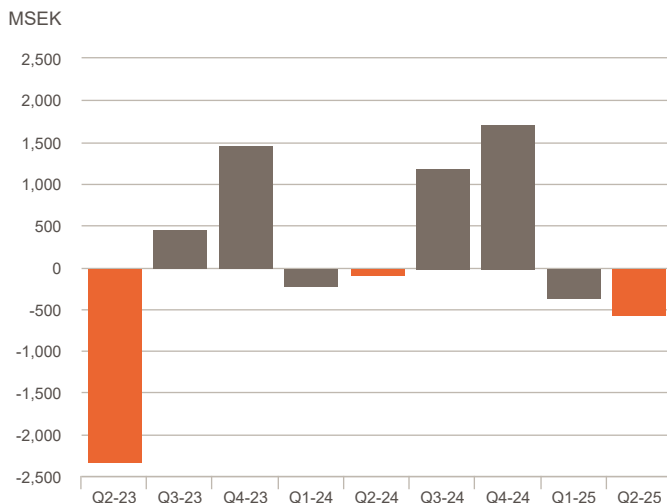
Cash flow from current operations was SEK -821 million (-812) in the first half-year 2025, of which cash flow from changes in working capital was SEK -1,369 million (-1,120). The negative cash flow is related to business area Industry and Project Development. For business area Industry the season starts in the second quarter, which means building up working capital. For business area Project Development more capital tied up in housing projects in ongoing production has charged cash flow.

Cash flow from investment activities was SEK -102 million (499). The investments mainly consisted of machines and vehicles in business area Industry. At the same time, the divestment of shares in joint ventures in business area Project Development had a positive effect on cash flow during the period. Last year cash flow was positively affected by the sale of shares in the joint venture Tornet Bostadsproduktion in business area Project Development.

Cash flow before financing was SEK -923 million (-313).

Cash flow from financing operations amounted to SEK -103 million (553). During the second quarter dividends of SEK -431 million (-431) were paid to shareholders. Loans taken out amounted to SEK 331 million (982).

## Cash flow before financing



# Order situation

## April – June 2025

Orders received were stable during the second quarter 2025 and amounted to SEK 13,183 million (16,434). The level of orders received rose in business area Construction during the quarter while it fell in business area Civil Engineering. The level of orders received in business area Civil Engineering was very high in the comparable quarter when several large projects were registered, including New Bodø Airport in Norway worth NOK 3.3 billion. Orders received in business area Industry were lower in the quarter while business area Project Development had a slightly higher level of orders received since more homes were production-started than in the second quarter 2024.

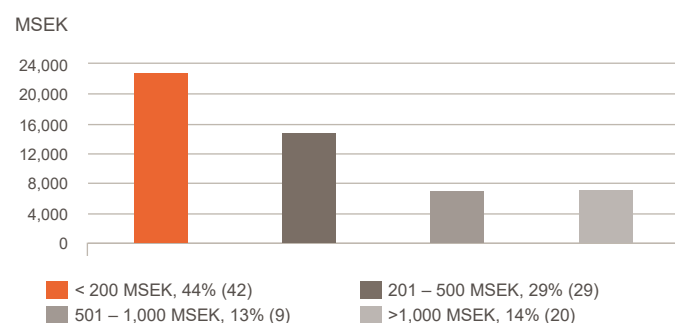
## January – June 2025

Orders received during the first half of 2025 was high and amounted to SEK 29,757 million (34,323). The level of orders received increased in business area Construction during the period while the level of orders received contracted in business area Civil Engineering. The level of orders received in business area Civil Engineering was very high in the comparable period when several large, billion kronor projects were registered, including New Bodø Airport in Norway worth NOK 3.3 billion, the Haga-Rosenlund stage of the West Link in Gothenburg worth about SEK 1.5 billion, a new dock in Skellefteå worth about SEK 1.1 billion and operation and maintenance contracts for about SEK 1.1 billion. In the Industry business area, orders received during the period was relatively unchanged at a high level. Business area Project Development started production of more tenant-owner apartments/condominiums compared to the same period last year, which had a positive effect on the level of orders received. There is a large portion of projects for the public sector in orders received for the Group.

### Orders received

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2023/2024	Jan-Dec 2024
Construction	6,602	4,756	15,386	11,410	26,200	22,224
Civil Engineering	4,083	7,985	8,953	16,173	15,233	22,453
Industry	3,630	4,495	7,465	7,427	13,801	13,763
Project Development	322	13	1,598	640	3,171	2,213
Eliminations	-1,454	-815	-3,645	-1,327	-6,461	-4,143
<b>Group</b>	<b>13,183</b>	<b>16,434</b>	<b>29,757</b>	<b>34,323</b>	<b>51,944</b>	<b>56,510</b>

### Project size of order backlog, June 30, 2025



Order backlog yet to be produced at the end of the period grew and amounted to SEK 51,757 million (50,578). Of the total order backlog, 59 percent (60) is expected to be produced after 2025 (2024). Swedish operations accounted for 78 percent (75) of the order backlog.

### Preliminary agreements

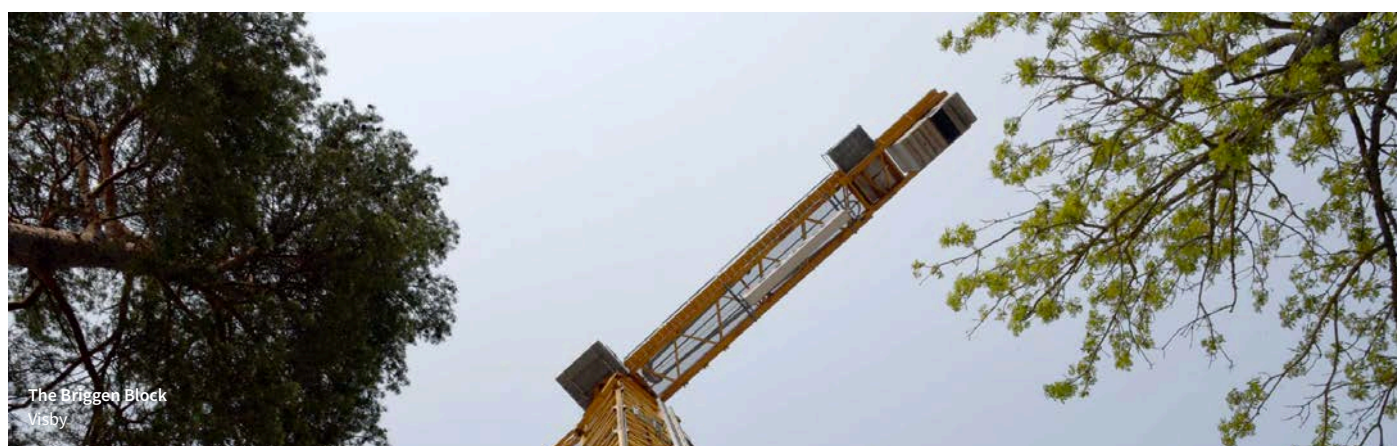
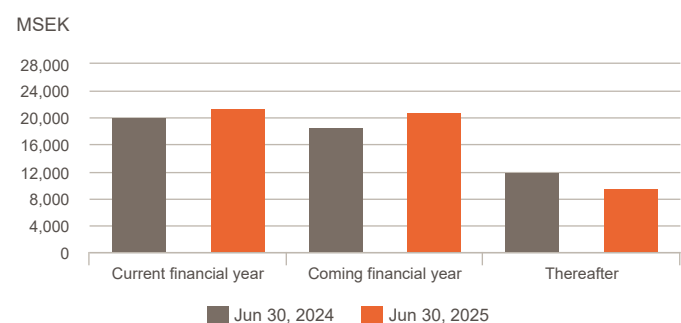
Operations in business areas Construction and Civil Engineering often participate in dialogues with customers at an early stage prior to planned projects, so-called phase 1 contracts. Through these preliminary agreements Peab is contracted to arrive at, together with the customer, an optimal product 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 beginning of 2025 the potential value was around SEK 13 billion. During the period several projects went from phase 1 to phase 2, which means that the projects have been converted into construction contracts and included in Peab's orders received. At the same time, we see that new projects have flowed into phase 1 while other projects have fallen away. During the period several new projects were added to both business areas, but especially to the business area Construction. The value of the construction contracts generated from these phase 1 contracts at the end of June was around SEK 16 billion, and these orders will potentially be received over the next two years.

### Order backlog

MSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Construction	27,402	23,870	23,188
Civil Engineering	20,698	22,296	19,853
Industry	7,399	6,798	4,282
Project Development	1,738	1,213	1,536
Eliminations	-5,480	-3,599	-3,953
<b>Group</b>	<b>51,757</b>	<b>50,578</b>	<b>44,906</b>

### Order backlog allocated over time



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

- Construction of 100 homes in Lindvallen. The customer is Skiab. The contract is worth SEK 135 million.
- Renovation and expansion Kungsfågeln High School in Luleå. The customer is Luleå Municipality. The contract is worth SEK 103 million.
- Construction of two apartment buildings in Espoo. The customer is Espoon Asunnot Oy. The contract is worth EUR 10.7 million.
- Commission to continue rebuilding Highway 27 in Bor. The customer is the Swedish Transport Administration. The contract is worth SEK 238 million.
- Commission to relocate four more cultural buildings in Kiruna. The customer is LKAB. The contract is worth SEK 139 million.
- Construction of a new dock in Oxelösund. The customer is Oxelösunds Hamn AB. The contract is worth SEK 137 million.
- Construction of a new traffic solution in downtown Trondheim. The customer is Trøndelag County Authority. The contract is worth NOK 347 million.
- Construction of 57 apartments in Helsingborg. The customer is Nordr Sverige AB. The contract is worth approximately SEK 130 million.
- Commission to carry out renovations, extensions and new construction at Tingdal School in Åstorp. The customer is Björnekulla Fastigheter AB. The contract is worth SEK 215 million.
- Construction of a new dock in Karlskrona. The customer is NKT HV Cables AB. The contract is worth SEK 250 million.
- Construction of a plant for transformers in Ludvika. The customer is Hitachi Energy. The contract is worth SEK 831 million.
- Commission to carry out an extensive renovation of eight apartment buildings in Örebro. The customer is ÖrebroBostäder AB. The contract is worth SEK 160 million.
- Commission to carry out infrastructure and pipeline work as part of the construction of a new city district in Åkersberga, Hagby äng och kulle. The customer is Österåker Municipality. The contract is worth SEK 220 million.
- Construction of a nursing home on Lilla Essingen in Stockholm. The customer is Villa Primus AB. The contract is worth SEK 566 million.
- Construction of double tracks between Sundsvall Central Station and Kubikenborg, to increase the capacity of the East Coast Line. The customer is the Swedish Transport Administration. The contract is worth SEK 218 million.
- Construction of the new jail in Halmstad. The customer is Specialfastigheter. The contract is worth SEK 433 million.

### **In the second quarter own housing developments of tenant-owner/condominium apartments were production-started or converted and therefore reported as orders, including:**

- Brf Gyllins Park 1 in Malmö comprising 22 apartments. The property will be Swan ecolabeled and built with material solutions that generate a lower climate impact. During construction we are using green machines, green electricity and ensuring 100 percent fossil free transportation to and from the construction site. The project was converted from homes on our own balance sheet to tenant-owner apartments and is expected to be completed in the first quarter 2026.
- Brf Rödängs Hallon in Umeå comprising 63 apartments. The property will be Swan ecolabeled and have solar panels on the roof. The project was converted from homes on our own balance sheet to tenant-owner apartments and is expected to be completed in the autumn of 2025.
- Viriktunet in Sandefjord comprising five terraced houses. The homes are being built with stringent demands on insulation and heat recycling, which makes for energy efficient homes with low heating costs. The project is expected to be completed in the autumn of 2026.

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

- One-year federal contract in Stenungsund worth SEK 24 million.
- One-year federal contract in North Ostrobothnia worth EUR 18.8 million.
- One-year federal contract in Nyland worth EUR 4.0 million.
- One-year federal contract in Österbotten worth EUR 3.9 million.
- One-year federal contract in Seinäjoki worth EUR 2.5 million.
- One-year federal contract in Senja worth NOK 36 million.
- One-year federal contract in Troms County (Northern-Troms) worth NOK 32 million.
- One-year federal contract in Troms County (Arctic Norway) worth NOK 30 million.
- One-year federal contract in Troms County (South-Troms) worth NOK 24 million.

# 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					
	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Construction	5,959	6,358	11,276	12,146	22,947	23,817	137	123	248	224	440	416
Civil Engineering	4,433	4,278	8,101	7,836	16,804	16,539	204	165	318	242	575	499
Industry	5,678	6,033	7,961	8,444	21,065	21,548	544	449	-5	-30	1,440	1,415
Project Development	751	720	1,742	1,775	4,237	4,270	-1	-33	82	213	597	728
– of which Property Development	36	21	93	44	735	686	11	21	60	282	601	823
– of which Housing Development	715	699	1,649	1,731	3,502	3,584	-12	-54	22	-69	-4	-95
Group functions	362	345	708	674	1,384	1,350	-121	-79	-177	-137	-381	-341
Eliminations	-2,246	-2,502	-3,926	-4,502	-8,251	-8,827	-3	-6	16	1	61	46
<b>Group, segment reporting</b>	<b>14,937</b>	<b>15,232</b>	<b>25,862</b>	<b>26,373</b>	<b>58,186</b>	<b>58,697</b>	<b>760</b>	<b>619</b>	<b>482</b>	<b>513</b>	<b>2,732</b>	<b>2,763</b>
Adjustment housing to IFRS	126	1,696	26	2,005	607	2,586	20	190	4	275	93	364
IFRS 16, additional leases	–	–	–	–	–	–	10	5	22	14	44	36
<b>Group, IFRS</b>	<b>15,063</b>	<b>16,928</b>	<b>25,888</b>	<b>28,378</b>	<b>58,793</b>	<b>61,283</b>	<b>790</b>	<b>814</b>	<b>508</b>	<b>802</b>	<b>2,869</b>	<b>3,163</b>
<i>Of which construction contract businesses according to segment reporting (Construction and Civil Engineering)</i>	<i>10,392</i>	<i>10,636</i>	<i>19,377</i>	<i>19,982</i>	<i>39,751</i>	<i>40,356</i>	<i>341</i>	<i>288</i>	<i>566</i>	<i>466</i>	<i>1,015</i>	<i>915</i>

Percent	Operating margin					
	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Construction	2.3	1.9	2.2	1.8	1.9	1.7
Civil Engineering	4.6	3.9	3.9	3.1	3.4	3.0
Industry	9.6	7.4	-0.1	-0.4	6.8	6.6
Project Development	-0.1	-4.6	4.7	12.0	14.1	17.0
– of which Property Development	30.6	100.0	64.5	640.9	81.8	120.0
– of which Housing Development	-1.7	-7.7	1.3	-4.0	-0.1	-2.7
Group functions						
Eliminations						
<b>Group, segment reporting</b>	<b>5.1</b>	<b>4.1</b>	<b>1.9</b>	<b>1.9</b>	<b>4.7</b>	<b>4.7</b>
Adjustment housing to IFRS						
IFRS 16, additional leases						
<b>Group, IFRS</b>	<b>5.2</b>	<b>4.8</b>	<b>2.0</b>	<b>2.8</b>	<b>4.9</b>	<b>5.2</b>
<i>Of which construction contract businesses according to segment reporting (Construction and Civil Engineering)</i>	<i>3.3</i>	<i>2.7</i>	<i>2.9</i>	<i>2.3</i>	<i>2.6</i>	<i>2.3</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

### April – June 2025

Net sales for the second quarter 2025 decreased by six percent and amounted to SEK 5,959 million (6,358). The decrease is due to less activity in new housing production that has not been fully compensated by other types of projects. Operating profit increased during the quarter and amounted to SEK 137 million (123) and the operating margin improved to 2.3 percent (1.9).

### January – June 2025

Net sales for the first half-year 2025 decreased by seven percent and amounted to SEK 11,276 million (12,146). The decrease is due to less activity in new housing production that has not been fully compensated by other types of projects.

The proportion of housing construction in net sales has fallen sharply while premise construction, primarily for the public sector, has increased. Calculated on a rolling 12 month basis, per June 30, 2025 housing accounted for 25 percent (32) of net sales.

Operating profit increased during the period and amounted to SEK 248 million (224) and the operating margin improved to 2.2 percent (1.8). The operating margin for the latest rolling 12 month period was 1.9 percent compared to 1.7 percent for the full year 2024.

## Orders received and order backlog

### April – June 2025

Orders received increased during the second quarter and amounted to SEK 6,602 million (4,756). There is a large portion of projects for the public sector in orders received.

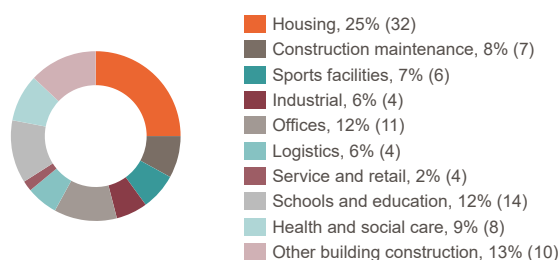
### January – June 2025

Orders received increased during the first half-year and amounted to SEK 15,386 million (11,410). There is a large portion of projects for the public sector in orders received. Calculated on a rolling 12 month period the level of orders received was 114 percent of net sales.

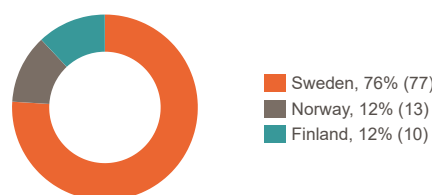
Order backlog on June 30, 2025 was SEK 27,402 million (23,870). The proportion of housing projects at the end of the period was 31 percent (27).

## Net sales

### per product area, rolling 12 months

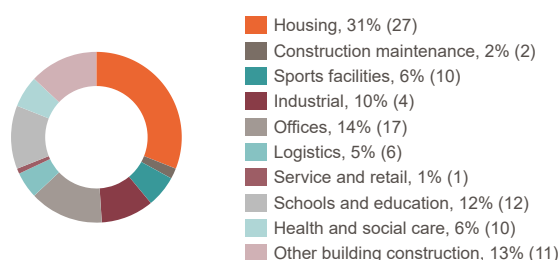


### per geographic market, rolling 12 months

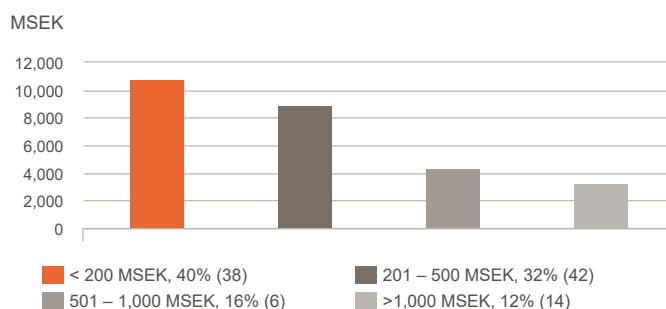


## Order backlog, June 30, 2025

### per product area



### per project size



## Key ratios

	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Net sales, MSEK	5,959	6,358	11,276	12,146	22,947	23,817
Operating profit, MSEK	137	123	248	224	440	416
Operating margin, %	2.3	1.9	2.2	1.8	1.9	1.7
Orders received, MSEK	6,602	4,756	15,386	11,410	26,200	22,224
Orders received/net sales, %	111	75	136	94	114	93
Order backlog, MSEK	27,402	23,870	27,402	23,870	27,402	23,188
Operating cash flow, MSEK	19	2	306	164	139	-3
Average number of employees	4,178	4,585	4,179	4,568	4,289	4,477

# 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 five geographic regions, one region for foundations and one specialized 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

### April – June 2025

Activity was high during the second quarter 2025 in business area Civil Engineering in both Sweden and Norway. Public investments in the form of infrastructure and water and sewage facilities as well as the ongoing climate transition have a positive impact. Net sales increased by four percent to SEK 4,433 million (4,278). Operating profit increased to SEK 204 million (165) and the operating margin improved to 4.6 percent (3.9).

### January – June 2025

Activity was high during the first half-year 2025 in business area Civil Engineering in both Sweden and Norway. Public investments in the form of infrastructure and water and sewage facilities as well as the ongoing climate transition have a positive impact. Net sales increased by three percent to SEK 8,101 million (7,836).

Operating profit increased to SEK 318 million (242) and the operating margin improved to 3.9 percent (3.1). The operating margin for the latest rolling 12 month period was 3.4 percent compared to 3.0 percent for the full year 2024.

## Orders received and order backlog

### April – June 2025

The level of orders received was lower during the second quarter 2025 and amounted to SEK 4,083 million (7,985). The level of orders received for the comparable period was very high, including the construction of New Bodø Airport in Norway worth NOK 3.3 billion.

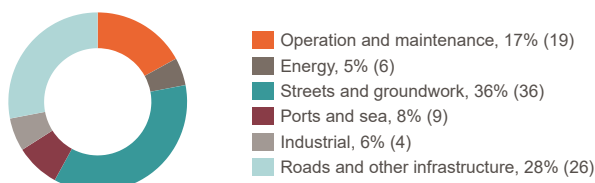
### January – June 2025

The level of orders received was lower during the first half-year 2025 and amounted to SEK 8,953 million (16,173). The level of orders received in the comparable period was very high and included among others Västlänken's Haga-Rosenlund stage 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. Calculated on a rolling 12 month period the level of orders received was 91 percent of net sales.

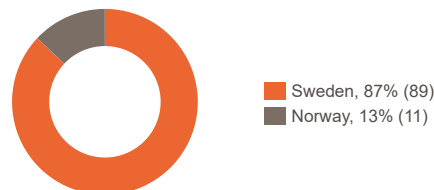
Order backlog on June 30, 2025 amounted to SEK 20,698 million (22,296). Roads and other infrastructure make up the largest portion of the order backlog at 37 percent (44).

## Net sales

### per product, rolling 12 months

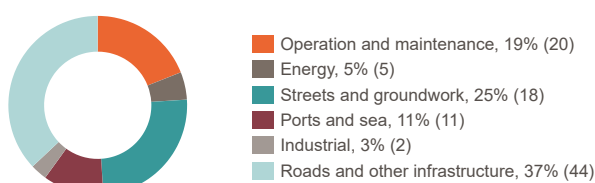


### per geographic market, rolling 12 months

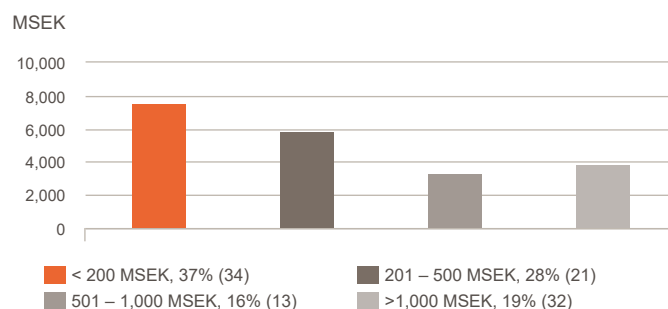


## Order backlog, June 30, 2025

### per product



### per project size



## Key ratios

	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Net sales, MSEK	4,433	4,278	8,101	7,836	16,804	16,539
Operating profit, MSEK	204	165	318	242	575	499
Operating margin, %	4.6	3.9	3.9	3.1	3.4	3.0
Orders received, MSEK	4,083	7,985	8,953	16,173	15,233	22,453
Orders received/net sales, %	92	187	111	206	91	136
Order backlog, MSEK	20,698	22,296	20,698	22,296	20,698	19,853
Operating cash flow, MSEK	293	194	519	493	723	697
Average number of employees	3,134	3,301	3,108	3,208	3,189	3,235

# Business area Industry

Business area Industry provides products and services needed to carry out construction and civil engineering projects on the Nordic market that are more sustainable and cost-efficient. 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. The business area also assists with crane, barrack and machine rental, distribution of binder to the concrete industry, transportation and recycles surpluses from the construction and civil engineering industry as well. 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.

### April – June 2025

Net sales for the second quarter 2025 decreased by six percent to SEK 5,678 million (6,033). The decrease is related to paving and construction system. Operating profit increased during the second quarter and amounted to SEK 544 million (449) and the operating margin improved to 9.6 percent (7.4). Operating profit was higher in paving, mineral aggregates and concrete compared to the second quarter 2024, while both construction system and rental operations were affected by the weak housing market and reported lower profitability.

### January – June 2025

Net sales for the first half-year 2025 decreased by six percent to SEK 7,961 million (8,444). The decrease is due to paving and less activity in construction system and rental operations as a result of a weak housing market.

Operating profit during the first half-year amounted to SEK -5 million (-30) and the operating margin was -0.1 percent (-0.4). Operating profit improved in paving, mineral aggregates and concrete during the first half of the year, while both construction system and rental operations were affected by the weak housing market and reported lower profitability. Some of the operations in the Norwegian paving and mineral aggregates operations are undergoing review due to a period of low earnings. The operating margin of the business area for the latest rolling 12 month period was 6.8 percent compared to 6.6 percent for the full year 2024.

Capital employed at the end of the period decreased and was SEK 10,391 million compared to SEK 11,339 million at the end of the same period last year. The decrease is due to a lower rate of investments and an improvement in working capital.

## Orders received and order backlog

### April – June 2025

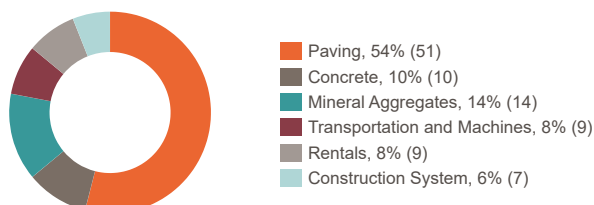
The level of orders received decreased during the second quarter and amounted to SEK 3,630 million (4,495). The reduction is related to Norwegian and Finnish paving operations.

### January – June 2025

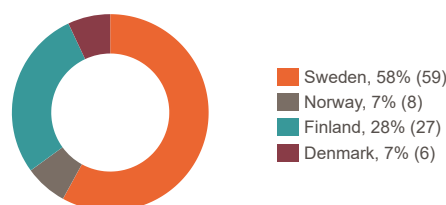
The level of orders received was unchanged and amounted to SEK 7,465 million (7,427) during the first half year. The lower level of orders received in paving in Norway and Finland has been countered by a higher level of orders received in Sweden. Order backlog per June 30, 2025 amounted to SEK 7,399 million (6,798).

## Net sales

### per product area, rolling 12 months



### per geographic market, rolling 12 months



## Key ratios

	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Net sales, MSEK	5,678	6,033	7,961	8,444	21,065	21,548
Operating profit, MSEK	544	449	-5	-30	1,440	1,415
Operating margin, %	9.6	7.4	-0.1	-0.4	6.8	6.6
Orders received, MSEK	3,630	4,495	7,465	7,427	13,801	13,763
Order backlog, MSEK	7,399	6,798	7,399	6,798	7,399	4,282
Capital employed at the end of the period, MSEK	10,391	11,339	10,391	11,339	10,391	9,920
Operating cash flow, MSEK	-6	-41	-617	-577	2,284	2,324
Average number of employees	4,239	4,411	3,932	3,987	4,441	4,441
Concrete, thousands of m <sup>3</sup> <sup>1)</sup>	252	243	415	430	901	916
Paving, thousands of tons <sup>1)</sup>	1,895	2,004	2,030	2,115	6,586	6,671
Mineral Aggregates, thousands of tons <sup>1)</sup>	6,915	8,131	10,914	12,557	26,187	27,830

<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 Project Development 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

### April – June 2025

Net sales in Project Development were largely unchanged and amounted to SEK 751 million (720) during the second quarter 2025. Operating profit amounted to SEK -1 million (-33) and the operating margin was -0.1 percent (-4.6).

### January – June 2025

Net sales in Project Development during first half-year 2025 amounted to SEK 1,742 million (1,775). Operating profit amounted to SEK 82 million (213) and the operating margin was 4.7 percent (12.0).

Capital employed in Project Development at the end of the period amounted to SEK 19,199 million (18,408).

## Capital employed

MSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Operations property	33	41	34
Investment property	35	36	36
Project and development property	17,575	15,524	17,017
<i>of which housing development rights</i>	9,154	8,714	9,344
<i>of which commercial development rights</i>	1,605	1,011	1,671
<i>of which ongoing housing projects</i>	3,371	3,069	2,740
<i>of which ongoing commercial projects</i>	189	761	115
<i>of which completed and repurchased homes</i>	1,967	1,933	1,895
<i>of which completed commercial property</i>	1,289	36	1,252
Shares in joint ventures	1,628	2,407	2,880
Loans to joint ventures	500	1,433	484
Working capital and other	-572	-1,033	-684
<b>Total</b>	<b>19,199</b>	<b>18,408</b>	<b>19,767</b>
<i>of which Property Development</i>	4,384	4,703	6,165
<i>of which Housing Development</i>	14,815	13,705	13,602

## Key ratios

	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Net sales, MSEK	751	720	1,742	1,775	4,237	4,270
<i>of which Property Development</i>	36	21	93	44	735	686
<i>of which Housing Development</i>	715	699	1,649	1,731	3,502	3,584
Operating profit, MSEK	-1	-33	82	213	597	728
<i>of which Property Development</i>	11	21	60	282	601	823
<i>of which Housing Development</i>	-12	-54	22	-69	-4	-95
Operating margin, %	-0.1	-4.6	4.7	12.0	14.1	17.0
<i>of which Property Development</i>	30.6	100.0	64.5	640.9	81.8	120.0
<i>of which Housing Development</i>	-1.7	-7.7	1.3	-4.0	-0.1	-2.7
Capital employed at the end of the period, MSEK	19,199	18,408	19,199	18,408	19,199	19,767
Orders received, MSEK	322	13	1,598	640	3,171	2,213
Order backlog, MSEK	1,738	1,213	1,738	1,213	1,738	1,536
Operating cash flow, MSEK	-716	-107	-447	44	-69	423
Average number of employees	130	161	131	171	136	155

## Housing Development

### April – June 2025

Net sales in the second quarter 2025 amounted to SEK 715 million (699). Operating profit was SEK -12 million (-54) and the operating margin was -1.7 percent (-7.7). A number of production starts had a positive effect during the quarter, although activity continued to be low.

As of 2025 our own housing development projects are divided into three categories: **Tenant-owner apartments/condominiums** where net sales and profit in segment reporting are successively reported as the projects are completed. Orders received and order backlog are also reported for this type of property. **Rental apartments**, which are built on our own balance sheet and where net sales and profit are reported at one point in time when Peab sells the property to an external party. **Homes on our own balance sheet** are projects that are production-started and built on our own balance sheet and can then be converted into tenant-owner apartments/condominiums or sold as rental apartments. Net sales and profit are reported first when the housing project is reclassified either as tenant-owner apartments/condominiums and then successively reported as the project is completed, or sold and turned over as rental apartments.

Production started on a total of 280 (-) own developed homes during the quarter. Of these, 108 (-) were tenant-owner apartments/condominiums, of which 85 (-) were converted from homes on our own balance sheet. During the quarter, 190 (-) homes were started as rental apartments, of which 166 apartments are part of a nursing home on Lilla Essingen in Stockholm. For more information see section below. Production started on 67 homes as new homes on our own balance sheet during the quarter, but since there are 85 homes converted to tenant-owner apartments/condominiums the net effect of production-starts on our own balance sheet is -18 (-). The number of sold homes during the quarter was 331 (136), of which 150 (136) were tenant-owner apartments/condominiums, 166 (-) were rental apartments and 15 (-) were homes on our own balance sheet under production.

### January – June 2025

The weak demand on the Nordic housing market in recent years is clearly noticeable in Housing Development. Net sales in the first half-year 2025 amounted to SEK 1,649 million (1,731). The decline in net sales is due to few production starts and few ongoing housing projects of tenant-owner apartments/condominiums. Operating profit was SEK 22 million (-69) and the operating margin was 1.3 percent (-4.0). The operating margin for the latest rolling 12-month period was -0.1 percent compared to -2.7 percent for the full year 2024.

Production started on a total of 803 (137) own developed homes during the first half of the year. Of these 444 (137) were tenant-owner apartments/condominiums, of which 125 were converted from homes on our own balance sheet. Two of the housing projects are located in Stockholm, one on Kvarnholmen in Nacka and one in Råsunda in Solna. This demonstrates that it is possible to start tenant-owner housing projects with pre-sales in unique locations. Production started on 190 (-) rental apartments and on 169 (-) homes as new housing projects on our own balance sheet. The total number of homes sold during the first half-year was 603 (441), of which 376 (302) were tenant-owner apartments/condominiums, 166 (139) were rental apartments and 61 (-) were homes on our own balance sheet under production.

The total number of homes in production at the end of the period was 2,081 (2,366), of which 1,206 (1,504) were tenant-owner apartments/condominiums, 270 (239) were homes in rental apartment projects and 605 (623) were homes on our own balance sheet. The sales rate for the total number of homes in production at the end of the period was 40 percent (44). The sales rate for tenant-owner apartments/condominiums was 44 percent (61). The total number of completed and repurchased homes was 638 (572), of which 332 (266) were tenant-owner apartments/condominiums and 306 (306) were rental apartments.

Sales in our own developed homes continued to be at a low level during the period, even though we are selling at an even pace. The housing market seems to have landed on a new level where during the past years production starts of homes are significantly fewer than there used to be. We are adjusting and wherever the market is that's where we are. At the same time we see the trend of sales increasing as a project approaches completion continues. Since the beginning of the year we have therefore been working on the strategy of – given our financial targets – increasing our own housing development production on our own balance sheet and later on converting it into tenant-owner apartments. This is particularly the case for projects in metropolitan areas. Starting projects on our own balance sheet increases our tied-up capital and entails deferred effects on profits according to segment reporting, compared with our traditional method of advance sales before production starts of our own developed projects.

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 we work actively wherever the market is.

Capital employed amounted to SEK 14,815 million (13,705) at the end of the period.

### Peab develops and builds nursing home in Stockholm

Peab and Heba will together in the newly formed company, Villa Primus AB, develop a nursing home on Lilla Essingen in Stockholm. The nursing home will have room for 160 housing units and one sheltered accommodation with six beds. The project contributes to Stockholm's growing need for modern and safe housing for the elderly. The property comprises 12,000 m<sup>2</sup> GFA with more than 10,000 m<sup>2</sup> of lettable area and is being designed with a strong focus on functionality, accessibility and sustainability. Heba will take possession of its share in the joint company in the autumn of 2025. The company will own the project until completion, which is expected to occur in 2028. After that, Heba will acquire the nursing home. Both the nursing home and the sheltered accommodation are fully leased on 20 year leases to the care group Ambea. Villa Primus will be certified according to Miljöbyggnad Silver 4.0 and achieve energy class B or better. The building will be built with climate-improved concrete and the roof will be equipped with sedum and solar panels to further reduce its energy and climate footprint.

## Net sales

### per geographic market, rolling 12 month



## Development rights for housing

Number, approx.	Jun 30 2025	Jun 30 2024	Dec 31 2024
Development rights on our own balance sheet	23,400	21,800	24,000
Development rights via joint ventures	4,900	4,000	3,700
Development rights via options etc.	5,700	6,900	7,400
<b>Total</b>	<b>34,000</b>	<b>32,700</b>	<b>35,100</b>

## Number of started-up homes

Number	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Tenant-owner apartments/condominiums	108	–	444	137	964	657
– of which converted from homes on our own balance sheet	85	–	125	–	334	209
Rentals	190	–	190	–	190	–
Homes on our own balance sheet	-18	–	169	–	-18	-187
– of which converted to tenant-owner apartments/condominiums	-85	–	-125	–	-334	-209
<b>Total number of homes</b>	<b>280</b>	<b>–</b>	<b>803</b>	<b>137</b>	<b>1,136</b>	<b>470</b>

## Number of sold homes

Number	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Tenant-owner apartments/condominiums	150	136	376	302	784	710
Rentals	166	–	166	139	325	298
Homes on our own balance sheet	15	–	61	–	84	23
<b>Total number of homes</b>	<b>331</b>	<b>136</b>	<b>603</b>	<b>441</b>	<b>1,193</b>	<b>1,031</b>

## Number of homes in ongoing production

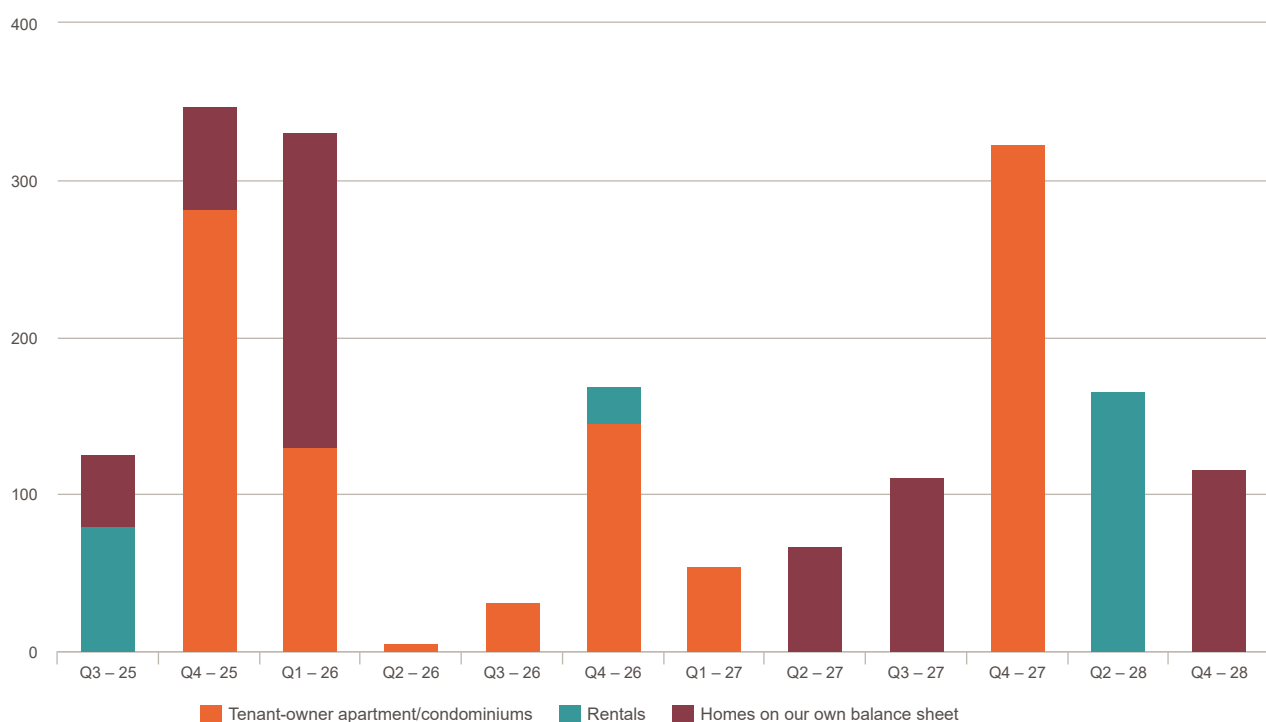
Number	Jun 30 2025	Jun 30 2024	Dec 31 2024
Tenant-owner apartments/condominiums	1,206	1,504	1,056
– of which sold share	44%	61%	45%
Rentals	270	239	80
– of which sold share	91%	49%	100%
Homes on our own balance sheet	605	623	436
– of which sold share	8%	0%	4%
<b>Total number of homes</b>	<b>2,081</b>	<b>2,366</b>	<b>1,572</b>
– of which sold share	40%	44%	37%

## Number of completed and repurchased homes

Number	Jun 30 2025	Jun 30 2024	Dec 31 2024
Tenant owner apartments/condominiums	332	266	266
Rentals	306	306	306
<b>Total number of homes</b>	<b>638</b>	<b>572</b>	<b>572</b>

## Time of completion of our own ongoing housing developments

Number of homes



## Property Development

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

### April – June 2025

Net sales for the second quarter 2025 were SEK 36 million (21) and operating profit was SEK 11 million (21). No property transactions have taken place during the quarter. In the corresponding quarter last year capital gains from real estate transactions amounted to SEK 17 million. Profit contributions from joint ventures was SEK 17 million (15).

### January – June 2025

Net sales for the first half-year 2025 were SEK 93 million (44) and operating profit was SEK 60 million (282). Capital gains from property divestitures and participations in joint ventures amounted in total to SEK 47 million (275). The comparable period included capital gains of SEK 220 million from the sale of shares in the joint venture Tornet Bostadsproduktion. Profit contributions from joint ventures were on par with the previous year and amounted to SEK 35 million (34).

At the end of the period capital employed in Property Development was SEK 4,384 million (4,703). Capital employed consists of shares in joint ventures, loans to joint ventures and ongoing and completed property projects. During the period, Fastighets AB Centur distributed a dividend of SEK 1,100 million which was offset against an interest-bearing liability generated in connection with the acquisition of properties from Fastighets AB Centur in the fourth quarter 2024.

The table below presents major property projects per June 30, 2025.

## 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	8,300	43	163	592*	Q3-2027	28
<b>Completed</b>							
Office building	Gothenburg	12,900	40	546			
Apartment hotel	Malmö	4,200	100	137			
Office building	Malmö	2,500	100	140			
Office building	Malmö	3,600	100	130			
Office building	Malmö	4,900	100	258			

\* The amount includes approximately 17,000 m<sup>2</sup> of parking space

## Significant joint ventures

Peab's significant joint venture companies 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 book values in the joint venture companies are not included in Peab's accounts.

### 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 June 30, 2025: SEK 1,815 million (1,868)

Major ongoing projects: No major ongoing projects

### Point Hyllie Holding AB

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

Peab's share: 50 percent

Partner: Volito

Geography: Hyllie, Malmö

Recognized value on properties June 30, 2025: SEK 1,326 million (1,361)

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 June 30, 2025 <sup>1)</sup>: SEK 2,164 million (2,184)

Peab's portion of unrecognized fair value exclusive tax <sup>1)</sup>: SEK 71 million (52)

Major ongoing projects: 37 condominiums, Trysil Suites in Trysil, 100 apartments, Wasakölen in Lindvall, Sälen

<sup>1)</sup> Valued at market price in joint ventures. Market prices on properties that affect the recognized values in the joint ventures are not included in Peab's accounts.

# 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 prioritized 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 the outcome of four of these targets: the operating margin, net debt/equity ratio, our target concerning our vision of zero workplace accidents and a contracting trend in serious workplace accidents as well as our eNPS target regarding Peab's attractiveness as an employer.

## 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.

In our measurement method of Customer Satisfaction Index (CSI) each business area equals a fourth of the rating for the Group's compiled CSI result. In 2024 CSI amounted to 78 which is a continued good result and bit over our target of at least 75.

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 close dialogues – to achieve the highest possible value for customers and their greatest satisfaction with Peab.

The next target update will be after the fourth quarter in the year-end report 2025.

## 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 have 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. The development of serious accidents has continued to be on a lower level compared to 2023 and 2024 and the number of serious accidents was 29 over a rolling twelve month period per June 30, 2025, which can be compared to 33 for the full year 2024. During the second quarter 2025 there were nine serious accidents, of which six involved our own employees and three employees of subcontractors.

We also monitor the number of workplace accidents with more than four days absence, excluding the day of injury (LT14), and workplace accidents according to the same definition per one million hours worked (LTIF4) for our own employees. During the second quarter of the year the number of LT14 was 30 (25 in the first quarter 2025) and the LTIF4 frequency rate over a rolling 12 month period was 5.7 (5.9 for full year 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 and manufacturing trade.

In the spring survey the eNPS value for the Group notably increased and continued to be far above the Nordic benchmark. We increased by four points to 32 (28) even though last year was full of external challenges. At the same time the benchmark rose by one point to 18 (17). The eNPS value rose among our skilled workers in all our four countries. 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 was once again the highest in Peab's history with 90.9 percent (90.2), displaying the record high interest our employees have in contributing to the development of our business.

The next target update will be after the fourth quarter in the year-end report 2025.

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

## Leader in social responsibility

### 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 of 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. It is an advantage 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 50 percent 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. 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.

The next target update will be after the fourth quarter in the year-end report 2025.

### 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. As one of the largest Nordic community builders we have a responsibility to nudge the entire industry forward. 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 six percent. 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. Therefore we have raised our target for 2025 to at least 8.0 percent. 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. 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.

The next target update will be after the fourth quarter in the year-end report 2025.

## Activities during the second quarter

- Peab adopted a Group road map for biodiversity. The new road map was preceded by a Nordic survey of how Group operations affect or are affected by, biodiversity. The Group road map stretches until the end of 2030. Detailed goals and measures have been determined and given a timeframe for each business area in order to achieve the overriding target that Peab will, no later than 2030, protect, preserve and strengthen the ecosystem and biodiversity.
  - Lambertsson in Finland has developed an energy saving tower crane that was tested at a construction site in Jyväskylä in Finland. This ECO-crane uses brake energy regeneration, feeding energy back into the electricity grid for reuse. Energy savings for a typical apartment building construction site is estimated to be at least 25 percent.
  - Swerock, together with Volvo Trucks and Putzmeister, have developed the world's largest all electric concrete pump. The new battery electric and completely emission-free concrete pump can be driven up to 50 kilometers and pump around 50 cubic meters concrete before it needs recharging.
- There is a charging solution for longer stretches and larger quantities and it's possible to pump concrete while charging the truck's batteries.
- Peab held its annual Safety Day with the theme "Psychological Safety at Work". The Safety Day is carried out in all the countries and operations in the Peab Group and is a day with activities where employees focus on how they can contribute to health and safety in the workplace.
  - In order to strengthen the safety culture in our organization Peab launched a podcast about security in the construction industry where employees share their experiences from accidents and serious incidents personally and openly.
  - Peab Asphalt is supporting the initiative "Right speed near road workplaces – taking decisive action" from The Swedish Association of Road Transport Companies and SBSV. The goal is to enhance respect for speed limits at roadworks in order to reduce accidents and improve safety for those who are on and work on our roads.
  - Peab has produced a new Group skills supply strategy due to changes in the market and higher sustainability demands.



# 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).

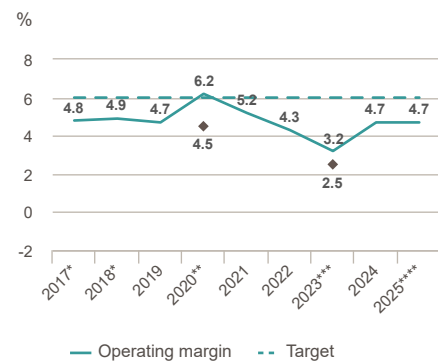
**Equal opportunity recruitment**  
Share of women recruited always over the education market

# Target and target fulfilment

Most profitable company

## Operating margin

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

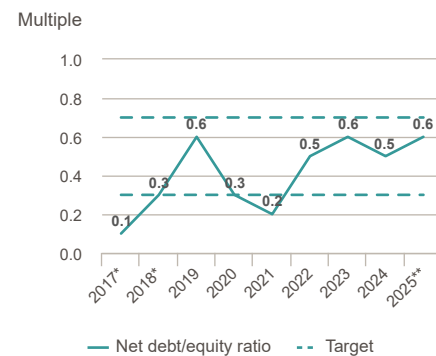


\* Years 2017-2018 not translated according to changed accounting principles for own housing development projects. \*\* Operating margin 4.5 % excl. the effect of the distribution of Annehem Fastigheter (SEK 952 million). \*\*\* Operating margin 2.5 % excl. Mall of Scandinavia (SEK 400 million). \*\*\*\* Calculated on rolling 12 month per June 30, 2025.

Most profitable company

## Net debt/equity ratio

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

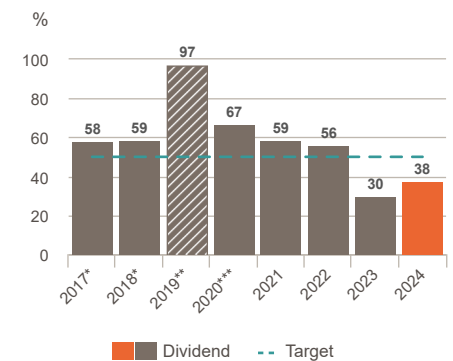


\* Years 2017-2018 not translated according to changed accounting principles for own housing development projects. \*\* Per June 30, 2025.

Most profitable company

## Dividend

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

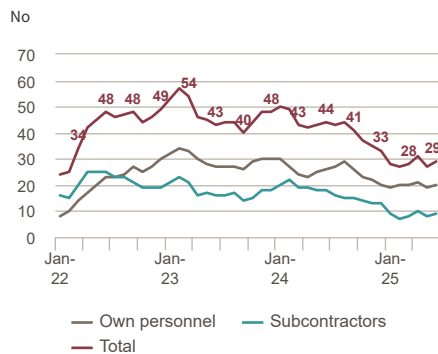


\* Years 2017-2018 not translated according to changed accounting principles. \*\* For 2019, no cash dividend has been paid. The value of the distribution of Annehem Fastigheter at the time of the distribution in December 2020 amounted to 97 percent of the profit for the year 2019. \*\*\* The proportion is calculated without the effect of SEK 952 million on profit due to the distribution of Annehem Fastigheter.

Best workplace

## Serious accidents

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

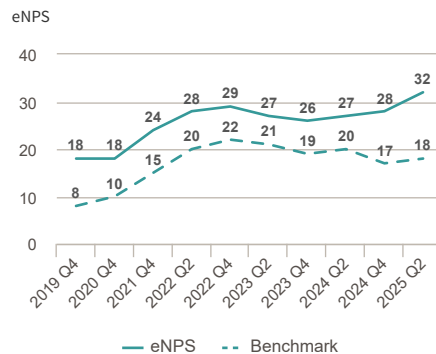


— Own personnel — Subcontractors — Total

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)

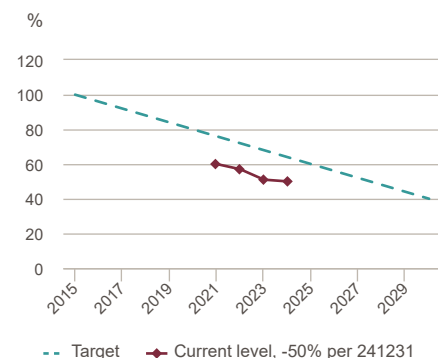


CSI stands for Customer Satisfaction Index and measures how satisfied Peab's customers are. CSI is a weighted measurement between 0 and 100.

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)



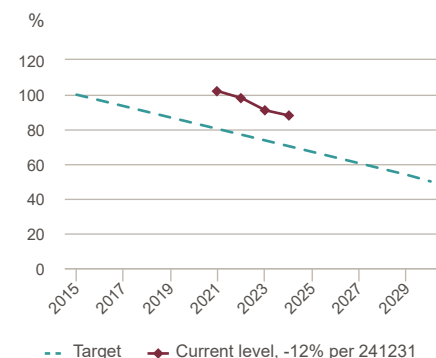
--- Target — Current level, -50% per 241231

\* 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)



--- Target — Current level, -12% per 241231

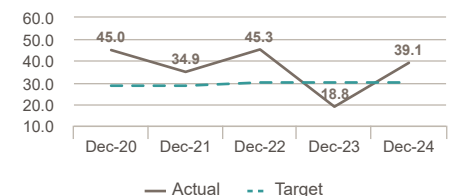
\* Includes concrete/cement, asphalt/bitumen, transportation and machine services, steel, waste and business trips.

Leader in social responsibility

## Equal opportunity recruitment

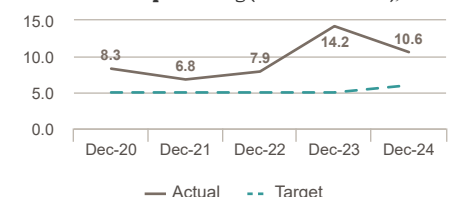
Target: Share of women recruited > the education market (reported annually)

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



— Actual — Target

Production and processing (skilled workers), %



— Actual — Target

# Construction market

## Sweden

Swedish macroeconomic recovery is proceeding slower than previously expected due to the global turbulence and ongoing shifts in trade policies. Private consumption has not accelerated as forecasted and the Riksbank reduced the repo rate by 0.25 percentage points to 2.00 percent. However, the turnabout is expected to emerge during the second half of 2025 with broader financial growth as a result. GNP growth in 2025 is estimated at 1.7 percent. Despite greater uncertainty at the beginning of the year housing construction is expected to continue to recover in 2025, albeit at a slower pace. The forecast for newly built premises has been adjusted downward marginally for 2025 although construction is expected to be above the historic average. While some industrial investments have slowed, construction of new premises is being supported by politically driven investments in the justice system and defense forces. In the same vein, recovery in renovations of both homes and premises is expected to accelerate in 2025. Total civil engineering investments are expected to increase by six percent in 2025. This is primarily due to expansion of the electricity grid, both local and regional grids and transmission grids, as well as higher investments in roads and railroads. In addition, investments in defense facilities, ports and shipping lanes are expected to be record-breaking high going forward.

## Norway

Norway's mainland GNP is expected to grow by 1.2 percent in 2025. Somewhat surprisingly Norges Bank reduced the repo rate unchanged in June by 0.25 percentage points to 4.25 percent because the bank saw a lower risk for higher inflation while financial activity in the country was weaker than expected. Real wage growth and low unemployment is expected to boost purchasing power and benefit the construction market. Sales of newly produced homes are expected to slowly increase in 2025, although the postponed drop in interest rates and high construction costs will delay the normalization of new production. Forecasts for premise construction have been lowered for 2025 but still point to a more positive market than the two previous years. Higher military investments and good development in certain industries are stabilizing developments while development in commercial property, offices buildings and educational facilities is weaker this year. The renovation market is expected to grow in 2025. Forecasts for 2025 indicate good growth in the civil engineering market after a downturn in 2024. The most significant driving force of growth is expected to be the increase in power and energy plants but maritime infrastructure and municipal technique facilities are also expected to grow. Civil engineering investments are calculated to rise by 2.4 percent in 2025.

## Finland

Optimism about the Finnish economy among consumers and companies has begun to improve. After negative GNP development in 2024, GNP is expected to grow again in 2025 and is estimated to reach 1.0 percent. Inflation in Finland continues to contract and is expected to stay clearly under two percent during the year. Falling interest rates are beginning to shore up Finland's economy although instable external factors continue to impact private consumption. The housing market has begun to recover in 2025 but the process is slow. As sales of homes on the second hand market accelerate sales of new homes are expected to follow, which will gradually lead to the start up of new housing production. Premise construction is expected to increase in 2025 driven by commercial, office and industrial buildings along with data centers and defense projects. Green investments also contribute to higher premise construction. Housing renovations will likely have slight development during the year while renovations on the commercial market will increase primarily due to energy renovations. After declining for several years investments in civil engineering are expected to grow in 2025, mainly due to higher infrastructure investments. Zero growth is estimated in operation and maintenance in 2025 even though the need for them is great.

## Housing

	2025	2026	2027
Sweden	↑	↑	↗
Norway	↗	↗	↗
Finland	↗	↗	↗

Forecast for production-started housing investments, new production and renovations

## Premise investments

	2025	2026	2027
Sweden	→	↗	→
Norway	↗	↗	→
Finland	↗	↗	↘

Forecast for production-started premise investments, new production and renovations

## Civil engineering

	2025	2026	2027
Sweden	↗	↗	↗
Norway	→	↗	→
Finland	↗	→	→

Forecast for civil engineering investments

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

As of 2025 Prognoscentret provides market forecasts. Construction is divided into housing construction (new homes and renovation) and premise construction (new premises and renovation). Premises comprise all buildings except homes and agricultural buildings. Civil engineering includes new investments and operations and maintenance. The color of the arrows shows the comparison with Prognoscentret's previous forecast.

Explanation	Symbol
Increase by more than 10%	↑
Increase by 3-10%	↗
Unchanged ± 2%	→
Reduction by 3-10%	↘
Reduction of more than 10%	↓

# Risks and uncertainty factors

Peab's business is exposed to several different types of risks but Peab's four business areas, operations in four countries and customers in both the private and public sectors provide the foundation for spreading risks well. Some risks are out of Peab's control but can have various impacts on the conditions for running a business. These are, for example, developments in the economy, interest rate trends, customer behavior, climate impact and political decisions. There are other risks Peab can in different ways affect by reducing their impact or eliminating them entirely. These are primarily risks in operations that are handled in the line organization in the business areas based on established procedures, processes and governance systems. Group risks are divided into four risk categories: operative risks, financial risks, strategic risks as well as compliance risks.

There are always operative risks in a project-related business like Peab's and managing these risks is a continuous process due to the large number of projects the Group is always starting up, carrying out and completing. Peab's project operations work with 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.

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.

Strategic risks are risks linked to our mission, our long-term targets and our strategy. The increasing geopolitical unpredictability contributes to a more cautious market and uncertainty concerning investments, inflation and economic development in general. Higher uncertainty impacts the construction industry regarding investments and how prices and access to materials and energy evolve. We constantly work on developing our employees, construction methods and new climate smart construction material in order to meet market needs.

Compliance risks concern, for example, lack of compliance with laws, contracts or internal regulations and guidelines. Other examples are involvement in corruption or improper competition. Compliance risks are not only found in Peab's own organization but in our supply chains as well. The consequences of compliance risks include fines, damaged trust, failed projects and exclusion from procurements.

For further information about risks and uncertainty factors, see the Annual and Sustainability Report 2024.



# Other information

## Significant events during the period

### Green bond issue

On March 11, 2025 Peab issued green bonds for a total value of SEK 500 million. The bonds have a maturity of 3 years with a variable interest rate of 3 months Stibor (the Stockholm Interbank Offered Rate) plus 1.50 percentage points. Funds from the issue will be used to finance investments in green and energy buildings, ECO efficient and circular products and production processes, sustainable transportation and water management and measures for avoiding and limiting pollution. The green bonds were issued within the framework of Peab's Swedish MTN program and the framework for green financing.

### Peab Industri Oy is cooperating with the Competition and Consumer Authority in an ongoing investigation

In May 2025 the Competition and Consumer Authority in Finland launched a so-called competition law compliance audit of several companies active on the asphalt paving market in Finland, among them Peab's subsidiary Peab Industri Oy. Peab is cooperating fully with the authority. The fact that the authority has initiated an audit does not mean that Peab Industri Oy is guilty of any anticompetitive conduct and the result of the investigation should not be pre-empted. The Peab Group has zero tolerance of any forms of irregularities.

### Settlement agreement regarding Mall of Scandinavia

Through a settlement agreement Peab and Unibail-Rodamco-Westfield (URW) have agreed on a final resolution of all transactions regarding the contract for Mall of Scandinavia in Solna. The agreement entails that Peab's liquidity will increase by one billion Swedish kronor in the third quarter, that net financial items in the second quarter 2025 were charged with SEK 611 million and that net debt remains the same.

On June 30, 2023 an arbitral award in the case regarding the contract for Mall of Scandinavia was rendered. The arbitral tribunal concurred with Peab's claims for compensation for added expenses generated by extensive changes in the project made during the production phase and ruled that Peab was entitled to compensation of approximately one billion Swedish kronor for construction costs as well as SEK 390 million, in default interest. URW then challenged the award to Svea Court of Appeal which on May 28, 2025 rendered a judgment entitling Peab to compensation for the work incurred by changes and additions along with com-

pensation for disorder and disruption. The arbitral award was set aside concerning URW's claim for liquidated damages for certain delays and Peab's claims for the costs of the arbitration procedures.

Since no payment was made as required by the judgment Peab initiated bankruptcy proceedings against the project company Rodamco Projekt AB in order to demand payment. URW announced on June 3, 2025 that it intended to initiate a new arbitration procedure regarding its claim for liquidated damages for certain delays and Peab intended to initiate a new arbitration procedure regarding its claim for the costs of the arbitration procedures.

On June 22, 2025 the parties agreed to a settlement entailing a payment of one billion Swedish kronor from URW to Peab which was paid on July 2, 2025. The settlement agreement further entailed that each party retract all processes, that the contract is considered finally settled and that the parties have no claims against each other, including warranty obligations. The settlement agreement thereby entails that there are no remaining risks for Peab regarding the contract for Mall of Scandinavia.

### Expanded framework for MTN program

Peab has a MTN program with an original framework of SEK 5 billion. The program was expanded in June 2025 by SEK 2.5 billion to SEK 7.5 billion. More information concerning the loan program can be found on Peab's website.

## Significant events after the period

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

## Holdings of own shares

At the beginning of 2025 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 the first half-year 2025.

## Related parties

The character and extent of transactions with related parties is presented in the Annual and Sustainable Report 2024, note 36. For more information about transactions with related parties during the period see business area Project Development. No other new significant transactions have occurred during the first half-year 2025.



# Report on the Group income statement, IFRS

Group net sales according to IFRS amounted during the first half-year 2025 to SEK 25,888 million (28,378). The adjustment of our own housing development projects to the completion method affected net sales by SEK 26 million (2,005).

Operating profit according to IFRS for first half-year 2025 amounted to SEK 508 million (802) and the operating margin was 2.0 percent (2.8). The adjustment of our own housing development projects to the completion method affected operating profit by SEK 4 million (275).

During the second quarter Peab and Unibail-Rodamco-Westfield agreed to a settlement regarding Mall of Scandinavia, which affected net financial items by SEK -611 million. For more information, see section Other information.

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Net sales	15,063	16,928	25,888	28,378	58,793	61,283
Production costs	-13,369	-15,281	-23,784	-26,289	-52,897	-55,402
<b>Gross profit</b>	<b>1,694</b>	<b>1,647</b>	<b>2,104</b>	<b>2,089</b>	<b>5,896</b>	<b>5,881</b>
Sales and administrative expenses	-985	-885	-1,768	-1,644	-3,313	-3,189
Other operating income	88	60	202	389	295	482
Other operating costs	-7	-8	-30	-32	-9	-11
<b>Operating profit</b>	<b>790</b>	<b>814</b>	<b>508</b>	<b>802</b>	<b>2,869</b>	<b>3,163</b>
Financial income	39	59	93	127	225	259
Financial expenses	-753	-167	-926	-322	-1,246	-642
<b>Net finance</b>	<b>-714</b>	<b>-108</b>	<b>-833</b>	<b>-195</b>	<b>-1,021</b>	<b>-383</b>
<b>Pre-tax profit</b>	<b>76</b>	<b>706</b>	<b>-325</b>	<b>607</b>	<b>1,848</b>	<b>2,780</b>
Tax	-4	-110	30	-67	-295	-392
<b>Profit for the period</b>	<b>72</b>	<b>596</b>	<b>-295</b>	<b>540</b>	<b>1,553</b>	<b>2,388</b>
<b>Profit for the period, attributable to:</b>						
Shareholders in parent company	72	596	-301	539	1,552	2,392
Non-controlling interests	0	0	6	1	1	-4
<b>Profit for the period</b>	<b>72</b>	<b>596</b>	<b>-295</b>	<b>540</b>	<b>1,553</b>	<b>2,388</b>
<b>Key ratios, IFRS</b>						
Earnings per share before and after dilution, SEK	0.25	2.08	-1.05	1.88	5.39	8.32
Average number of outstanding shares, million	287.5	287.5	287.5	287.5	287.5	287.5
Return on capital employed, % <sup>1)</sup>	10.3	7.3	10.3	7.3	10.3	10.8
Return on equity, % <sup>1)</sup>	9.8	9.5	9.8	9.5	9.8	15.7

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

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

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Profit for the period	72	596	-295	540	1,553	2,388
Other comprehensive income						
Items that can be reclassified or have been reclassified to profit for the period						
Translation differences for the period from translation of foreign operations	27	8	-119	62	-140	41
Changes in fair value of cash flow hedges for the period	-14	1	-15	14	-16	13
Shares in joint ventures' other comprehensive income	-1	-1	1	-1	-6	-8
Tax referring to items that can be reclassified or have been reclassified to profit for the period	3	0	3	-3	3	-3
<b>Other comprehensive income for the period</b>	<b>15</b>	<b>8</b>	<b>-130</b>	<b>72</b>	<b>-159</b>	<b>43</b>
<b>Total comprehensive income for the period</b>	<b>87</b>	<b>604</b>	<b>-425</b>	<b>612</b>	<b>1,394</b>	<b>2,431</b>
Total comprehensive income for the period, attributable to:						
Shareholders in parent company	87	604	-431	611	1,393	2,435
Non-controlling interests	0	0	6	1	1	-4
<b>Total comprehensive income for the period</b>	<b>87</b>	<b>604</b>	<b>-425</b>	<b>612</b>	<b>1,394</b>	<b>2,431</b>

# Balance sheet for the Group in summary, IFRS

Total assets on June 30, 2025 were SEK 46,706 million (50,372). Equity amounted to SEK 15,316 million (14,666), which generated an equity/assets ratio of 32.8 percent (29.1). The Annual General Meeting on May 6, 2025 decided on a total dividend of SEK 790 million would be distributed to shareholders. During the second quarter SEK 431 million (431) was distributed and the remaining amount, SEK 359 million, will be distributed in the fourth quarter.

MSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
<b>Assets</b>			
Intangible assets	3,622	3,792	3,727
Tangible assets	7,493	8,090	7,653
Investment property	59	59	59
Interest-bearing long-term receivables	539	1,467	516
Other financial fixed assets	1,618	2,328	2,889
Deferred tax recoverables	45	80	48
<b>Total fixed assets</b>	<b>13,376</b>	<b>15,816</b>	<b>14,892</b>
Project and development properties	18,653	17,616	18,342
Inventories	2,073	2,086	1,612
Interest-bearing current receivables	1,015	1,185	1,127
Other current receivables	11,136	12,179	10,317
Liquid funds	453	1,490	1,478
<b>Total current assets</b>	<b>33,330</b>	<b>34,556</b>	<b>32,876</b>
<b>Total assets</b>	<b>46,706</b>	<b>50,372</b>	<b>47,768</b>
<b>Equity</b>			
Equity attributable to shareholders in parent company	15,291	14,639	16,482
Non-controlling interests	25	27	22
<b>Total equity</b>	<b>15,316</b>	<b>14,666</b>	<b>16,504</b>
<b>Liabilities</b>			
Interest-bearing long-term liabilities	7,485	8,227	6,094
Interest-bearing long-term liabilities, project financing	11	14	53
Deferred tax liabilities	531	631	544
Other long-term liabilities	1,652	1,751	1,657
<b>Total long-term liabilities</b>	<b>9,679</b>	<b>10,623</b>	<b>8,348</b>
Interest-bearing current liabilities	3,543	4,744	5,368
Interest-bearing current liabilities, project financing	2,289	4,311	2,859
Other current liabilities	15,879	16,028	14,689
<b>Total current liabilities</b>	<b>21,711</b>	<b>25,083</b>	<b>22,916</b>
<b>Total liabilities</b>	<b>31,390</b>	<b>35,706</b>	<b>31,264</b>
<b>Total equity and liabilities</b>	<b>46,706</b>	<b>50,372</b>	<b>47,768</b>
<b>Key ratios, IFRS</b>			
Capital employed	28,644	31,962	30,878
Equity/assets ratio, %	32.8	29.1	34.6
Net debt	11,321	13,154	11,253
Equity per share, SEK	53.19	50.93	57.34
Number of outstanding shares at the end of the period, million	287.5	287.5	287.5

# Report on changes in Group equity in summary, IFRS

MSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Equity attributable to shareholders in parent company			
Opening equity on January 1	16,482	14,453	14,453
Profit for the period	-301	539	2,392
Other comprehensive income for the period	-130	72	43
<b>Total comprehensive income for the period</b>	<b>-431</b>	<b>611</b>	<b>2,435</b>
Cash flow hedge transferred to cost of inventory	-1	0	-1
Tax on cash flow hedge	0	0	0
Contribution from, and value transferred to, owners			
Share-based payments settled with equity instruments	31	6	26
Paid dividends	-790	-431	-431
<b>Total contribution from, and value transferred to, owners</b>	<b>-759</b>	<b>-425</b>	<b>-405</b>
<b>Closing equity</b>	<b>15,291</b>	<b>14,639</b>	<b>16,482</b>
Non-controlling interests			
Opening equity on January 1	22	17	17
Comprehensive income for the period	6	1	-4
Contribution from, and value transferred to, owners			
Dividend	-3	-	-
New issues	-	9	9
<b>Total contribution from, and value transferred to, owners</b>	<b>-3</b>	<b>9</b>	<b>9</b>
<b>Closing equity</b>	<b>25</b>	<b>27</b>	<b>22</b>
<b>Total closing equity</b>	<b>15,316</b>	<b>14,666</b>	<b>16,504</b>

# Report on Group cash flow in summary, IFRS

MSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Cash flow from current operations before changes in working capital	959	1,057	739	739	3,663	3,663
Increase (-) / Decrease (+) of project and development properties	-437	1,478	-468	720	-4	1,184
Increase (-) / Decrease (+) of inventories	77	114	-492	-354	-24	114
Increase (-) / Decrease (+) of current receivables / current liabilities	-414	-221	-146	648	-256	538
<b>Cash flow from changes in working capital</b>	<b>-774</b>	<b>1,371</b>	<b>-1,106</b>	<b>1,014</b>	<b>-284</b>	<b>1,836</b>
<b>Cash flow from current operations</b>	<b>185</b>	<b>2,428</b>	<b>-367</b>	<b>1,753</b>	<b>3,379</b>	<b>5,499</b>
Sale of subsidiaries / businesses, net effect on liquid funds	-	-	-	28	-	28
Acquisition of fixed assets	-289	-337	-485	-668	-749	-932
Sale of fixed assets	120	180	383	1,139	1,393	2,149
<b>Cash flow from investment operations</b>	<b>-169</b>	<b>-157</b>	<b>-102</b>	<b>499</b>	<b>644</b>	<b>1,245</b>
<b>Cash flow before financing</b>	<b>16</b>	<b>2,271</b>	<b>-469</b>	<b>2,252</b>	<b>4,023</b>	<b>6,744</b>
Shareholder contribution non-controlling interests	-	-	-	2	-	2
Increase (+) / Decrease (-) of interest-bearing liabilities	-95	1,273	471	1,235	-2,626	-1,862
Increase (+) / Decrease (-) of interest-bearing liabilities, project financing	-510	-2,652	-594	-2,818	-2,003	-4,227
Dividend distributed to shareholders in parent company	-431	-431	-431	-431	-431	-431
Dividend distributed to non-controlling interests	-3	-	-3	-	-3	-
<b>Cash flow from financing operations</b>	<b>-1,039</b>	<b>-1,810</b>	<b>-557</b>	<b>-2,012</b>	<b>-5,063</b>	<b>-6,518</b>
<b>Cash flow for the period</b>	<b>-1,023</b>	<b>461</b>	<b>-1,026</b>	<b>240</b>	<b>-1,040</b>	<b>226</b>
Cash at the beginning of the period	1,474	1,023	1,478	1,243	1,490	1,243
Exchange rate differences in cash	2	6	1	7	3	9
<b>Cash at the end of the period</b>	<b>453</b>	<b>1,490</b>	<b>453</b>	<b>1,490</b>	<b>453</b>	<b>1,478</b>

## Parent company

The parent company Peab AB's net sales for the first half-year 2025 amounted to SEK 521 million (428) and mainly consisted of internal Group services. Profit for the period amounted to SEK 653 million (968). The period's results included dividends from subsidiaries of SEK 700 million (990).

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 13,246 million (12,352). During the period, the parent company reported share-based payments of SEK 31 million in equity.

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 meant that all employees in Peab Support AB (Shared Service Centre) and Peab Utveckling AB were 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	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 2024/2025	Jan-Dec 2024
Net sales	273	249	521	428	1,003	910
Administrative expenses	-350	-314	-658	-543	-1,281	-1,166
Other operating income	0	0	0	1	-1	0
<b>Operating profit</b>	<b>-77</b>	<b>-65</b>	<b>-137</b>	<b>-114</b>	<b>-279</b>	<b>-256</b>
<b>Result from financial investments</b>						
Profit from participation in Group companies	700	990	700	990	532	822
Other financial items	40	44	78	87	172	181
<b>Result after financial items</b>	<b>663</b>	<b>969</b>	<b>641</b>	<b>963</b>	<b>425</b>	<b>747</b>
Appropriations	-	-	-	-	1,452	1,452
<b>Pre-tax profit</b>	<b>663</b>	<b>969</b>	<b>641</b>	<b>963</b>	<b>1,877</b>	<b>2,199</b>
Tax	7	4	12	5	-244	-251
<b>Profit for the period <sup>1)</sup></b>	<b>670</b>	<b>973</b>	<b>653</b>	<b>968</b>	<b>1,633</b>	<b>1,948</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	Jun 30 2025	Jun 30 2024	Dec 31 2024
<b>Assets</b>			
Fixed assets			
Intangible assets	266	344	300
Tangible assets	48	40	48
Financial assets			
Participation in Group companies	10,339	10,433	10,339
Receivables from Group companies	49	6	23
Deferred tax recoverables	107	86	106
<b>Total financial assets</b>	<b>10,495</b>	<b>10,525</b>	<b>10,468</b>
<b>Total fixed assets</b>	<b>10,809</b>	<b>10,909</b>	<b>10,816</b>
<b>Current assets</b>			
Current receivables			
Receivables from Group companies	5,603	4,430	5,734
Current tax receivables	58	102	–
Other receivables	192	95	61
<b>Total current receivables</b>	<b>5,853</b>	<b>4,627</b>	<b>5,795</b>
Cash and bank	0	0	0
<b>Total current assets</b>	<b>5,853</b>	<b>4,627</b>	<b>5,795</b>
<b>Total assets</b>	<b>16,662</b>	<b>15,536</b>	<b>16,611</b>
<b>Equity and liabilities</b>			
Equity			
Restricted equity	1,884	1,884	1,884
Non-restricted equity	11,362	10,468	11,468
<b>Total equity</b>	<b>13,246</b>	<b>12,352</b>	<b>13,352</b>
Untaxed reserves	2,798	2,919	2,798
Provisions			
Other provisions	47	45	44
<b>Total provisions</b>	<b>47</b>	<b>45</b>	<b>44</b>
Current liabilities			
Liabilities to Group companies	4	3	112
Current tax liabilities	–	–	89
Other liabilities	567	217	216
<b>Total current liabilities</b>	<b>571</b>	<b>220</b>	<b>417</b>
<b>Total liabilities</b>	<b>571</b>	<b>220</b>	<b>417</b>
<b>Total equity and liabilities</b>	<b>16,662</b>	<b>15,536</b>	<b>16,611</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.

## Note 2 – Revenue allocation

Group Jan-Jun 2025 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	10,203	7,502	6,398	1,732	27		25,862	26	25,888
Internal sales	1,073	599	1,563	10	681	-3,926	–		–
<b>Total</b>	<b>11,276</b>	<b>8,101</b>	<b>7,961</b>	<b>1,742</b>	<b>708</b>	<b>-3,926</b>	<b>25,862</b>	<b>26</b>	<b>25,888</b>
<b>Allocation per country</b>									
Sweden	8,674	7,152	5,215	1,313	563	-3,504	19,413	50	19,463
Norway	1,324	949	425	283	71	-210	2,842	-14	2,828
Finland	1,278		1,704	146	71	-209	2,990	-10	2,980
Denmark			610		3	-3	610		610
Other			7				7		7
<b>Total</b>	<b>11,276</b>	<b>8,101</b>	<b>7,961</b>	<b>1,742</b>	<b>708</b>	<b>-3,926</b>	<b>25,862</b>	<b>26</b>	<b>25,888</b>
<b>Allocation per type of customer</b>									
Public sector	6,355	5,858	1,941	39	22		14,215		14,215
Private customers	3,848	1,644	4,457	1,693	5		11,647	26	11,673
Internal customers	1,073	599	1,563	10	681	-3,926	–		–
<b>Total</b>	<b>11,276</b>	<b>8,101</b>	<b>7,961</b>	<b>1,742</b>	<b>708</b>	<b>-3,926</b>	<b>25,862</b>	<b>26</b>	<b>25,888</b>
<b>Allocation per point in time</b>									
At one point in time	35	5	2,778	244	27	-463	2,626	1,416	4,042
Over time	11,235	8,088	4,209	1,417	566	-2,727	22,788	-1,390	21,398
Rent revenue <sup>2)</sup>	6	8	974	81	115	-736	448		448
<b>Total</b>	<b>11,276</b>	<b>8,101</b>	<b>7,961</b>	<b>1,742</b>	<b>708</b>	<b>-3,926</b>	<b>25,862</b>	<b>26</b>	<b>25,888</b>
<b>Allocation per type of revenue</b>									
Construction contracts	11,235	8,088	4,209	1,417	10	-2,171	22,788	-1,390	21,398
Sales of goods			2,218			-253	1,965		1,965
Sales of property projects				194			194	1,416	1,610
Transportation services			487			-224	263		263
Administrative services					556	-556	–		–
Rent revenue <sup>2)</sup>	6	8	974	81	115	-736	448		448
Other	35	5	73	50	27	14	204		204
<b>Total</b>	<b>11,276</b>	<b>8,101</b>	<b>7,961</b>	<b>1,742</b>	<b>708</b>	<b>-3,926</b>	<b>25,862</b>	<b>26</b>	<b>25,888</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-Jun 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	10,706	7,270	6,610	1,760	27		26,373	2,005	28,378
Internal sales	1,440	566	1,834	15	647	-4,502	–		–
<b>Total</b>	<b>12,146</b>	<b>7,836</b>	<b>8,444</b>	<b>1,775</b>	<b>674</b>	<b>-4,502</b>	<b>26,373</b>	<b>2,005</b>	<b>28,378</b>
<b>Allocation per country</b>									
Sweden	9,548	7,006	5,326	1,305	539	-4,101	19,623	1,390	21,013
Norway	1,458	830	533	200	66	-263	2,824	450	3,274
Finland	1,140		2,016	270	69	-138	3,357	165	3,522
Denmark			566				566		566
Other			3				3		3
<b>Total</b>	<b>12,146</b>	<b>7,836</b>	<b>8,444</b>	<b>1,775</b>	<b>674</b>	<b>-4,502</b>	<b>26,373</b>	<b>2,005</b>	<b>28,378</b>
<b>Allocation per type of customer</b>									
Public sector	6,255	5,781	2,364	5	22		14,427		14,427
Private customers	4,451	1,489	4,246	1,755	5		11,946	2,005	13,951
Internal customers	1,440	566	1,834	15	647	-4,502	–		–
<b>Total</b>	<b>12,146</b>	<b>7,836</b>	<b>8,444</b>	<b>1,775</b>	<b>674</b>	<b>-4,502</b>	<b>26,373</b>	<b>2,005</b>	<b>28,378</b>
<b>Allocation per point in time</b>									
At one point in time	29	7	2,856	665	27	-541	3,043	3,172	6,215
Over time	12,109	7,821	4,573	1,052	534	-3,163	22,926	-1,167	21,759
Rent revenue <sup>2)</sup>	8	8	1,015	58	113	-798	404		404
<b>Total</b>	<b>12,146</b>	<b>7,836</b>	<b>8,444</b>	<b>1,775</b>	<b>674</b>	<b>-4,502</b>	<b>26,373</b>	<b>2,005</b>	<b>28,378</b>
<b>Allocation per type of revenue</b>									
Construction contracts	12,109	7,821	4,573	1,052	20	-2,650	22,925	-1,167	21,758
Sales of goods			2,224			-384	1,840		1,840
Sales of property projects				652			652	3,172	3,824
Transportation services			573			-137	436		436
Administrative services					514	-513	1		1
Rent revenue <sup>2)</sup>	8	8	1,015	58	113	-798	404		404
Other	29	7	59	13	27	-20	115		115
<b>Total</b>	<b>12,146</b>	<b>7,836</b>	<b>8,444</b>	<b>1,775</b>	<b>674</b>	<b>-4,502</b>	<b>26,373</b>	<b>2,005</b>	<b>28,378</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 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.

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

Group Jan-Jun 2025 MSEK	Construction	Civil Engineering	Industry	Project Development	Group functions	Eliminations	Group Segment	Differences in accounting principles <sup>1)</sup>	Group IFRS
External sales	10,203	7,502	6,398	1,732	27		25,862	26	25,888
Internal sales	1,073	599	1,563	10	681	-3,926	–		–
<b>Total revenue</b>	<b>11,276</b>	<b>8,101</b>	<b>7,961</b>	<b>1,742</b>	<b>708</b>	<b>-3,926</b>	<b>25,862</b>	<b>26</b>	<b>25,888</b>
<b>Operating profit</b>	<b>248</b>	<b>318</b>	<b>-5</b>	<b>82</b>	<b>-177</b>	<b>16</b>	<b>482</b>	<b>26</b>	<b>508</b>
Operating margin, %	2.2	3.9	-0.1	4.7			1.9		2.0
Financial income							93		93
Financial expenses							-902	-24 <sup>2)</sup>	-926
<b>Net finance</b>							<b>-809</b>	<b>-24</b>	<b>-833</b>
<b>Pre-tax profit</b>							<b>-327</b>	<b>2</b>	<b>-325</b>
Tax							34	-4	30
<b>Profit for the period</b>							<b>-293</b>	<b>-2</b>	<b>-295</b>
Capital employed (closing balance)	-878	-575	10,391	19,199	-1,033 <sup>3)</sup>		27,104	1,540	28,644
Total assets							44,525	2,181 <sup>4)</sup>	46,706
Equity							15,572	-256	15,316
Equity/assets ratio, %							35.0		32.8
Net debt							9,525		11,321
Cashflow before financing	306 <sup>5)</sup>	519 <sup>5)</sup>	-617 <sup>5)</sup>	-447 <sup>5)</sup>	-684 <sup>6)</sup>		-923	454	-469

<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 -24 million.

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

<sup>4)</sup> Divided between IFRS 16, additional leases SEK 1,363 million and housing projects SEK 818 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-Jun 2024 MSEK	Construction	Civil Engineering	Industry	Project Development	Group functions	Eliminations	Group Segment	Differences in accounting principles <sup>1)</sup>	Group IFRS
External sales	10,706	7,270	6,610	1,760	27		26,373	2,005	28,378
Internal sales	1,440	566	1,834	15	647	-4,502	–		–
<b>Total revenue</b>	<b>12,146</b>	<b>7,836</b>	<b>8,444</b>	<b>1,775</b>	<b>674</b>	<b>-4,502</b>	<b>26,373</b>	<b>2,005</b>	<b>28,378</b>
<b>Operating profit</b>	<b>224</b>	<b>242</b>	<b>-30</b>	<b>213</b>	<b>-137</b>	<b>1</b>	<b>513</b>	<b>289</b>	<b>802</b>
Operating margin, %	1.8	3.1	-0.4	12.0			1.9		2.8
Financial income							127		127
Financial expenses							-300	-22 <sup>2)</sup>	-322
<b>Net finance</b>							<b>-173</b>	<b>-22</b>	<b>-195</b>
<b>Pre-tax profit</b>							<b>340</b>	<b>267</b>	<b>607</b>
Tax							-42	-25	-67
<b>Profit for the period</b>							<b>298</b>	<b>242</b>	<b>540</b>
Capital employed (closing balance)	-897	-420	11,339	18,408	289 <sup>3)</sup>		28,719	3,243	31,962
Total assets							46,840	3,532 <sup>4)</sup>	50,372
Equity							14,992	-326	14,666
Equity/assets ratio, %							32.0		29.1
Net debt							9,585	3,569	13,154
Cashflow before financing	164 <sup>5)</sup>	493 <sup>5)</sup>	-577 <sup>5)</sup>	44 <sup>5)</sup>	-437 <sup>6)</sup>		-313	2,565	2,252

<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 -22 million.

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

<sup>4)</sup> Divided between IFRS 16, additional leases SEK 1,476 million and housing projects SEK 2,056 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 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.

## 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 2024, note 32. 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	Jun 30, 2025			Jun 30, 2024			Dec 31, 2024		
MSEK	Level 2	Level 3	Total	Level 2	Level 3	Total	Level 2	Level 3	Total
<b>Financial assets</b>									
Securities held as fixed assets		44	44		45	45		45	45
<i>Of which unlisted funds</i>		3	3		4	4		4	4
<i>Of which unlisted shares and participations</i>		41	41		41	41		41	41
Other current receivables	13		13	20		20	10		10
<i>Of which commodity hedging with futures</i>	12		12	19		19	9		9
<i>Of which currency derivatives</i>	1		1	1		1	1		1
<b>Total financial assets</b>	<b>13</b>	<b>44</b>	<b>57</b>	<b>20</b>	<b>45</b>	<b>65</b>	<b>10</b>	<b>45</b>	<b>55</b>
<b>Financial liabilities</b>									
Other current liabilities	25		25	17		17	1		1
<i>Of which currency derivatives</i>	2		2	1		1			-
<i>Of which commodity hedging with futures</i>	23		23	16		16	1		1
<b>Total financial liabilities</b>	<b>25</b>	<b>-</b>	<b>25</b>	<b>17</b>	<b>-</b>	<b>17</b>	<b>1</b>	<b>-</b>	<b>1</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		
MSEK	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
Opening balance	4	5	5	41	41	41
Investments	1					
Dividends received	-2	-1	-1			
<b>Closing balance</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>41</b>	<b>41</b>	<b>41</b>

Group	Contingent consideration		
MSEK	Jun 30, 2025	Jun 30, 2024	Dec 31, 2024
Opening balance	-	6	6
Payments during the period		-6	-6
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Future financial information

- |   |                   |
|---|-------------------|
| • Interim report January – September 2025 | October 24, 2025  |
| • Capital Market Update                   | November 25, 2025 |
| • Year-end report January – December 2025 | February 4, 2026  |
| • Annual and Sustainability Report 2025   | April, 2026       |

## Presentation of the interim report

This interim report will be presented digitally and on a phone conference Tuesday July 15, 2025 at 1.00 p.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://peab.events.inderes.com/q2-report-2025>

Participate via telephone conference:

<https://conference.inderes.com/teleconference/?id=5006738>

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 July 15, 2025, 11:00 a.m. CET.*

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The Board of directors and the CEO pledge that the half-year report provides a fair and true overview of the parent company's and the Group's business, position and results as well as describes the significant risks and uncertainty factors faced by the parent company and the companies included in the Group.

Förslöv July 15, 2025

Anders Runevad  
Chairman

Fredrik Paulsson  
Board member

Kerstin Lindell  
Board member

Lars Sköld  
Board member

Liselott Kilaas  
Board member

Malin Persson  
Board member

Magdalena Gerger  
Board member

Kim Thomsen  
Board member

Patrik Svensson  
Board member

Maria Doberck  
Board member

Jesper Göransson  
CEO and President

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

# Quarterly data

Group, IFRS

MSEK	Apr-Jun 2025	Jan-Mar 2025	Oct-Dec 2024	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023
Net sales	15,063	10,825	17,185	15,720	16,928	11,450	17,365	15,159	16,098
Production costs	-13,369	-10,415	-14,939	-14,174	-15,281	-11,008	-16,139	-13,765	-14,141
<b>Gross profit</b>	<b>1,694</b>	<b>410</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>
Sales and administrative expenses	-985	-783	-932	-613	-885	-759	-843	-600	-867
Other operating income	88	114	47	46	60	329	91	100	124
Other operating costs	-7	-23	8	13	-8	-24	-3	17	-17
<b>Operating profit</b>	<b>790</b>	<b>-282</b>	<b>1,369</b>	<b>992</b>	<b>814</b>	<b>-12</b>	<b>471</b>	<b>911</b>	<b>1,197</b>
Financial income	39	54	66	66	59	68	61	56	431
Financial expenses	-753	-173	-150	-170	-167	-155	-173	-198	-125
<b>Net finance</b>	<b>-714</b>	<b>-119</b>	<b>-84</b>	<b>-104</b>	<b>-108</b>	<b>-87</b>	<b>-112</b>	<b>-142</b>	<b>306</b>
<b>Pre-tax profit</b>	<b>76</b>	<b>-401</b>	<b>1,285</b>	<b>888</b>	<b>706</b>	<b>-99</b>	<b>359</b>	<b>769</b>	<b>1,503</b>
Tax	-4	34	-171	-154	-110	43	-148	-145	-315
<b>Profit for the period</b>	<b>72</b>	<b>-367</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>Profit for the period, attributable to:</b>									
Shareholders in parent company	72	-373	1,121	732	596	-57	211	623	1,189
Non-controlling interests	0	6	-7	2	0	1	0	1	-1
<b>Profit for the period</b>	<b>72</b>	<b>-367</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>Key ratios, IFRS</b>									
Earnings per share before and after dilution, SEK	0.25	-1.30	3.90	2.54	2.08	-0.20	0.74	2.17	4.13
Average number of outstanding shares, million	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5	287.5
Capital employed (CB)	28,644	29,646	30,878	30,526	31,962	33,016	32,888	35,805	36,442
Equity (CB)	15,316	16,001	16,504	15,316	14,666	14,481	14,470	14,405	13,780

Business areas

	Apr-Jun 2025	Jan-Mar 2025	Oct-Dec 2024	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023
<b>MSEK</b>									
<b>Net sales</b>									
Construction	5,959	5,317	6,541	5,130	6,358	5,788	7,029	5,789	7,540
Civil Engineering	4,433	3,668	4,893	3,810	4,278	3,558	4,454	3,491	3,891
Industry	5,678	2,283	5,576	7,528	6,033	2,411	5,056	6,780	5,347
Project Development	751	991	1,737	758	720	1,055	1,456	856	1,569
– of which Property Development	36	57	636	6	21	23	453	7	65
– of which Housing Development	715	934	1,101	752	699	1,032	1,003	849	1,504
Group functions	362	346	343	333	345	329	377	343	390
Eliminations	-2,246	-1,680	-2,305	-2,020	-2,502	-2,000	-2,733	-2,523	-2,981
<b>Group, segment reporting</b>	<b>14,937</b>	<b>10,925</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>
Adjustment of housing to IFRS	126	-100	400	181	1,696	309	1,726	423	342
IFRS 16, additional leases									
<b>Group, IFRS</b>	<b>15,063</b>	<b>10,825</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>Operating profit</b>									
Construction	137	111	96	96	123	101	-358	96	141
Civil Engineering	204	114	140	117	165	77	180	110	152
Industry	544	-549	597	848	449	-479	476	588	333
Project Development	-1	83	521	-6	-33	246	17	46	114
– of which Property Development	11	49	533	8	21	261	63	21	29
– of which Housing Development	-12	34	-12	-14	-54	-15	-46	25	85
Group functions	-121	-56	-142	-62	-79	-58	-159	-33	-34
Eliminations	-3	19	43	2	-6	7	-23	-21	-16
<b>Group, segment reporting excl. MoS</b>	<b>760</b>	<b>-278</b>	<b>1,255</b>	<b>995</b>	<b>619</b>	<b>-106</b>	<b>133</b>	<b>786</b>	<b>690</b>
Construction – effect MoS									400
<b>Group, segment reporting</b>	<b>760</b>	<b>-278</b>	<b>1,255</b>	<b>995</b>	<b>619</b>	<b>-106</b>	<b>133</b>	<b>786</b>	<b>1,090</b>
Adjustment of housing to IFRS	20	-16	103	-14	190	85	330	115	98
IFRS 16, additional leases	10	12	11	11	5	9	8	10	9
<b>Group, IFRS</b>	<b>790</b>	<b>-282</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>Operating margin, %</b>									
Construction	2.3	2.1	1.5	1.9	1.9	1.7	-5.1	1.7	1.9
Civil Engineering	4.6	3.1	2.9	3.1	3.9	2.2	4.0	3.2	3.9
Industry	9.6	-24.0	10.7	11.3	7.4	-19.9	9.4	8.7	6.2
Project Development	-0.1	8.4	30.0	-0.8	-4.6	23.3	1.2	5.4	7.3
– of which Property Development	30.6	86.0	83.8	133.3	100.0	1,134.8	13.9	300.0	44.6
– of which Housing Development	-1.7	3.6	-1.1	-1.9	-7.7	-1.5	-4.6	2.9	5.7
Group functions									
Eliminations									
<b>Group, segment reporting excl. MoS</b>	<b>5.1</b>	<b>-2.5</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>Group, segment reporting</b>	<b>5.1</b>	<b>-2.5</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>
Adjustment of housing to IFRS									
IFRS 16, additional leases									
<b>Group, IFRS</b>	<b>5.2</b>	<b>-2.6</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>Key ratios, segment reporting, MSEK</b>									
Earnings per share before and after dilution excl. MoS, SEK	0.20	-1.24	3.63	2.59	1.48	-0.45	-0.25	1.85	1.68
Earnings per share before and after dilution, SEK	0.20	-1.24	3.63	2.59	1.48	-0.45	-0.25	1.85	3.86
Capital employed (CB)	27,104	27,673	28,999	27,537	28,719	27,721	27,639	29,072	29,406
Equity (CB)	15,572	16,285	16,760	15,650	14,992	14,976	15,082	15,239	14,770
Orders received	13,183	16,574	12,052	10,135	16,434	17,889	10,527	11,034	12,505
Order backlog at the end of the period	51,757	51,955	44,906	47,026	50,578	47,808	39,060	41,669	43,638

# 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 the arbitral award concerning Mall of Scandinavia which affected the second quarter 2023. For details, see section Other information and the Annual and Sustainability Report 2024.

### 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.

## 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?"

### LTI4 and LTIF4

LTI4 refers to the number of workplace accidents with more than four days absence for the employee, 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.

### Net debt/equity ratio

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

### 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 the arbitral award concerning Mall of Scandinavia which affected the second quarter 2023. For details, see section Other information and the Annual and Sustainability Report 2024.

### 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.

### 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 58 billion**



Employees, appr.

**13,000**

Four

**Business areas**



**Construction**



**Civil Engineering**



**Industry**



**Project Development**

Peab is the Nordic Community Builder with some 13,000 employees and net sales of approximately SEK 58 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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**PEAB**  
THE NORDIC COMMUNITY BUILDER

Photographers: Björn Forsberg, Harri Luostarinen, Husfoto, Johan Marklund, Kim Kulstad, Kuvatoimisto Kuvio Oy, Mette Ottosson, Per Bille, Progress Media Lab, Samuel Unéus and Semren Månsson. Peab takes work environment matters very seriously and works systematically to create safe workplaces. The kind of safety equipment used varies depending on national regulations and the type of operations. A risk analysis is always performed for each workplace before any exception is made. The people pictured in this publication are wearing personal safety equipment required by regulations valid for the operations and country they are in.