Press release

December 22, 2023

Peab acquires development rights on Kvarnholmen and divests its ownership in Tornet

Today on December 22nd Peab signed a contract to acquire Folksam's shares in Sicklaön Invest AB that partly and wholly owns development rights in Kvarnholmen in Nacka. Peab thereby increases its ownership from 50 to 100 percent. Peab has today also signed a contract to divest its 33.3 percent ownership in Tornet Bostadsproduktion to the other owners Folksam and Fastighets AB Balder. The intention is to close and recognize in profit both deals in the first quarter 2024. Together they entail an unchanged net debt as well as capital gains of SEK 220 million.

Through the two deals Peab will divest finished properties that are currently being managed and use the freed capital to invest in development rights for future development.

Peab has developed homes on Kvarnholmen since 2013. Sicklaön Invest AB has more than 270 zoning approved wholly owned development rights for a gross area of 26,000 m2. In addition, the company owns 50 percent of the shares in KUAB that has an ongoing zoning process for more than 120,000 m2 housing development rights. Half of them will be turned over to Peab.

Peab has been a part owner in Tornet Bostadsproduktion since 2009. The company owns and manages around 2,200 rental apartments and has some 650 rental apartments in production in a number of cities in Sweden. In its role as construction contractor Peab has delivered several housing projects to Tornet over the years. Being an owner has been advantageous and value development has been positive, which is why divestment is now generating capital gains.

"We're pleased to be able to now capitalize the value that has been built up in Tornet. Tornet has developed a good and modern group of rental apartment properties but now that the company is moving into a new phase it's natural for us to take our leave. The divestment frees capital that we're investing in Kvarnholmen where we'll become sole owners of several development rights. We have positive experience from previous projects on Kvarnholmen and a strong belief in the area. Over the coming years we expect to develop excellent homes for our customers," says Göran Linder, Business Area Manager Peab Project Development.

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Peab is the Nordic Community Builder with 15,000 employees and net sales of SEK 60 billion. With a local presence and focus on our own resources we develop, do the groundwork and build everyday

life where it's lived. Company headquarters are in Förslöv on Bjäre Peninsula in southern Sweden. The Peab share is listed on Nasdaq Stockholm.