

Press release

October 19, 2020

Peab summons to attend an Extra General Meeting to decide on distribution of Annehem Fastigheter

Today, October 19, 2020 Peab's Board has summoned to an Extra General Meeting (EGM) November 12, 2020 to decide on its proposal to distribute all the shares in the wholly owned subsidiary Annehem Fastigheter. The intention is to list the B shares in Annehem Fastigheter on Nasdaq Stockholm in December 2020. The distribution corresponds to equity of around SEK 2 billion.

The Board proposes distribution of all the shares in the wholly owned subsidiary Annehem Fastigheter. The distribution ratio is 1:5 which means that one (1) share in Peab entitles to one (1) share right of the same sort in Annehem Fastigheter, and five (5) share rights entitle to one (1) share of the same sort in Annehem Fastigheter.

The distribution corresponds to equity of around SEK 2 billion. The level of equity and borrowing in Annehem Fastigheter has been determined based on the current property portfolio and taking into consideration future growth.

If the EGM votes according to the proposal to distribute Annehem Fastigheter the record day is expected to be in close connection with the listing of B shares in Annehem Fastigheter. The Board's intention is to list the company in December 2020.

When Annehem Fastigheter is distributed the difference between fair value and book values will be taken up as income in Peab. This preliminarily amounts to SEK 800 million. To this will be added eliminated construction contract profit of around SEK 50 million.

"Annehem Fastigheter owns an attractive property portfolio mainly consisting of newly built commercial property, and as a separate company it has a good platform for future profitable growth. Now Annehem Fastigheter and Peab will each continue to generate long term value for shareholders," says Jesper Göransson, President and CEO of Peab.

More information regarding the distribution and listing of Annehem Fastigheter is given in the information brochure that will be published for the EGM by October 29, 2020 at the latest. The information brochure will, among other things, contain a description of Annehem Fastigheter's final structure, the transaction and financial effects for Peab.

About Annehem Fastigheter

Annehem Fastigheter is a growth driven real estate company focused on commercial, community and residential property in the Nordic growth areas Stockholm, Skåne and Gothenburg as well as Helsinki and Oslo. Annehem Fastigheter owns assets in the form of completely developed properties that on September 30, 2020 had a fair value of around SEK 3,000 million. Annehem Fastigheter will also acquire other properties from Peab after they are completed between the autumn of 2020 and 2021. The agreed upon underlying property value of these properties is SEK 693 million.

For further information please contact:

Jesper Göransson, President and CEO of Peab, reached through

Juha Hartomaa, Head of Investor Relations Peab, +46 725-33 31 45

Peab is a leading Nordic construction and civil engineering company with about 17,000 employees and SEK 56 billion in net sales. The Group has strategically placed offices in Sweden, Norway, Finland and Denmark. Company headquarters are in Förslöv on Bjäre Peninsula in southern Sweden. The Peab share is listed on NASDAQ Stockholm.