

The Board of Directors' statement according to chapter 18, Section 4 and chapter 19, Section 22 of the Companies Act

Nature of the business, scope and risks

The nature of the business and scope are presented in the articles of association and the submitted Annual and Sustainability Report 2023. The operations run in the company and the Group do not entail any risks beyond those that occur or can be expected to occur in the industry or the risks generally associated with running a business. Significant events are presented in the Annual and Sustainability Report and no other additional events have occurred that affect the ability of the company to distribute dividends or acquire its own shares.

The company and Group financial position

The company and Group financial position per 2023-12-31 is presented in the submitted Annual and Sustainability Report. The principles applied for the valuation of assets, provisions and liabilities are also presented in the Annual and Sustainability Report.

In the proposed appropriation of profit the Board proposes a dividend of SEK 1.50 per share. The Board also proposes that the Annual General Meeting authorize the Board to acquire a maximum number of shares so that at any given time the company's holding of its own shares does not exceed ten percent of all shares in the company.

The company's equity/assets ratio amounts to 91.0 percent (last year 80.4 percent). The Group's equity/assets ratio according to IFRS amounts to 29.4 percent (last year 27.0 percent).

According to Group financial targets dividends to shareholders should be at least 50 percent of profit for the year for the Group. Group financial targets are based on segment reporting. Excluding the shares owned by Peab AB per March 21, 2024 the proposed dividend amounts to 30 percent of profit for the year according to segment reporting.

The Board believes that the size of the equity as reported in the latest submitted Annual and Sustainability Report is in reasonable proportion to the scope of the business of the company and Group as well as the risks associated with running the business, taking into consideration the proposed dividend and the acquisition of own shares according to the proposed authorization.

The proposal's soundness

In reference to the above and what has otherwise come to the attention of the Board, it is the Board's belief that an all-round assessment of the financial position of the company and Group entails that the proposed dividend is sound taking into consideration the demands that the nature, scope and risks of the business put on the size of company and Group equity and the consolidation needs, liquidity and position in general of the business of the company and Group.

Förslöv 2024-03-21

Peab AB

Board of Directors