

Peab's Board of Directors' statement according to chapter 18 paragraph 4 regarding the proposal for a decision to distribute Annehem Fastigheter

The Board has proposed that the Extra General Meeting decide to distribute all the shares in the wholly owned subsidiary Annehem Fastigheter AB, Company ID 559220-9083 ("Annehem Fastigheter"), including the underlying groups.

The value of the distribution of the shares in Annehem Fastigheter is determined based on the book value at the time of the distribution of the shares to Peab's shareholders applying current accounting principles. Peab estimates the book value at the time of the distribution at around SEK 2,000,000,000 krona, which is the total value proposed to be distributed to shareholders. The amount includes around SEK 800 million which is an effect of valuation at fair value.

Company and Group and financial position

The company and Group financial position per 2019-12-31 is presented in the submitted Annual Report. The Annual Report also presents the principles applied in the valuation of assets, reserves and liabilities.

The income statement and balance sheet for the fiscal year 2019 was adopted by the Annual General Meeting on May 6, 2020. No decisions concerning value transfers have been made nor have any changes occurred in Peab's restricted equity after the Annual General Meeting in Peab on May 6, 2020. Unrestricted equity per December 31, 2019 amounted to SEK 7,155,375,876 krona. After the decision by the Extra General Meeting to distribute the shares in Annehem Fastigheter according to the proposal by the Board, it is estimated according to chapter 17 paragraph 3 first paragraph of the Companies Act that the remaining disposable amount is around SEK 5,155,375,876 krona.

The Board finds that there is full coverage for the company's restricted equity according to chapter 17 paragraph 3 first paragraph of the Companies Act after the proposed distribution. In the Board's estimation company and Group equity after the proposed distribution will be sufficient in relation to the nature, scope and risks of the business.

The Board believes that the size of the equity as reported in the latest submitted Annual 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 distribution.

The company and Group equity/assets ratio even after the proposed distribution is considered good in relation to the industry the Group operates in. The Board believes the company and Group are well prepared to handle both changes regarding liquidity and unexpected events.

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 informs that the proposed distribution 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 2020-10-19

Peab AB

Board of Directors



Göran Grosskopf



Karl- Axel Granlund



Fredrik Paulsson



Lars Sköld



Anders Runevad



Kim Thomsen



Mats Paulsson



Kerstin Lindell



Malin Persson



Liselott Kilaas



Patrik Svensson



Egon Waldemarsson