

Annual Report 2024



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The annual report for 2024 is presented by the board of directors and the CEO of SIBS. The statutory annual report can be found on pages 72-122 and has been audited by SIBS's external auditor. The sustainability report is available on pages 24-55, as well as the pages found in the GRI index on pages 56-64, and is prepared in accordance with Chapter 6 of the Annual Accounts Act. SIBS reports with reference to the GRI Standards 2021.

SIBS is a global leader in the industrial production of apartment buildings. Through our efficient, flexible, and scalable system, we have created a platform for housing with unique solutions for several markets.

Our business model has been refined into three business areas. Industrial Sales, where projects are delivered according to the concepts of Project Sales or Module Sales to a global market. The Home Factory, which involves the development and construction of turnkey, production-ready factories, and Property Development and Management, where we, through subsidiaries, develop, build, own, and manage properties within the group. Read more about our business model on page 13.

During the year, we have taken the next step in our development by establishing SIBS Modular, which will consolidate all activities related to our building system and industrial production.

You can read more about the next phase of our industrial journey on page 22.



World leading industrial producer of apartment modules

SIBS is a global market leader in the industrial production of apartment buildings. With its proprietary modular construction system and vertically integrated value chain, SIBS delivers turnkey buildings or modules, with assistance all the way through to commissioning.

Proven production that offers flexibility, time savings and cost efficiency

+ 7 000 Apartments produced globally.	40% Time savings from design to completion, compared with traditional construction.	20-30% Lower production costs compared with traditional construction.
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Proprietary building system, process, and tools enabling scalable production with high quality.

6 000 Annual scalable production capacity (number of apartments).	90% Completion rate in the factory (including lift shafts, installations and stairwells).	+400 Quality controls in the production chain.
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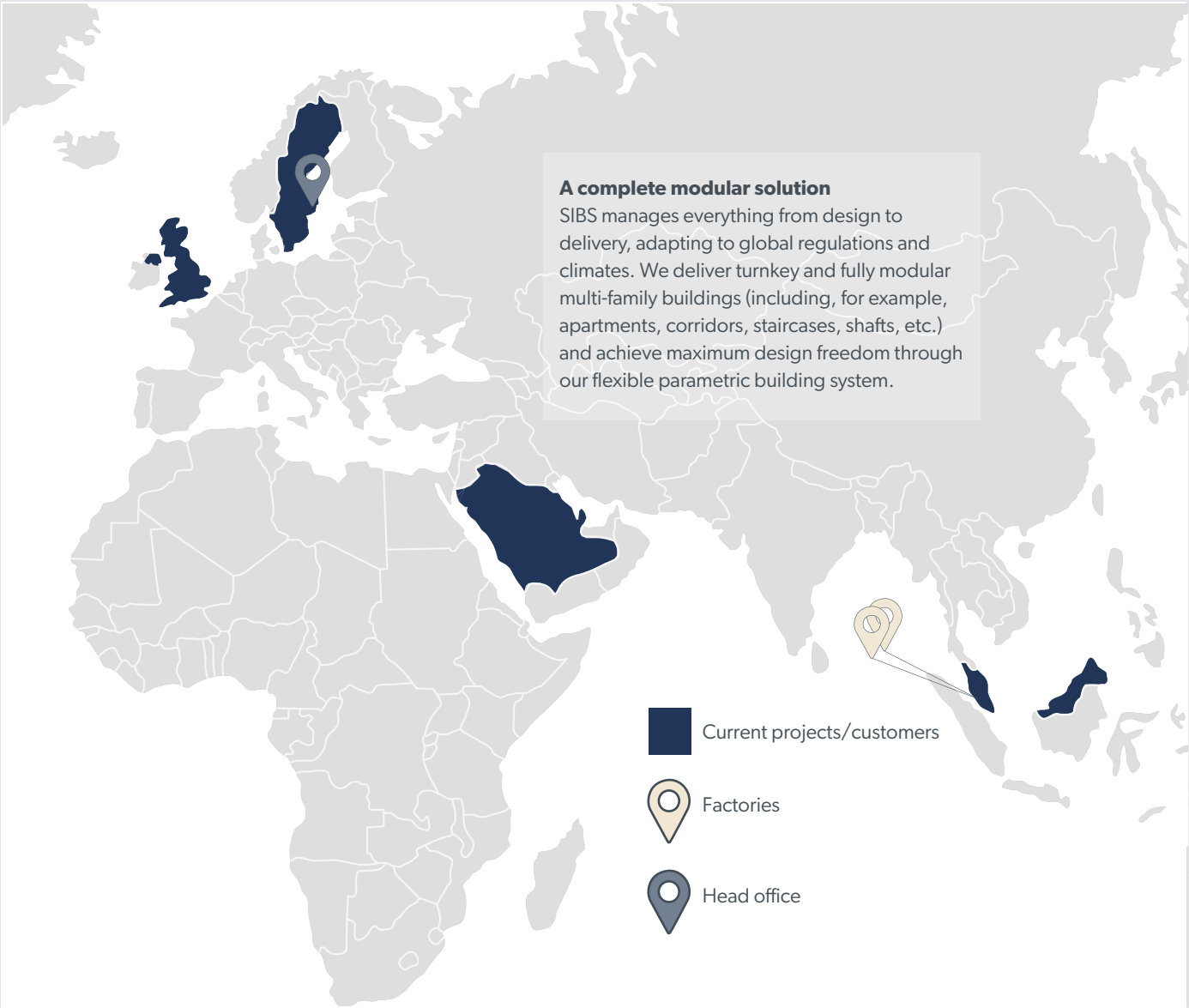
Advantages of industrial modular production

Safety and local impact

SIBS’ production staff work in a controlled and safe indoor environment. Standardized and ergonomically designed processes, along with access to various facilities such as on-site restaurants, contribute to a positive working environment. In addition, they work at a fixed location with set working hours in a safe, ISO 45001-certified environment with regular safety inspections, a fundamental difference from conventional construction projects in the locations where the company operates.

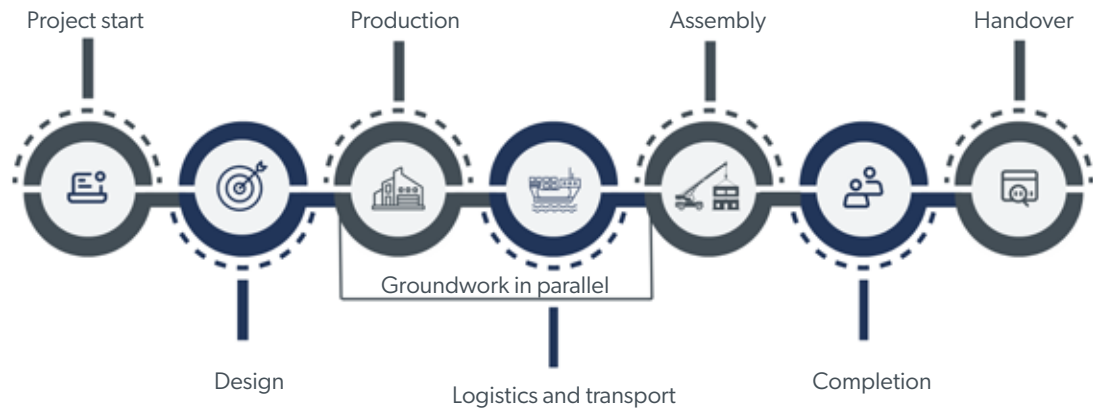
Reduces waste

Buildings from SIBS generate less waste thanks to repetitive manufacturing in a controlled factory environment. This allows surplus materials, such as leftover cement from one module, to be reused in others. It optimizes material usage and reduces waste.



An integrated process from start to finish

SIBS has a fully vertically integrated value chain, from design and configuration to assembly and completion.



Highlights of the year

The past year was defined by our strong growth journey. We continued to complete and deliver homes, completed property sales and drove our production forward at a high pace. At the same time, we developed our organisation, focusing on long-term capacity and sustainable growth.

2,174 APARTMENTS COMPLETED IN NEOM

A state-of-the-art and energy efficient urbanisation project
More than 2,000 apartments completed in the space of a year as part in our first project in NEOM. NEOM, located in northwest Saudi Arabia, is currently the world's largest urbanisation project, and will be a centre for world-leading innovation.

The buildings are highly customised to meet NEOM's requirements, and are designed to be relocatable if there is a need in other areas as the construction of NEOM progresses.



A construction site in NEOM, Saudi Arabia.



NC1, a residential area of NEOM intended for the people helping to develop the area.

NEW ORGANISATION

SIBS Modular - Enhanced and up-scaled operations
SIBS Modular was established in September to consolidate all the building system and industrial production activities. A new Board and CFO team with extensive international industrial experience was appointed to strengthen the organisation. The change is aimed at streamlining processes, maximising capacity and more effectively meeting growing international demand.

The Board of Directors of SIBS Modular consists of Henrik Ehrnrooth (Chair), Karl-Henrik Sundström, Ivo Bozon, Jonas Ramstedt, Johan Karlsson, Erik Thomaeus and Pär Thomaeus.



SIBS' factory in Malaysia



SIBS' factory in Malaysia



Parasollet, Lund, Sweden

SOLD PROJECT SALES

Sales for the year
Several properties were divested by Sveaviken Bostad in 2024. The divestments are fully in line with SIBS' stated strategy of focusing on industrial production.



SIBS' factory in Malaysia

50 MODULES PRODUCED PER DAY

Second quarter - Maximising factory operations and capacity

In the second quarter of 2024, SIBS reached an important production milestone, when all the production lines were running and the factories were operating in two shifts. This meant that the factories were at maximum production capacity, producing 50 modules a day.



Marielundshöjden, Mariefred, Sweden



Dansbanan, Norrköping, Sweden

5.9 BILLION IN SALES

Doubling of sales during the year

In 2024, we continued to build on the strong development that began in 2023, and although the fourth quarter had its challenges, sales more than doubled in 2024.

2024 - A year of growth and learning

2024 saw strong growth, international expansion and new challenges. After a record-breaking first half, the year ended on a more complicated note, as global factors and project-related delays tested our ability to adapt. Despite this, we have continued to deliver and strengthen our organisation with a view to long-term development.

2024 was a year of clear contrasts. The year got off to a strong start, with record production and continued international expansion, in line with the positive momentum that we brought with us from 2023. In the first quarter of the year, we set new production records and established our presence in a major new market.

Conditions changed towards the end of the year. There were increased challenges in the autumn and winter, not least as a result of the geopolitical situation, which negatively affected our global supply chains. In addition, we encountered project-related difficulties linked to our entry into new markets, while some costs exceeded our previous forecasts. Delays in the starting of projects already won but not yet contracted also affected earnings and capacity utilisation in the last quarter of the year. This resulted in a temporarily tight cash flow situation and an increase in the working capital requirement.

It is nevertheless worth stressing though that, despite the challenges, project margins are still expected to be reasonable. The EBITDA margin was 11.5 per cent for the Group as a whole for the full year 2024.

Sales increased significantly, to SEK 5,869 million (2,690), and operating profit before changes in value totalled SEK 543 million (137), almost quadrupling compared with the previous year. EBITDA amounted to SEK 673 million (232). We completed 2,503 homes during the year, representing more than half of the total number of apartments that we have completed since we started in 2016.

Swedish project development

Swedish project development was affected in 2024 by still challenging market conditions. Low transaction volumes and a cautious investment climate further slowed the pace of new project starts. Construction activity in Sweden was also held back by continued high costs, partly due to inflationary pressures. The total realised and unrealised changes in value in our Swedish property portfolio amounted to SEK -447 million, mainly driven by increased yield requirements and a change in the market's view of property valuations.

Measures taken in 2025

In light of the lessons learnt from 2024, we have taken a series of strategic measures to strengthen our resilience and long-term development capacity. These measures will give us financial flexibility and will also improve our financial management capabilities.

- In February 2025, there was an injection of capital through a subordinated convertible bond, alongside the renegotiation of terms with bond investors, which, when combined, raised approximately SEK 600 million of cash.
- In February, we also divested the development project in Nykvarn to our joint venture with Slättö, significantly improving the project's chances of obtaining appropriate financing until its completion.
- In April 2025, we again renegotiated terms with bond investors. Along with an announced share issue in May 2025, with a guaranteed volume of at least SEK 300 million, and broad support from the company's shareholders, this gives the company the cash and financial flexibility needed to honour our commitments, and ensures the stability expected by our customers and other stakeholders.
- We have continually strengthened our organisation by adding essential industrial production, business development and financial management expertise. We have stepped up our efforts to improve internal project management, reinforce financial controls and develop a more diversified customer portfolio that is less concentrated in individual markets. A number of Board committees have also been set up to monitor the progress of our work on risk.
- We also believe that production could start for some of the delayed projects in the summer or soon afterwards. In addition, intensive sales efforts are under way, with a good response in Sweden, the UK and Australia. This is expected to contribute to a more balanced capacity utilisation, although the impact of the delays will continue to be felt in the first half of the year. A gradual recovery is then expected in the autumn.

The combination of the above initiatives forms the basis for our continued development in 2025. Through new reporting structures and updated key performance indicators, we will be able to report on the development of our activities more transparently in the future. It is important to note, however, that conditions were still challeng-



ERIK THOMAEUS

ing at the start of 2025. The results for the beginning of the year will therefore not fully reflect the positive impact of our actions. We expect a gradual recovery starting in the autumn as our initiatives gain traction and new projects enter the production start phase.

Sustainability in practice

Sustainability remains an integral part of our business model and features throughout our operations, from production to project completion. We continued to develop our sustainability work over the year by taking practical action, both in our projects and in our industrial activities.

Several of our housing projects are now fully or partly powered by self-generated solar energy, which is a clear step towards achieving our ambition of reducing our climate impact. In our factories, we stepped up our efforts to improve both health and safety, with good results. We are particularly proud of the health and safety performance of our NEOM projects. Despite the projects' complexity and scale, our teams have demonstrated that it is possible to combine a high production capacity with high safety, health and sustainability standards. You can read more about their work in a separate article in our Sustainability Report.

We also prepared, during the year, for the new sustainability reporting that will come into force in 2025. This marks another important step towards meeting our commitment to greater transparency, structured monitoring and long-term accountability across our operations.

Future development

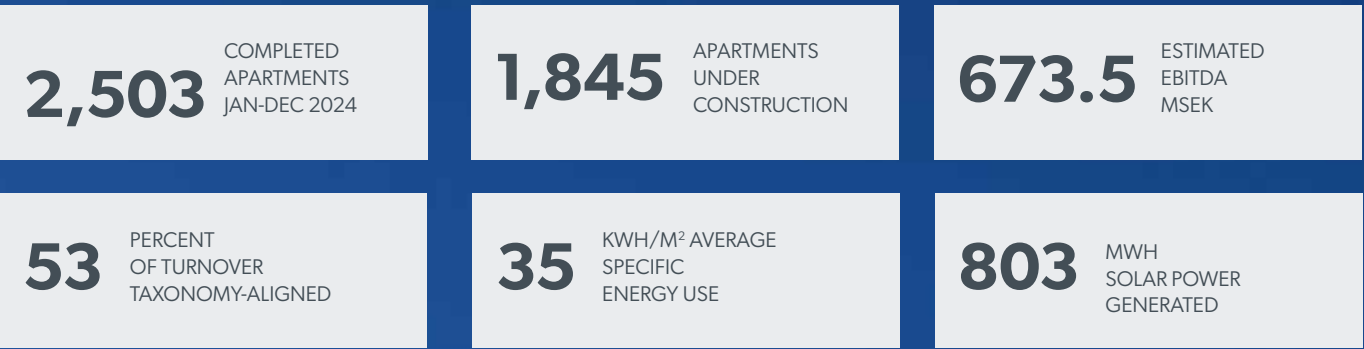
We are going into 2025 with the support of our investors, a clear strategy, an organisation that is being continually strengthened and a continued strong belief in our business model. At the same time, we are working purposefully and systematically to address the challenges that remain, not least by focusing on reinforcing our financial position in close dialogue with shareholders and other investors. We have received international recognition from institutional clients and proved that our product is able to deliver, even at scale. There remains a great need for sustainable and cost-effective housing in many markets. We are deeply grateful for the trust shown by our bond investors and shareholders, who have collectively acted very constructively in a challenging situation.

I would also like to extend my warm and sincere thanks to all our staff. Your commitment, expertise and perseverance are the driving force that moves SIBS forward every day. We are still on track to realise our vision of shaping and transforming the construction and housing market of the future.

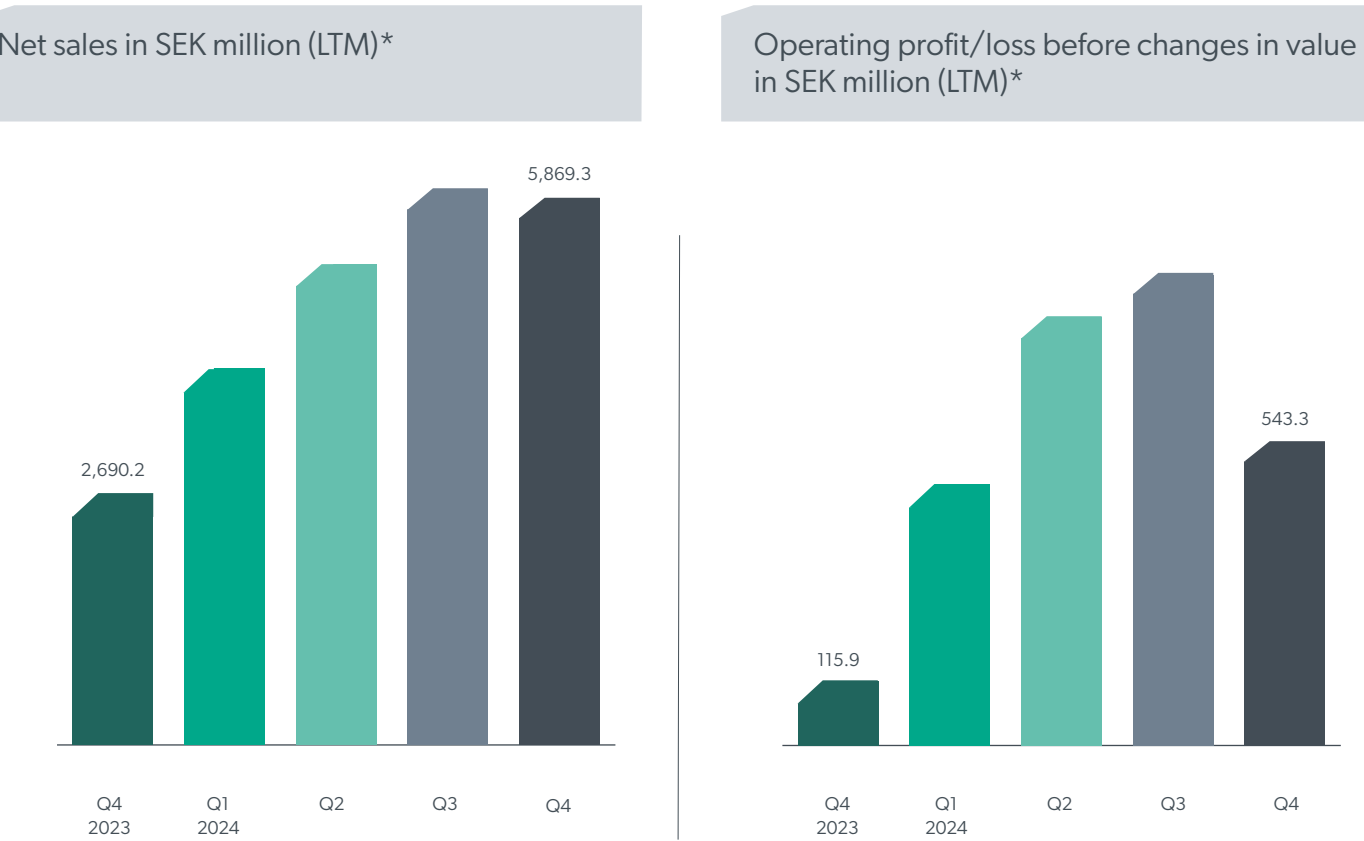
Although we ended 2024 in a different set of circumstances than we started the year with, our strategic direction remains unchanged. Our ambition of leading the way in the industrial housing production sector is stronger than ever.

Erik Thomaeus
CEO, SIBS AB

Development 2024



SIBS in numbers



* LTM means a rolling 12-month period (Last Twelve Months))

KEY RATIOS

SEK million	2024 jan-dec	2023 jan-dec
Net sales	5,869.3	2,690.2
Operating profit/loss before changes in value	543.3	136.7
Estimated EBITDA	673.5	231.7
Operating profit/loss	96.0	-307.4
Profit/loss before tax	-100.0	-536.9
Market value of completed investment properties	1,040.0	1,596.2
Market value of completed properties*	1,798.0	1,779.6
Production starts on apartments during the period	-	3,474
Apartments completed during the period	2,503	1,105
Apartments under construction	1,845	4,347
Apartments under project development	8,708	9,251
Equity/assets ratio	24%	31%
Adjusted equity/assets ratio (adjusted for cash and cash equivalents)	25%	33%
Loan-to-value ratio of completed properties**	58%	59%

* Total market value of all completed properties under own management plus SIBS' share of the corresponding value in associated companies and joint ventures.

**Relates to one property at the end of the period

This is SIBS

VISION

Setting a new standard in construction

Our long-term objective is to drive the development of tomorrow's construction industry, where construction projects cost less, are completed faster and are more predictable. Taking months, not years, to build new homes. Our ambition is to lead developments within ConstructionTech – the combination of automated design systems and industrial construction, which transforms generated drawings into finished buildings with precision.

We're moving beyond traditional construction towards industrial intelligence, transforming the way we design, build, deliver and manage properties.

MISSION

We develop and make construction more efficient through technology

Through ConstructionTech, we are reinventing a traditional industry, making it more cost-effective, productive and digital. With an improved construction industry, we can produce high-quality housing that is both energy efficient and designed to be circular and available on a global scale.

OUR CORNERSTONES

Scalable Optimised growth

Everything we do is scalable, enabling rapid development that benefits our partners, investors and tenants.

Digital Digitisation at every step

Our proprietary processes and systems have enabled us to be digital from the start and develop smart solutions and concepts from scratch.

Sustainable Designed for circularity

We strive for a circular approach in both our business and production. Our perspective is always long-term.

Focused No compromises

By using digitisation from start to finish, as well as streamlined industrial production, we reduce construction time without compromising quality.

Neom, Saudi Arabia

SIBS business model

Building on SIBS' leading expertise and patented ConstructionTech systems, we are optimising our assets and focusing on three business areas with distinct concepts. SIBS has inherently automated processes with high predictability and precision. At the same time, the business strategy offers opportunities for a high degree

of variety to meet different needs in different markets, projects and for different customers. We are constantly working to develop a robust and adaptive business. Through our business strategy, we are building a long-term sustainable company that meets today's needs while staying ahead into the future.



Scandinavian Industrialized Building Systems

ConstructionTech

Building systems: Flexible and scalable design automation software that transforms automatically generated drawings into finished buildings
Production systems: Processes and production machines developed in-house to be integrated with the software



Industrial Sales

In the Industrial Sales business area, SIBS sells and delivers projects in line with the Project Sales or Module Sales concept to a global market. The business area includes both the Group's concept houses and bespoke buildings tailored to the customer's needs and wishes.



SIBS is one of the leading industrial producers of housing in the global market. With a scalable capacity of up to around 6,000 homes per year, we deliver either turnkey houses or modules, providing assistance all the way to the turnkey stage.

Products

Project Sales

Turnkey houses

Design and production of modules to be transported to the construction site. SIBS is responsible for assembly, completion and commissioning.

Module Sales

Modules with turnkey assistance

Design and production of modules to be transported to the construction site. The customer is responsible for assembly, completion and commissioning. SIBS assists until the commissioning stage.



Property Development & Management

The development and management of rental housing and commercial properties within the Group in the Nordic market. This business area covers the entire value chain of property development from acquisition to turnkey.



Through the wholly owned subsidiary Sveaviken Bostad, we develop, build, and own properties within the group. In Sveaviken, we have built nearly 2,200 apartments in Sweden. We have refined and developed the concept with quality assurance of the entire chain and the final product. Through the wholly owned subsidiary Sveaviken PM, we manage both our own and others' properties.

Brands



Develops, owns and manages homes within the Group in the Nordic market.



Concept houses for rapid delivery of housing where the need is greatest. Development and management for the group and for external parties.



A hotel property concept. Develops and lets hotels to reputable operators.



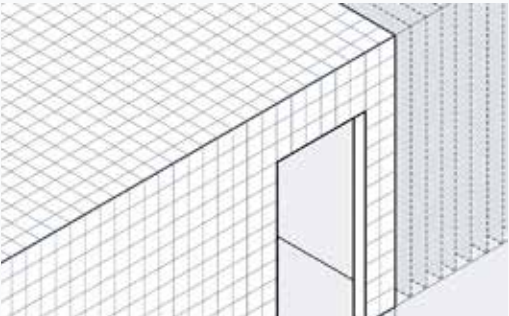
The Home Factory

Develops and builds turnkey, production-ready factories.



Develops and builds turnkey, production-ready factories. Also includes a licence for the SIBS building system.

SIBS project process overview



Design and configuration

Planning and resourcing

Production

Logistics and transport

Assembly and completion

TIME



Up to 70% faster.

COST



>70% lower cost.

QUALITY



Automated quality assurance in the building system.

SUSTAINABLE



Building system developed for good energy performance.

DIFFERENTIATION



Flexibility
Low mixture high volume.

Order points in ERP system.
Timely ordering for just-in-time delivery.

Streamlined process with small number of components
all purchased in large volumes.

Rigorous review and testing of materials in sourcing department and separate procurement department.

Assessed suppliers with environmentally certified construction products.

Volume purchase of tested, standardised products in an auto-generated procurement process.

Optimised industrial production in parallel with ground work.

Industrial production.
Around 50% faster.

Over 400 quality points digitally measured and documented.

Safer work environment in a controlled industrial environment.

Production machines manufactured in-house.

Just-in-time.

Up to 90% fewer HGV shipments to construction site.

An established, detailed process facilitates and enhances.

Sea freight for reduced climate impact.

Proprietary shipping system
CC-light to reduce stress on the module during shipping.

Building completed 3–4 months after assembly begins. Foundation completed.
Up to 60–70% faster.

30% cost saving thanks to 90% completion rate in the factory.

Over 50 quality points in each module documented digitally.

Third-party-certified sustainable buildings.

Delivered 90% complete to the construction site.
Vertical shafts in situ in the walls, finished stairwells and lift shafts, modular slab.

SIBS has developed a dynamic configurator that automates the drawing process for modular buildings using predefined parameters. This provides greater flexibility in the drawing process than is possible using a conventional modular builder.

The automated drawing process means material components can be determined and ordered at an early stage, with very high precision and cost transparency. Just-in-time delivery to the factory of all materials in the right quantities dispenses with the need to hold large stocks.

The factories in Penang, Malaysia, receive digital drawings and material components and then build the housing modules in a streamlined, systematic and semi-automated process.

Production takes place in a controlled indoor environment. This guarantees quality and provides a better working environment for manual work elements that would otherwise be carried out at the construction site.
For a typical project, the modules are ready around 4–6 weeks after production start.

A large number of standardised quality controls are performed during production. All materials and components installed in the apartments are registered to make them easily traceable.

SIBS' integrated logistics infrastructure manages shipping from Penang, Malaysia, all the way to the final destination at the construction site.

Large-scale procurement of freight shipment by land and sea before production begins allows for a high level of efficiency and cost transparency.

Ground work and foundations are completed while the modules are being produced in the factory and once the modules arrive at the construction site, assembly work begins on the completed foundations.

The modules are easy to assemble using SIBS-Connect, which also enables the modules to be lifted out and the building dismantled.

The facade and roof are fitted on site.

On average, 20 modules are assembled per day.

SPS Flow

SPS Flow

Projects completed in 2024

During the year, we completed a total of 2,503 homes, which is more than ever before in SIBS' history. This is a testament to our capacity, and also to the power of our industrialised and scalable building system. Each project has a unique design, but shares the same foundation, namely a sustainable system that allows for variation and adaptation to each site's nature and conditions.

With our technology, we are able to build as efficiently in Arctic climates as in desert heat, as demonstrated by our deliveries in both Sweden and Saudi Arabia. Our houses are designed for longevity, with their robust materials, well-thought-out floor plans and a clear focus on social, environmental and economic sustainability.

SILHUETTEN, BARKARBYSTADEN, BLOCK 20, JÄRFÄLLA, SWEDEN
208 HOMES COMPLETED IN 2024

Modern and sustainable in the heart of Barkarbystaden
In central Barkarbystaden, we have constructed a new city block with 208 rental apartments and live-work units ranging from 1 to 4 rooms and a kitchen. The apartments have smart layouts and the mixed-use units are on two floors, with the possibility of a workshop, studio or shop on the ground floor. The basic aim was to create a neighbourhood where engagement, creativity and innovation are allowed to flourish in an inspiring environment. The buildings and apartments are digital, equipped with Parakey's mobile access system.

Silhuetten is designed to be recognisable from all directions. The buildings vary in volume and the facades are framed by slate and wood.

The homes are close to public transport, schools, nursery schools, shops, cultural activities, nature and entertainment. The bus stops outside the entrance and Barkarby retail park is within walking distance.



NEOM, NC1, SAUDI ARABIA
2,174 HOMES COMPLETED IN 2024

State of the art and energy efficient
In 2023, production began on the more than 2,000 apartments, divided between 35 buildings, and in December 2024 the completed apartments were handed over. The apartments are intended for the people working on planning, engineering and construction for NEOM.

NEOM, located in northwest Saudi Arabia, is currently the world's largest urbanisation project, and will be a centre for world-leading innovation.

The project is located in the area that is the main site for staff housing and offices. The units range from 1-3 rooms and kitchen, and are equipped with well-designed kitchens, exclusive bathrooms and balconies. The high quality and design contribute to a superior living standard. The buildings are optimised for energy efficiency, through everything from water-saving faucets to high airtightness and solar panels.

The buildings are highly customised to meet NEOM's requirements, and are designed to be relocatable if there is a need in other areas as the construction of NEOM progresses.



A selection of ongoing projects

Our projects vary greatly in their scale, architecture and location, from urban environments in Sweden to expansive housing developments in the Middle East. Sweden has been our home market from the start, and is where we have laid the foundations for a quality-assured and industrialised construction process that can also be applied in other markets. Wherever we operate, our goal is the same: to create attractive homes in which every module is built to last and designed with care.

NEOM, SBC, SAUDI ARABIA
1,302 HOMES, IN PROGRESS

Customised housing in Oxagon

In September 2023, a contract was signed with NEOM for the delivery of a second project covering 1,302 apartments in 22 buildings. The project is located in Oxagon, a ground-breaking port city conceived as a hub for industrial innovation.

The apartments have between 1 and 3 rooms with high quality, well-designed kitchens, exclusive bathrooms and generous balconies. Energy efficiency is central to the entire project, from the solar panels and low-flow taps to the highly airtight construction.

The buildings are highly customised to meet NEOM's requirements, and are designed to be relocatable if there is a need in other areas as the construction of NEOM progresses.

The project demonstrates how flexible and sustainable urban design can go hand in hand with high living standards in one of the world's most visionary neighbourhoods.



SBC. A temporary residential area of NEOM intended for the people helping to develop the area.



Kitchen in SBC, Saudi Arabia

3D rendering. A temporary residential area of NEOM intended for the people helping to develop the area.



Completed apartments and courtyard houses in Nykvarn Centrum



NYKVARN CENTRUM, SWEDEN
272 APARTMENTS AND COMMERCIAL UNITS, IN PROGRESS

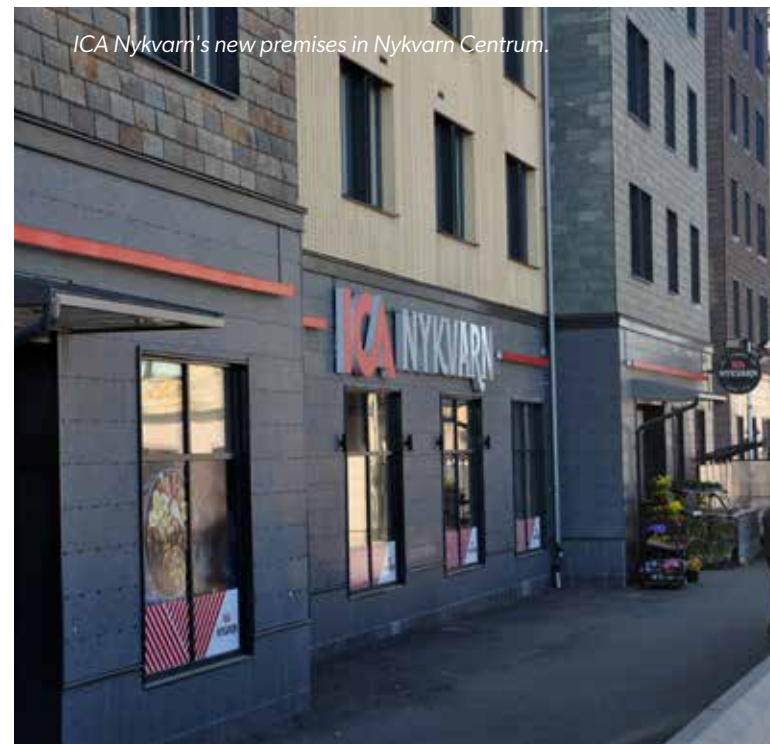
A safe and new town centre in growing Nykvarn

Nykvarn's new town centre is being developed with a focus on services and security. The idea is for the new homes, and commercial units, to bring more people to the site and help create a town centre where lots of people can meet. The homes are being built in several different phases, but are all sustainable and have an innovative and stylish architectural design.

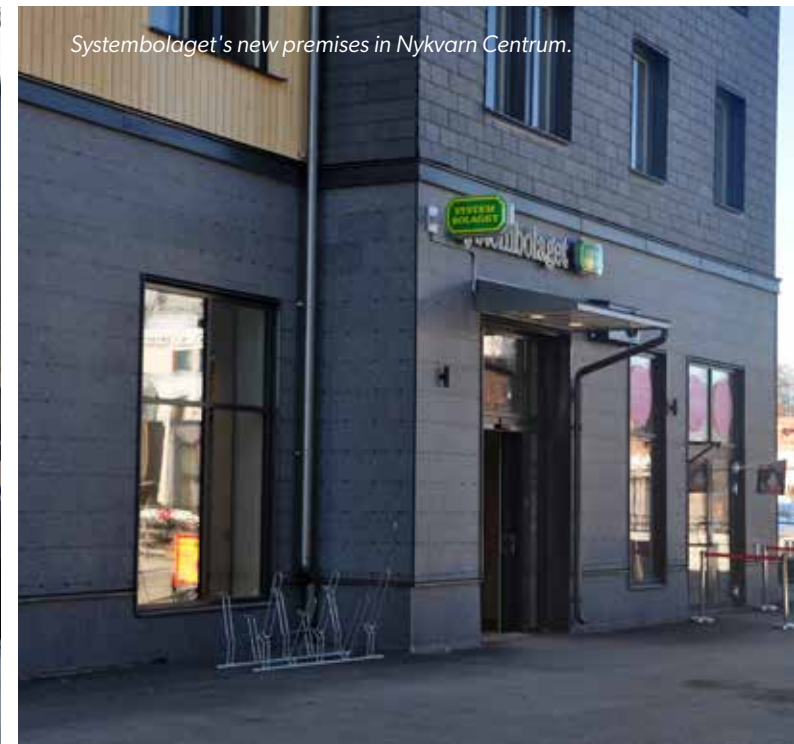
We are building a total of 272 new rental apartments, along with several commercial units; both ICA and Systembolaget, and a restaurant, have moved to attractive new premises in the fourth block.

The rental apartments have 1 to 5 rooms plus kitchens, of which six larger apartments are in visually appealing two-storey courtyard houses.

ICA Nykvarn's new premises in Nykvarn Centrum.



Systembolaget's new premises in Nykvarn Centrum.



STOCKROSEN, NYKÖPING, SWEDEN
434 HOMES ALONG WITH RETAIL AND TERTIARY UNITS,
IN PROGRESS

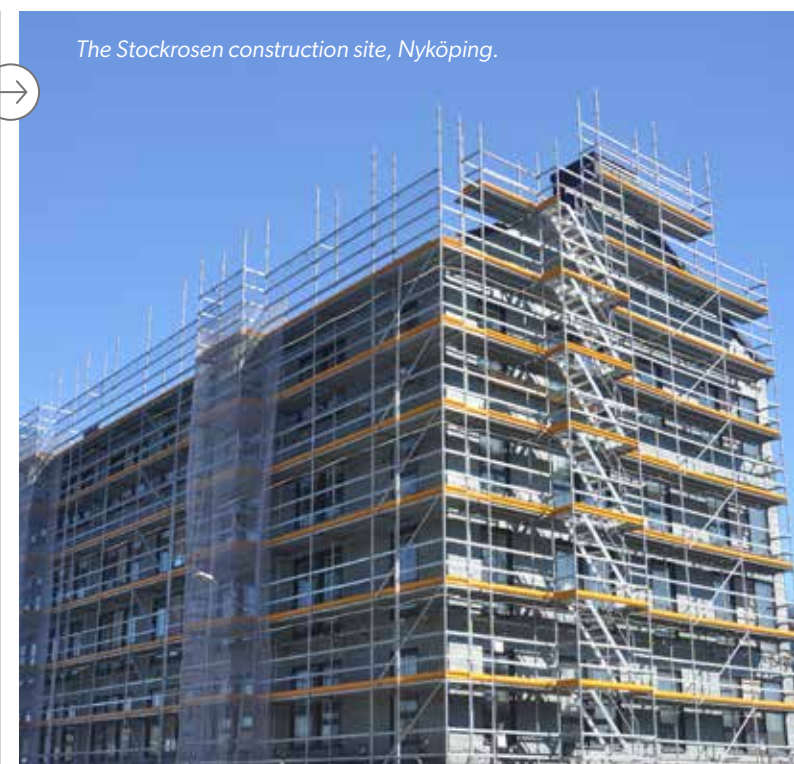
Smart apartments near Nyköping town centre

A total of 434 rental apartments, divided between two blocks, are being produced close to both Nyköping's town centre and its transport hub. The project is in a strategic location for public transport and the blocks' architecture will be rich in features inspired by Nyköping's cultural history. The area will be developed to include housing, workplaces and businesses such as shops and hotels to create a dense, vibrant and sustainable mixed urban area.

The apartments have between 1 and 5 rooms, plus a kitchen, laid out in a surface area of around 25 to 100 m². They will be beautifully decorated with single-strip oak parquet flooring, quartz worktops and fully tiled bathrooms with underfloor heating.

The property is circular and will be very energy efficient thanks, among other things, to solar panels on the roof and exhaust and supply air ventilation, with a high degree of energy recovery in all the apartments.

The Stockrosen construction site, Nyköping.





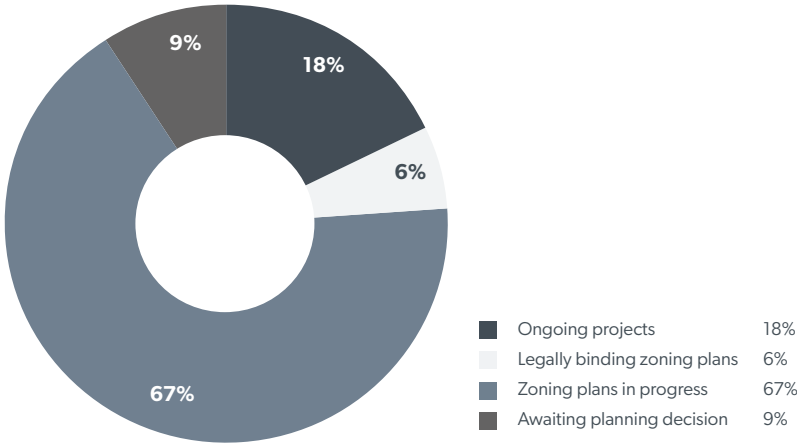
Nykvarn Centrum, Sweden

Project portfolio

Project name	Municipality	Country	Number of homes	Current status	Estimated production start
SBC	NEOM	Saudi Arabia	540	Ongoing project	In progress
Nykvarn Centrum	Nykvarn	Sweden	137	Ongoing project	In progress
Helsingborg *	Helsingborg	Sweden	39	Ongoing project	In progress
Brädgården *	Nyköping	Sweden	367	Ongoing project	In progress
Enköping Centrum *	Enköping	Sweden	328	Ongoing project	In progress
Stockrosen *	Nyköping	Sweden	434	Ongoing project	In progress
Svanholmen	Stockholm	Sweden	271	Legally binding zoning plans	2025
Portkvarteren	Lund	Sweden	137	Legally binding zoning plans	2025
Hemmesta	Värmdö	Sweden	450	Zoning plans in progress	2025
Eskilstuna	Eskilstuna	Sweden	300	Zoning plans in progress	2025
Kallfors	Södertälje	Sweden	200	Zoning plans in progress	2026
Nykvarn Centrum	Nykvarn	Sweden	150	Legally binding zoning plans	2026
Tangenten Sorgenfri	Malmö	Sweden	400	Zoning plans in progress	2026
Maltesholm	Stockholm	Sweden	110	Zoning plans in progress	2026
Ruledden	Sollentuna	Sweden	500	Zoning plans in progress	2026
Svanholmen 2	Stockholm	Sweden	100	Legally binding zoning plans	2027
Söderby 2	Haninge	Sweden	280	Zoning plans in progress	2027
Kassmyra	Botkyrka	Sweden	2,000	Zoning plans in progress	2028
Sjödalen	Huddinge	Sweden	250	Zoning plans in progress	2028
Tumba	Botkyrka	Sweden	560	Zoning plans in progress	2029
Kassmyra	Botkyrka	Sweden	2,000	Zoning plans in progress	2029
Kungsbacka	Kungsbacka	Sweden	1,000	Awaiting planning decision	2029
Total			10,553		

* Joint venture (50/50) with Slättö

PROJECT STATUS



The next steps in our industrial journey

In order to move forward with our development, we set up SIBS Modular during the year, which will consolidate all the activities related to our building system and our industrial production. This change strengthens our core, refines our business model and prepares us for further expansion.

A business model for our times

Since the beginning, SIBS has had a clear vision, of transforming the construction industry by industrialising housing production. We have challenged traditional ways of working and created a comprehensive value chain, from design and configuration using our proprietary building system, through production in our factories, to assembly and completion on site.

The direction taken has now been further clarified by SIBS Modular. Bringing product development, production and delivery together in a coherent unit creates the conditions required for increased scalability, efficiency and focus. It also enables even more agile and data-driven operations, which is crucial in today's fast-moving market. Having a focused business also creates greater opportunities to invest in different concepts, different markets and different types of deliveries.

We know what we are good at and we are building on it

SIBS has quickly established itself as one of the world's leading players in the industrial housing construction market. Our strength lies in our ability to combine technological innovation with a high capacity for implementation, in other words our ability to deliver housing adapted to local needs and regulations quickly, cost-effectively and to a high standard.

We have a culture of ambition, accountability and continuous improvement. By taking a long-term, digital and sustainable approach, to everything from building systems to energy and materials, we are creating solutions for both today's and tomorrow's housing. It's not just our homes that are modular, but our entire way of thinking about scalability, business models and partnerships.

An enhanced management team and clear mission

As part of the reorganization, the company has strengthened its industrial and global expertise. A new board of directors has been appointed, with members who all share our belief that the homes of the future will be built industrially, with high quality and short lead times.

"SIBS has the potential to change the way we build, not just in Sweden, but globally. Thanks to technology and a systematic approach, the conditions are in place to scale up and make predictable, high quality and faster deliveries," says Henrik Ehrnrooth, Chairman of the Board at SIBS Modular and former CEO of Kone Corporation.

A focus on our core activities and the future

The new structure allows us to streamline our areas of activity. With SIBS Modular as the engine of industrial production and Sveaviken as the hub for project development in Sweden, we are better equipped than ever to meet future needs.

For us, this is more than just a reorganisation; it's about taking a clear direction. We are developing a new way of thinking about housing production. One that enables precision, speed and innovation at every step.

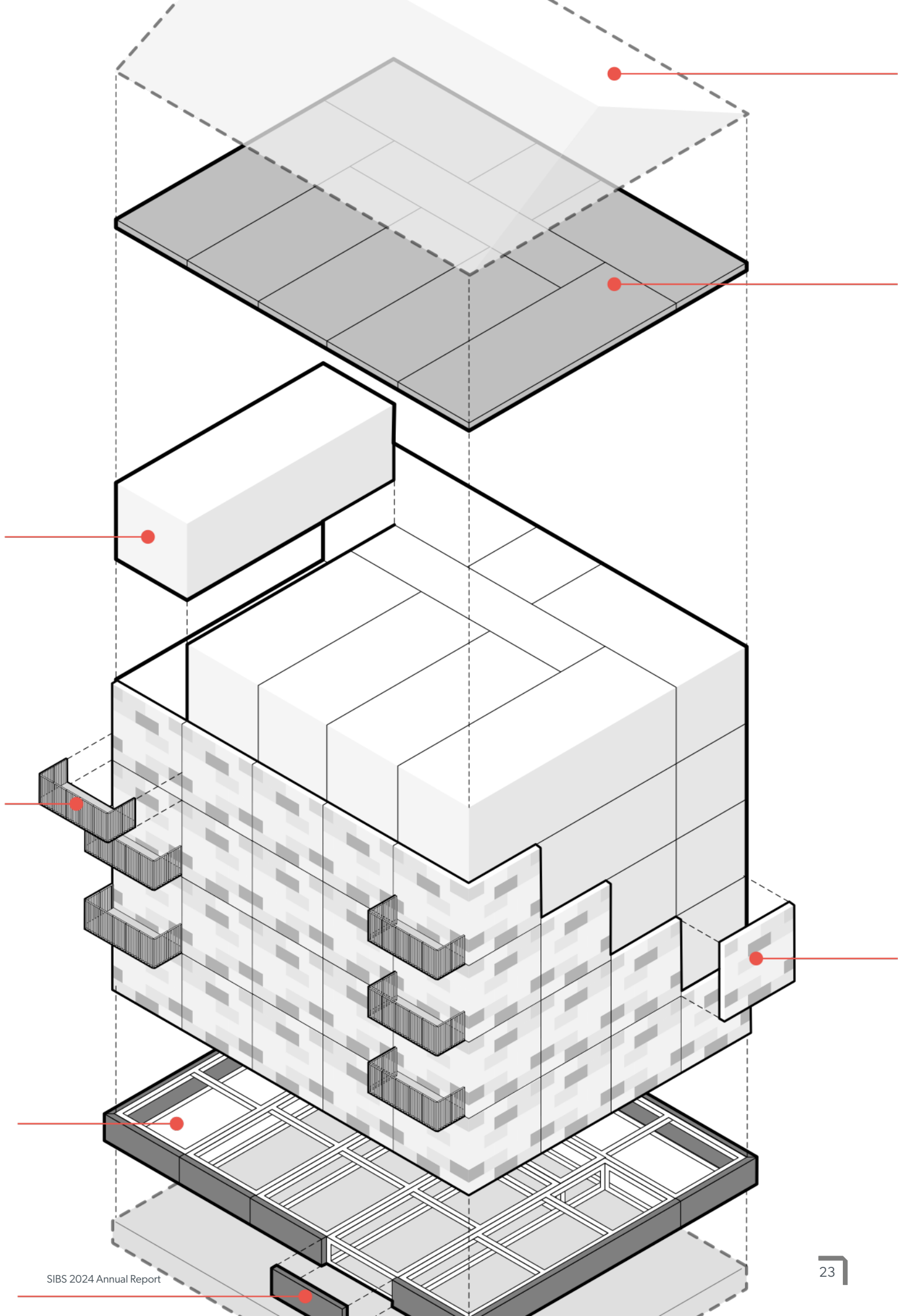
"SIBS has the potential to change the way we build, not just in Sweden, but globally. Thanks to technology and a systematic approach, the conditions are in place to scale up and make predictable, high quality and faster deliveries"

HENRIK EHRNROOTH

Chairman of the Board SIBS Modular



HENRIK EHRNROOTH
CHAIRMAN OF THE BOARD
SIBS MODULAR



Sustainability Report



Industrialisation as a foundation for sustainability

SIBS has established itself as a leading player in the industrial production of housing, its vision being to redefine construction industry standards and strive for sustainability and efficiency. Through its pioneering industrial methods and strong commitment to sustainability, SIBS has not only changed the way we build, but also the way we think about the circularity of buildings.

SIBS uses an industrial method that is groundbreaking for the real estate industry and allows us to build faster and more efficiently than using traditional construction methods. With its own resource- and flow-optimised production facilities, SIBS can complete around 90 per cent of its homes in its factories. This provides major sustainability gains in construction in the form of higher production efficiency and less waste, significantly less construction transport and a better working environment. The housing is built undercover in a process-oriented, systematised and well-controlled flow.

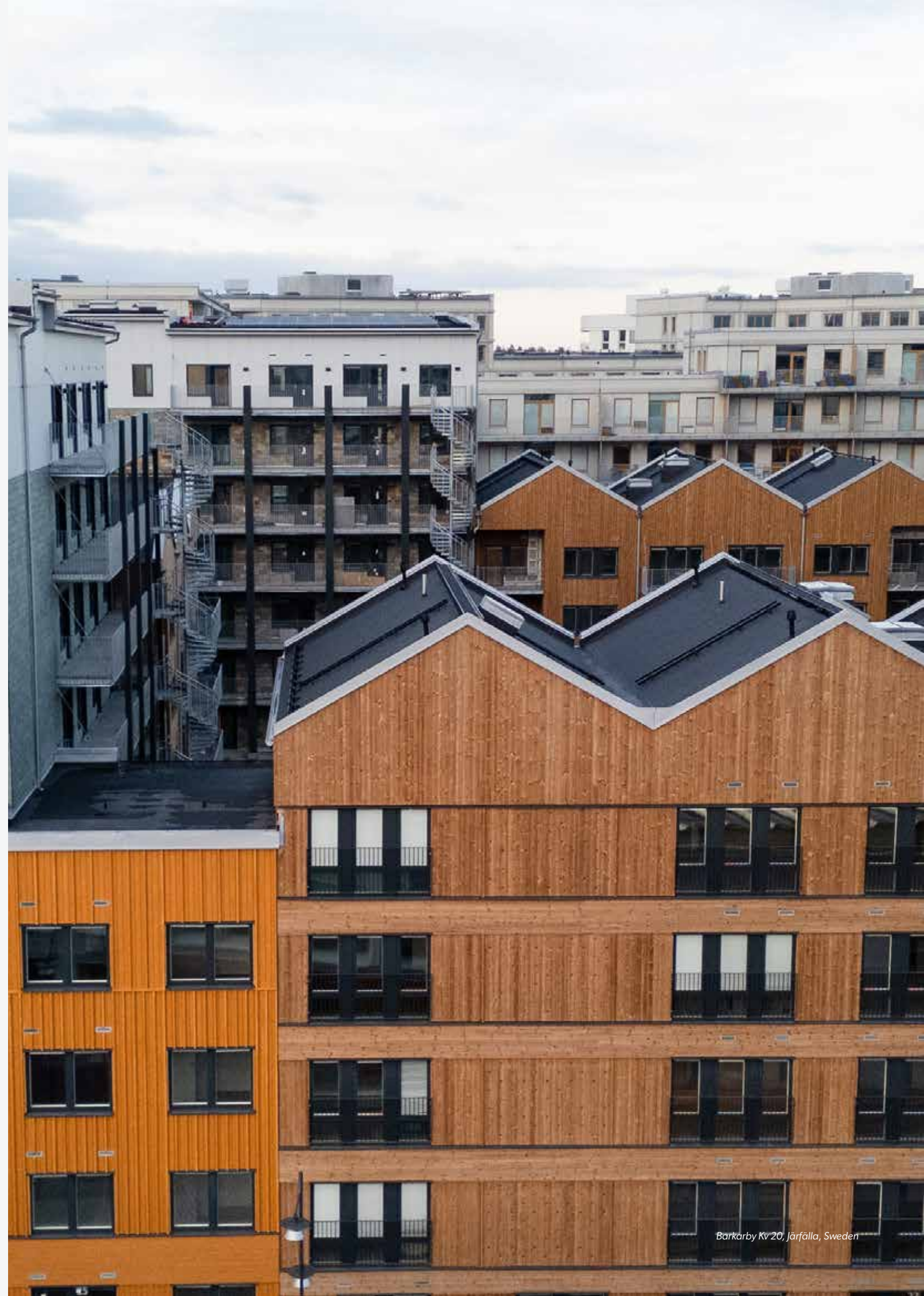
Our buildings are designed to be circular, meaning they can be dismantled, moved and rebuilt with the same frame, the same installations, and even the same finish. Industrial construction, together with our safety, environmental and working environment procedures, also reduces the risk of accidents compared with conventional construction. Despite the fact that SIBS expanded considerably over the year, with a significant increase in production and more employees in an international market, we have not had any serious workplace accidents.

Spotlight on sustainability over the year

In 2024, we focused on meeting clients' requirements and sustainability targets in the factories, and in ongoing Swedish and international projects. We are paying particular attention in our work to the circular economy, climate impact, sustainable supply chains, health and safety and business ethics. Preventing bribery and corruption in our business relationships, and ensuring good working conditions in our supply chain, are high priorities, for example.

Alignment with the EU Corporate Sustainability Reporting Directive (CSRD) and the EU Sustainability Reporting Standards (ESRS), and work on the Group's double materiality assessment and the selecting of the data points to be reported on for the financial year 2025, required considerable resources and led to very positive exchanges between SIBS' companies and various areas of professional activity. Work on producing the company's first EPD (Environmental Product Declaration), with a detailed climate footprint for our modules, was ongoing during the year, and a third-party verification is expected to take place in spring 2025.

Our industrial and digital processes and automated design approach are a factor in SIBS' success. They provide access to data and models, enabling us to continually improve quality, sustainability and resource efficiency.



Barkarby Kv 20, Järfälla, Sweden

Sustainable value creation

SIBS helps to meet the strong global demand for high-quality, safe living environments without the buildings’ impact resulting in humanity exceeding the planetary boundaries or in any person being harmed in the process. We believe that the industrialisation of construction is key to achieving this in a sustainable manner. SIBS’ combination of a high-tech building system, automated processes and optimised, safe production in our factories provides impressive opportunities for streamlining and development.

External factors

Globalisation, digitisation and automation, AI, international trade policy, climate change, legislation, geopolitical conflicts, need for adaptability, values.

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Our resources

- Expertise and experience in the high-tech, industrial construction of energy-optimised properties
- Insights into, and extensive knowledge of, factors that drive value for customers and consumers
- Robust and highly flexible organisation
- Borrowing and equity
- Market-adaptive financing structures
- Resources – Energy, water, building materials
- Logistics and transport
- Two factories in Malaysia with a production capacity of around 6,000 flats per year globally
- Around 4,400 apartments under construction
- Good relationships with partners and suppliers
- High level of trust in the company’s various disciplines, secure cooperation internally and externally
- Processes for sustainable supply chains
- Around 2,080 employees within the Group
- Close to 1,400 apartments under own management

Our offering

Leading industrial producer of volumetric apartment modules

SIBS is one of the leading industrial producers of housing in the global market. With a scalable capacity of up to around 6,000 homes per year, we deliver either turnkey houses or modules, providing assistance all the way to the turnkey stage.

Industrial Sales

Projects are delivered in line with the Project Sales or Module Sales concept to a global market. The business area includes the Group’s concept houses, Rehouse and Rehotel, as well as bespoke properties tailored to the customer’s needs and wishes.

Global reach

The location of the factories was chosen, among other things, because of the strong local supply chain, and the availability of raw materials and highly-skilled engineers. It is also a globally strategic location.

Property Development & Management

Through the wholly-owned subsidiary Sveaviken Bostad and Sveaviken PM, we develop, build, own and manage properties within the Group and also for external customers. We have embraced the new era of property management, with its digital solutions, and offer efficient management that reduces costs, increases net operating income and creates higher customer satisfaction.

The Home Factory

Develops and builds turnkey, production-ready factories. Also includes a licence for the SIBS building system.

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Vertically integrated value chain



Value for our stakeholders

For shareholders

- Good long-term growth
- Sustainable growth on a global market
- Leader in the industrial production of apartments
- Expanding operations in growth segments
- Rigorous control system for quality and development
- Market-adaptive financing structures

For customers

- Scalable capacity of up to 6,000 apartments per year
- High-tech, flexible building system adapts buildings according to needs and location
- Value chain adaptable to the rules and requirements of different countries
- Highly time-efficient production and completion provides an earlier return on investment.
- Total time saving of around 50% compared with site-built
- Costs around 30% less than traditional methods
- High-quality materials used for interiors and exteriors

For residents

- High-quality homes in safe living environments
- Management that is present and available, both through personal contact and digital meeting places
- Individual energy metering for every apartment
- Integrated digital systems that improve sustainability, efficiency and customer satisfaction
- Insight into factors that drive value for tenants

For employees

- A safe and inclusive corporate environment with a strong sense of community
- An organisation offering continuous learning, development and innovation, both collectively and at individual level
- Safe and secure workplace in the factory, at the construction site and in the office

For sustainable development

- Energy-efficient properties
- Certified sustainable properties
- An excellent, healthy indoor climate
- Circular buildings that can be dismantled and rebuilt
- SIBS works sustainability based on the UN Global Goals, the UN Global Compact and the OECD Guidelines for Multinational Enterprises
- Code of Conduct, Sustainability Policy and Environmental Policy apply to supplier partnerships
- Management systems certified according to ISO 9001, 14001 and 45001
- Building system third-party certified under the Buildoffsite Property Assurance Scheme (BOPAS)

Sustainable enterprise

Our sustainability strategy guides our actions to achieve a sustainable society and reduced climate impact in line with the Paris Agreement. We work with our customers, suppliers and partners to implement sustainability throughout the value chain.

Our Sustainability Policy, Code of Conduct and Environmental Policy are based mainly on the OECD Guidelines for Multinational Enterprises, UN Global Compact, 2030 Agenda and the Global Sustainable Development Goals.

To live up to our Code of Conduct and policies, we carry out well-structured work with focus areas, goals and action plans, as well as a thorough process for following up on ourselves and our suppliers. SIBS’ management system is certified in accordance with ISO 9001 and ISO 14001, and for production and construction also in accordance with ISO 45001.

Our three prioritised non-financial goals

- Nobody harmed at our workplaces
- Net zero emissions of carbon dioxide by 2045
- 100% environmentally certified properties

Circular construction designed for disassembly and reuse

It is a sad fact that today many buildings are demolished not because they are outdated, but because they are no longer the right building in the right place. During demolition, it is difficult to separate out different building materials, which means they can rarely be reused and at best their constituent materials can be recycled. Our buildings can be moved instead of demolished. This means that almost all the building materials can be reused: frames, flooring, doors, windows, kitchens, installations, mouldings, etc. can be moved module by module. We are continuously working to further reduce waste and to increase the recycling of waste from both the factories and construction sites.

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Governance

Strategic management of sustainability work

SIBS’ policy documents, such as the Environmental and Quality Policy, Code of Conduct, Due Diligence process, action plans and procedures form the strategic framework for its sustainability work. All policies are approved by SIBS’ Board of Directors and reviewed annually. The Environmental and Quality Policy and the Code of Conduct are published on www.sibs.se. A whistleblowing service is also available on SIBS’ website. This is external to ensure anonymity so there is no hindrance to reporting if anything questionable is experienced in relation to our policies by an employee or other stakeholder. In 2024, the Group had one whistleblowing case related to the supply chain in the Swedish market.

Governance of sustainability work follows the organisational structure. SIBS AB, the parent company and the Board of Directors strategically manage the Group’s sustainability work. The operational sustainability work in the Group companies and our projects is managed by sustainability coordinators and quality, environmental and health and safety managers, in the factories and on construction sites in Sweden and internationally. Responsibility for compliance with laws and regulations lies with the CEO of each company. The strategic sustainability work is carried out in close cooperation with SIBS’ management team, and the CEO reports on follow-up to the Board on a quarterly basis.

Quality-assured management systems

MOKO, Sveaviken Bostad and Sveaviken PM have quality and environmental management systems certified to ISO 9001:2015 and ISO 14001:2015 standards. The management systems at SIBS Malaysia and MOBY are also health and safety certified in accordance with ISO 45001:2018. Our building system is certified under the Buildoffsite Property Assurance Scheme (BOPAS).

The CEO of each Group company and associated company is responsible for compliance with SIBS’ Business Policy, the Internal Code of Conduct and the Supplier Code of Conduct. SIBS’ policies are integrated in its daily work through training and continuous review and follow-up. SIBS’ policy documents do not group or categorise stakeholders. SIBS does not accept any form of discrimination, and there is a particular focus on equal treatment for all, regardless of gender, ethnicity, age, disability, religion or political persuasion.

Health and safety and working conditions

In addition to our support and governance systems, employees are also encouraged to contact their immediate superior if they have any doubts about how to act in relation to the company’s policies. Our managers should be visible and accessible for this kind of conversation and input.

As we have entered new international markets, we have focused particularly on ensuring good health and safety and working conditions for our employees, as well as compliance with business ethics in our own operations and in the value chain.

Governance

SIBS was founded in 2016 by brothers Erik and Pär Thomaeus and co-founders Jonas Ramstedt and Johan Karlsson. Since its inception, SIBS’ Board of Directors has been made up of our founders, all of whom have been strong contributors to the company’s growth journey and success. Erik and Pär are operationally active in the SIBS Group as CEO of SIBS Group and CEO of Sveaviken Bostad AB respectively. Jonas Ramstedt is a major shareholder through J&G Invest AB and Ramstedt Gruppen AB, and is also the principal owner of Landia AB, which is one of SIBS’ partners in real estate and development rights transactions. Johan Karlsson is a major shareholder through Neptunia Invest AB and is important for the joint venture projects with Slättö, in which Neptunia Invest is the majority shareholder. Johan Karlsson has been Chairman of the board since January 2025, following the resignation of Mikael Wolf.

SIBS’ Board decides on all major deals through an Investment Committee. Potential conflicts of interest are managed through the people concerned not participating in Investment Committee meetings at which transactions with a potential or actual conflict of interest are decided on.

In 2024, the decision was made to consolidate all the activities related to the company’s building system and industrial production in a new wholly-owned subsidiary, named SIBS Modular. A Board with broad global industrial expertise was appointed in connection with this decision. Henrik Ehrnrooth is Chairman of the board in SIBS Modular. The other Board members are Karl-Henrik Sundström, Ivo Bozon, Jonas Ramstedt, Johan Karlsson, Erik Thomaeus and Pär Thomaeus.

By scanning a module’s unique QR code, we can see the quality checks completed for the specific module in SPS Flow, or directly bring up the checklist to be completed in the current phase of the work process.



SIBS Code of Conduct

SIBS’ Code of Conduct and policies are based on the Ten Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises. They apply to our own operations and our entire value chain.

SIBS’ commitment to responsible business is governed strategically by our Sustainability Policy, Code of Conduct, Health and Safety Policy, Environmental Policy and operational tools in the form of Human Rights Due Diligence anti-corruption processes. These are based mainly on the OECD Guidelines for Multinational Enterprises, the Ten Principles of the UN Global Compact, the 2030 Agenda and Minimum Safeguards (MS) in line with the EU Taxonomy Regulation, the EU Forced Labour Regulation and the Due Diligence Directive (CSDDD). The Code of Conduct covers human rights, working conditions, health and safety, the environment, bribery and the prevention of corruption and applies to all employees of the Group, suppliers and business partners.

An anonymous whistleblowing service is available on SIBS’ website, enabling any misconduct to be reported. Corrective action is taken if an employee fails to comply with the Code of Conduct. If a supplier or business partner fails to comply with the Code of Conduct or commits a serious breach of the Code, the business relationship is terminated. In 2024, there was one whistleblowing case linked to the supply chain in the Swedish market.

Certified management systems and processes

Having systematic processes and a high degree of control is a major and important part of SIBS’ industrial construction. Our quality and environmental management systems are certified to ISO standards (ISO 9001 and ISO 14001). The construction operations in Sweden and production in Malaysia are also certified to ISO 45001 for health and safety management.

ISO certificates

ISO 9001 - SIBS AB, SIBS Malaysia, MOKO, MOBY, Sveaviken Bostad and Sveaviken PM
ISO 14001 - SIBS AB, SIBS Malaysia, MOKO, MOBY, Sveaviken Bostad and Sveaviken PM
ISO 45001 - SIBS Malaysia and MOBY

Steel construction and welding

Our steel construction and welding is certified in accordance with EN 1090-1:2009+A1:2011.

BOPAS certificates

SIBS is accredited under the Buildoffsite Property Assurance Scheme (BOPAS), which means that the company has been audited and approved by a third party and therefore follows best practice for design, industrial manufacturing and construction.

WE SUPPORT



As a signatory to the UN Global Compact, SIBS has committed to following the Ten Principles on human rights, labour standards, the environment and the prevention of corruption. The principles have been implemented at all the companies within the Group, and apply to employees and supply chains in Sweden, Malaysia and our international projects. Our progress is regularly reported to stakeholders and a Communication on Progress (CoP) is published annually via the UN Global Compact, containing information about our work on the Ten Principles and our contribution to the Global SDGs. SIBS’ CoP for 2024 is available on the UN Global Compact’s website <https://unglobalcompact.org/what-is-gc/participants>.

The Ten Principles of the UN Global Compact

Human rights

PRINCIPLE 1: Support and respect the protection of internationally proclaimed human rights
PRINCIPLE 2: Ensure that their own companies are not complicit in human rights abuses

Labour standards

PRINCIPLE 3: Uphold the freedom of association and recognize the right to collective bargaining
PRINCIPLE 4: Eliminate all forms of forced labor
PRINCIPLE 5: Abolish child labor
PRINCIPLE 6: Eliminate discrimination in respect of employment and occupation

Environment

PRINCIPLE 7: Support a precautionary approach to environmental challenges
PRINCIPLE 8: Undertake initiatives to promote greater environmental responsibility.
PRINCIPLE 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

PRINCIPLE 10: Work against all forms of corruption, including extortion and bribery.



New sustainability directives boost sustainability efforts

Since 2021, SIBS has been reporting on sustainability in accordance with Global Reporting Initiative (GRI) standards. We also report on the basis of these standards in this year’s Sustainability Report. In 2024, SIBS stepped up its work on alignment with the EU Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). This involved extensive stakeholder engagement with internal and external stakeholders in its own operations and the value chain. SIBS’ double materiality assessment performed in 2023 was also updated.

Double materiality assessment

The results of the double materiality assessment highlight the areas in which SIBS impacts the environment and society (impact materiality), and in which the organisation is exposed to sustainability-related risks and opportunities (financial materiality). The results of this year’s assessment are broadly in line with the preliminary assessment carried out in 2023. The topics that emerge as most significant across all aspects are ESRS E1 Climate Change and ESRS E5 Circular Economy, for which SIBS has high positive and negative material impacts and significant financial risks, but also opportunities, in the short, medium and long term. The other areas are material, but to a much lesser extent. ESRS E3 Water and marine resources and ESRS E4 Biodiversity and ecosystems were defined as not material in the 2024 double materiality assessment.

The materiality assessment also includes sustainability matters not covered by the ESRS. For example, the use of finite resources such as gravel, sand and other construction materials is important when assessing SIBS’ environmental impact and resource use.

A sustainability aspect is material from an **impact perspective** when it has a significant actual or potential, positive or negative, impact on people or the environment in the short, medium or long term.



A sustainability aspect is material from a **financial perspective** if it has a significant financial impact in relation to the company’s risks and opportunities in the short, medium or long term.

Mapping of the value chain

SIBS has mapped the value chain (upstream and downstream), its own operations and other business relationships based on the company’s business model and the Group’s regulatory, geographical and geopolitical environment. As the SIBS Group includes operational activities that are upstream and downstream of the value chain, determining the boundary between the value chain and its operational activities is complex.

Stakeholder engagement

The stakeholder engagement builds on the previous stakeholder engagement that took place in 2021. The renewed stakeholder engagement ahead of alignment with the CSRD/ESRS started in 2023 with the extensive gathering of representative reports, survey responses, risk analyses, customer surveys, trends, ESG reporting and engagement with relevant external and internal stakeholders. Relevant internal stakeholders were involved to ensure adequate consideration of sustainability risks. These included internal subject matter experts within the company and Group functions, and teams with expertise in various ESRS topics and/or knowledge of our value chain stakeholders, regulatory requirements and business relationships.

Main stakeholders

Tenants, clients, authorities, distributors, employees, owners, the Board, financial backers and joint venture partners.

Most material sustainability aspects according to SIBS’ double materiality assessment

Impact perspective	<i>Positive:</i>	Circular economy
	<i>Negative:</i>	Climate change
Financial perspective	<i>Opportunity:</i>	Circular economy
	<i>Risk:</i>	Climate change

SIBS’ sustainability strategy

SIBS’ sustainability strategy is a core part of our business model and guides our efforts to create long-term value. With a holistic perspective, we focus on sustainable urban development, resource efficiency, and social responsibility. We actively work to minimize our climate impact, strengthen our operations based on circular principles, assess risks in our supply chains, and ensure high ethical standards throughout our organization. With the EU’s new sustainability directive, the CSRD, and its associated reporting standards, the ESRS, in mind, we continue to develop our processes for transparency and reporting, while creating sustainable solutions for the future of construction.

We believe that the industrialisation of construction is key to creating these living environments in a sustainable manner. Using a building system for construction and having a high degree of completion in a controlled factory environment provides almost limitless opportunities for streamlining and development.

Through our sustainability strategy, we actively work to achieve a sustainable society and reduced climate impact in line with the Paris Agreement. We work with our customers, suppliers and partners to implement sustainability throughout the value chain.

SIBS’ sustainability work is part of our commitment to responsible business and is governed by our Sustainability Policy, Code of Conduct and Environmental Policy. These in turn are based mainly on the OECD Guidelines for Multinational Enterprises, UN Global Compact, 2030 Agenda and the Global Sustainable Development Goals.

To live up to our Code of Conduct and Environmental Policy, we carry out well-structured work with focus areas, goals and action plans, and have a thorough process for following up on ourselves and our suppliers. SIBS’ management system is certified in accordance with ISO 9001 and ISO 14001, and for production and construction also in accordance with ISO 45001. We are also certified under BOPAS.

Our three prioritised non-financial goals

- Nobody harmed at our workplaces
- Net zero emissions of carbon dioxide by 2045
- 100 percent environmentally certified properties

SIBS’ focus areas for Social sustainability

Nobody harmed at our workplaces

Occupational health and safety is the top priority at our factories and at our construction sites. We reduce the risk of injury by continuing to allow time for occupational health and safety work and through structured reviews, risk assessments and the development of better working methods. Our fundamental belief is that moving as many work elements as possible from the construction site to a highly automated, controlled factory environment reduces the risk of injury. The occupational health and safety work at both factories and at our construction sites is certified in accordance with ISO 45001, and we have zero tolerance of non-compliance with safety equipment and safety regulations.

Living environments where people are happy and safe

We aim to use innovation and ConstructionTech (industrial construction with a high degree of digitisation and automation) to create good housing at a reasonable cost, without compromising on quality, architecture and design. We build using underfloor heating, oak parquet flooring with clinker in front of external doors, exclusive kitchens and wardrobes, fully tiled bathrooms with clinker floors and glass shower partitions, and washing machines/tumble dryers, etc. We believe that attractive buildings with pleasant green outdoor environments and spaces for social interaction create wellbeing and security.

Sustainable supply chains

Our suppliers must comply with our Code of Conduct in terms of human rights, labour standards and the prevention of corruption, based on the UN’s 10 principles for human rights. Through our new process, we use training, the specifying of requirements, process and material reviews, and regular checks, to create a complete and sustainable supply chain.

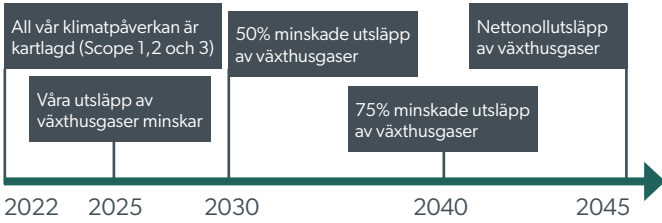
Increased diversification

SIBS was founded in 2016 by Erik and Pär Thomaeus, along with Jonas Ramstedt and Johan Karlsson. In 2024, a decision was made to consolidate all activities related to the company’s building system and industrial production into a new wholly owned subsidiary, SIBS Modular. In connection with this, a new board was appointed, bringing extensive global industrial expertise. With a strong ambition to continue evolving, we are committed to increasing diversity within our board, leadership teams, and the group as a whole, aiming to broaden perspectives, enhance our appeal as an employer and partner, and based on our conviction that diversity fosters both well-being and profitability.

SIBS’ focus areas for Environmental sustainability

Net zero emissions of greenhouse gases by 2045

Our climate work follows the building and construction sector’s roadmap towards achieving the goal of complete climate neutrality by 2045, with the milestones shown in the figure below. Given that we are in a strong growth phase, our milestones are intensity-based. This means that we aim to reduce our climate impact for each built and managed area on the way towards net zero emissions.



We believe that industrial construction is the key to achieving net zero greenhouse gas emissions. Having a building process that is more reminiscent of industrial manufacture than a traditional construction project gives us greater opportunities to measure and improve our process.

Energy-efficient buildings

We have developed our building system to enable us to be long-term property owners, and we have therefore prioritised constructing energy-efficient buildings based on our vision of having the most energy-efficient buildings on the market. We strive to construct buildings of the highest energy class by installing well-insulated walls and ceilings, high-quality windows and doors, smart heating solutions, ventilation using rotary heat exchangers and other innovative solutions. We continue to supply our buildings with 100 percent green electricity and we aim to reduce the energy consumption of our buildings by 5 percent per year.

Environmentally certified buildings

Our environmental certifications are confirmation that we construct sustainable buildings. We work with both the Swedish certification system Miljöbyggnad and the US LEED system, depending on the circumstances of the individual project. SIBS’s aim is to achieve environmental certification for all our own properties to Miljöbyggnad Silver or LEED EBOM Gold standard.

Fulfilling the requirements of the EU Taxonomy Regulation

The EU Taxonomy guidelines define what constitutes an environmentally sustainable economic investment. To be classified as environmentally sustainable under the Taxonomy, it must make a substantial contribution to at least one of the six environmental objectives of the EU Taxonomy, do no significant harm to any of the objectives and meet minimum social safeguards. We work to ensure that all our buildings are classified as sustainable according to at least one of the six environmental objectives.

Non-toxic construction

The main steps to ensure non-toxic construction have been to assess all building materials purchased from Asia in Bygghälsan, to replace products with alternatives that have better content and to keep logbooks for all our projects. In addition to new building materials and suppliers, we are now focusing on installation materials and other products that fall outside the criteria according to which products need to be assessed for certification to Miljöbyggnad Silver standard.

SIBS’ focus areas for Economic sustainability

High-quality living environments where ordinary people can afford to live and work

Through ConstructionTech, and by working with the entire chain from project development and design to industrial production, construction and own management, we are revolutionising construction. We want to build more quickly, more cost effectively and with higher quality than traditional construction. For example, all of our completed projects to date have underfloor heating, oak parquet flooring with clinker in front of external doors, exclusive kitchens and wardrobes, fully tiled bathrooms with clinker floors and glass shower partitions, and washing machines/tumble dryers. We want to give more people access to a high-quality living environment at a reasonable cost by expanding into new markets.

Predictable costs

Our buildings may look very different but they are built in the same way using largely the same components. By continuing to incorporate our experiences from previous projects we are constantly improving our calculations. We are always striving to achieve even better cost control in order to reduce risks and increase predictability.

Efficient resource use with minimum waste

From the outset, we and our closest supplier in Penang have manufactured customised building materials in order to reduce the amount of transport and waste, and save time and money, during production. We are continuing to develop our processes to achieve greater customisation and smarter use of building materials.

Circular construction designed for disassembly and reuse

It is a sad fact that today many buildings are demolished not because they are outdated, but because they are no longer the right building in the right place. During demolition, it is difficult to separate out different building materials, which means they can rarely be reused and at best their constituent materials can be recycled. Our buildings can be moved instead of demolished and almost all the building materials can be reused. Frames, flooring, doors, windows, kitchens, installations, mouldings, etc. do not need to be demolished and can instead be moved module by module. We are currently working on projects to reduce waste and to increase the recycling of waste from both the factories and construction sites.

SIBS climate change report 2024

SIBS’ climate impact in 2024

SIBS is reporting its total climate impact, including all the direct and indirect greenhouse gas emissions related to the company’s operations (Scopes 1 and 2), for 2024. All calculations are based on the control and management model (operational control), according to which 100 per cent of the emissions over which the Group has control are reported. This means that we also report 100% of the climate impact for the companies within the Group and the properties in the portfolio that are not wholly owned. SIBS’ own direct emissions (Scope 1) come from fossil fuels and consist of the use of vehicles with combustion engines and the temporary use of electricity generators and heating boilers.

There was no refrigerant leakage during the year, which would otherwise have been recognised in the Scope 1 emissions. Own indirect emissions from energy use (Scope 2) come from purchased electricity and district heating. In Saudi Arabia, all the electricity used by SIBS in 2024 was produced by generators and is therefore recognised in the Scope 1 emissions.

In 2024, Scope 1 emissions increased compared with 2023 due to our increased production capacity and the use of diesel generators in Saudi Arabia. Scope 1 emissions from our operations in Malaysia also increased in line with production capacity. Emissions in relation to net sales are stable, with something of a decrease compared with 2023.

SIBS’ greenhouse gases emissions

Emissions of CO ₂ equivalents	2024 (tonnes)	2024 in relation to net sales (tonnes per SEK m)	2023 (tonnes)	2023 in relation to net sales (tonnes per SEK m)	2022 (tonnes)	2022 in relation to net sales (tonnes per SEK m)
Scope 1 total	3,546	0.059	366	0.14	296	0.21
Of which Sweden	83	0.01	82	0.03	53	0.04
Of which Malaysia	176	0.03	117	0.04	244	0.18
Of which Saudi Arabia	3287	0.056	167	0.06	0	0
Scope 2 total	1,835	0.31	954	0.36	482	0.35
Of which Sweden	52	0.009	17	0.01	26	0.02
Of which Malaysia	1,783	0.3	937	0.35	456	0.33
Of which Saudi Arabia	0	0	0	0	0	0

Operations in Malaysia have expanded significantly and Scope 2 emissions from electricity use therefore also increased. Scope 2 emissions in relation to net sales slightly decreased.

SIBS is not reporting Scope 3 emissions for 2024, as our calculation methodology is being reviewed and adapted to align it with reporting under the new EU reporting standards (the ESRS). When this review is complete, we can use the base year 2025, with a possibly adjusted methodology, to measure SIBS’ emission reductions in accordance with the ESRS.

In 2024, work continued on the production of third-party verified Environmental Product Declarations (EPDs) for SIBS modules.



Energy Monitoring 2024



Energy-efficient buildings

Since the start of 2016, SIBS has been particularly focused on energy-efficient construction. To this end, we have implemented a building system that boasts good U-values, FTX ventilation (exhaust and supply air ventilation with heat recovery) and other smart solutions, such as underfloor heating in every apartment. This enables lower temperatures in the heating circuit, in turn allowing us to make our heat pumps more efficient. Our properties are also fitted with solar panels, energy-efficient appliances, low-flow fixtures and LED lighting, which helps to reduce energy consumption.

Reduced energy use

As a result of these measures, we saw an actual 8 percent reduction in energy use in 2024 compared with 2023. This shows the positive impact of our focus on energy optimisation, and also underlines the importance of continuing to implement measures that can contribute to energy efficiency.

The need for charging infrastructure for cars is growing, and we are investing in this area across both existing and upcoming projects in Sweden. In 2024, a total of 76 charging stations were installed adjacent to our properties.

2024

Average specific energy use ¹	35 kWh/m ²
Median specific energy use	26 kWh/m ²
Total solar power generated	803 MWh
Of which Sweden	205 MWh
Of which Malaysia	598 MWh

¹ Measured energy use adjusted for degree days, indoor temperature (based on individual metering and billing and a few temperatures above 21 degrees) and occasional cases of high hot water use.

Environmentally certified buildings

SIBS green bonds

In September 2024, outstanding green bonds totalling SEK 598 million were refinanced using proceeds from senior unsecured bonds.

The purpose of green bonds is to allocate capital to environmentally sustainable projects based on predefined criteria verified by independent experts. In 2020, we successfully launched our green and sustainable bonds, dedicated to financing or refinancing green buildings and projects. This was a natural step in our sustainability efforts, which are central to both the development and financing of our projects.

The SIBS Green Bond Framework was based on the Green Bond Principles and verified by CICERO Shades of Green. The framework requires that buildings financed through the bonds must be environmentally certified to a certain level and have energy performance at least 25% better than the national building code. The bonds were listed on Nasdaq Stockholm’s Sustainable Bond List with a total issuance of SEK 600 million.

SIBS continues to work towards ensuring that all our in-house developed projects are environmentally certified in accordance with the framework’s requirements (Miljöbyggnad Silver or LEED EBOM Gold). The table below shows the current status.



Project name	Municipality	Number of apartments	Project status	Environmental certification	Certification status
Sandtorp	Norrköping	117	Completed	LEED EBOM Gold	Certified
Brandbergen	Haninge	71	Completed	LEED EBOM Gold	Certified
Glidplanet	Örebro	157	Completed and sold	LEED EBOM Gold	Certified
Autogyron	Örebro	117	Completed and sold	LEED EBOM Gold	Certified
Parasollet	Lund	75	Completed and sold	LEED EBOM Gold	Certified
Barkarby 1	Järfälla	224	Completed and sold	Miljöbyggnad Silver	Certified
Helsingborg	Helsingborg	78	Part 1 completed	Miljöbyggnad Silver	Certified
Vallentuna Centrum 1	Vallentuna	36	Completed	Miljöbyggnad Silver	Certified
Vallentuna Centrum 2	Vallentuna	36	Completed	Miljöbyggnad Silver	Certified
Nykvarn Centrum	Nykvarn	272	Part 1 completed	LEED EBOM Gold	Certification work in progress
Brädgården	Nyköping	462	In progress	LEED EBOM Gold	Planned
Mariefred station	Strängnäs	239	Completed and sold	Miljöbyggnad Silver	Certification work in progress
Barkarby 2	Stockholm	208	Completed	LEED EBOM Gold	Certification work in progress
Enköping Centrum	Enköping	328	In progress	Miljöbyggnad Silver / LEED EBOM Gold	Planned
Stockrosen	Nyköping	434	In progress	Miljöbyggnad Silver / LEED EBOM Gold	Planned

We’re not just building houses, we’re building a sustainable culture where everyone goes home safe

Working with occupational health and safety on a construction site comes with its own challenges, and doing so for the first time on a large-scale site in Saudi Arabia adds further layers of complexity, including cultural, structural, and regulatory aspects. That’s why SIBS has placed particular focus on occupational health and safety at the NEOM construction sites. At the same time, environmental efforts have also played a central role in the project. Here, SIBS employees have demonstrated that it is possible to create a safe, sustainable, and inclusive working environment, even in a context where it cannot be taken for granted.

“Our biggest achievement isn’t just lifting 40-ton modules – it’s doing it without anyone getting hurt.”

AKMAL SHAH
Health & Safety Manager, SIBS NEOM



From left, Akmal Shah and Abdul Wahab

Akmal Shah, Health and Safety Manager, and Abdul Wahab, Environmental Manager, work at SIBS’ construction sites in NEOM, Saudi Arabia. Together with their team, they have led an ambitious effort to ensure a safe working environment and responsible environmental practices in one of the world’s most high-profile urban development projects. The results speak for themselves: 4,760 installed modules, 21 completed buildings – without a single serious accident or incident.

“This is a record in Oxagon to date and something I, and the entire team, am incredibly proud of,” says Akmal Shah, Health and safety Manager for SIBS’ NEOM project. It wouldn’t have been possible without a shared sense of responsibility, from workers and suppliers to the production team and site management.

A new standard in a complex context

Operating in Saudi Arabia requires adapting to unique legislation and a working environment where safety culture is not always fully established. On top of this, SIBS’ workforce comes from a wide range of countries, with different regulations and norms. There are also many preconceived notions, something Abdul and Akmal hope to challenge.

“There is a fantastic level of engagement on site. The workers are knowledgeable, solution-oriented, and open to new ways of working. What we’ve done is create the right conditions, i.e. proper training, clear communication, and a climate where no one is afraid to raise their voice,” says Akmal.

Environmental work with precision in every detail

Alongside the safety initiatives, an extensive environmental program is also underway at the NEOM construction sites. Abdul Wahab, the project’s Environmental Manager, has played a key role in ensuring that the project complies with environmental standards.

“There is a detailed regulatory framework governing how we manage environmental impact. We conduct regular water testing and ensure that fuel tanks, generators, and chemicals are properly contained. Environmental inspections and follow-ups are carried out on an ongoing basis,” Abdul explains.

“Reducing waste and making the most of resources has also been a key focus, and our goal is to ensure as little as possible goes to waste. We recycle as much as we can and make sure that any surplus materials are either passed on for reuse or stored for future projects. We’ve also worked on purifying and recirculating water, since water is a resource we need to use with great care here,” Abdul continues.

Both Abdul and Akmal have also worked systematically with weekly reporting on spills, fuel usage, waste management, and incident follow-ups, a structure that has provided valuable insights and enables swift adjustments when needed.

From risk analyses to reward systems

SIBS’ safety work in NEOM is based on a holistic approach that combines international standards (ISO 45001, NEOM Assurance Standard) with a local focus.

This includes:

- Risk assessments and daily inspections
- Multilingual safety training, including interpreters
- A 24-hour medical service, with a nurse and ambulance
- Regular emergency response drills
- Open reporting of incidents, without fear of retaliation
- A reward scheme for workers, supervisors and engineers who contribute to site safety

“We’ve put a lot of effort into building a strong safety culture. People should never be afraid to speak up. We encourage everyone to report hazards and near-misses, it makes us stronger,” says Akmal.

To succeed, the team has worked closely with production, logistics, and suppliers. This has involved everything from detailed planning of lifts and deliveries to joint training sessions focused on safety and sustainability.

“Everyone is involved. We’ve even introduced safety committees with representation from both employees and subcontractors. It creates dialogue,” says Akmal.

“Safe construction isn’t about luck. It’s about structure, communication, and respect for every person’s life and wellbeing. That’s the culture we’ll bring with us wherever we go, Akmal concludes.

Facts	Key safety initiatives
Health, Safety, and Environmental work in the NEOM Project	• Risk assessments and permit procedure (Permit to Work) • Multilingual safety training • 24-hour access to healthcare (ambulance + nurse) • Regular emergency drills • Reward scheme for safe conduct • Active participation of employees and subcontractors
Location: NEOM, Saudi Arabia	
Project scope: 21 buildings, 4,760 modules installed	
Timeframe: The project ran from 2023 to 2025	
Accidents: 0 serious accidents or incidents recorded	
Number of hours worked: 1,147,964	
	Key environmental initiatives
	• Regular environmental inspections and water sampling • Containment of fuel tanks, chemicals and generators • Recycling and reuse of materials • Water purification and recirculation • Weekly monitoring of wastage, waste and fuel consumption

GRI 403-9, 403-10 WORK-RELATED INJURIES AND ILL HEALTH

	Sweden		Malaysia		Saudi Arabia	
	Employees	Suppliers	Employees	Suppliers	Employees	Suppliers
Number of work-related deaths	0	0	0	0	0	0
Number of high-consequence work-related injuries	0	0	2	0	0	0
Total number of reported work-related injuries	0	12	22	1	0	2
Injury rate per 1,000,000 hours	0	30	3.4	2.7	0	1.7
Number of reported cases of work-related ill health	2	0	0	0	0	0
Injury rate per 1,000,000 hours	12	0	0	0	0	0
Total hours worked*	173,576	394,968	6,411,453	375,483	**	1,147,964

*The injury rate was calculated per 1,000,000 hours worked

**A number of former employees have been hired on a temporary basis in Saudi Arabia and a couple of employees in Saudi Arabia are employed by SIBS AB

*** Most of the staff on our construction sites have been hired on a temporary basis

SIBS is committed to, and responsible for, ensuring that neither employees nor suppliers suffer work-related ill health or injuries. Our health and safety procedures cover all employees, subcontractors and temporary staff.

Over the year, a total of 53 work-related accidents were reported. The accidents mainly consisted of slips, falls, trips and occasional cuts. SIBS continuously carries out risk assessments, regular safety inspections, train-

ing and systematic working environment management, to promote health and prevent ill health and accidents.

In Sweden, all employees have access to a wellness allowance. The new factory in Malaysia has a staff gym, and various wellness activities have been introduced in Malaysia and Saudi Arabia to promote employee health. No cases of work-related illness were reported during the year.

SIBS’ Taxonomy alignment

The EU Taxonomy is the European Commission’s framework for sustainable finance. The framework classifies which economic activities are environmentally sustainable with the principal aim of meeting the Paris Agreement and climate neutrality targets by 2050. For the 2024 financial year, companies covered by the Taxonomy must report the share of their economic activities that are subject to all of the Taxonomy Regulation’s environmental objectives. The comparison with 2023 for the first two climate-related objectives must also be reported: Climate change mitigation and Climate change adaptation.

SIBS is covered by the EU Taxonomy Delegated Act, Part 7. Construction and real estate activities and the following economic activities for 2024:

CCM+CCA 7.1/CE 3.1	Construction of new buildings
CCM+CCA 7.2 / CE 3.2	Renovation of existing buildings
CCM+CCA 7.3	Installation, maintenance and repair of energy efficiency equipment
CCM+CCA 7.7	Acquisition and ownership of buildings

Six environmental objectives of the EU Taxonomy

1. Climate change mitigation (CCM)
2. Climate change adaptation (CCA)
3. Sustainable use and protection of water and marine resources (WTR)
4. Transition to a circular economy (CE)
5. Pollution prevention and control (PPC)
6. Protection and restoration of biodiversity and ecosystems (BIO)

SIBS’ EU Taxonomy alignment

SIBS has aligned the majority of its Swedish new construction projects with the EU Taxonomy through the fulfilment of the technical screening criteria that determine whether the company’s economic activities contribute substantially to the climate-related environmental objectives. The majority of SIBS’ economic activities make a substantial contribution to one or more environmental objectives.

Of the Taxonomy-eligible economic activities, it is primarily 7.1 and 7.7 that generate expenditure and turnover. For the 2024 financial year, data that verifies the fulfilment of the criteria for Economic activity 7.7 Acquisition and ownership of buildings, in accordance with Environmental Objective 1. Climate change mitigation (CCM) and Environmental Objective 2. Climate change adaptation (CCA), were prioritised. The economic activities must also do no significant harm (DNSH) to any of the other environmental objectives according to specific criteria, and must also meet minimum safeguard requirements in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on

Business and Human Rights. In all ongoing new construction projects in the refocused contracting activity, priority is given to fulfilling criteria according to Economic activity 7.1 Construction of new buildings (CCM, CCA). For new construction under own ownership, priority is given to fulfilling criteria according to Economic activity 7.7 Acquisition and ownership of buildings (CCM, CCA). In 2024, SIBS’ international expansion continued at a rapid pace, and taxonomy alignment of this activity has not yet been carried out.

Proportion aligned with the EU Taxonomy in 2024

SIBS’ alignment with the EU Taxonomy in 2024.				
		Environmentally sustainable activities (Taxonomy-aligned)	Not environmentally sustainable activities (not Taxonomy-aligned)	Taxonomy-non-eligible activities
SEK million	Total			
Turnover	5,869.3	6%	93%	1%
CapEx	371.5	17.8%	82.2%	0%
OpEx	21.8	97%	3%	0%

For the 2024 financial year, it is estimated that 6 % of turnover, 17.8 % of capital expenditure and 97 % of operating expenditure is environmentally sustainable in accordance with EU Taxonomy Environmental Objectives 1 (CCM) or 2 (CCA). See the Taxonomy reporting on pages 42–53.

Accounting policies

Economic activities and EU Taxonomy alignment are reported using the following key performance indicators (KPIs): Turnover, Capital Expenditure (CapEx) and Operating Expenditure (OpEx). Under the EU Taxonomy, the criteria in Section 7.1. must be applied when a new building is built, from the construction company’s perspective. However, for the owner of the new building (irrespective of whether they acquire the building through a purchase or by constructing it themselves), the value of the building may be accounted for on the basis of the criteria in Section 7.7. SIBS has reported new construction in accordance with 7.7, with the exception of properties that are owned by another developer for which SIBS carries out a contracting activity, which are reported in accordance with 7.1. All the properties reported in accordance with 7.7, Environmental Objective 1 (CCM), also fulfil the criteria for Environmental Objective 2 (CCA). SIBS’ green bonds were issued before the EU Taxonomy Regulation came into force.

Turnover

Income from the company’s Taxonomy-eligible economic activities. For SIBS, this means all the income from properties owned by the company, including project and contracting income.

Capital expenditure (CapEx)

All the investments related to the company’s properties are Taxonomy-eligible.

Operating expenditure (OpEx)

Expenditure related to the following activities is Taxonomy-eligible:

- research and development
- building renovation measures
- short-term leases
- maintenance and repairs

Reporting of turnover

Turnover corresponds to the Group’s comprehensive income pertaining to rental income and other income from property management, for the properties that fulfil Environmental Objective 1 (CCM) under Directive 2013/34/EU on annual financial statements and consolidated financial statements. For properties that fulfil Environmental Objective 2 (CCA) for economic activities that have been adapted to climate change, turnover may not be recognised as environmentally sustainable according to the EU Taxonomy’s definition. This turnover is reported as not Taxonomy-aligned. See the Consolidated income statement on page 80.

Reporting of capital expenditure (CapEx)

Includes acquisitions, new construction, extensions and conversions, and equipment that constitutes capital expenditure for properties that fulfil Environmental Objective 2. Properties that fulfil Environmental Objective 1 are owned in joint ventures and are only reported in turnover in order to avoid double counting. In the enabling and transitional activity categories, no capital expenditure is reported that enables more existing properties to be Taxonomy-aligned, as the capital expenditure plan for this has not yet been adopted. See Note 19 Investment properties on page 103.

Reporting of operating expenditure (OpEx)

Operating expenditure includes operating costs for property management, research and development costs, building renovations and tenant adaptations that are not recognised as capital expenditure, short-term leases, maintenance or repairs. Operating expenditure and the development of SIBS’ building system have not been classified as environmentally sustainable, as there is uncertainty regarding the proportions that can be linked to Taxonomy-aligned projects. Taxonomy-aligned operating expenditure for two of our smaller joint venture projects has also not been recognised as environmentally sustainable for the same reasons. See the Consolidated income statement on page 80.

Economic activity 7.7 Acquisition and ownership of buildings

Buying real estate and exercising ownership of that real estate.

Environmental Objective 1. Climate change mitigation

Technical screening criteria:

- Substantial contribution to climate change mitigation
1. For buildings built before 31 December 2020, the building has at least an Energy Performance Certificate (EPC) class A. As an alternative, the building is within the top 15% of the national or regional building stock expressed as operational Primary Energy Demand (PED).
 2. For buildings built after 31 December 2020, the building meets the criteria specified in Section 7.1.
 3. Where the building is a large non-residential building, it is efficiently operated through energy performance monitoring and assessment.

Assessment of SIBS’ compliance

All the properties that are considered to fulfil the technical screening criteria were built after 31 December 2020. The properties fulfil the energy performance criteria. Properties reported under Economic activity 7.7, Environmental Objective 1, have undergone leakage testing and thermography. Life cycle assessments (LCA) according to Level(s) and the EN 15978 standard have been carried out for all the properties reported.

DNSH criteria:

Environmental Objective 2. Climate change adaptation

The activity complies with the criteria set out in Appendix A to Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021, “Generic criteria for DNSH to climate adaptation measures”.

3. Sustainable use and protection of water and marine resources

N/A

4. Transition to a circular economy

N/A

5. Pollution prevention and control

N/A

6. Protection and restoration of biodiversity and ecosystems

N/A

Assessment of SIBS’ compliance

SIBS has performed robust climate risk and vulnerability assessments, including the assessment of adaptation solutions that may reduce the climate risk for each property and are considered to meet the DNSH criteria of the EU Taxonomy. The time perspective of the assessment covers the lifetime of the building. The performance of climate and vulnerability assessments is described in the section Assessment of SIBS’ compliance with regard to technical screening criteria for Environmental Objective 2. Climate change adaptation.

Minimum safeguards

Minimum safeguards are to be understood as procedures implemented to ensure that the economic activity is being carried out in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Assessment of SIBS’ compliance

Reported in the Code of Conduct section on page 31. Policies are based on the Ten Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Environmental Objective 2. Climate change adaptation

Technical screening criteria:
Substantial contribution to climate change adaptation

1. The economic activity has implemented physical and non-physical solutions (adaptation solutions) that substantially reduce the most important physical climate risks that are material to that activity.

2. The physical climate risks that are material to the activity have been identified from those listed in Appendix A to the EU Taxonomy Regulation by performing a robust climate risk and vulnerability assessment with the following steps:

(a) screening of the activity to identify which physical climate risks from the list in Appendix A may affect the performance of the economic activity during its expected lifetime;

(b) where the activity is assessed to be at risk from one or more of the physical climate risks listed in Appendix A, a climate risk and vulnerability assessment to assess the materiality of the physical climate risks on the economic activity;

(c) an assessment of adaptation solutions that can reduce the identified physical climate risk. The climate risk and vulnerability assessment is proportionate to the scale of the activity and its expected lifespan, such that:

(a) for activities with an expected lifespan of less than 10 years, the assessment is performed, at least by using climate projections.

(b) for all other activities, the assessment is performed using the highest available resolution, state-of-the-art climate projections across the existing range of future scenarios consistent with the expected lifetime of the activity, including, at least, 10 to 30 year climate projections scenarios for major investments.

3. The climate projections and assessment of impacts are based on best practice and available guidance and take into account the state-of-the-art science for vulnerability and risk analysis and related methodologies in line with the most recent Intergovernmental Panel on Climate Change reports, scientific peer-reviewed publications and open source or paying models.

4. The adaptation solutions implemented:

(a) do not adversely affect the adaptation efforts or the level of resilience to physical climate risks of other people, of nature, of cultural heritage, of assets and of other economic activities;

(b) favour nature-based solutions or rely on blue or green infrastructure to the extent possible;

(c) are consistent with local, sectoral, regional or national adaptation plans and strategies;

(d) are monitored and measured against pre-defined indicators and remedial action is considered where those indicators are not met;

(e) where the solution implemented is physical and consists in an activity for which technical screening criteria have been specified in this Annex, the solution complies with the do no significant harm technical screening criteria for that activity.

Assessment of SIBS’ compliance

SIBS has performed robust climate risk and vulnerability assessments, with the assessment and implementation of adaptation solutions that may reduce the climate risk for each property. The time perspective of the assessment covers the lifetime of the building. The assessment of current climate risks is based on rainfall and heat maps, risk maps for subsidence, landslides, erosion and stormwater studies, etc. The assessment of future climate risks for properties includes climate projections according to the UN climate panel (IPCC), known as Representative Concentration Pathways (RCP). Climate projections have been made for the current properties using scenarios RCP2.6, RCP4.5 and RCP8.5. The climate risk and vulnerability assessment includes a general screening of all risks and an in-depth probability and impact assessment of significant risks in accordance with Appendix A to the EU Taxonomy Regulation. The following climate risks have been identified for all projects:

- Heatwave
- Change and variation in precipitation
- Heavy rainfall
- Flooding as significant risks

The following climate risks have also been identified for a few projects:

- Landslide
- Subsidence

The results show that SIBS’ buildings are relatively safe from the indicated significant present and future climate risks that might affect the results of our economic activities.

All the properties analysed have adaptation solutions in accordance with the probability and impact assessment. The Heavy rainfall and Flooding climate risks require specific adaptation solutions and continuous monitoring. Blue-green solutions in the form of plant beds, green roofs and permeable hardened surfaces, together with appropriate elevations, stormwater storage, sun shading, construction adapted for wind loads, and soil reinforcement, in keeping with local conditions, are examples of adaptation solutions implemented in projects. The adaptation efforts are not considered to adversely affect climate adaptation or the level of

resilience to physical climate risks of other people, of nature, of cultural heritage, of assets or of other economic activities. The adaptation solutions are also compatible with local, regional and national guidelines. The assessment is that the climate risk and vulnerability assessments fulfil the technical criteria of the EU Taxonomy for Environmental Objective 2.

DNSH criteria:

1. Climate change mitigation

The building is not dedicated to extraction, storage, transport or manufacture of fossil fuels. For buildings built before 31 December 2020, the building has at least an Energy Performance Certificate (EPC) class C. As an alternative, the building is within the top 30% of the national or regional building stock expressed as operational Primary Energy Demand (PED) and demonstrated by adequate evidence, which at least compares the performance of the relevant asset to the performance of the national or regional stock built before 31 December 2020 and at least distinguishes between residential and non-residential buildings. For buildings built after 31 December 2020, the Primary Energy Demand (PED) defining the energy performance of the building resulting from the construction does not exceed the threshold set for the nearly zero-energy building (NZEB) requirements in national regulation implementing Directive 2010/31/EU. The energy performance is certified using an as-built Energy Performance Certificate (EPC).

3. Sustainable use and protection of water and marine resources

N/A

4. Transition to a circular economy

N/A

5. Pollution prevention and control

N/A

6. Protection and restoration of biodiversity and ecosystems

N/A

Assessment of SIBS’ compliance

SIBS’ buildings are not dedicated to extraction, storage, transport or manufacture of fossil fuels. SIBS builds energy-efficient homes with well-insulated building shells, a combination of geothermal heating and solar panels, and exhaust and supply ventilation with high energy recovery, all as standard for heating in our properties. All the properties were built after 31 December 2020 and meet the DNSH criteria for 1. Climate change mitigation in line with nearly zero-energy buildings in national legislation implementing Directive 2010/31/EU.

Minimum safeguards

Minimum safeguards are to be understood as procedures implemented to ensure that the economic activity is being carried out in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

Assessment of SIBS’ compliance

Reported in the Code of Conduct section on page 31. Policies are based on the Ten Principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises.



KPI Turnover

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution(8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion compliant with taxonomy requirements (A.1) or covered by taxonomy requirements (A.2) turnover, Year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		(M)SEK	%	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and Ownership of Buildings	CCM 7.7	374.3	6%	J	N/EL	N/EL	N/EL	N/EL	N/EL	–	J	–	–	–	–	J	44%	–	–
Turnover of environmentally sustainable (taxonomy-compliant) activities (A.1)		374.3	6%	6%	0%	0%	0%	0%	0%	–	J	–	–	–	–	J	44%		
Of which enabling activities		0.0	0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%	E	
Of which transitional activities		0.0	0%	0%						–	–	–	–	–	–	–	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Construction of New Buildings	CCM 7.1	5,447.4	93%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								54%		
Acquisition and Ownership of Buildings	CCM 7.7	1,2	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Turnover of activities covered by the taxonomy but not environmentally sustainable (non-taxonomy-compliant) (A.2)		5,448.6	93%	93%	–	–	–	–	–								54%		
A. Turnover for activities covered by the taxonomy (A.1+A.2)		5,822.8	99%	99%	–	–	–	–	–								98%		
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																			
Turnover of activities not covered by the taxonomy (B)		46.5	1%																
Total (A+B)		5,869.3	100%																

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Capital expenditure (CapEx)

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion compliant with taxonomy requirements (A.1) or covered by taxonomy requirements (A.2) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		(M)SEK	%	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and Ownership of Buildings	CCA 7.7	66.2	17.8%	N/EL	J	N/EL	N/EL	N/EL	N/EL	J	–	–	–	–	–	J	80.5%	–	–
Turnover of environmentally sustainable (taxonomy-compliant) activities (A.1)		66.2	17.8%	0%	17.8%	0%	0%	0%	0%	J	J	–	–	–	–	J	80.5%		
Of which enabling activities		0.0	0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%	E	
Of which transitional activities		0.0	0%	0%						–	–	–	–	–	–	–	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and Ownership of Buildings	CCM 7.7	305.4	82.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								19.5%		
Capital Expenditures for Activities Covered by the Taxonomy but Not Environmentally Sustainable (Non-Taxonomy-Compliant) (A.2)		305.4	82.2%	82.2%	0%	0%	0%	0%	0%								19.5%		
Total (A.1+A.2)		371.5	100%	82.2%	17.8%	0%	0%	0%	0%								100.0%		
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																			
Capital Expenditures for Activities Not Covered by the Taxonomy (B)		0.0	0.0%																
Total (A+B)		371.5	100%																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Operating expenditure (OpEx)

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	Absolute OpEx (3)	Proportion of OpEx(4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion compliant with taxonomy requirements (A.1) or covered by taxonomy requirements (A.2) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		(M)SEK	%	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J; N; N/EL	J/N	J/N	J/N	J/N	J/N	J/N	J/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and Ownership of Buildings	CCA 7.7	21.3	97%	N/EL	J	N/EL	N/EL	N/EL	N/EL	J	–	–	–	–	–	J	95%	–	–
Operating Expenditures for Environmentally Sustainable (Taxonomy-Compliant) Activities (A.1)		21.3	97%	0%	97%	0%	0%	0%	0%	J	J	–	–	–	–	J	95%		
Of which enabling activities		0.0	0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%	E	
Of which transitional activities		0.0	0%	0%						–	–	–	–	–	–	–	0%		T
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and Ownership of Buildings	CCM 7.7	0.6	3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5%		
Operating Expenditures for Activities Covered by the Taxonomy but Not Environmentally Sustainable (Non-Taxonomy-Compliant) (A.2)		0.6	3%	3%	0%	0%	0%	0%	0%								5%		
Total (A.1+A.2)		21.8	100%	3%	97%	0%	0%	0%	0%								100%		
B. ACTIVITIES NOT COVERED BY THE TAXONOMY																			
Operating Expenditures for Activities Not Covered by the Taxonomy (B)		0.0	0%																
Total (A+B)		21.8	100%																

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024.

Nuclear and fossil gas related activities

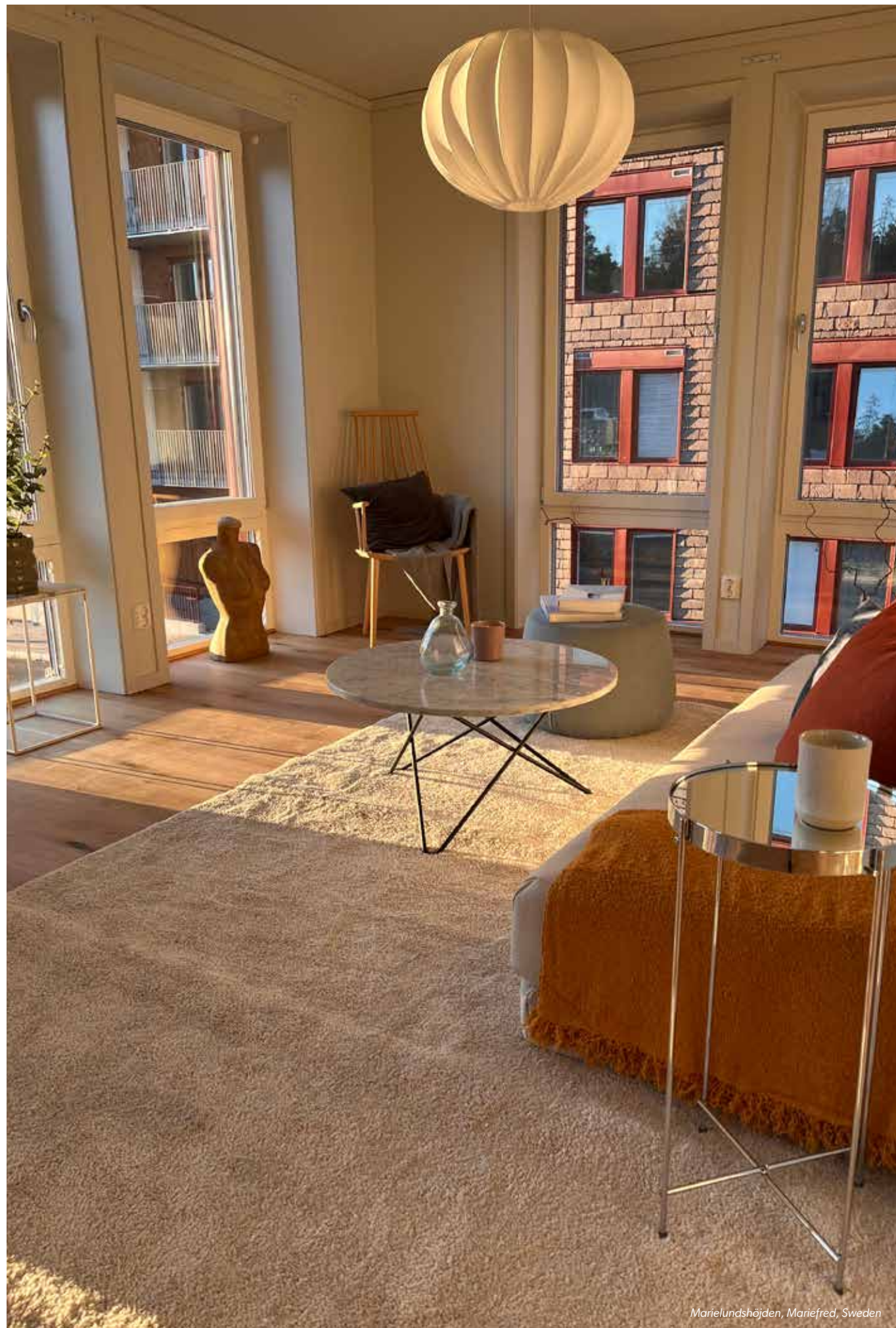
Nuclear energy related activities		Yes/No
Row		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Summary of all the objectives

Turnover	Proportion of turnover/total turnover	
	Taxonomy alignment by objective	Taxonomy eligibility by objective
CCM	44%	98%
CCA	N/A	N/A
WTR	N/A	N/A
CE	0%	0%
PPC	N/A	N/A
BIO	N/A	N/A

CAPEX	Proportion of CapEx/Total CapEx	
	Taxonomy alignment by objective	Taxonomy eligibility by objective
CCM	0%	100%
CCA	81%	100%
WTR	N/A	N/A
CE	0%	0%
PPC	N/A	N/A
BIO	N/A	N/A

OPEX	Proportion of OpEx/Total OpEx	
	Taxonomy alignment by objective	Taxonomy eligibility by objective
CCM	0%	100%
CCA	96%	100%
WTR	N/A	N/A
CE	0%	0%
PPC	N/A	N/A
BIO	N/A	N/A



Marielundshöjden, Mariefred, Sweden

Sustainability definitions

2030 Agenda and the Global Goals

In September 2015, world leaders adopted a new development agenda and global sustainable development goals. The 2030 Agenda consists of 17 global goals, with 169 targets, for sustainable development that aims to eradicate poverty, halt climate change and create peaceful and secure societies. The ambition is to achieve the goals by 2030.

UN Global Compact

The Global Compact is a UN initiative for global coordination on human rights, labour standards, the precautionary principle, environmental responsibility issues and anti-corruption. The Global Compact comprises ten principles.

Sweden Green Building Council and Miljöbyggnad

Certifies according to the Miljöbyggnad system, which is a Swedish system for certifying buildings in terms of energy, indoor climate and building materials. The system awards the distinctions Gold, Silver or Bronze and is used for both residences and commercial premises.

GRI Global Reporting Initiative

The GRI is an independent, non-profit, international organisation that supports companies and organisations in prioritising and reporting on their sustainability performance. The GRI sustainability reporting framework is one of the most widely used and trusted in the world.

EPRA European Public Real Estate Association

The EPRA is an independent, non-profit, international organisation for European listed real estate companies and investors. Among other things, it sets financial reporting standards that promote clear and transparent information for stakeholders.

CSRD Corporate Sustainability Reporting Directive

The CSRD is the European Directive on sustainability reporting. Companies subject to the provisions of the Directive, as transposed in the Annual Accounts Act, must prepare their sustainability reports in accordance with the European Sustainability Reporting Standards (ESRS) framework.

ESRS European Sustainability Reporting Standards

The ESRS are new EU common, comprehensive reporting standards for sustainability reporting. The ESRS mean that significantly more information about environmental, social and governance issues will need to be included in annual sustainability reports.

LEED

LEED is a global certification system that aims to identify, implement and measure environmentally friendly design, construction, operation and maintenance. There are several LEED systems for different types of projects. For example, for tenant adaptations to commercial, institutional and residential buildings, as well as public transport facilities, urban areas and entire cities.

LEED EBOM or LEED Existing Building Operations and Maintenance:

LEED EBOM is a system for the environmental certification of the performance of existing buildings in the following categories: location and transport, sustainable land use, water use, energy and climate impact, materials and resources, indoor environment and innovation.

National Board of Housing, Building and Planning's building regulations

The Swedish National Board of Housing, Building and Planning's building and construction regulations are the minimum requirements that society demands that buildings must meet. These include child safety, accessibility, fire protection, load-bearing capacity and a pleasant indoor climate. These requirements must be met for all new buildings.

ISO 9001, 14001 and 45001

International standards for management systems for quality, the environment and health and safety. Certification under each standard involves regular third-party audits to ensure the functioning of the management system.

Due diligence

Sustainability due diligence is an internationally recognised process for addressing companies' adverse impacts on human rights, the environment and business ethics in their operations and value chain. Due diligence may become mandatory for large companies within the EU as a result of the Corporate Sustainability Due Diligence Directive (CSDDD).

EPD Environmental Product Declaration

Environmental Product Declarations for construction products describe the environmental impact of products throughout their life cycles. EPDs from different manufacturers must cover the same criteria in accordance with certain standards to ensure comparability between results.

GRI-index

SIBS AB has reported with reference to the GRI Standards for the reporting period from January 1 to December 31, 2024.
GRI 1: Foundation 2021. No applicable GRI Sector-Specific Standard available for the real estate sector.

GRI Standards	Disclosure	Page reference
General disclosures		
GRI 2: General Disclosures 2021	2-1 Organizational details	10, 67, 68, 69, 72
	2-2 Entities included in the organization’s sustainability reporting	72
	2-3 Reporting period, frequency and contact point	56, 122
	2-4 Restatements of information	64
	2-5 External assurance	100, 118
	2-6 Activities, value chain and other business relationships	14, 15, 28-29
	2-7 Employees	60
	2-8 Workers who are not employees	60
	2-9 Governance structure and composition	30, 67-69
	2-10 Nomination and selection of the highest governance body	30, 67
	2-11 Chair of the highest governance body	30, 67
	2-12 Role of the highest governance body in overseeing the management of impacts	30
	2-13 Delegation of responsibility for managing impacts	30
	2-14 Role of the highest governance body in sustainability reporting	30
	2-15 Conflicts of interest	30
	2-16 Communication of critical concerns	30
	2-17 Collective knowledge of the highest governance body	30
	2-18 Evaluation of the performance of the highest governance body	30
	2-19 Remuneration policies	60
	2-20 Process to determine remuneration	60
	2-21 Annual total compensation ratio	60
	2-22 Statement on sustainable development strategy	34-35
	2-23 Policy commitments	30, 34, 35
	2-24 Embedding policy commitments	30, 34, 35
	2-25 Processes to remediate negative impacts	34-35, 38-39, 40
	2-26 Mechanisms for seeking advice and raising concerns	30-31, 76
	2-27 Compliance with laws and regulations	30, 61
	2-28 Membership associations	61
	2-29 Approach to stakeholder engagement	33
	2-30 Collective bargaining agreements	60
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	33
	3-2 List of material topics	64
Economic impact		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	72, 80
	201-4 Financial assistance received from government	60
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	60
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	26, 31, 78
	205-2 Communication and training about anti-corruption policies and procedures	30-31
	205-3 Confirmed incidents of corruption and actions taken	60
GRI 3: Material Topics 2021	3-3 Management of material topics	30

GRI Standards	Disclosure	Page reference
Environmental impact		
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	36
	305-2 Energy indirect (Scope 2) GHG emissions (EPRA – CRE3)	36
	305-3 Other indirect (Scope 3) GHG emissions	36
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	64
	306-2 Management of significant waste-related impacts	64
	306-3 Waste generated	64
GRI 3: Material Topics 2021	3-3 Management of material topics	30
	EPRA CRE8 Environmentally certified buildings	39
Social impact		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	63
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	63
	401-3 Parental leave	63
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	30, 34
	403-2 Hazard identification, risk assessment, and incident investigation	30, 40-41
	403-4 Worker participation, consultation, and communication on occupational health and safety	40-41
	403-6 Promotion of worker health	40-41
	403-9 Work-related injuries	40-41
	403-10 Work-related ill health	40-41
GRI 3: Material Topics 2021	3-3 Management of material topics	30, 34
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	63
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	63
	405-2 Ratio of basic salary and remuneration of women to men	63
GRI 3: Material Topics 2021	3-3 Management of material topics	30, 34
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	64
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	64
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 409: Forced or Compulsory Labour	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	64
GRI 3: Material Topics 2021	3-3 Management of material topics	30
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	64
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	64
GRI 3: Material Topics 2021	3-3 Management of material topics	30

GRI 2-7
EMPLOYEES

Total number of employees	Number of people	Gender (proportion of men, %)
Total	3,452	97
Sweden	116	72
Malaysia	3,336	99
Permanent employees and probationary employment	Number of full-time employees	Gender (proportion of men, %)
Total	853	93
Sweden	97	72
Malaysia	756	96
Temporary employees	Number of people	Gender (proportion of men, %)
Total	2,580	99
Sweden	0	0
Malaysia guest workers	2,580	99
Hourly rate employees	Number of people	Gender (proportion of men, %)
Total	19	74
Sweden	19	74
Malaysia	0	0
Part-time employees	Number of people	Gender (proportion of men, %)
Total	2	50
Sweden	2	50
Malaysia	0	0

The employee calculations also include the staff of the associated companies MOKO and Frontlog. In Note 13 Employees and employee benefit expenses on page 102, the associated companies’ employees are excluded.

GRI 2-8
WORKERS WHO ARE NOT EMPLOYEES

The total number of employees at the end of the reporting period (31/12/2024) was 3,452. SIBS also employs subcontractors, the number of whom could not be calculated. Almost all companies use consultants from both large and small consultancies. Moby does not have its own skilled workers; the physical work of assembly, etc. that takes place on construction sites is done entirely by subcontractors.

In the factories in Malaysia, we have subcontractors for kitchen assembly, tiling, packing and as security guards. We are experiencing strong growth, which means that the number of staff employed by our subcontractors also increased significantly during the year.

Due to complicated legislation concerning the employment of foreign labour in Saudi Arabia, all the clerical employees for our Saudi projects have been hired through a HR partner. By the end of 2024, we had 20 temporary clerical workers and 178 skilled workers on site in Saudi Arabia. The skilled workers consisted of subcontractors and temporary workers provided by another HR partner.

GRI 2-19, 2-20
REMUNERATION POLICIES, PROCESS TO DETERMINE
REMUNERATION

The members of the Board of Directors do not receive any remuneration. The Chair of the Board of Directors receives annual remuneration of SEK 250,000. The level of remuneration of the Chair of the Board of Directors is decided by the other Board members. SIBS’ strategic and operational management teams consist of key personnel at SIBS, whose remuneration is decided by the CEO of SIBS and key personnel at the subsidiaries and associated companies. The salary of the CEO of SIBS is set by the Board of Directors and the remuneration of the CEOs of subsidiaries and associated companies is set according to the procedures of each company. No pay consultants have been engaged.

GRI 2-21
ANNUAL TOTAL COMPENSATION RATIO

The highest total annual remuneration for employees within the Group is SEK 1,800,000 and the median is SEK 70,359. This represents a ratio of 26:1. The calculation includes bonuses and overtime. The percentage decrease in 2024 compared with 2023 is 16 per cent for the highest total remuneration, with a 20 per cent increase in the median salary.

GRI 2-27
COMPLIANCE WITH LAWS AND REGULATIONS

The SIBS Group, its management and its associated companies did not pay any fines or penalties in 2024, and were not involved in any criminal or civil proceedings relating to human rights, labour law, corruption, taxation or fair market conditions.

GRI 2-28
MEMBERSHIP ASSOCIATIONS

Relevant membership associations for SIBS are: UN Global Compact, Byggsvarubedömningen, Sweden Green Building Council.

GRI 2-30
COLLECTIVE BARGAINING AGREEMENTS

SIBS does not have a collective bargaining agreement. We offer working and employment conditions equivalent to collective bargaining agreements, and details are negotiated individually. Trade union involvement is encouraged in our Code of Conduct, and our employees are active in issues related to health and safety and working conditions. This is done in Sweden through safety representatives, participation in exercises and risk mapping, etc. In Malaysia, this is done mainly through participation as representatives in the Health and Safety Committee, which in turn monitors and evaluates the working environment. The subsidiary Sveaviken PM AB has a collective bargaining agreement.

GRI 201-4
FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT

SIBS did not receive any government assistance during the year. No state or state-controlled company has a shareholding in SIBS.

GRI 202-1
RATIOS OF STANDARD ENTRY LEVEL WAGE BY GENDER
COMPARED TO LOCAL MINIMUM WAGE

None of SIBS’ staff earn below the statutory minimum wage in Malaysia of RM 1,500. This applies to all staff, including probationary and temporary workers. The median total monthly remuneration (including allowances) for our staff in Malaysia is RM 2,341, which is 1.56 times the minimum wage. This has been ensured through full transparency in our factories’ financial accounts.



GRI 306-1, 306-2, 306-3
WASTE

SIBS’ largest waste streams originate from the production process in the factories, waste from construction in Sweden and Saudi Arabia, the demolition of existing buildings ahead of new construction, and waste generated by residents. The production process in the factories and on construction sites is our own process. Demolition is also seen as our own activity, as it is carried out by our subcontractor.

In the factories, we optimise material purchases and manufacture customised components as far as possible. Thanks to SIBS’ building system and industrialisation, we can have light joists, ventilation pipes and other products manufactured in exact sizes, minimising waste. One of the factories has a team working on material logistics to handle recyclable materials and hazardous waste.

On construction sites in Sweden, waste is handled in accordance with the Swedish Construction Industry (Byggindustrin) guidelines. When demolishing, we always inventory hazardous waste and materials that can be recycled or reused prior to demolition. In Saudi Arabia, waste is sorted into fractions and, during set-up, several recycling incentives were developed and will be implemented in 2024.

Waste sorting is available to tenants at all the properties that we manage. Waste statistics for tenants have been calculated from averages based on actual data from our properties, where sensors are used to measure waste. Waste is also sorted at our offices, but the proportion of recycled waste is not reported as the volumes are calculated on a standardised basis.

WASTE FOR THE YEAR 2024 AND THE BASE YEAR 2023

Waste in 2024	Total (tonnes)	For recycling (tonnes)	For recycling including energy recovery (tonnes)	Proportion for recycling	Proportion for recycling including energy recovery
Total	25,174				
Construction and factories (SIBS’ waste)	12,542	5,632	5,845	0.45	0.47
Of which factories (Malaysia)	7,579	3,957	3,957	0.52	0.52
Of which construction (Sweden)	1,132	272	484	0.24	0.43
Of which construction (Saudi Arabia)	3,832	1,403	1,403	0.37	0.37
Other waste					
Of which demolition (Subcontractors)	0	N/A	N/A		
Of which from tenants	86	38	48	0.44	0.56
Of which from SIBS’ offices (standard value)	5	3	5	0.65	1.00
Total waste in relation to turnover (tonnes/SEK m)	4	2	2		

Waste in 2023	Total (tonnes)	For recycling (tonnes)	For recycling including energy recovery (tonnes)	Proportion for recycling	Proportion for recycling including energy recovery
Total	17,288				
Construction and factories (SIBS’ waste)	7,741	4,913	5,673	0.63	0.73
Of which factories (Malaysia)	3,908	2,259	2,259	0.58	0.58
Of which construction (Sweden)	3,789	2,630	3,390	0.69	0.89
Of which construction (Saudi Arabia)	45	25	25	0.55	0.55
Other waste					
Of which demolition (Subcontractors)	499	N/A	N/A		
Of which from tenants ¹	1,302	685	1302	0.53	1.00
Of which from SIBS’ offices (standard value)	5	3	5	0.65	1.00
Total waste in relation to turnover (tonnes/SEK m)	6	1	1		

GRI 401-1
NEW EMPLOYEE HIRES AND
EMPLOYEE TURNOVER

	Total	Percentage %	Sweden		Malaysia	
			Number	Percentage %	Number	Percentage %
New hires during the year						
Total	1,835	53	9	9	1,826	55
Men under 30	1,384	75	2	22	1,382	76
Women under 30	13	1	2	22	11	1
Men aged 30-50	426	23	3	33	423	23
Women aged 30-50	11	1	2	22	9	1
Men over 50	1	<0	0	0	1	<0
Women over 50	0	0	0	0	0	0
People who left during the year						
Total	579	17	12	12	567	17
Men under 30	352	61	1	8	351	62
Women under 30	12	2	1	8	11	2
Men aged 30-50	209	36	8	67	201	35
Women aged 30-50	3	1	0	0	3	1
Men over 50	2	<0	1	8	1	<0
Women over 50	1	<0	1	8	0	0

The average number of full-time employees, including probationary employees, in the Group during the year, was 3,442 (2,070), of whom 72 were women (60) and 3,370 men (2,010). The sickness rate for the whole Group was 0.7 per cent, of which the Swedish operations accounted for 0.6 per cent and the Malaysian operations for 0.7 per cent. In terms of permanent staff alone, excluding probationary staff, the number of people

who left our employment in Malaysia is 14 or 1.8 per cent. For operations in Sweden, the number of full-time employees is calculated as an average over the year. For operations in Malaysia, the number of full-time employees as at 31/12/2024 is stated.

GRI 401-2
BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES

In Malaysia, permanent employees have better benefits compared with probationary and fixed-term employees. The difference is two extra days of holiday, better health insurance and the fact that only permanent employees have insurance for dental care and glasses.

In Sweden, benefits vary between companies, but an occupational pension, a health allowance and medical insurance are available to all.

GRI 401-3
PARENTAL LEAVE

All employees within the Group are entitled to parental leave. In SIBS Malaysia, no employee has taken parental leave. In Sweden, 22 employees took parental leave, of which 19 men and 3 women. They all took short-term leave and returned to work during the year. No one has resigned after returning from parental leave.

GRI 404-1
AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE

In Malaysia, staff have had an average of 4 hours of training and in Sweden 2.5 days.

GRI 405-1, 405-2
IVERSITY AND EQUAL OPPORTUNITY

	Total %	Sweden %	Malaysia %
Women	2	24	2
Men	98	76	98
Under 30	71	14	72
Aged 30–50	29	80	28
Over 50	<0	6	<0

Guest workers from Myanmar make up 34 per cent of our employees in Malaysia. Employees of the Malaysian subsidiary SIBS Lmted account for 0.09 per cent of the employees in Malaysia.

Average salary of women in relation to men, %	
Region	
Total	94
Sweden	81
Malaysia	155

Our 2024 survey shows that there are no differences between the pay of women and men that are not fully explained by job type, age and experience. Malaysia’s subsidiary SIBS Lmted has 3 employees who have worked for the company all year. These are included in Malaysia’s calculations.

Across the Group, without adjusting for occupation and location, women earn 94 per cent more than men on average. This is because we do not have any women physically working in production in the factories and we have a higher proportion of women in Sweden than in Malaysia.

In Malaysia, women earn more because they all have clerical jobs, compared with the majority of the factory staff, who are men, but if we only count clerical staff and exclude directors, women earn less. However, this difference is fully explained by the type of position and experience. In Malaysia, a relatively small proportion of women are employed and many stop working when they have a family. It is therefore difficult to achieve a balance with older women in the office.

In Sweden, women earn less, but even here the difference is fully explained by experience, age and type of position. Comparable benefits received by both women and men are available in Sweden only at the associated company MOKO. There is no gender pay gap left after adjusting for year of birth.

GRI 407–1, 408–1, 409–1
FREEDOM OF ASSOCIATION, CHILD LABOUR, FORCED LABOUR

Trade union involvement is encouraged in our Code of Conduct, and our employees are active in issues related to health and safety and working conditions. This is done in Sweden through safety representatives, participation in exercises and risk mapping, etc. In Malaysia, this is done mainly through participation as representatives in the Health and Safety Committee, which in turn monitors and evaluates the working environment. In Saudi Arabia, we have both our own staff from Sweden and temporary staff, who are all required to comply with SIBS’ Code of Conduct and the extensive client requirements regarding health and safety and working conditions that apply to the project.

The prohibition of child labour and forced labour is covered by our Code of Conduct and our Supplier Code of Conduct.

Foreign labour has been identified as a risk group in terms of human rights violations and during the year SIBS has developed and worked on new procedures for control and monitoring of suppliers in Asia as well as at Swedish workplaces.

GRI 3-2
LIST OF MATERIAL TOPICS

Economic impact	
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed
	201-4 Financial assistance received from government
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption
	205-2 Communication and training about anti-corruption policies and procedures
	205-3 Confirmed incidents of corruption and actions taken
Environmental impact	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions
	305-2 Energy indirect (Scope 2) GHG emissions
	305-3 Other indirect (Scope 3) GHG emissions
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts
	306-2 Management of significant waste-related impacts
	306-3 Waste generated
Social impact	
GRI 401: Employees 2016	401-1 New employee hires and employee turnover
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees
	401-3 Parental leave
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system
	403-2 Hazard identification, risk assessment, and incident investigation
	403-4 Worker participation, consultation, and communication on occupational health and safety
	403-6 Promotion of worker health
	403-9 Work-related injuries
	403-10 Work-related ill health
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees
	405-2 Ratio of basic salary and remuneration of women to men
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour
GRI 409: Forced or Compulsory Labour	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

The Sustainability Report is prepared annually for SIBS AB, including Group companies and subsidiaries. No adjustments have been made with respect to the 2023 Sustainability Report.

GRI 416-1, 416-2
CUSTOMER HEALTH AND SAFETY

SIBS’ modules and completed buildings are assessed for health and safety through our own calculations, self-checks, expert investigations, and checks by the person responsible in accordance with the Swedish Planning and Building Act, the building permit process and their equivalents. Our services and products fulfil all the health and safety requirements for our customers.





Hansastaden, Nyköping, Sweden

Board of Directors



JOHAN KARLSSON
Co-founder and Chairman of the Board in SIBS AB, and member of the Board of SIBS Modular AB.

Johan is the founder, co-owner and CEO of Slättö Förvaltning. He is also the founder, co-owner and CEO of Swedish investment firm Neptunia Invest (publ).



ERIK THOMAEUS
Founder, President and CEO, and member of the Board of SIBS AB & SIBS Modular AB.

Erik is a founder, CEO and member of the Board of SIBS AB and SIBS Modular AB. He founded SIBS in 2016. He was previously the CEO of Nolek Group. Erik has a Bachelor’s degree in International Economics and Management from Milan’s Bocconi University.



JONAS RAMSTEDT
Co-founder and member of the Board of SIBS AB & SIBS Modular AB.

Jonas has a long and successful background within both property and acquisitions. He is currently the principal owner and CEO of Landia, as well as the owner of J&G Invest. Jonas has a Master’s degree in Business Administration – Financial Reporting from the Stockholm School of Economics.



PÄR THOMAEUS
Founder and member of the Board of SIBS AB & SIBS Modular AB. CEO Sveaviken Bostad

Pär is a founder and member of the Board of SIBS AB and SIBS Modular AB, and is CEO of Sveaviken Bostad. Pär was previously head of Exoro Capital for 15 years. He has a Bachelor’s degree in Finance from St. Louis University.

At an Extraordinary General Meeting on 22 January 2025, Johan Karlsson was appointed as Chairman of the Board of SIBS AB and succeeding Michael Wolf. At the same time, the General Meeting decided to re-elect Erik Thomaeus, Jonas Ramstedt and Pär Thomaeus as members of the Board.

SIBS Group Management Team



ERIK THOMAEUS
CEO SIBS AB & GROUP

Erik is a founder, CEO and member of the Board of SIBS AB. He founded SIBS in 2016. He was previously the CEO of Nolek Group, and is also a co-owner of Exoro Capital AB, Industrium AB and Landexo AB. He has a Bachelor's degree in International Economics and Management from Milan's Bocconi University.



PÄR-HENRIK ALMÉN
CPO SIBS MODULAR

Pär-Henrik has extensive experience in industrial construction, specialising in modular assembly and completion. He has completed four years of studies in structural engineering and is a certified control manager in accordance with the Swedish Planning and Building Act. He was previously Deputy CEO of MOBY.



LEE BOON CHIEN
CFO SIBS MALAYSIA

Boon Chien began his career at PwC and has over a decade of experience with multi-national and local conglomerates. He has held finance leadership roles in listed companies and is now the CFO of SIBS Malaysia. He holds a BA in Accounting, is an ACCA Fellow, and Chartered Accountant.



LAWRENCE CHUA SUE LIN
EXECUTIVE DIRECTOR SIBS MY

Lawrence is the Executive Director and a pioneer of SIBS Malaysia who oversees SIBS's supply chain. Lawrence has extensive experience forming global partnerships when he was the Director of Nolek Malaysia. Lawrence holds a Bachelor's degree in Mechanical Engineering.



JOHAN DUFVENMARK
CFO SIBS MODULAR

Johan joined SIBS in early 2025. He has experience working for several listed industrial companies and has held various senior positions including in Treasury and Controlling and as CFO. Johan holds a Master's degree in Financial Economics from the Gothenburg School of Economics.



JENNY GARNEIJ
CHIEF OF STAFF SIBS

Jenny is the Group's Chief of Staff and drives key initiatives within the fields of marketing/communication, HR and IT. She has extensive experience in various management positions and spent several years in a listed environment in the property sector. Jenny has a broad education in leadership, communication and organisation.



PATRIK JENSEN
CEO MOKO

Patrik has 15 years of experience as a design engineer and has developed several construction systems that have been implemented on the market. Patrik has a PhD in Modular Construction Systems and Design Automation.



CARL SAIDAC
DEPUTY CEO SVEAVIKEN BOSTAD

Carl has been employed at Sveaviken Bostad since mid-2020, previously in the role of COO/Transaction Manager. He has several years of previous experience from senior business development positions in the real estate and retail sectors. Carl holds a Bachelor's degree in Business Administration from the Stockholm School of Economics.



ONG SONG PING
MANAGING DIRECTOR SIBS MY

Song Ping is the Managing Director and a pioneer of SIBS Malaysia. Leveraging his profound engineering expertise in equipment, he played a key role in setting up SIBS factories. He was the CEO of Nolek Malaysia and holds a Bachelor's Degree in Mechanical Engineering.



ERIK SÖDERHOLM
CTO SIBS

Erik is the chief technology officer for the Group. He has extensive experience of industrial construction and has worked in various management positions with a focus on production, quality and efficiency improvements. Erik has an extensive academic background, including a Licentiate degree in Industrialised Construction and a Master's degree in Engineering specialising in Industrial Production.



PÄR THOMAEUS
CEO SVEAVIKEN BOSTAD

Pär is a founder and member of the Board of SIBS AB and CEO of Sveaviken Bostad. He is also a co-owner of Exoro Capital AB, Industrium AB and Landexo AB. Pär was previously head of Exoro Capital for 15 years. He has a Bachelor's degree in Finance from St. Louis University.



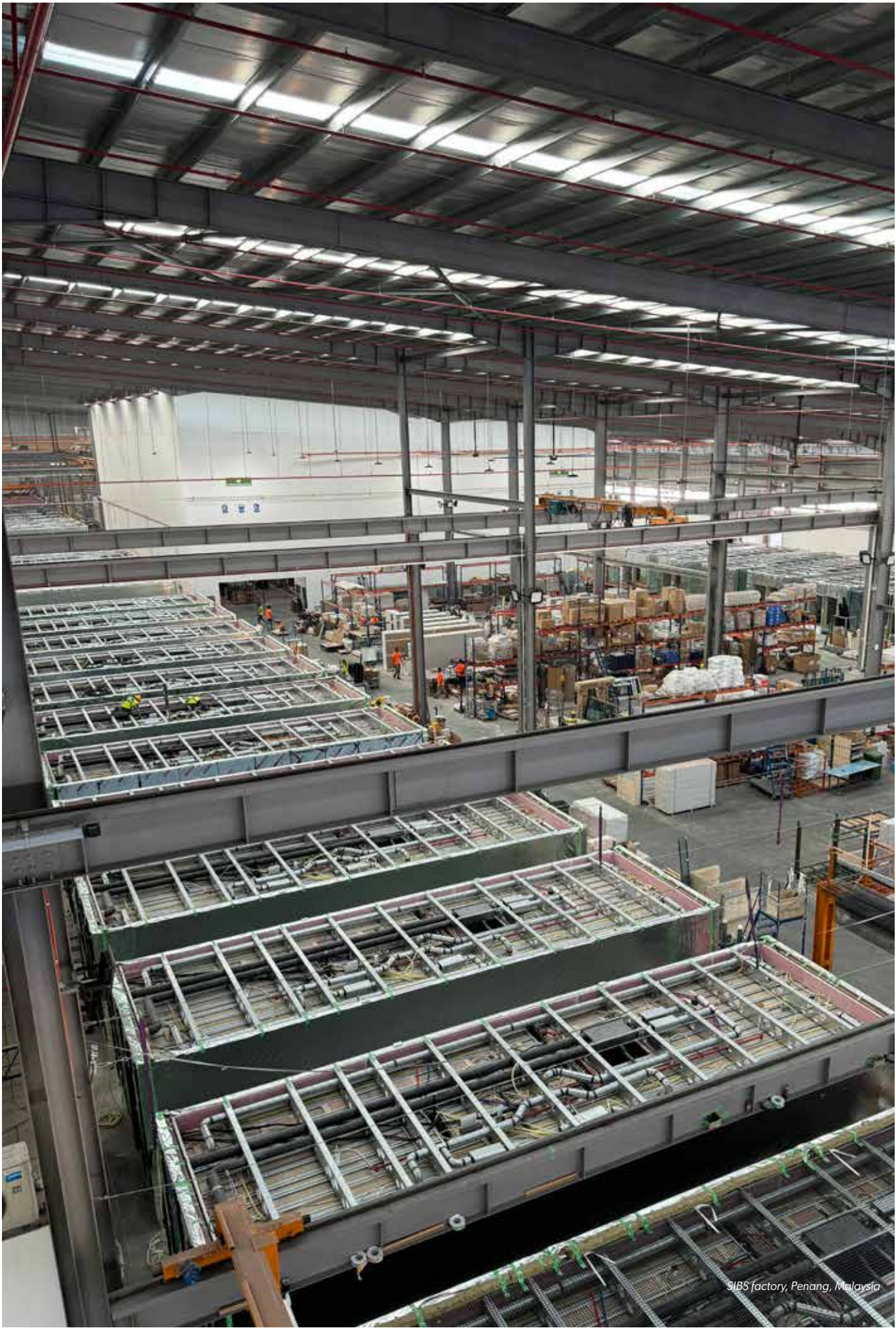
DAVID ÖSTERSTRÖM
CEO FRONTLOG, COO SIBS

David is the founder and CEO of Frontlog AB. He is responsible for SIBS' shipping and logistics and is also head of the SIBS Group's international expansions. He has had a long career within the shipping industry, which began at sea, and he has worked both in maritime financial services and as a shipbroker.



SIMON ÖSTERSTRÖM
DIRECTOR OF PROJECTS SIBS MODULAR

Simon has extensive experience in international sales and project delivery, particularly in the logistics and machinery fields. At SIBS, he is responsible for project implementation outside Sweden.



SIBS factory, Penang, Malaysia

Financial reporting



Directors’ report

The Board of Directors and the CEO of SIBS AB (publ), corp. reg. no 559050-3073, hereby present its annual report and consolidated financial statements for the financial year 1 January to 31 December 2024. Data in brackets refer to the previous financial year. The seat of the Board is in Stockholm.

January-December 2024

- 🏢 **Net sales** increased to SEK 5,869.3 million (2,690.2). Project and contracting income increased to SEK 5,821.6 million (2,631.6). The increase in sales is mainly due to a rise in module sales to international customers.
- 🏢 **Gross profit** increased to SEK 704.7 million (295.6).
- 🏢 **Operating profit before changes in value** totalled SEK 542.5 million (136.7).
- 🏢 **Changes in the value of investment properties** totalled SEK -192.8 million (-145.2) and profit from associated companies and joint ventures came to SEK -254.5 million (-298.9). The negative changes in value reflect the change in market conditions and are mainly attributable to increased yield requirements.
- 🏢 **Operating profit** amounted to SEK 95.2 million (-307,4).
- 🏢 **Net financial items** totalled SEK -196.0 million (-229.5), of which interest income amounted to SEK 5.8 million (6.0) and interest expenses to SEK -201.8 million (-235.5).
- 🏢 **The profit** for the year after tax was SEK -155.0 million (-490.8).
- 🏢 During the year, the Group invested around SEK 66.2 million (53.8) in its wholly-owned investment properties and disposed of investment properties for SEK 542.2 million. A further SEK 16.4 million (108.3) were invested in the Group’s production facilities. These investments were financed through self-generated funds, additional bank debt and a SEK 125.0 million new share issue.
- 🏢 **Cash flow for the financial year** totalled SEK 68.9 million (135.4), of which cash flow from operating activities was SEK -970.5 million (199.0). Investing activities had a SEK -449.7 million (-240.7) impact on cash flow and cash flow from financing activities totalled SEK 1,489.1 million (177.1). Cash and cash equivalents at the end of the year totalled SEK 350.4 million (265.1).

The business in general

The SIBS Group was founded in 2016 with a vision of challenging norms and creating a smarter approach to industrial housing construction. Together with contractors, civil engineers, doctors in industrial construction, and architects, we realised the idea of our own modular design and construction system. The system allows for greater design flexibility and significantly shorter lead times compared with both traditional construction and other modular construction systems.

SIBS is one of the world’s leading industrial producers of housing. SIBS has a scalable capacity of up to around 6,000 homes a year at its existing factories. SIBS operates across the entire real estate chain – from land acquisition and the development of detailed

development plans and development rights, to the design, production, transport, construction and management of completed residential properties.

Vision

SIBS’ vision is to set a new standard in the construction industry. Our long-term objective is to drive the development of tomorrow’s construction industry, where construction projects cost less, are completed faster and are more predictable. Taking months, not years, to build new homes. Our ambition is to lead developments within ConstructionTech – a combination of automated design systems and industrial construction, which transforms generated drawings into finished buildings with precision.

Group companies

The Group currently consists of seven operating associated and Group companies and additional property-owning Group companies. (See Note 25 for more information.)

- 🏢 SIBS AB is the parent company and performs all Group Management functions.
- 🏢 MOKO AB is the Group’s engineering and architectural company and is responsible for development and design.
- 🏢 MOBY AB is the construction company responsible for everything on building sites.
- 🏢 SIBS Sdn Bhd is the module manufacturing company located in Malaysia, which owns and operates our two factories.
- 🏢 Frontlog AB is the logistics company that procures and is responsible for all transport from the factories to construction sites.
- 🏢 Sveaviken Bostad AB is the company that actively works on acquisitions and works closely with our joint venture partners.
- 🏢 Sveaviken PM is the company responsible for technical and financial management for Group companies and external customers.

Ownership structure as at 31 December 2024

Owners	Number of shares	Ownership by %
Neptunia Invest AB	117,691	18.4
Industrium AB	114,243	17.9
J&G Invest AB	105,600	16.5
Ramstedt Gruppen AB	70,892	11.1
Exoro Capital AB	52,156	8.1
Other shareholders	178,411	28.0
Total	638,993	100.0

Significant events during the year

- 🏢 In February 2024, Sveaviken Bostad sold 75 homes in the Lund Parasollet 2 property to SEB’s housing fund Domestica V. This represents a total lettable area of 3,593m².
- 🏢 In June 2024, SIBS AB issued additional senior unsecured bonds of around SEK 100 million, under the existing SEK 800 million framework. After the issue, a total of SEK 598,958,270 had been issued under the framework. The price of the new bonds was set at 100 per cent of the nominal amount.
- 🏢 During the third quarter, SEK 125 million of capital was raised from existing shareholders.
- 🏢 During the third quarter, it was announced that the company was exploring the possibility of issuing senior unsecured bonds, with an expected volume of SEK 1,000 million and a three-year maturity. The proceeds from these new bonds would be used, among other things, to refinance outstanding green bonds. A successful bond issue was completed in September. In October 2024, SIBS announced that it was exercising its option to redeem all of its outstanding senior unsecured 2020/2025 green bonds in accordance with the terms of the redemption notice.
- 🏢 In December 2024, Sveaviken Bostad divested its shares in the JV company co-owned with Nordsten/SBB. The JV company mainly held completed residential properties, with 239 apartments in Mariefred in Strängnäs, and also investment properties in Enköping.

Significant events after the end of the financial year

- Events after the end of the financial year can also be found in Note 46.
- 🏢 At an Extraordinary General Meeting on 22 January 2025, Johan Karlsson was appointed as Chair of the Board of SIBS AB, succeeding Michael Wolf. At the same time, the meeting decided to re-elect Erik Thomaeus, Jonas Ramstedt and Pär Thomaeus as Board members.
 - 🏢 In February 2025, SIBS completed a transaction in which Sveaviken Bostad sold its majority stake in the development project in Nykvarn to Slättö and Sveaviken’s joint venture. This was the last wholly-owned property under its own management. The transaction reduced the Group’s consolidated net debt by approximately SEK 500 million.
 - 🏢 In February 2025, SIBS was guaranteed a capital injection of SEK 150 million by existing shareholders. In connection with this guarantee, the company obtained a bond term waiver from more than two-thirds of its bond investors, including terms related to the financing of its subsidiary SIBS Malaysia. The written procedure for the waiver was completed in April.

- 🏢 SIBS’ Board of Directors has sought authorisation from the 2025 Annual General Meeting for a new share issue of SEK 500 million, of which just over SEK 300 million has been guaranteed by existing and new shareholders. In addition, it has obtained a further relaxation of its bond terms, which has been accepted by a committee representing more than two-thirds of the bond principal.

- 🏢 In May 2025, SIBS signed a delivery agreement, aimed at delivering up to 2,000 homes a year, with one of the largest property owners and developers in the Asia-Pacific region.

Organisation and employees

The average number of full-time employees, including probationary employees, in the Group during the year, was 3,442 (2,070), of whom 72 were women (60) and 3,370 men (2,010). The most recruitment took place in production in Malaysia. The sickness rate for the whole Group was 0.7 per cent, of which the Swedish operations accounted for 0.6 per cent and the Malaysian operations for 0.7 per cent.

Liquidity and financing

SIBS’ operations are capital-intensive and depend on how different investments are able to be financed. The number of wholly- and partly-owned properties was reduced through divestments during the year, which is part of the Board’s established strategy.

SIBS has continued to invest in the building system, enabling new products and the possibility of entering new markets with new business models that are expected to result in a more regular operating cash flow.

In 2024, accrued expenses not invoiced increased significantly and amounted to SEK 1,547.9 million (70.0) at the end of the year. The accrued expenses include costs related to so-called milestone payments of approximately SEK 300 million that have not yet been invoiced, for the two Saudi Arabian projects, uninvoiced change orders of approximately SEK 170 million, and uninvoiced expense claims of SEK 790 million. Accrued expenses related to Swedish projects amount to SEK 288 million. The work carried out has resulted in an increase in trade payables, which totalled SEK 1,268.7 million (511.1) at the end of the year, and also contributed to an increase in current liabilities, which amounted to SEK 2,782.9 million (800.4). Of the current liabilities, commercial paper accounts for approximately SEK 392 million maturing in the second quarter of 2025. The commercial paper is expected to be extended or replaced by longer-term debt. SIBS is actively working on completing the projects in order to release milestone-related payments. They are expected to be completed in the second quarter of 2025. SIBS is also actively working on the documentation process, and has added resources, to ensure that other uninvoiced expenses will be invoiced and paid. Payments for change orders and expense claims are expected to start being made at the end of the second quarter and at the beginning of the third quarter.

Net debt increased during the year, mainly due to an increase in working capital and investments in the building system. The Group’s net debt and cash flow have been affected by a large increase in working capital, mainly related to the expenses accrued for the two projects in Saudi Arabia. The large increase in working capital and the weak cash flow in 2024, which has continued into early 2025, have put a strain on the cash position. Following mapping and analysis of the future capital requirement, the Board of Directors decided to start negotiations with bond investors regarding certain changes to terms, and with shareholders regarding further capitalisation. A qualified majority of the Swedish bond’s holders accepted changes to its terms on 30 April 2025. SIBS has

subsequently secured approximately SEK 300 million of long-term debt. SIBS' Board of Directors called an Annual General Meeting on 2 June to approve the annual accounts and authorise the Board of Directors to carry out a capitalisation by means of a preferential and reserved share issue of up to SEK 500 million. A qualified majority of the shareholders support the authorisation, and a group of shareholders has guaranteed a little over SEK 300 million.

The Board believes that the going concern principle should be applied given the measures taken.

Material market factors

2024 saw continued uncertainty globally, with geopolitical conflicts, including the continuing unrest in the Middle East and the conflict in the Red Sea, which affected global transport flows. SIBS, like many other operators, has felt the effects, in the form of increased shipping costs and extended delivery times.

Activity on the Swedish market is still restrained by the interest rate hikes of the past year and an investment appetite generally tempered by caution. Although the pace has remained slow in Sweden, we are now seeing clear signs of recovery. Inflation has started to fall and interest rates are thought to have stabilised. This means that conditions are better for the realisation of planned projects and is boosting confidence in the Swedish market. At the same time, demand for cost-effective, sustainable solutions with short lead times has increased. This opens the way for industrial construction and turnkey solutions, which is where SIBS' strength lies.

SIBS' business model is designed to be flexible and adaptable. When demand in Sweden has been weak, we have increased our focus on industrial sales and international projects. By offering conceptualised, turnkey solutions for multiple geographical markets, including customised properties for external clients, we have been able to scale up operations where the conditions are most favourable.

Sustainability

In 2024, the strategic sustainability work across the Group was aimed at alignment with the new EU Corporate Sustainability Reporting Directive (CSRD) through the conducting of stakeholder and materiality assessments, and a gap analysis, in order to adjust our processes and operations so as to meet the upcoming sustainability reporting requirements under the new reporting standards (ESRS). The work was carried out in consultation with the Group's employees and stakeholders and resulted in a double materiality assessment that covers the positive and negative impacts in the various sustainability areas included in the standards. The assessment also includes a financial perspective and the risks and opportunities affecting the Group and our business activities. The results have given us a number of important insights, for example into how we might improve our sustainability work and also reduce our resource consumption, waste and climate impact. The work has also led to an increased transfer of knowledge and process management between different areas of professional activity and companies within the Group, making us better equipped to meet the sustainability challenges that we face.

We have maintained a high production capacity, and a safe working environment for our staff in the factories and on our construction sites is our top priority, in order to avoid workplace accidents and injuries. We are proud that injuries and accidents remain at a low level in spite of our rapid expansion.

Significant risks and uncertainties

SIBS' activities involve both risks and opportunities. In 2024, the risks increased, partly due to external factors, but also due to a significant increase in our working capital requirement. Risk management and mitigation have been further prioritised to strengthen the company and provide long-term stability. Risk control is essential for sound and profitable growth and development. A description of the risks can be found in the table on pages 76-79.

Proposed appropriation of profit (SEK)

Parent company

The following accumulated losses of the parent company are at the disposal of the Annual General Meeting:

Retained earnings	-1,100,531,273
Capital injections received	862,332,007
Profit for the year	-764,061,702
Total	-1,002,260,968

The Board of Directors and the CEO propose:

Carried forward	-1,002,260,968
Total	-1,002,260,968

For the company's other results and position, please refer to the following financial statements and related notes.



SIBS factory, Penang, Malaysia

Risks

SIBS’ activities involve both risks and opportunities. Risk management and risk minimisation are therefore priority areas that help SIBS to maintain the long-term stability of the company. It is also part of the basis for good, profitable growth and development. SIBS conducts annual risk mapping and assessment, and implements an annual risk management plan, to ensure that the business is well-equipped to deal with different scenarios.

OPERATIONAL RISKS

RISK AREA	DESCRIPTION	MANAGEMENT
Project risks	Various types of risks arise during the course of projects, such as during land acquisition, the detailed development planning stage and design, where the right analysis and calculations are of paramount importance for a predictable process with good profitability. Environmental circumstances or technical problems can also lead to delays and increased costs or reduced revenues. Any disagreements with clients about increased costs to be attributed to projects and reimbursed by clients increase projects’ risks.	SIBS has clear project management with continuous evaluation and development. Calculations and projections are regularly reconciled for good cost control and accurate revenue assessments. There are clear decision points in the process for obtaining approval after reviewing the evidence. SIBS’ Quality and Environmental Policy is an important basis for risk management in projects. SIBS attaches great importance to the right analysis, from the early stages of projects, for the right input. Specific expertise in areas such as construction engineering and environmental strategic analysis is ensured. SIBS’ proprietary “Parametric Modularisation” building system and configurator allows projects to be designed with great flexibility, and to be tailored to maximise the use of the development provisions in detailed development plans. Project risks are minimised through a regulated system that warns of and prevents the non-compliance of what is being designed with predetermined parameters or regulatory requirements. Architectural objects in the design process ensure the transferring of experience.
Disruptions to in-factory production	During the production phase, there is a risk of unplanned production stoppages at the factories. This could cause delays in our projects, which in turn could drive up project expenses.	SIBS implements continuous quality assurance of its internal production procedures and processes. Each step is documented to ensure proper execution and a good basis for development and improvement of process control. Furthermore, the production process is divided into 45 main processes, and where the production risk is greatest, the main process is, in turn, divided into several sub-processes. SIBS’ two factories with scalable capacity provide excellent operational reliability.
Disruptions in the logistics flow	Disruptions to logistics flows risk resulting in delays and costly processes during waiting times or rescheduling.	Very clear process control provides good predictability in production, allowing us to plan, synchronise and optimise transport. SIBS is also ready to respond quickly to unplanned events (e.g. accidents) with minimal disruption.
Quality	SIBS has a scalable production capacity of up to 6,000 apartments per year. This places high demands on our expertise, processes and established quality controls, implemented to ensure that the same high quality is always achieved whatever the volume produced.	SIBS has extensive quality controls, more than 400 quality points being digitally measured and documented throughout the production chain. SIBS has well-established processes and procedures to ensure efficiency and quality. New employees receive comprehensive onboarding and ongoing support in order to ensure that expertise is passed on. SIBS also has the company-specific system SPS Flow (SIBS Production System Flow), which supports, manages and documents projects from their early stages right through to the management stage.
Organisation	SIBS’ value chain requires a high level of expertise at different levels and in specific specialist areas. The loss of these competencies can lead to wrong decisions or lower efficiency. If the company is perceived as lacking values or leadership, staff turnover may increase and recruitment may be made more difficult.	SIBS is committed to offering its employees security, community and opportunities for development. We have clear values and policies that are naturally implemented in our business. Guidelines and procedures are continuously developed. We document development to ensure that no element is dependent on a particular person.
Property expenses	Management costs are partly dependent on general cost trends. However, they are also included in the costs that have to be borne by SIBS and cannot be covered by relevant rent increases or re-invoicing. There are also risks associated with unplanned repairs or maintenance that may also affect the value of properties.	All properties have quality-assured maintenance plans. The management team works continuously to optimise the cost and revenue side, ensuring that plans are followed and identifying any need for early action. Our properties have very low energy consumption, thanks to solar panels, geothermal heating systems, etc., and the energy efficiency of the building system.
IT and information security	Lack of IT security can have major consequences, such as the destruction, loss or theft of data.	SIBS has a well-developed and fully-implemented IT policy governing procedures, behaviour, systems and storage. SIBS keeps abreast of developments in data security and engages the assistance of external expertise to ensure a high level of data and information security.

FINANCIAL RISKS

RISK AREA	DESCRIPTION	MANAGEMENT
Investments	SIBS’ activities include ongoing investments such as acquisitions and increasing its production capacity. If investments do not meet the yield requirement, the value of the properties risks being eroded. If production capacity is insufficient to meet expected delivery times, there is a risk that growth targets will not be met and that individual projects may be subject to delays and high costs.	Good knowledge of the market and an analysis of the conditions of each individual acquisition provide a good basis for calculation. The property portfolio is evaluated on an ongoing basis. Investments in the factory are systematically and continuously assessed and evaluated. Production capacity is ensured continuously.
Currency risk	SIBS operates in a market where exchange rate fluctuations may affect the Group’s results, cash flow and balance sheet. Currency risk refers to the risk of the Group’s financial position and reporting being affected by fluctuating exchange rates.	The Group carries out regular reconciliations to assess the risk of currency fluctuations. In cases where there is deemed to be a high risk with regard to the Group’s income statement, balance sheet and cash flows, currencies are hedged on the open market.
Refinancing and liquidity risk	SIBS operates in a capital-intensive industry, where financing costs are a major cost item. Refinancing risk refers to the risk that financing cannot be obtained or renewed at maturity, or that refinancing can only be renewed at a significantly higher cost. Liquidity risk refers to the risk of not having a sufficient payment capacity to deal with foreseen and/or unforeseen expenses. Liquidity is necessary for the financing of ongoing projects, the operation of the business and the payment of interest and repayments. It is common for SIBS’ projects to be carried out at a fixed price and with comprehensive contracts that describe how changes in conditions are to be managed. Changes in conditions may lead to contracts being interpreted and assessed differently in the situations that may arise. This entails risks linked to time aspects, cost increases, tied-up capital and cash flow, and the risk is considered to increase the larger the project. Lack of compliance with rules or agreements may entail penalties, as well as damage to confidence or the conditions for external funding.	The management of financial risks is governed by the financial policy, which is reviewed once a year and adopted by the Board of Directors. The financial policy sets out guidelines and rules for the conducting of financial activities. The aim is to ensure good control and satisfactory financing terms. In order to guarantee compliance with its financial policy, the Group conducts regular reviews during the year to verify and manage the Group’s refinancing and liquidity risk.
Interest rate risk	The cost of interest on borrowed capital is a major expense item in SIBS’ income statement. Interest rate risk means that fluctuations in market interest rates and credit institutions’ margins can have a significant impact on the company’s results. If market interest rates rise or if SIBS fixes its interest rates at a level higher than the market rate, there is a risk of rising interest expenses.	The financial policy regulates interest rate fixation and risk mandates. The aim is to ensure good control and satisfactory financing terms.
Financial reporting	Financial reporting is important for making the right decisions, as well as for transparent and trust-building engagement with external parties and stakeholders.	The finance department has a high level of competence, and the company has a financial calendar for all external reporting. SIBS works internally on monthly reporting and weekly project reconciliation. Reconciliation with the auditor takes place on an ongoing basis.
Property valuations	SIBS recognises its investment property holdings at fair value, which means that the consolidated book value of the properties corresponds to the estimated market value in accordance with accounting standard IAS 40 Investment Property. A decline in the market value of the properties therefore has a direct negative impact on the consolidated earnings and financial position, even though the Group’s cash flow is not affected until the property is sold.	To ensure a fair and credible assessment of the market value of the properties, the company engages external, independent and reputable valuation companies, which perform annual market valuations of all of the Group’s properties.
Rental income and vacancies	Rental income is influenced by a number of factors, including supply and demand, which is driven by factors such as existing housing stock, population growth and employment. In addition, demand is created according to how well-designed the housing is for meeting the needs and wants of the target group. A lack of knowledge about the needs of the target group and a lack of management quality can lead to lower customer satisfaction and an increased risk of vacancies.	SIBS prioritises very good knowledge of the market so that it establishes operations in locations with good demand. Priority is given to the development of housing with a focus on the tenant and insight into the needs and motivations of the target groups. Close dialogue is also maintained with tenants. Tenants are approved according to an established process that also ensures the tenants’ ability to pay.

EXTERNAL RISKS

RISK AREA	DESCRIPTION	MANAGEMENT
Crises	A crisis in the wider world can comprise various events that are difficult to predict but have a major impact on society. This may include, for example, cyber-attacks, armed attacks, pandemics, environmental disasters or other extreme events.	SIBS has a well-developed crisis plan that also includes a succession plan for senior management. The crisis plan is reviewed annually, and employees are informed of, and trained to act in accordance with, the plan.
Reputation	Trust is a foundation for both business and good relations with our stakeholders. Damage to our reputation that harms trust may affect the company's ability to operate successfully. If mistakes are made due to lack of competence or ignorance of SIBS' values or processes, or the applicable regulations, its reputation may be adversely affected.	SIBS strives and actively works to ensure that we meet the expectations of the world around us. We have good internal governance, high internal efficiency and a clear set of values that all employees and suppliers are expected to act upon. We continuously develop and revise our internal governance documents and communicate with and train our employees to enable everyone to contribute to compliance and quality assurance.
Compliance	Lack of compliance, governance and procedures can lead to the risk of wrong decisions being made or inefficiencies both internally and externally. The consequences of non-compliance may include financial losses or penalties, and an adverse impact on trust in SIBS and thus its ability to operate successfully.	Good internal control, including governance documents, such as processes, policies and procedures, is communicated to employees, and compliance is monitored. SIBS works continuously to develop processes and guidelines. SIBS' Code of Conduct is clear about the company's expectations of employees and suppliers with respect to human rights, zero tolerance of corruption, and environmental, social and economic responsibility.

STRATEGIC RISKS

RISK AREA	DESCRIPTION	MANAGEMENT
Political decisions and rule changes	SIBS activities are affected by political decisions and regulations. Changes to tax legislation, planning processes or government grants, for example, may lead to changes in the conditions for doing business.	SIBS closely monitors the development of laws and regulations and prepares well for any changes. Legal or other external expertise is engaged when required. The company continuously analyses potential scenarios and prepares to deal with any changes in circumstances.
Changes in property value	Changes in the value of properties represent a risk and an opportunity. They are influenced by a large number of factors, such as the geographical composition of the property portfolio, the quality of the properties and how well they are managed. This, in turn, is reflected in rent levels, occupancy rates and property costs. Valuations are also affected by the business cycle, as are yield requirements on valuation.	SIBS has a well-balanced project portfolio with an appropriate geographical spread in attractive locations. There is a clear plan for each property. Sustainability is a priority and the properties therefore have solar panels and geothermal heating systems. Management is long term, with a focus on both property and technological developments that will benefit both the company's property valuations and customers' enjoyment of the housing.
Development of the project portfolio	A well-balanced project portfolio is the basis for the company's future development and growth. Limits on the company's ability to develop the portfolio according to the desired strategy may impede or dampen future growth.	SIBS works diligently to achieve the right balance in its portfolio in relation to current and future demand in terms of both property type and geographical market. The company continuously engages with municipalities, property owners and other influential stakeholders. Analyses of business conditions and the market are carried out regularly and are included in the parameters taken into account in the development of the portfolio. SIBS has a clear investment strategy that also covers the management of risks and opportunities.

RISKS RELATED TO ACCRUED EXPENSES NOT INVOICED

At the end of 2024, SIBS was owed SEK 1,547.9 million by clients related to expenses accrued that were recognised as income and expensed in 2024 but have not yet been invoiced. The expenses relate to several projects, but mainly to large projects in Saudi Arabia. The expenses accrued, and SIBS' income, are mainly of three types:

- Milestone payments, for which work has been carried out but not yet completed and therefore not invoiced. The projects are divided into different parts, known as milestones, each of which represents the completion of a sub-project, which is then accepted, resulting in entitlement to a partial payment.
- Change orders, whereby the customer has ordered extra work, or other changes, during a project
- Expense claims, whereby SIBS has incurred additional expenses due to circumstances beyond its control.
- How these expenses are to be managed is determined contractually.

See Notes 7 and 9, and the Directors' report, on page 73, for a more detailed description.

RISK AREA	DESCRIPTION	MANAGEMENT
Documentation risk	Documentation risk arises if it is difficult to substantiate expense claims with sufficient documentation. This could be because of a lack of supporting documents, such as change orders, work reports, photos, or time logs. If the documentation is insufficient, the company risks having all or part of a claim rejected.	SIBS has documented any change orders or extra costs by means of invoices, time logs, order documents, photos, etc., according to the terms of the relevant contracts, to ensure acceptance. Customers have also been continually informed of costs and have acknowledged any change orders. The majority of the extra costs incurred are due to the fact that SIBS has been prevented by other parties from working on site. The ongoing dialogue with customers has been documented throughout projects. The company has a dedicated team with commercial and legal expertise that is tasked with completing the documentation process. SIBS believes that all of its costs have been or will be properly documented.
Contract risk	There is a risk of customers interpreting contractual terms differently from SIBS, particularly with regard to compensation for changes and delays. This may lead to disputes or delays in payment, even if expense claims are well-founded and documented.	SIBS has recruited staff with commercial and legal expertise to complete the documentation for each expense item, and to ensure each claim's validity under the terms of project contracts.
Credit risk	Credit risk is the risk of a counterparty being unable or unwilling to fulfil its contractual payment obligations, which may result in the company not being paid money that it is owed. Credit risk is dependent on a counterparty's payment capacity, financial stability and history. A high credit risk may have a negative impact on cash flow, earnings and the company's financial position.	SIBS believes that the payment capacity of the counterparties to the projects in question is very good. Customers have adhered to agreements regarding invoices and payments during the projects' course. Letters of credit are used while projects are ongoing to further reduce credit risk.

SUSTAINABILITY RISKS

RISK AREA	DESCRIPTION	MANAGEMENT
Negative impact on the climate	The construction and operation of buildings generally has a major impact on the climate. This impact must be rapidly reduced if we are to meet the two degree target.	A strong focus on energy-efficient buildings and a clear sustainability strategy for net zero climate emissions by 2045. SIBS carries out structured work throughout the Group to reduce its climate impact.
Workplace accidents	SIBS is active in both industry and construction, both of which are sectors with a high risk of workplace accidents such as falls and crushing injuries and, in the worst case scenario, deaths. A good psychosocial working environment is also prioritised.	Systematic occupational health and safety management throughout the process, with regular investigations, risk assessments, measures and follow-up. The working environment is a top priority. The construction company MOBY and SIBS' factories in Malaysia are certified according to ISO 45001. The induction process for new employees includes a review of the risks and how we minimise these and promote a good, safe working environment.
Failure to meet environmental requirements	Our green certifications, the Miljöbyggnad and LEED certification systems, land allocations and legislation all impose requirements that we must meet.	Systematic environmental management according to ISO 14001. We have a summary of all the overall environmental requirements and develop project-specific requirements for all projects. There is a person in charge of each requirement who ensures that we meet them.
Failure to live up to our values	A failure on the part of SIBS or our suppliers to live up to our core values regarding human rights, labour standards, the environment and anti-corruption.	We train all employees in our Code of Conduct and monitor compliance. We have implemented a whistleblowing scheme and actively follow up and report according to the UN Global Compact. SIBS prioritises suppliers that have active environmental management. SIBS is a member of Byggsvarubedomningen to ensure a good, non-toxic built environment, as well as a responsible supply chain.

Consolidated income statement

SEK million	Note	Jan-Dec 2024	Jan-Dec 2023
Project and contracting income	9	5,821.6	2,631.6
Rental and management income	9.10	47.7	58.6
Net sales		5,869.3	2,690.2
Project and contracting expenses		-5,068.8	-2,332.9
Project-related depreciation/amortisation		-73.4	-45.7
Operating and management expenses	11	-22.4	-16.0
Gross profit		704.7	295.6
Work carried out by the company on its own behalf and capitalised	18	277.9	107.1
Development expenses		-277.9	-107.1
Administrative expenses	12.13	-127.1	-179.7
Other operating income		11.1	20.8
Other operating expenses		10.6	-
Non-project-related depreciation/amortisation		-56.8	-
Operating profit/loss before changes in value		542.5	136.7
Change in value of investment properties	19	-192.8	-145.2
Profit/loss from associated companies and joint ventures	27	-254.5	-298.9
Operating profit/loss		95.2	-307.4
Financial income	15	5.8	6.0
Financial expenses	16	-201.8	-235.5
Profit/loss before tax		-100.8	-536.9
Taxes	17	-55.0	46.1
Profit/loss for the period		-155.8	-490.8
Attributable to:			
The parent company's shareholders		-253.7	-524.9
Non-controlling interests		97.9	34.1
Total profit/loss for the period		-155.8	-490.8
PROFIT/LOSS FOR THE PERIOD		-155.8	-490.8
Other comprehensive income			
<i>Items that may be reclassified to the income statement</i>			
Revaluation of owner-occupied properties		110.4	75.1
Translation differences		39.3	-8.7
Other comprehensive income for the year, net after tax		149.7	66.4
Total comprehensive income for the period		-6.1	-424.4
Comprehensive income attributable to:			
The parent company's shareholders		-115.0	-465.0
Non-controlling interests		108.9	40.6
Total comprehensive income for the period		-6.1	-424.4

Commentary on the consolidated income statement

Comparative figures in brackets refer to the same period of last year.

Rental and management income totalled SEK 47.7 million (58.6) and property and management expenses totalled SEK -22.4 million (16.0) in 2024.

The Group recorded project and contracting income of SEK 5,821.6 million (2,631.6) and SEK 5,068.8 million (2,332.9) of expenses. The income recognised relates to contracted income, according to the percentage of completion, for the Neom projects and the five ongoing projects in which the Group does not have a controlling interest.

The expenses represent the actual costs incurred by the group for these contracts. The increase compared with the same period of 2023 is partly explained by the larger number of ongoing projects.

Changes in the value of investment properties amounted to SEK -192.8 million (-145.2) for the period. Changes in the existing building stock amounted to SEK -80.8 million. Unrealised changes in the value of other properties amounted to SEK -9.1 million. Realised value adjustments and effects on disposal amounted to SEK -102.9 million.

Profit/loss from associated companies consists of changes in the value of the Group's shares in associated companies. This change in value includes both the operating surplus generated by the associated companies and any unrealised changes in the value of the project properties owned by these companies. The profit from associated companies for the period totalled SEK -254.5 million (-298.9).

The Group continued its work on the development of the building system and its processes throughout the period. Development expenses amounted to SEK 277.9 million (107.1) and are capitalised in the balance sheet under Capitalised development expenses.

Administrative expenses amounted to SEK 127.0 million (130.4) and the depreciation/amortisation recognised in the income statement that is not recognised in gross profit amounted to SEK 56.8 million (49.3), primarily consisting of the amortisation of development expenses.

Consolidated statement of financial position

SEK MILLION	Note	Jan-Dec 2024	Jan-Dec 2023
ASSETS			
Non-current assets			
Capitalised development expenses	18	657.5	430.7
Investment properties	19	1,577.1	2,095.1
Owner-occupied properties	20	825.6	642.3
Right-of-use assets	23	20.8	8.2
Expenses incurred through improvements to other people's properties	21	-	0.1
Machinery and equipment	22	196.9	123.8
Deferred tax assets	24	64.0	71.2
Shares in associated companies and joint ventures	27	137.6	427.5
Other non-current receivables	28	7.0	7.0
Total non-current assets		3,486.5	3,805.9
Current assets			
Inventories	29	294.4	123.4
Trade receivables	30	126.3	0.2
Debts due from associated companies		101.4	59.4
Current tax receivables	31	42.2	-
Other receivables	31	331.2	190.6
Income earned but not invoiced		1,547.9	70.0
Prepaid expenses and accrued income	32	115.0	20.0
Shares in Group companies		0.3	-
Cash and cash equivalents	33	350.3	265.1
Total current assets		2,909.0	728.7
TOTAL ASSETS		6,395.5	4,534.6

Consolidated statement of financial position

SEK MILLION	Note	Jan-Dec 2024	Jan-Dec 2023
EQUITY AND LIABILITIES			
Equity			
Parent company's shareholders			
Share capital	34	0.6	0.6
Other capital contributions		873.6	737.4
Reserves		242.0	103.3
Retained earnings including profit/loss for the year		233.8	487.6
Total equity attributable to the parent company's shareholders		1,350.0	1,328.9
Non-controlling interests		162.3	53.3
Total equity		1,512.3	1,382.2
Non-current liabilities			
Interest-bearing liabilities	35	264.7	1,164.8
Deferred tax liabilities	24	41.1	13.3
Lease liabilities		20.9	8.2
Other liabilities	36	339.1	339.2
Provisions for other liabilities and charges	37	15.1	2.1
Total non-current liabilities		680.9	1,527.6
Current liabilities			
Interest-bearing liabilities	35	2,782.9	800.4
Invoiced unearned income	9	-	118.0
Trade payables		1,268.7	511.1
Debts owed to associated companies		2.2	20.0
Current tax liabilities		1.8	1.6
Other liabilities	38	48.0	106.1
Accrued expenses and deferred income	39	98.7	67.6
Total current liabilities		4,202.3	1,624.8
TOTAL EQUITY AND LIABILITIES		6,395.5	4,534.6

For information about the Group's pledged assets and contingent liabilities, see Note 40.

Commentary on the consolidated statement of financial position

Comparative figures in brackets refer to the position at the end of the previous year.

Investment properties

At period-end, the Group's investment properties had an estimated market value of SEK 1,577.1 million (2,095.1), which also includes development rights valued at SEK 529.4 million (529.0).

During the period, the Group invested SEK 66.2 million (53.8) in existing properties. As these investments did not result in an increase in the estimated market value, the corresponding amount has been recognised as a negative change in value.

Shares in associated companies

Shares in associated companies represent the value of the Group's shares in companies in which it does not have a controlling interest. At period-end, this value totalled SEK 137.7 million (427.5), primarily driven by divestments.

Accrued expenses not invoiced/Invoiced expenses not accrued.

These items consist of SEK 1,547.9 million (70.0) of receivables and SEK 0 million (118.0) of liabilities. These represent the net amount of the production costs incurred and not invoiced in SIBS' projects. Income earned but not invoiced relates to several projects in Saudi Arabia and Sweden and concerns items such as change orders and ongoing subprojects for which the work has been carried out but invoices has not yet been issued.

Non-current liabilities

The majority of the non-current liabilities are bank loans for the Group's owner-occupied properties.

Current liabilities

Current liabilities consist of the Group's current interest-bearing liabilities maturing in less than one year. Approximately 21.5 per cent of the current interest-bearing liabilities are building credits. Once the properties are completed, the building credits are replaced with standard property loans. These loans have a long maturity and will therefore be classified as non-current interest-bearing liabilities.

Consolidated statement of changes in equity

SEK MILLION	Attributable to the parent company's shareholders					Minority interests	Total equity
	Share capital	Other capital contributions	Reserves	Revaluations	Retained earnings incl. profit/loss for the year		
Opening equity at 1 January 2023	0.6	618.8	24.2	20.2	1,012.4	12.8	1,689.2
Comprehensive income for the year:							
Profit for the year	-	-	-	-	-524.9	34.1	-490.8
Other comprehensive income for 2023	-	-	-8.7	67.6	-	7.5	66.4
Total comprehensive income	-	-	-8.7	67.6	-524.9	41.6	-424.4
Transactions with owners							
Dividends	-	-	-	-	-	-1.0	-1.0
Share issues	-	118.6	-	-	-	-	118.6
Total transactions with owners	-	118.6	-	-	-	-1.0	117.6
Closing equity at 31 December 2023	0.6	737.4	15.5	87.8	487.5	53.4	1,382.2
Opening equity at 1 January 2024	0.6	737.4	15.5	87.8	487.5	53.4	1,382.2
Comprehensive income for the year:							
Profit for the year	-	-	-	-	-253.7	97.9	-155.8
Other comprehensive income for 2024	-	-	39.3	99.4	-	11.0	149.7
Total comprehensive income	-	-	39.3	99.4	-253.7	108.9	-6.1
Transactions with owners							
Dividends	-	-	-	-	-	-	-
Warrants	-	11.2	-	-	-	-	11.2
Share issues*	-	125.0	-	-	-	-	125.0
Total transactions with owners	-	136.2	-	-	-	-	136.2
Closing equity at 31 December 2024	0.6	873.6	54.8	187.2	233.8	162.3	1,512.3

Consolidated cash flow statement

SEK MILLION	Jan-Dec 2024	Jan-Dec 2023
Operating activities		
Profit/loss after financial items	-100.8	-536.9
<i>Non-cash items</i>		
– Depreciation/amortisation and impairments	130.2	49.3
– Capital gains/losses	0.2	348.3
– Capitalised interest	2.2	3.7
– Measurement at fair value through profit or loss	192.8	145.2
– Share in profit/loss of associated companies and joint ventures	254.5	298.9
– Provisions	-	-
– Unrealised exchange rate differences	-10.1	11.5
	469.0	320.0
Income tax paid	-	6.0
Cash flow from operating activities before changes in working capital	469.0	326.0
Cash flow from changes in working capital		
Decrease(+)/increase(-) in inventories	-147.3	1.7
Decrease(+)/increase(-) in current receivables	-314.2	-112.2
Decrease(+)/increase(-) in income earned but not invoiced	-1,595.8	-
Decrease(-)/increase(+) in current liabilities	617.8	-16.5
Total change in working capital	-1,439.5	-127.0
Cash flow from operating activities	-970.5	199.0
Investing activities		
Capitalised development expenses	-277.9	-107.1
Investments in investment properties	-66.2	-64.8
Acquisition of owner-occupied properties	-16.2	-109.4
Dividends from associated companies	3.4	1.5
Disposal of shares in associated companies and joint ventures	20.0	-
Acquisition of subsidiaries	-	-35.0
Sale of subsidiaries	52.7	124.2
Acquisition of property, plant and equipment	-107.3	-50.1
Loans to associated companies and joint ventures	-58.2	-
Cash flow from investing activities	-449.7	-240.7

Consolidated cash flow statement

SEK MILLION	Note	Jan-Dec 2024	Jan-Dec 2023
Financing activities	41		
Dividends		-	-1.0
Shareholders' contributions received		-	-
Share issues		125.0	118.6
Warrants		11.2	-
Bonds issued		1,518.4	-
Amortisation of bonds		-697.0	-
Other borrowings		-	-
Bank loans raised		589.9	392.3
Bank loan repayments		-57.5	-155.6
Lease liability repayments		-0.9	-
Loans to associated companies and joint ventures		-	-177.2
Cash flow from financing activities		1,489.1	177.1
CASH FLOW FOR THE YEAR		68.9	135.4
Cash and cash equivalents at the start of the year		265.1	122.6
Exchange rate differences in cash and cash equivalents		16.4	7.1
Cash and cash equivalents at the end of the year	33	350.4	265.1

Parent company income statement

SEK MILLION	Note	Jan-Dec 2024	Jan-Dec 2023
Operating income			
Net sales		83.5	44.7
Work carried out by the company on its own behalf and capitalised	18	288.9	107.1
Other operating income		47.9	0.2
Total operating income		420.3	152.0
Operating expenses			
Development expenses		-288.9	-107.1
Administrative expenses	12, 13	-114.0	-94.6
Other operating expenses		-1.5	-
Non-project-related depreciation/amortisation		-51.4	-
Operating profit/loss		-35.5	-49.7
Profit/loss from financial investments			
Profit/loss from shares in Group companies	14	-658.3	-221.4
Profit/loss from shares in associated companies		3.4	1.9
Interest and similar income	15	12.2	12.4
Interest and similar expenses	16	-85.9	-77.0
Profit/loss after financial items		-764.1	-333.8
Group contributions received		-	0.7
Deferred tax	17	-	9.9
PROFIT/LOSS FOR THE YEAR		-764.1	-323.2

The profit/loss for the year corresponds to the comprehensive income of the parent company.

Parent company balance sheet

SEK MILLION	Note	Jan-Dec 2024	Jan-Dec 2023
ASSETS			
Non-current assets			
Non-current intangible assets			
Capitalised development expenses	18	673.9	436.1
		673.9	436.1
Property, plant and equipment			
Expenses incurred through improvements to other people's properties	21	-	0.1
Equipment	22	0.3	0.4
		0.3	0.5
Financial assets			
Shares in Group companies	25	1,246.2	445.3
Debts due from Group companies	26	285.3	285.3
Shares in associated companies	27	-	-
Deferred tax assets	24	27.2	27.2
Other non-current receivables	28	6.7	6.7
		1,565.4	764.5
Total non-current assets		2,239.6	1,201.1
Current assets			
Current receivables			
Trade receivables	30	1.3	6.3
Debts due from Group companies		466.2	311.6
Other receivables	31	3.4	4.5
Debts due from associated companies		18.5	-
Prepaid expenses and accrued income	32	54.8	16.0
		544.2	338.4
Cash at bank and in hand	33	187.7	132.4
Total current assets		731.9	470.8
TOTAL ASSETS		2,971.5	1,671.9

Parent company balance sheet

SEK MILLION	Note	Jan-Dec 2024	Jan-Dec 2023
EQUITY AND LIABILITIES			
Equity	34		
Restricted equity			
Share capital		0.6	0.6
Write-up reserve		1,030.0	230.0
Reserve for development expenses		673.9	436.1
		1,704.5	666.7
Non-restricted equity			
Other capital contributions		862.3	737.4
Retained earnings		-1,100.5	-539.6
Profit for the year		-764.0	-323.2
		-1,002.2	-125.4
Total equity		702.3	541.3
Non-current liabilities			
Debts owed to Group companies		-	-
Non-current interest-bearing liabilities	35	-	500.0
		-	500.0
Current liabilities			
Current interest-bearing liabilities	35	1,014.5	140.0
Trade payables		4.5	6.4
Tax liabilities		0.6	0.8
Debts owed to associated companies		1.1	-
Debts owed to Group companies		1,085.9	461.9
Other liabilities	38	3.6	0.9
Accrued expenses and deferred income	39	159.0	20.6
		2,269.2	530.6
TOTAL EQUITY AND LIABILITIES		2,971.5	1,671.9

For information about the parent company's pledged assets and contingent liabilities, see Note 40.

Parent company statement of changes in equity

SEK MILLION	Share capital	Reserve for development expenses	Write-up reserve	Paid-up capital	Retained earnings incl. profit/loss for the year	Total equity
Opening equity at 1 January 2023	0.6	372.0	-	618.8	-475.4	516.0
Reserve for development expenses	-	64.0	-	-	-64.0	-
Write-ups	-	-	230.0	-	-	230.0
Profit for the year	-	-	-	-	-323.2	-323.2
Transactions with shareholders						
Dividends	-	-	-	-	-	-
Share issues	<0.1	-	-	118.6	-	118.6
Closing equity at 31 December 2023	0.6	436.0	230.0	737.4	-862.6	541.3
Opening equity at 1 January 2024	0.6	436.0	230.0	737.4	-862.6	541.3
Reserve for development expenses	-	237.9	-	-	-237.9	-
Write-ups	-	-	800.0	-	-	800.0
Profit for the year	-	-	-	-	-764.0	-764.0
Transactions with shareholders						
Dividends						
Share issues	-	-	-	125.0	-	125.0
Closing equity at 31 December 2024	0.6	673.9	1,030.0	862.4	-1,864.6	702.3

Parent company cash flow statement

SEK MILLION	Note	Jan-Dec 2024	Jan-Dec 2023
Operating activities			
Profit/loss after financial items		-764.1	-333.2
<i>Non-cash items</i>			
– Depreciation/amortisation and impairments		51.4	43.5
– Capitalised interest		23.1	18.8
- Capital gain/loss on disposals of subsidiaries		0.3	-
Income tax paid/received		-0.1	0.4
Cash flow from operating activities before changes in working capital		-689.4	-270.5
Cash flow from changes in working capital			
Decrease(+)/increase(-) in operating receivables		-222.8	-160.0
Decrease(-)/increase(+) in operating liabilities		740.0	374.7
Total change in working capital		517.2	214.7
Cash flow from operating activities		-172.2	-55.8
Investing activities			
Acquisition of subsidiaries		-	-
Acquisition of associated companies		-	-
Acquisition of non-current intangible assets		-289.0	-107.1
Acquisition of property, plant and equipment		-	-0.4
Change in long-term lending		-	-
Cash flow from investing activities		-289.0	-107.5
Financing activities			
	41		
Share issues		125.0	118.6
Dividends		-	-
Bond issuance		374.5	-
Loans, borrowings		17.0	54.5
Loans, amortisation		-	-
Shareholders’ contributions received		-	-
Cash flow from financing activities		516.5	173.1
Cash flow for the year		55.3	9.8
Cash and cash equivalents at the start of the year		132.4	122.6
Cash and cash equivalents at the end of the year	33	187.7	132.4

Notes to the financial statements

NOTE 1 COMPLIANCE WITH PRESENTATION REQUIREMENTS AND LAW

Basis of preparation of the financial statements

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU, and the Annual Accounts Act. Recommendation RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Sustainability and Financial Reporting Board, has also been applied.

The parent company applies the same accounting policies as the Group, except as set out below in Note 5 Significant accounting policies, parent company accounting policies.

New and amended accounting standards and interpretations

Changes in accounting standards or interpretations beginning on 1 January 2024 have had no impact on the consolidated financial statements. The adoption of IFRS 18, which replaces IAS 1 Presentation of Financial Statements, will become effective in 2027, the comparative figures being the figures for 2026. The company has not fully analysed the impact of the standard.

NOTE 2 BASES OF VALUATION APPLIED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

Assets and liabilities are stated at cost, except for investment properties, which are stated at fair value.

NOTE 3 FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The parent company’s functional currency is the Swedish krona, which is also the presentation currency for the parent company and the Group. This means that the financial statements are presented in Swedish kronor. Unless otherwise stated, all amounts are rounded to the nearest thousand (SEK m).

Financial statements of foreign operations

The results and financial position of all Group companies that have a functional currency other than the presentation currency are translated into the presentation currency of the Group as follows:

- the assets and liabilities in each balance sheet are translated at the exchange rate on the balance sheet date
- the income and expenses in each income statement are translated at the average exchange rate; and
- all the exchange rate differences arising are recognised in other comprehensive income and accumulated in a separate component of equity, called the translation reserve.

NOTE 4 JUDGEMENTS AND ESTIMATES IN THE FINANCIAL STATEMENTS

The preparation of financial statements in accordance with the IFRS International Financial Reporting Standards requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported

amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates and judgements. See Note 7 for more information about judgements and estimates. Estimates and assumptions are regularly reviewed. Changes in estimates are recognised in the period in which the change is made if the change affects only that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods.

Judgements made by the management in the application of the IFRS International Financial Reporting Standards that have a significant impact on the financial statements, and estimates made that may result in material adjustments to the subsequent year’s financial statements, are described in more detail in Note 7.

NOTE 5 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied in the Group’s financial statements, with the exceptions described in more detail. The Group’s accounting policies have also been consistently applied by the Group companies.

Consolidation policies and business combinations

Subsidiaries are companies under the controlling influence of SIBS AB. Control exists if SIBS AB has influence over the investment object, is exposed to or has the right to variable returns from its involvement, and can use its influence over the investment to affect returns. In assessing whether a controlling interest exists, consideration is given to potential voting shares and whether real influence exists.

Acquisitions of properties are often carried out in the form of corporate acquisitions. When such an acquisition is made, consideration is given to whether the acquisition is a business combination or an asset acquisition. A corporate acquisition is a business combination if, in addition to the property, the acquisition includes other resources and processes. When the corporate acquisition is not deemed to be a business combination, it is recognised as an acquisition of assets and liabilities (asset acquisition), and the cost is allocated to the assets and liabilities based on their fair value with no goodwill or deferred tax being recognised. The deferred tax initially deducted does not affect the valuation in subsequent financial statements. The Group mainly acquires companies that are deemed to be asset acquisitions.

Associated companies

Associated companies are all those companies in which the Group has a significant but not a controlling influence, which generally applies to shareholdings of between 20 per cent and 50 per cent of the voting rights. Investments in associated companies are recognised using the equity method.

Joint ventures

Joint ventures are, for accounting purposes, those entities over which the Group has joint control of the operational and financial management through cooperation agreements with one or more parties. In the consolidated financial statements, investments in

joint ventures are consolidated using the equity method. Under the equity method, the carrying amount of the Group’s interest in joint ventures is equal to the Group’s share of the equity of the joint ventures, together with the amount of any consolidated surplus or deficit. The Group’s share in the results of the companies, adjusted for any depreciation, amortisation, impairment or reversals of impairment losses, is recognised in the Group’s results as “Profit/loss from associated companies and joint ventures”.

The profit shares less dividends received from the companies represent the main change in the carrying amount of shares in joint ventures.

Segment reporting

The Group’s activities are divided into two operating segments: Property Management and Other Group. Each segment is monitored in terms of its operational activities, with regular reporting to the Group Management. The Group management monitors operating results and, on the asset side, the value of properties and investments.

Inventories

Inventories are stated at the lower of cost and net realisable value. For raw materials, all the expenditure directly attributable to the acquisition of the goods is included in the cost. Inventories consist mainly of input materials for module production in Malaysia and are measured at cost.

Revenue

Rental income (operating leases)

Rental income from investment properties is recognised on a straight-line basis in the income statement, based on the terms of the leases. The total cost of the benefits provided is recognised as a reduction of rental income on a straight-line basis over the term of leases.

Project income (Construction contracts)

SIBS has construction contracts with joint ventures and other external customers, which are recognised in accordance with IFRS 15 Revenue from Contracts with Customers.

The Group has identified a distinct performance obligation in its contracting agreements. Remuneration is received over the life-time of projects. Invoicing usually takes place as costs are incurred and is based on underlying contracts with customers and/or milestones. External projects usually take place on the client’s land. Due to the nature of the contracting agreements, they are recognised using the percentage of completion method. This means that income and expenses are recognised in relation to the stage of completion of the project at the balance sheet date. The percentage of completion is determined by calculating the ratio of contract costs incurred for work performed at the balance sheet date to the estimated total contract costs. An anticipated loss on a construction contract is recognised immediately as an expense. When the outcome of a contract cannot be measured reliably, revenue is recognised only for the amount of the contract costs incurred that are likely to be reimbursed by the client. Contract costs are recognised as expenses in the period in which they are

incurred. The difference between the amount invoiced and the income earned is recognised as income earned but not invoiced if the amount invoiced is less than the income earned. Similarly, invoiced unearned income is recognised in the balance sheet if the invoiced income exceeds the income earned.

Impact of property sales on profit/loss

The impact of property sales on profit/loss is recognised when the significant risks and rewards of ownership have been transferred to the buyer, normally on the date of contract or completion. The timing of recognition takes into account the risks and rewards agreed between the parties and their involvement in day-to-day management. Circumstances that may affect the outcome of the transaction that are beyond the control of the seller and/or the buyer are also taken into account. All of the properties owned by the Group, at the beginning and end of the year, have been classified as property, plant and equipment.

Financial income

Financial income consists of interest income on invested funds recognised using the effective interest method.

Financial expenses

Financial expenses consist of interest expenses on loans recognised using the effective interest method. Interest expenses are only capitalised in the consolidated financial statements.

Borrowing costs attributable to the construction of “qualifying assets” are capitalised as part of the cost of the qualifying asset. A qualifying asset is an asset that necessarily takes a significant amount of time to complete. Borrowing costs incurred on loans specific to the qualifying asset are capitalised. Borrowing costs incurred on general loans that are not specific to any other qualifying assets are also capitalised. For the Group, the capitalisation of borrowing costs is mainly relevant for major new construction, extensions or conversions of investment properties.

Leases

For leases where the Group is the lessee, the Group recognises a right-of-use asset and a lease liability at the commencement date of the lease. The right-of-use asset is initially measured at cost, which consists of the initial value of the lease liability, plus any lease payments made on or before the commencement date, plus any initial direct costs. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term, which for the Group usually means the end of the lease term. Ground leases are not amortised because these leases are considered to be perpetual from the Group’s perspective, as the Group has no right to terminate the leases.

Lease liabilities, which are divided into current and non-current portions, are initially measured at the present value of the remaining lease payments over the estimated lease terms. Lease term means the non-cancellable period, plus any additional periods in the lease, if, at the commencement date, it is reasonably certain that they will be used.

Taxes

Income taxes consist of current tax and deferred tax. Current tax is the tax payable or receivable in respect of the current year, using tax rates enacted, or substantively enacted, at the balance sheet date. Deferred tax is calculated using the balance sheet method on the basis of temporary differences between the carrying amount and taxable value of assets and liabilities. Temporary differences are not taken into account in consolidated goodwill, and nor are differences arising on the initial recognition of assets and liabilities that are not business combinations and which, at the time of the transaction, affect neither the accounting nor taxable profit or loss. Temporary differences relating to investments in Group companies that are not expected to be recovered in the foreseeable future are also not taken into account. The valuation of deferred tax is based on how the underlying assets or liabilities are expected to be realised or settled.

Deferred tax is calculated using the tax rates and tax laws enacted, or substantively enacted, at the balance sheet date. Deferred tax assets relating to deductible temporary differences and tax loss carryforwards are recognised only to the extent that it is probable that they can be utilised. The value of deferred tax assets is reduced when it is no longer probable that they can be utilised.

Financial instruments

Financial instruments recognised on the asset side of the balance sheet include cash and cash equivalents, loans receivable and trade receivables. Trade payables and loans payable are reported on the liabilities side.

Recognition in, and derecognition from, the balance sheet

A financial asset or financial liability is recognised in the balance sheet when the company becomes a party to it in accordance with the contractual terms of the instrument. A receivable is recognised when the company has performed and there is a contractual obligation on the counterparty to pay, even if an invoice has not yet been sent. Trade receivables are recognised in the balance sheet when the invoice has been sent. A liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Trade payables are recognised when the invoice is received.

A financial asset is derecognised from the balance sheet when the rights under the contract are realised, expire or the company loses control of them. The same applies to part of a financial asset. A financial liability is derecognised from the balance sheet when the obligation under the contract is discharged or otherwise extinguished. The same applies to part of a financial liability. A financial asset and a financial liability are offset and presented net in the balance sheet only when there is a legal right to offset the amounts and an intention to settle the items net, or to realise the asset and settle the liability simultaneously.

Classification and measurement

The classification of financial instruments determines how the financial assets and liabilities are measured and recognised. The Group’s policies for classifying and measuring financial assets are based on an assessment of both (i) the entity’s business model

for managing financial assets, and (ii) the characteristics of the contractual cash flows from the financial asset. Financial assets at amortised cost are debt instruments that are managed with the objective of realising the instruments’ cash flows by receiving contractual cash flows consisting only of principal and interest on the principal amount outstanding.

The Group’s financial assets are measured at amortised cost because the assets are held as part of a business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows, and the contractual terms of those assets give rise to cash flows at specified points in time that are payments only of principal and interest on the principal amount outstanding.

Cash and cash equivalents

Cash and cash equivalents consist of deposits with banks.

Loans receivable and rent/trade receivables

Rent and other receivables are measured at amortised cost, being the amount expected to be collected, i.e. net of expected credit losses.

Financial liabilities

Loans and other financial liabilities, such as trade payables, are included in this category. Liabilities are measured at cost.

Investment properties

Investment properties are properties held for the purpose of obtaining rental income, or capital appreciation, or a combination of these two purposes. Properties under construction that are intended to be used as investment properties when the works are completed are also classified as investment properties.

Investment properties are initially recognised at cost, which includes expenditure directly attributable to acquisitions. Investment properties are carried at fair value in the balance sheet. Fair values are based on market values, which are the estimated amounts that would be received in a transaction at the date of valuation between knowledgeable, independent parties in an arm’s length transaction where both parties are presumed to have acted prudently, wisely and without compulsion. Both realised and unrealised changes in value are recognised in profit or loss for the year. Rental income is recognised in accordance with the policies described in the section on revenue recognition.

Subsequent costs

Subsequent costs are added to the cost of an asset only if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably. All other subsequent costs are recognised as an expense in the period in which they are incurred.

Impairments

The Group’s recognised assets are assessed at each balance sheet date to determine whether there is any indication of an impairment need. IAS 36 is applied to impairment losses on assets other than financial assets recognised under IFRS 9, investment properties

recognised at fair value under IAS 40, and deferred tax assets recognised under IAS 12. For exempt assets as described above, the carrying amount is assessed in accordance with the respective standard.

Impairment of financial assets

The reserve for expected credit losses is calculated and recognised for financial assets measured at amortised cost. The company classifies trade receivables as doubtful following an individual assessment. The impairment of receivables is determined based on historical experience of customer losses for similar receivables. Impaired trade receivables are stated at the present value of the expected future cash flows. Short-term receivables are not discounted, however.

Reversal of impairment losses

An asset impairment within the scope of IAS 36 is reversed if there is both an indication that the impairment loss no longer exists and there has been a change in the assumptions used to calculate the recoverable amount. The recoverable amount is the higher of the net realisable value (fair value less costs to sell) and the value in use as defined in IAS 36.

The value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

An increase in the carrying amount of an asset as a result of the reversal of a previous impairment loss must not cause the carrying amount to exceed what the entity would have recognised (net of amortisation) if no impairment loss had been recognised for the asset.

Other property, plant and equipment

Other property, plant and equipment consists of owner-occupied properties and equipment under the control of the Group. Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Subsequent costs that meet the asset criterion are included in the carrying amount of the asset. Expenditure on routine maintenance and repairs is recognised as an expense when incurred. Owner-occupied properties are properties held for production purposes. These properties are continually revalued in accordance with the revaluation method using the net approach. Where a significant overvaluation is identified, a revaluation of the owner-occupied property is recognised. Items of property, plant and equipment are depreciated in such a way that the cost of the asset, less any estimated residual value at the end of its useful life, is depreciated on a straight-line basis over its estimated useful life. If an asset has been divided into different components, each component is depreciated separately over its useful life. Depreciation begins when the item of property, plant and equipment is ready for use. Project-related depreciation/amortisation refers to the depreciation of equipment directly linked to the Group's production facilities.

Non-project related depreciation/amortisation refers to the amortisation of intangible assets and other equipment.

The useful lives of property, plant and equipment are estimated at:

Owner-occupied property

Leasehold 60 years

Warehouse 53 years

Construction equipment 5 years

Plant and machinery 3-10 years

Other non-current intangible assets

Other non-current intangible assets consist of capitalised development expenses. Development expenses are capitalised as intangible assets if it is probable that the future economic benefits attributable to the asset will accrue to the Group and the cost of the asset can be measured reliably. Consideration is given to the technical feasibility of completing and using the asset, to whether it can be demonstrated that there is a market for what the asset is used for, and to whether the Group has the technical and financial resources to complete the development of the asset. An asset's useful life begins when it is put into service and is stated at cost less accumulated depreciation and any accumulated impairment losses. Other non-current intangible assets are controlled by the company.

The useful lives of non-current intangible assets are estimated at:
Development expenses 10 years

When the useful life of assets was assessed, historical experience of similar assets, their uses and their specific characteristics were taken into account.

Provisions

A provision differs from other liabilities in that there is uncertainty about the timing or amount of payment to settle the provision. A provision is recognised in the balance sheet when there is a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are made at the best estimate of the amount required to settle the present obligation at the balance sheet date. Where the effect of the timing of payments is material, provisions are calculated by discounting the expected future cash flows at a pre-tax interest rate that reflects current market assessments of the time value of money and, where appropriate, the risks associated with the liability.

Contingent liability

A contingent liability is recognised when there is a possible obligation that arises from past events and whose existence will be confirmed only by one or more uncertain future events, or when there is an obligation that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle it.

Cash flow statement

The cash flow statements are prepared using the indirect method. Profit or loss after financial items is adjusted for transactions not involving cash receipts or payments during the year, and for income and expenses related to investing or financing activities.

Accounting policies of the parent company

The parent company has prepared its annual accounts in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The statements issued by the Swedish Financial Reporting Board for listed companies have also been applied. RFR 2 requires the parent company to apply all the IFRS and statements adopted by the EU in the annual report of the legal entity as far as possible within the framework of the Annual Accounts Act and Pension Obligations Vesting Act, and taking into account the relationship between accounting and taxation. The recommendation specifies the exceptions from and additions to IFRS which are to be made. The provisions of RFR 2 relating to enhanced disclosure requirements in the annual accounts in relation to IFRS have been taken into account only insofar as they apply to smaller private limited companies.

Differences between Group and Parent Company accounting policies

The differences between the accounting policies of the Group and the parent company are set out below. The accounting policies of the parent company set out below have been applied consistently to all the periods presented in the parent company financial statements.

Classification and forms of presentation

The parent company income statement and balance sheet have been prepared in accordance with the requirements of the Annual Accounts Act, while the statement of comprehensive income, statement of changes in equity and cash flow statement are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows, respectively. The differences between the consolidated financial statements and the parent company's income statement and balance sheet are mainly related to the recognition of financial income and expenses and equity.

Leases

The parent company does not apply IFRS 16 "Leases", in accordance with the exemption in RFR 2. As a lessee, lease payments are recognised as an expense on a straight-line basis over the lease term, meaning that no right of use or lease liability is recognised in the balance sheet.

Financial instruments

The parent company has chosen not to apply IFRS 9 for financial instruments. However, some of the policies in IFRS 9 are still applicable, such as those relating to impairment, recognition/derecognition and the effective interest method for interest income and interest expenses. In the parent company's accounts, non-current financial assets are measured at cost less any impairment, while current financial assets are measured in accordance with the lowest value principle. For financial assets carried at amortised cost, the impairment rules in IFRS 9 are applied.

Shares in Group companies

Shares in Group companies are recognised in the parent company's accounts using the cost method.

Taxes

Untaxed reserves are presented in the parent company balance sheet with no division between equity and deferred tax liabilities, unlike in the consolidated balance sheet. Similarly, no part of the appropriations is allocated to deferred tax expenses in the parent company income statement.

Group contributions

Group contributions received by the parent company from a subsidiary are recognised in the parent company's accounts as ordinary dividends from subsidiaries. Group contributions made by the parent company to subsidiaries are recognised as an investment in shares in subsidiaries.

NOTE 6 PARENT COMPANY INFORMATION

SIBS AB is a Swedish-registered public limited company whose registered office is in Stockholm, Sweden. The address of the head office is Birger Jarlsgatan 4, 114 34 Stockholm, Sweden. The consolidated financial statements for the year 2024 cover the parent company, also referred to as the Company, and its subsidiaries, together referred to as the Group.

NOTE 7 SIGNIFICANT ESTIMATES AND JUDGEMENTS

The company management has discussed the development, selection and disclosure of the Group's significant accounting policies and estimates, and the application of these policies and estimates.

Major sources of uncertainty in estimates

The sources of estimation uncertainty identified below relate to those that pose a significant risk of causing a material adjustment to the value of assets or liabilities within the next financial year.

Measurement of an asset or liability at fair value

When determining the fair value of an asset or liability, the Group uses observable inputs to the extent possible. Fair values are categorised into different levels of a fair value hierarchy based on the inputs used in the measurement technique as follows:

Level 1: According to quoted prices in active markets for identical assets or liabilities.

Level 2: Based on directly or indirectly observable market data not included in Level 1.

Level 3: Based on inputs that are not observable in the market. Investment properties and contract item measurements are allocated to Level 3.

Measurement of contract revenue, contract costs, invoiced unearned income and income earned but not invoiced

These items are measured on an ongoing basis using the projection for each project. The commitment to the customer (estimated final revenue) is compared with the projected costs. Profits are recognised over time, while any losses are recognised immediately. The projections are based on assumptions about the future. There is some uncertainty in that any misjudgements may affect the outcome.

Recognition of income, accrued income and deferred income related to construction contracts

SIBS applies the percentage of completion method when recognising construction contracts; see Note 5 Significant accounting policies.

Income earned but not invoiced and invoiced unearned income are recognised and measured on an ongoing basis based on the projection for each project. The commitment to the customer (estimated final revenue) is compared with the projected costs to assess the profit margin. Profits are amortised over time based on an assessment of the percentage of completion and profit margin, and any losses are immediately recognised in profit or loss. The projections are based on assumptions about the future. It may be difficult to determine the percentage of completion and the actual margin for each project. An assessment is made based on the project plan, project milestones and experience.

Earned and recognised income not yet invoiced is disclosed in Note 9. The total receivables amount to SEK 1,547.9 million. The receivables consist mainly of accrued expenses related to extra orders from customers and increased costs incurred by SIBS in various projects that are to be charged to customer projects in accordance with the relevant contracts. Two major projects in Saudi Arabia account for most of the item's amount.

The expenses are mainly of three types:

- Milestone payments, for which work has been carried out but not yet completed and therefore not invoiced. The projects are divided into different parts, known as milestones, each of which represents the completion of a sub-project, which is then accepted, resulting in entitlement to a partial payment. The receivables totalled SEK 300.0 million.
- Change orders, whereby the customer has ordered extra work, or other changes, during a project. The receivables totalled SEK 169.7 million.
- Expense claims, whereby SIBS has incurred additional expenses due to circumstances beyond its control. The receivables totalled SEK 790.4 million.

How these expenses are to be managed is determined contractually.

SIBS assesses the legality of each sub-item, the customer credit risk, documentation requirements, available documentation, etc., to determine the amount to be recognised in the income statement and balance sheet. All of the expenses have been documented by SIBS, which is contractually entitled to reimbursement. SIBS believes that full reimbursement will be received. This assessment is based on previous discussions with customers, the legality of claims, customers' payment capacities and previous payment patterns. There are no current disputes. The credit risk for uninvoiced expenses has been assessed based on the counterparties, in accordance with the methodology set out in accounting policy Note 5. The counterparty credit risk is considered to be very low. No provision for customer credit risk has therefore been recognised.

Trade receivables

Trade receivables amounted to SEK 126.3 million (0.2) at 31 December 2024. Trade receivables pose a credit risk. Trade receivables are assessed in accordance with the methodology described in accounting policy Note 5. The counterparty credit risk is considered to be very low. No provision for customer credit risk has therefore been recognised.

Receivables due from the Slättö/Sveaviken JV

In projects that SIBS has managed for Slättö Sveaviken Bostad AB, Sveaviken's joint venture with Slättö, cost increases have arisen that fall under the ABT 06 standard construction contract. SIBS has assessed that these costs will result in an expense reimbursement of at least SEK 100.0 million, which is recognised as a receivable due from Slättö Sveaviken Bostad AB.

Guarantee provisions and other provisions

SIBS recognises provisions for work potentially covered by a guarantee under completed contracts. Provisions are based on experience gained from previous projects. Provisions are adjusted on an ongoing basis as inspections are carried out. The total guaranteed amount at 31 December 2024 was SEK 15.1 million (2.1). See Note 37.

Valuation of investment properties

Valuations are based, as indicated in Note 19, on an estimate of future cash receipts and payments and a discounting of these, taking into account a risk-free interest rate and a risk premium. All these factors are therefore judgements regarding the future and, as such, are uncertain.

Project activities

The Group recognises revenue from project contracts with joint ventures and other external clients on a percentage of completion basis. Recognising income according to the percentage of completion provides a good picture of the Group's operations. Income is recognised when expenses are incurred in relation to a contract signed with an end customer and there is an approved project cost estimate.

NOTE 8 SEGMENT REPORTING

Property management refers to operations in Sweden and represents the part of the Group's business that comes from completed properties under management. The rest of the Group predominantly consists of contracting operations in Saudi Arabia, in other words industrial sales and the construction of modules. The majority of the income for the year was from contracts with NEOM in Saudi Arabia.

SEK million	Property Management*		Other Group		Adjustments		Group total	
	2024 Jan-Dec	2023 Jan-Dec	2024 Jan-Dec	2023 Jan-Dec	2024 Jan-Dec	2023 Jan-Dec	2024 Jan-Dec	2023 Jan-Dec
Project and contracting income	-	-	5,821.6	2,631.6	-	-	5,821.6	2,631.6
Rental and management income	48.2	62.6	-	-	-0.5	-4.0	47.7	58.6
Total income	48.2	62.6	5,821.6	2,631.6	-0.5	-4.0	5,869.3	2,690.2
Project and contracting activity expenses	-	-	-5,068.8	-2,378.5	-	-	-5,068.8	-2,378.5
Project-related depreciation/ amortisation	-	-	-73.4	-	-	-	-73.4	-
Property and management costs	-20.2	-18.2	-2.2	-	0.6	2.3	-21.8	-15.9
Gross profit	28.0	44.4	677.2	253.1	0.1	-1.7	705.3	295.8
Work carried out by the company on its own behalf and capitalised	-	-	277.9	107.2	-	-	277.9	107.2
Development expenses	-	-	-277.9	-107.2	-	-	-277.9	-107.2
Administrative expenses	-6.2	-6.8	-120.8	-123.5	-	-	-127.0	-130.3
Other operating income	-	-	11.2	20.6	-	-	11.2	20.6
Other operating expenses	-	-	10.6	-	-	-	10.6	-
Non-project-related depreciation/ amortisation	-	-	-56.8	-49.3	-	-	-56.8	-49.3
Operating profit/loss before change in value	21.8	37.6	521.4	100.9	0.1	-1.7	543.3	136.8
Change in value of investment properties	-169.8	-	-23.0	-145.2	-	-	-192.8	-145.2
Profit/loss from associated companies	-	-	-254.5	-300.0	-	1.7	-254.5	-298.9
Operating profit/loss	-148.0	37.6	243.9	-344.3	0.1	-	96.0	-307.3
Financial income	-	-	5.8	6.0	-	-	5.8	6.0
Financial expenses	-28.3	-52.2	-173.5	-183.3	-	-	-201.8	-235.5
Profit/loss before tax	-176.3	-14.6	76.2	-522.4	0.1	-	-100.0	-536.8
Taxes	-	-4.3	-55.0	50.4	-	-	-55.0	46.1
Profit/loss for the period	-176.3	-18.9	21.2	-472.0	0.1	-	-155.0	-490.7
ASSETS								
Capitalised development expenses	-	-	657.5	430.7	-	-	657.5	430.7
Investment properties	1,828.5	1,669.2	505.1	425.9	-756.5	-	1,577.1	2,095.1
Shares in associated companies	-	-	137.7	427.5	-	-	137.7	427.5
Other assets	9.6	294.5	3,441.0	1,286.8	572.2	-	4,022.8	1,581.3
Total assets	1,838.1	1,963.7	4,741.3	2,570.9	-184.3	-	6,395.1	4,534.6
EQUITY AND LIABILITIES								
Equity	219.0	320.5	1,513.0	1,061.7	-219.0	-	1,513.0	1,382.2
Interest-bearing liabilities	982.5	915.5	2,065.1	1,057.9	-	-	3,047.6	1,973.4
Other liabilities	636.6	727.7	1,163.2	451.3	34.7	-	1,834.5	1,179.0
Total equity and liabilities	1,838.1	1,963.7	4,741.3	2,570.9	-184.3	-	6,395.1	4,534.6

*In the Property Management segment, rental income, and property and administrative expenses from the Group's joint ventures have been included and adjusted for in the Adjustments column. Joint ventures are recognised in the income statement using the equity method. In the segment reporting, joint ventures are recognised using the proportionate consolidation approach.

NOTE 9 NET SALES

	Group	
	2024	2023
Rental and management income	47.7	58.6
Project and contracting income	5,821.6	2,631.6
Total	5,869.4	2,690.2

Rental and management income includes supplements to the rent to cover electricity, heating, refuse and other operating costs. Project and contracting income relates to income from construction contracts with joint ventures and other external customers. Following a review of the contractual relationship in construction contracts, it was judged that the contracts should be recognised in accordance with IFRS 15 Revenue from Contracts with Customers using the percentage of completion method. No module sales were made in 2024. Payment flows in project activities are usually based on costs incurred and/or milestones. All contracts will be delivered and completed in 2025.

In the segment reporting, rental income is recognised as a segment and Project and contracting income as Other Group. Project activities account for most of the Other Group item.

Data from the statement of financial position related to contracting income

	Income earned but not invoiced			Income invoiced but not earned		
	Earned during the year. Contractual relations as per original agreements.	Earned. Additional contractual relations.	Total	Earned during the year. Contractual relations as per original agreements.	Earned. Additional contractual relations.	Total
31/12/2023	70.0	-	70.0	-118.0	-	-118.0
Via the income statement	4,762.6	790.4	5,552.9	118.0	-	-
Transferred to trade receivables via the invoicing of contracts in progress	-4,075.1	-	-4,075.1	-	-	-
Reserve for losses	-	-	-	-	-	-
31/12/2024	757.5	790.4	1,547.9	-	-	-

These items consist of SEK 1,547.96 million (70.0) of receivables and SEK 0 million (118.0) of liabilities. These items relate to the net of the accrued production expenses not invoiced and cost increases related to two projects in Saudi Arabia, and the projects carried out by, and invoiced to, associated companies. The increase in the item Additional contractual relations in 2024 is related to cost increases and change orders for which SIBS is contractually entitled to reimbursement.

See Note 7 and page 77 for further information about accrued expenses not invoiced.

NOTE 10 LEASES (LESSOR)

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. All current leases relating to SIBS' investment properties are considered to be operating leases from an accounting perspective. The majority of SIBS' properties currently consist of residential units. The housing contracts have a notice period of three months, which means that the rental income consists mainly of short-term contracts.

	Group	
	2024	2023
Due for payment within 1 year	0.9	15.4
Due for payment within 2–5 years	0.2	20.5
Due for payment in more than 5 years' time	-	19.5
Total	1.2	55.4

NOTE 11 PROPERTY EXPENSES

	Group	
	2024	2023
Operating costs	10.4	16.0
Management expenses	12.0	-
Total	22.4	16.0

NOTE 12 AUDITOR REMUNERATION

	Group		Parent company	
	2024	2023	2024	2023
PWC				
Remuneration for audit assignments	3.5	3.0	2.6	2.0
Remuneration for audit activities other than audit assignments	-	0.1	-	-
Remuneration for tax advice	0.5	-	0.5	-
Total	4.0	3.1	3.1	2.0
Messer Ooi & Associates				
Remuneration for audit assignments	0.9	0.5	-	-
TOTAL	0.9	0.5	-	-

Audit assignment means the audit of the annual report and accounts and of the management by the Board of Directors and the CEO, other tasks that it is incumbent on the company's auditors to perform, and advice or other assistance arising from observations made during such an audit or the performance of such other tasks. Everything else falls under other assignments.

NOTE 13 EMPLOYEES AND EMPLOYEE BENEFIT EXPENSES

Salaries and other remuneration for members of the Board of Directors, the Chief Executive Officer and other employees are shown in the table below:

	Group		Parent company	
	2024	2023	2024	2023
Average number of employees by gender				
Sweden:				
Women	18	14	6	7
Men	44	34	8	8
Malaysia:				
Women	44	39	-	-
Men	3,292	1,939	-	-
Total	3,336	2,028	14	15
Salaries and benefits:				
CEO	1.8	1.8	1.8	1.8
Chair of the Board of Directors	0.3	0.3	0.3	0.3
Other senior executives	14.0	16.0	3.2	2.3
Other employees	301.2	129.7	6.9	11.1
Total salaries and benefits	317.3	147.7	12.1	15.5
Statutory and contractual social security contributions	19.5	15.3	4.8	6.0
Pension costs:				
CEO and Board of Directors	1.3	1.7	0.5	0.5
Other senior executives	2.1	1.3	0.9	0.7
Other employees	19.4	13.2	1.6	2.0
Total salaries, benefits, social security contributions and pension costs	359.5	179.2	19.9	24.7

Salaries and benefits refer to short-term employee benefits. Pension costs relate to occupational pension premiums paid. There are no other long-term employee benefits, termination benefits or share-based payments in the Group. Employees of the Malaysian subsidiary SIBS Lmt'd account for 0.09 per cent of the employees in Malaysia. A mutual 12-month notice period applies for the CEO. In Note 13 Employees and employee benefit expenses, the associated companies' employees are excluded.

NOTE 14 PROFIT/LOSS FROM SHARES IN GROUP COMPANIES

	Group		Parent company	
	2024	2023	2024	2023
Impairments	-	-	-658.0	-230.0
Dividends	-	-	-0.3	8.6
Total	-	-	-658.3	-221.4

NOTE 15 FINANCIAL INCOME

	Group		Parent company	
	2024	2023	2024	2023
Interest income, Group companies	-	-	11.9	11.7
Interest income, other	5.8	6.0	0.3	0.7
Dividends, associated companies	-	-	3.4	1.9
Exchange rate differences	-	-	-0.2	-
Other financial income	-	-	-	-
Total	5.8	6.0	15.4	14.3

NOTE 16 FINANCIAL EXPENSES

	Group		Parent company	
	2024	2023	2024	2023
Interest expenses, bank loans	63.8	66.8	2.8	2.0
Interest expenses, Group companies	-	-	-	-
Interest expenses, other	58.0	94.9	3.0	1.2
Interest expenses, bonds	80.0	73.8	80.0	73.8
Total	201.8	235.5	85.9	77.0

NOTE 17 TAXES

	Group		Parent company	
	2024	2023	2024	2023
The following components are included in tax expenses:				
Current tax	-	-	-	-
Deferred tax relating to:				
Temporary differences, investment properties	-11.1	19.5	-	-
Loss carryforwards	-43.9	26.6	-	9.9
Tax adjustment, changed tax rate	-	-	-	-
Tax recognised	-55.0	46.1	-	9.9
Tax rate				
Applicable tax rate, Sweden	20.6%	20.6%	20.6%	20.6%

	Group		Parent company	
	2024	2023	2024	2023
Reported profit/loss before tax	-100.8	-536.9	-764.1	-333.1
Tax at current rate	20.8	110.6	157.4	68.6
Tax effect of:				
Non-deductible expenses/non-taxable income	164.4	-136.1	-149.7	-58.7
Change in tax loss carryforwards without corresponding recognition of deferred tax assets	-208.4	82.8	-7.7	-
Other tax rates for foreign operations	-31.8	-11.2	-	-
Utilised opening loss	-	-	-	-
Revaluation of deferred tax relating to tax changes	-	-	-	-
Tax recognised	-55.0	46.1	-	9.9

NOTE 18 CAPITALISED DEVELOPMENT EXPENSES

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening cost	506.0	398.9	511.3	404.2
Internally generated	277.9	107.1	288.9	107.1
Closing accumulated cost	783.9	506.0	800.2	511.3
Opening depreciation/amortisation	-75.3	-32.2	-75.2	-32.2
Depreciation/amortisation for the year	-51.1	-43.1	-51.1	-43.0
Closing accumulated depreciation/amortisation	-126.4	-75.3	-126.3	-75.2
Closing accumulated cost	657.5	430.7	673.9	436.1

Capitalised development expenses refer to costs for developed modular building systems. The value is tested annually for impairment and has not indicated any need for impairment. The useful life of the asset is estimated at 10 years.

NOTE 19 INVESTMENT PROPERTIES**Investment properties**

	31/12/2024	31/12/2023
Fair value at beginning of year	2,095.1	2,809.2
Cost of investment properties, corporate acquisitions	-	757.6
Property investments	66.2	64.8
Investment subsidies	-	-
Disposals	-542.2	-1,648.0
Changes in value	-80.8	111.5
Additional investments in properties	38.8	-
Fair value at end of year	1,577.1	2,095.1

Changes in value for the year relating to properties held at the end of the year amount to SEK -80.8 million.

The Group's investment properties are held for the purpose of generating rental income and capital appreciation. Investment properties are valued by valuation agencies with recognised and relevant qualifications and up-to-date knowledge of the valuation of the Group's portfolio. Valuation is also based on the company's documented valuation process. Properties are initially valued at the start of construction by external valuation agencies and their market value is then continuously monitored. An external valuation of the portfolio is obtained annually. The Group has a low vacancy rate, so direct costs relating to unlet properties are negligible.

The Group's investment properties have been valued externally by the reputable valuation companies Newsec and CBRE, according to which a carrying amount of SEK 1,577.1 million is the best estimate of fair value as at 31 December 2024. Property valuations are determined using the yield method. The yield method is based on calculating the present value of the estimated future cash flows in the form of net operating income. The net operating income is based on market-led assumptions. The calculation period is 15 years and the residual value is assessed through the perpetual capitalisation of an estimated market net operating profit the following year.

Value assumptions	2024	2023
Average rent, SEK/m ²	2,659	2,066
Average vacancy rate (residential units) %	0.5	0.0–0.3
Operating cost/SEK/m ² excluding periodic maintenance	271	294
Inflation rate 1–15 years* %	2.0	2.0
Discount rate %	6.76	5.9–6.7
Direct yield requirement for assessment of residual value %	4.73	3.8–4.4

If the assumptions for the following parameters were changed, the estimated fair value would change as follows:

		SEK million	SEK million
Market rent for commercial premises	(+/- 5.0%)	14.7	-14.7
Estimated rent for residential units	(+/- 5.0%)	41.4	-41.4
Long-term vacancies	(+/- 2.0%)	-22.1	8.5
Operation and maintenance	(+/- 5.0%)	-6.4	6.4
Discount rate	(+/- 0.25%)	-25.6	26.4
Direct yield requirement	(+/- 0.25%)	-25.4	28.2

Investment properties are initially recognised at cost, which includes direct costs attributable to acquisitions. They are therefore carried at fair value in the balance sheet. The Group's investment properties have been valued in accordance with level 3 of the IFRS valuation hierarchy based on estimated market values. These values represent the price for which a property might be sold between knowledgeable, independent parties with an interest in completing the transaction.

Where the Group has been granted investment subsidies for the construction of rental properties, the investment subsidies are recognised as a receivable until payment is made. The subsidies are seen as a reduction in the construction cost of the rental properties. The Group recognises changes in the value of the portfolio during the construction phase, which means that expenditure on properties for future years is capitalised in the balance sheet without having to recognise any change in value. Changes in value are reported based on the Group's projection for each property. The projection for each property takes into account risks such as market risk, interest rate risk, currency risk and behavioural risk.

The assumptions and sensitivity analysis below are based on the properties Grytan 14, 15, 17 and 18 in Nykvarn.

NOTE 20 OWNER-OCCUPIED PROPERTY

	Group	
	31/12/2024	31/12/2023
Opening cost	572.5	496.7
Purchases	16.4	108.3
Sales/disposals/reclassifications	-	3.8
Translation difference	85.6	-36.3
Closing accumulated cost	674.5	572.5
Opening depreciation/amortisation	-48.1	-38.5
Reclassifications	-	-
Depreciation/amortisation for the year	-21.8	-12.7
Translation difference	-6.8	3.1
Closing accumulated depreciation/amortisation	-76.7	-48.1
Opening revaluations	117.9	42.3
Revaluations for the year	109.9	75.1
Closing net accumulated revaluations	227.8	117.9
Closing book value	825.6	642.3

NOTE 21 EXPENSES INCURRED THROUGH IMPROVEMENTS TO OTHER PEOPLE'S PROPERTIES

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening cost	0.8	0.8	0.8	0.8
Purchases	-	-	-	-
Closing accumulated cost	0.8	0.8	0.8	0.8
Opening depreciation/amortisation	-0.7	-0.7	-0.7	-0.7
Depreciation/amortisation for the year	-0.1	<-0.1	-0.1	<-0.1
Closing accumulated depreciation/amortisation	-0.8	-0.7	-0.8	-0.7
Closing book value	-	0.1	-	0.1

Depreciation/amortisation is included in administrative expenses

NOTE 22 MACHINERY AND EQUIPMENT

	Group		Parent company	
	2024	2023	2024	2023
Opening cost	184.8	117.9	1.2	0.9
Purchases	108.1	83.5	-	0.3
Sales/disposals/reclassifications	-	-5.9	-	-
Translation difference	27.8	-10.7	-	-
Closing accumulated cost	320.7	184.8	1.2	1.2
Opening depreciation/amortisation	-61.0	-35.6	-0.8	-0.5
Sales/disposals	-	0.1	-0.2	-
Depreciation/amortisation for the year	-53.2	-28.8	-	-0.3
Translation difference	-9.6	3.3	-	-
Closing accumulated depreciation/amortisation	-123.8	-61.0	-1.0	-0.8
Closing book value	196.9	123.8	0.2	0.4

Depreciation/amortisation is included in project and administrative expenses

NOTE 23 RIGHT-OF-USE ASSETS

	Group	
	31/12/2024	31/12/2023
Opening cost	16.2	7.5
Additional contracts	15.4	8.7
Closing accumulated cost	31.6	16.2
Opening depreciation/amortisation	-8.0	-4.3
Depreciation/amortisation for the year	-2.8	-3.7
Closing accumulated depreciation/amortisation	-10.8	-8.0
Closing book value	20.8	8.2

The Group's right-of-use assets consist mainly of leases and company cars.

NOTE 24 DEFERRED TAX ASSETS AND LIABILITIES

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening deferred tax assets	71.2	52.8	27.2	17.3
Reversals related to divested companies	-1.3	-	-	-
Reclassifications	16.8	-	-	-
Recognised in profit/loss	-23.1	18.4	-	9.9
Translation difference	0.4	-	-	-
Closing deferred tax assets	64.0	71.2	27.2	27.2

Deferred tax assets relating to temporary differences for:

Investment properties	-	7.6	-	-
Loss carryforwards	64.0	63.6	27.2	27.2
Deferred tax assets	64.0	71.2	27.2	27.2

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Opening deferred tax liability	13.3	40.6	-	-
Reclassification to joint ventures	-4.7	-	-	-
Recognised in profit/loss	31.8	-27.3	-	-
Translation difference	1.8	-	-	-
Closing deferred tax liability	42.2	13.3	-	-

Deferred tax liability relating to temporary differences for:

Investment properties	25.4	13.3	-	-
Reclassifications	16.8	-	-	-
Deferred tax liability	42.2	13.3	-	-

NOTE 25 SHARES IN GROUP COMPANIES

	Parent company	
	31/12/2024	31/12/2023
At start of year	745.4	307.9
Purchases	-	-
Divestments	-0.4	-
Write-ups	800.0	-
Capital injections made	659.2	437.5
Total	2,204.2	745.4
Opening impairment	-300.0	-70.0
Accumulated impairment losses	-658.0	-230.0
Total	-958.0	-300.0
Closing carrying amount	1,246.2	445.3

CONTINUATION OF NOTE 25 SHARES IN GROUP COMPANIES

Table of the parent company's direct and indirect holdings of shares in subsidiaries

Directly owned	Comp. reg. no	Registered office	Number of shares	Ownership %	Book value
MOBY Modulärt Byggande AB	559151-7544	Stockholm	5,000	100	12.4
Rehouse CC AB	559349-7539	Stockholm	25,000	100	3.0
Scandinavian IBS SDN. BHD.	201601022969	Malaysia	30,000,000	90	1,182.1
Sveaviken PM AB	559387-1030	Stockholm	25,000	100	-
Sibs Modular AB	559446-2482	Stockholm	25,000	100	1.2
Sveaviken Bostad AB	559050-3065	Stockholm	50,000	100	47.6
Total					1,246.2

Indirectly-owned companies

Comp. reg. no	Registered office	Number of shares	Ownership %
556450-3810	Stockholm	3,000	100
559338-4570	Stockholm	25,000	100
559104-6171	Stockholm	50,000	100
556852-9530	Stockholm	50,000	100
559081-4660	Stockholm	25,000	100
717921-2274			66.66
556726-9765	Stockholm	200,000	100
559354-1591	Stockholm	250	100
559349-7406	Stockholm	25,000	100
559077-5812	Stockholm	50,000	100
559189-7706	Stockholm	50,000	100
559194-3518	Stockholm	50,000	100
559077-5804	Stockholm	50,000	100
559077-5986	Stockholm	50,000	100
559077-5770	Stockholm	50,000	100
559077-5762	Stockholm	50,000	100
559077-5788	Stockholm	50,000	100
559077-5796	Stockholm	50,000	100
559403-5502	Stockholm	1,000	100
559172-1500	Stockholm	50,000	100
559221-4729	Stockholm	50,000	100
559242-2413	Stockholm	50,000	100
559282-6316	Stockholm	25,000	100
559319-3401	Stockholm	25,000	100
559335-9424	Stockholm	25,000	100
559338-5890	Stockholm	25,000	100
559347-5402	Stockholm	25,000	100
559355-9890	Stockholm	25,000	100
559355-9882	Stockholm	25,000	100
559359-9060	Stockholm	25,000	100
559017-8306	Stockholm	50,000	100
559245-0133	Stockholm	50,000	100
559261-6360	Stockholm	25,000	100
1193908	Riyadh	1	100

NOTE 26 RECEIVABLES FROM GROUP COMPANIES

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
At start of year	-	-	285.3	316.3
Additional receivables	-	-	-	-
Outgoing receivables	-	-	-	-31.0
Reclassifications	-	-	-	-
Debts due from Group companies	-	-	285.3	285.3

NOTE 27 SHARES IN ASSOCIATED COMPANIES AND JOINT VENTURES

The Group's shares in associates and joint ventures are consolidated using the equity method. The reported share corresponds to the Group's share of the equity of the associated company/joint venture plus transaction costs related to acquisitions.

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
At start of year	427.5	727.8	-	-
Purchases	-	-	-	-
Share of profit/loss	-254.5	-298.9	-	-
Dividends	-3.5	-1.4	-	-
Sales	-31.9	-	-	-
Reclassifications	-	-	-	-
Total	137.6	427.5	-	-
Closing carrying amount	137.6	427.5	-	-

Table of associated companies and joint ventures, parent company

Name	Comp. reg. no	Registered office	Number of shares	Ownership %	Book value
MOKO AB (IF)	559143-4427	Stockholm	50,000	20	<0.1
Frontlog AB (IF)	559171-7938	Norrköping	50,000	49	<0.1
Total					-

Table of associated companies and joint ventures, Group

Name	Comp. reg. no	Registered office	Number of shares	Ownership %	Book value
MOKO AB (IF)	559143-4427	Stockholm	50,000	20	9.0
Frontlog AB (IF)	559171-7938	Norrköping	50,000	49	15.4
Slättö Sveaviken Bostad AB (JV)	559340-8957	Stockholm	25,000	50	113.3
Total					137.7

NOTE 28 OTHER NON-CURRENT RECEIVABLES

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
At start of year	7.0	7.7	6.7	7.7
Outgoing receivables	-	-0.7	-	-1.0
Total	7.0	7.0	6.7	6.7

Opening receivables for 2023 refers to a holding without minority shareholders in SIBS Malaysia.

NOTE 29 INVENTORIES

	Group	
	31/12/2024	31/12/2023
Inventories		
Raw materials and consumables	159.5	123.4
Work in progress	12.5	-
Stocks of finished goods	122.0	-
Total	294.4	123.4

NOTE 30 TRADE RECEIVABLES

Group

Trade receivables are recognised in the amount expected to be received, i.e. SEK 126.3 million at 31/12/2024, and SEK 0.2 million at 31/12/2023.

Parent company

Trade receivables are recognised in the amount expected to be received, i.e. SEK 1.3 million at 31/12/2024, and SEK 6.3 million at 31/12/2023.

NOTE 31 OTHER RECEIVABLES

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Receivables from real estate transactions	7.2	27.9	-	-
Investment subsidies	-	-	-	-
VAT receivable	54.6	53.7	3.3	2.3
Current tax receivables	42.2	1.3	0.2	0.8
Other items	269.4	107.8	-	1.4
Other receivables	373.4	190.7	3.5	4.5

NOTE 32 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Prepaid property/operating expenses	114.4	18.7	1.3	-0.6
Accrued rental income/other income	0.6	1.3	53.5	16.6
Prepaid expenses and accrued income	115.0	20.0	54.8	16.0

NOTE 33 CASH AND CASH EQUIVALENTS

Group

The Group's cash and cash equivalents consist of bank deposits, of which SEK 103.5 million relate to blocked funds.

Parent company

The parent company's cash at bank and in hand consists of bank deposits, of which SEK 103.5 million relate to blocked bank funds.

NOTE 34 SHARE CAPITAL

	Number of shares	Percentage	Number of votes per share	Total number of votes	Share of votes
Class of shares:					
Ordinary	0.6	100%	1	0.6	100%
Total	0.6	100%	1	0.6	100%

Dividends

The Board proposes that no dividend be paid for the 2024 financial year.

Non-restricted equity

Non-restricted equity, i.e. the amount available for distribution to shareholders, consists of all of the parent company's equity, except for the share capital, the write-up reserve and the reserve for development expenses.

NOTE 35 INTEREST-BEARING LIABILITIES

The following provides information on the Group's and the parent company's contractual terms and conditions for interest-bearing liabilities. For more information on the exposure of the Group and the parent company to interest rate risk and foreign exchange risk, please refer to Note 44.

SIBS AB's bonds, whose nominal value is SEK 1,000.0 million, were classified as short term at the end of the year when it became known that the bond terms relating to a subsidiary's debt had been breached. On 26 February 2025, a qualified majority of bondholders approved a change in the terms and the bonds are now classified as long term again.

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Interest-bearing liabilities				
Bank loans	253.5	662.9	-	-
Building credits	-	-	-	-
Lease liabilities	11.2	10.1	-	-
Bonds	-	500.0	-	500.0
<i>Total non-current interest-bearing liabilities</i>	<i>264.7</i>	<i>1,173.0</i>	<i>-</i>	<i>500.0</i>
Bank loans	758.5	148.1	40.0	40.0
Building credits	599.6	552.3	-	-
Lease liabilities	4.0	-	-	-
Bonds	1,420.8	100.0	974.5	100.0
<i>Total current interest-bearing liabilities</i>	<i>2,782.9</i>	<i>800.4</i>	<i>1,014.5</i>	<i>140.0</i>
Interest-bearing liabilities	3,047.6	1,973.4	1,014.5	640.0
Loans due within one year of the balance sheet date	2,782.9	800.4	1,014.5	140.0
Loans due between two and five years after the balance sheet date	264.7	1,173.0	-	500.0

Conditions and repayment periods

Collateral for bank loans has been provided in the amount of SEK 882.1 million (826.7) through mortgages on the Group's investment properties and owner-occupied properties in Malaysia.

SIBS AB's bonds carry a variable interest rate. The framework amount is SEK 2,000 million, of which SEK 1,000 million had been used at the end of the year. The parent company's bonds are listed on Nasdaq.

NOTE 36 OTHER NON-CURRENT LIABILITIES

	Group	
	31/12/2024	31/12/2023
Contingent considerations	338.8	338.8
Deposits	0.3	0.4
Outgoing	-	-
Closing carrying amount	339.2	339.2

Contingent considerations relate to conditional acquisitions in which the final purchase price is generally paid when the detailed development plan becomes legally binding.

NOTE 37 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Group	
	31/12/2024	31/12/2023
At start of year	2.1	4.3
Provisions for the year	16.3	4.2
Outgoing	-3.3	-6.4
Total	15.1	2.1

Provisions for guarantee commitments

Provisions for guarantees are made for probable future costs relating to the Group's projects. The calculation is made using individual estimates based on the project's calculated costs, the company management's judgement, and experience from previous transactions. Provisions for future costs relating to guarantee commitments are recognised at the amount required to settle the commitments.

Guarantee provisions are charged to the project on completion and are recognised as they are expected to be incurred for each project. The majority of the guarantee provisions are retained for between two and five years and relate to projects in which SIBS is carrying out work for companies that are not wholly owned.

NOTE 38 OTHER LIABILITIES

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
VAT	36.6	47.9	-	-
Staff withholding tax/soc. sec. contrib.	2.2	2.3	0.6	0.9
Liabilities related to acquisitions	-	-	-	-
Other liabilities	9.2	55.9	3.0	-
Total	48.0	106.1	3.6	0.9

NOTE 39 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Prepaid rental income	1.8	2.0	-	-
Accrued employee benefit expenses	10.6	3.6	1.9	1.6
Accrued interest	23.1	28.7	23.1	15.1
Accrued project expenses	-	21.3	-	-
Other accrued expenses	63.2	12.1	134.0	3.9
Accrued expenses and deferred income	98.7	67.6	159.0	20.6

NOTE 40 PLEDGED ASSETS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
<i>In the form of collateral for own liabilities</i>				
Corporate mortgages	40.0	40.0	40.0	40.0
Blocked bank funds	-	-	103.5	100.7
Real estate mortgages	882.1	826.7	-	-
Total	922.1	866.7	143.5	140.7

CONTINUATION OF NOTE 40 PLEDGED ASSETS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

	Group		Parent company	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Guarantee commitments	-	349.0	1,411.6	-
Contingent liabilities	-	349.0	1,411.6	-

Neither the Group nor the parent company has any contingent assets.

NOTE 41 LIABILITIES RELATED TO FINANCING ACTIVITIES

Group	31/12/2024			
	Bank loans	Bonds	Other loans	Total liabilities
At start of year	1,373.4	600.0	-	1,973.4
Loans raised	589.9	1,518.4	-	2,137.0
Repayments	-57.4	-697.0	-	-762.1
Non-cash items	-	-	-	-
Liabilities related to leases	-3.8	-	-	-3.8
Capitalised fees	-	-	-	-
Liabilities of divested Group companies	-373.9	-	-	-373.9
Translation difference	98.8	-	-	77.0
Offsetting	-	-	-	-
At end of year	1,626.2	1,421.4	-	3,047.6

Group	31/12/2023			
	Bank loans	Bonds	Other loans	Total liabilities
At start of year	1,874.3	596.3	-	2,470.6
Loans raised	392.3	-	-	392.3
Repayments	-155.6	-	-	-155.6
Non-cash items	-	-	-	-
Liabilities related to leases	8.0	-	-	8.0
Capitalised fees	-	3.7	-	3.7
Liabilities of acquired Group companies	419.9	-	-	419.9
Translation difference	-1,141.8	-	-	-1,141.8
Offsetting	-23.7	-	-	-23.7
At end of year	1,373.4	600.0	-	1,973.4

Parent company	31/12/2024			
	Bank loans	Bonds	Loans, Group companies	Total liabilities
At start of year	-	600.0	-	600.0
Loans raised	-	1,071.5	-	1,071.5
Repayments	-	-697.0	-	-697.0
Non-cash items	-	-	-	-
Capitalised fees	-	-	-	-
Shareholders' contributions	-	-	-	-
At end of year	-	974.5	-	974.5

Parent company	31/12/2023			
	Bank loans	Bonds	Loans, Group companies	Total liabilities
At start of year	-	596.3	-	596.3
Loans raised	-	-	-	-
Repayments	-	-	-	-
Non-cash items	-	-	-	-
Capitalised fees	-	3.7	-	3.7
Shareholders' contributions	-	-	-	-
At end of year	-	600.0	-	600.0

NOTE 42 LEASES

Leases where the company is the lessee

SIBS' property, plant and equipment consists of both owned and leased assets. Leased assets are recognised in the items own-er-occupied properties, right-of-use assets and equipment. See

the table below for the closing balance of leased assets and the depreciation of these leased assets in 2024.

	Owner-occupied properties	Right-of-use assets	Equipment	Total
Carrying amount at 31/12/2023	2.8	8.2	2.7	13.7
Incoming/Outgoing	-	-	0.8	0.8
Depreciation for the year	-0.2	-2.8	-2.2	-5.2
Carrying amount at 31/12/2024	2.6	5.4	1.3	9.3

NOTE 43 FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES AND CLASSIFICATION

The Group currently has no financial assets or liabilities measured at fair value through profit or loss. The carrying amount is considered to be a good approximation of the fair value of all the financial assets and liabilities. Fair value through profit or loss is determined as far as possible on the basis of observable data. Fair values are categorised into different levels in a value hierarchy based on the data available.

Level 1: According to quoted prices in active markets for identical assets or liabilities.

Level 2: Based on directly or indirectly observable market data not included in Level 1.

Level 3: Based on inputs that are not observable in the market.

Group 31/12/2024	Financial assets carried at amortised cost	Financial assets carried at fair value through profit or loss
Financial assets		
Other non-current receivables	7.0	-
Trade receivables	126.3	-
Other receivables	373.4	-
Cash and cash equivalents	350.4	-
Total	857.1	-

Group 31/12/2024	Financial liabilities carried at amortised cost	Financial liabilities carried at fair value through profit or loss
Financial liabilities		
Non-current interest-bearing liabilities	264.7	-
Current interest-bearing liabilities	2,782.9	-
Trade payables	1,268.7	-
Tax liabilities	1.6	-
Other liabilities	387.1	-
Debts owed to associated companies	2.2	-
Accrued expenses	98.7	-
Total	4,805.9	-

CONTINUATION OF NOTE 43 FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES AND CLASSIFICATION

Group 31/12/2023	Financial assets carried at amortised cost	Financial assets carried at fair value through profit or loss
Financial assets		
Other non-current receivables	7.0	-
Trade receivables	0.2	-
Other receivables	190.6	-
Cash and cash equivalents	265.1	-
Total	462.9	-

Group 31/12/2023	Financial liabilities carried at amortised cost	Financial liabilities carried at fair value through profit or loss
Financial liabilities		
Non-current interest-bearing liabilities	1,173.0	-
Current interest-bearing liabilities	800.4	-
Trade payables	511.1	-
Tax liabilities	1.6	-
Other liabilities	445.3	-
Debts owed to associated companies	20.0	-
Accrued expenses	67.6	-
Total	3,019.0	-

Parent company 31/12/2024	Financial assets carried at amortised cost	Financial assets carried at fair value through profit or loss
Financial assets		
Other non-current receivables	6.7	-
Trade receivables	1.3	-
Other receivables	3.4	-
Cash and cash equivalents	187.7	-
Total	199.1	-

Parent company 31/12/2024	Financial liabilities carried at amortised cost	Financial liabilities carried at fair value through profit or loss
Financial liabilities		
Non-current interest-bearing liabilities	-	-
Current interest-bearing liabilities	1,014.5	-
Trade payables	4.5	-
Tax liabilities	0.6	-
Other liabilities	3.6	-
Accrued expenses	159.0	-
Total	1,182.2	-

CONTINUATION OF NOTE 43 FAIR VALUE MEASUREMENT OF FINANCIAL ASSETS AND LIABILITIES AND CLASSIFICATION

Parent company 31/12/2023	Financial assets carried at amortised cost	Financial assets carried at fair value through profit or loss
Financial assets		
Other non-current receivables	6.7	-
Trade receivables	6.3	-
Other receivables	4.5	-
Cash and cash equivalents	132.4	-
Total	149.9	-

Parent company 31/12/2023	Financial liabilities carried at amortised cost	Financial liabilities carried at fair value through profit or loss
Financial liabilities		
Non-current interest-bearing liabilities, Group	600.0	-
Current interest-bearing liabilities	40.0	-
Trade payables	6.4	-
Tax liabilities	0.8	-
Other liabilities	0.9	-
Accrued expenses	20.6	-
Total	668.7	-

The following summarises the methods and assumptions primarily used to measure the fair value of the financial instruments presented in the table above.

Non-current receivables

The fair value of non-current receivables is deemed to be equal to their carrying amount.

Non-current interest-bearing liabilities

The fair value of interest-bearing liabilities with a variable interest rate is estimated to be equal to their carrying amount. Fixed-rate loans whose rate is fixed for more than 12 months are measured at fair value by discounting the future cash flows.

Current receivables and payables

For trade receivables and trade payables with a remaining maturity of less than six months, their carrying amount is considered to reflect their fair value. Trade receivables and trade payables with a maturity of more than six months are discounted when measuring their fair value. The fair value of other current liabilities and receivables is deemed to be equal to their carrying amount.

NOTE 44 CAPITAL MANAGEMENT AND FINANCIAL RISKS

The Group’s risks and risk management are described on page 76-79. Further information about material risks is provided below.

The parent company is financed mainly through equity and bonds issued. The Group’s subsidiaries are financed through equity and shareholder loans, as well as through bank loans.

The Group’s finance function focuses on the unpredictability of the financial markets and analyses the Group’s loan-to-value ratio, which at 31 December 2024 was 58 per cent (59).

Financial risks

The Group is exposed to a number of financial risks, including credit risk, liquidity risk, market risk, interest rate risk and currency risk.

Credit risk

Credit risk is the risk that a counterparty will be unable to meet its contractual obligations and thereby cause a loss for the Group. The credit risk relating to the Group’s bank deposits is limited through the use of regulated banks only.

The credit risk relating to other counterparties that have debts payable to the Group is managed by making credit assessments before investments are made and contracts are signed.

Liquidity risk

The Group manages its liquidity and funding risk through ongoing liquidity projections, and by ensuring that sufficient cash and cash equivalents are available within the Group for future payments to be made. Liquidity management depends on holding sufficient cash and cash equivalents, having access to credit lines, and the ability of customers to pay their debts within the agreed times.

The main liquidity risk relates to the Group’s external loan agreements and its ability to meet the commitments therein. Commitments take the form of the lenders’ general terms and conditions, which means that lenders must be informed of changes in circumstances, such as material changes in ownership, insolvency, business acquisitions and major changes in the focus of business activities. There are also commitments to make repayments and to pay interest and other charges within the prescribed periods. Failure to comply with the commitments may lead to lenders terminating agreements. The Group is meetings all of its commitments towards credit institutions.

Most of the loans have short maturities. The aim is for the loan terms to be regularly extended. There are no signs of difficulties obtaining extensions to existing loans. In 2024, trade payables and current liabilities increased, mainly due to accrued expenses not invoiced relating to two major projects. SIBS maintains an ongoing dialogue with the suppliers associated with these two projects. See the Directors’ report under the heading Liquidity and financing, on page 73, for more information.

The following table shows the Group’s liquidity analysis for its financial liabilities. The table is based on undiscounted cash flows.

Group				
31/12/2024	Carrying amount	Within 1 year	From 2 to 5 years	More than 5 years
Interest-bearing liabilities, credit institutions	1,626.8	1,430.8	143.2	245.0
Bonds	1,420.8	1,430.7	-	-
Other interest-bearing liabilities	-	-	-	-
Loans to associated companies	2.2	2.2	-	-
Tax liabilities	1.6	1.6	-	-
Trade payables	1,268.7	1,268.7	-	-
Other liabilities	387.1	48.0	339.1	-
Accrued expenses	98.7	98.7	-	-
	4,805.9	4,280.7	482.3	245.0

Group				
31/12/2023	Carrying amount	Within 1 year	From 2 to 5 years	More than 5 years
Interest-bearing liabilities, credit institutions	1,373.4	700.4	673.0	-
Bonds	600.0	100.0	500.0	-
Other interest-bearing liabilities	-	-	-	-
Loans to associated companies	20.0	20.0	-	-
Tax liabilities	1.7	1.7	-	-
Trade payables	511.1	511.1	-	-
Other liabilities	445.3	106.1	339.2	-
Accrued expenses	67.6	67.6	-	-
	3,019.1	1,506.9	1,512.2	-

CONTINUATION OF NOTE 44 CAPITAL MANAGEMENT AND FINANCIAL RISKS

Market risk

Risk related to real estate investments

Investments in real estate are exposed to different types of risk. The main factors affecting the value of a property are as follows:

- i) changes in general economic developments
- ii) local market conditions, such as oversupply or reduced demand
- iii) changes in the creditworthiness of tenants
- iv) competition from other properties/property owners; and
- v) changes in laws and regulations, for example relating to detailed development plans, the environment and taxes

Changes in the above factors may affect the value of the Group’s assets and therefore the Group’s profit or loss.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on its floating rate loans and bonds. A change in interest rates of +/- 1 percentage point would change the Group’s interest expenses by approximately SEK -/+ 22 million.

The Group invests mainly in assets that will contribute to the growth of its core business. The Group’s ambition is to generate stable cash flows from its investments. To achieve this, the Group monitors market developments so that it is able to respond to interest rate fluctuations over time.

Currency risk

Currency risk is the risk that values or future cash flows will fluctuate as a result of changes in exchange rates.

The Group is exposed to a number of foreign currencies. For larger transactions, the Group hedges the currency exposure corresponding to a portion of the underlying contract value. The Group monitors developments on the foreign exchange markets and considers on an ongoing basis whether to enter into any derivative contracts. The translation effects for the year relating to subsidiaries in Malaysia are recognised in consolidated equity.

Change in bond terms

On 26 February2025, SIBS AB obtained bond term waivers from more than two-thirds of its bond investors, whereby additional commercial paper and bonds were authorised for the subsidiary SIBS Malaysia. SIBS initiated the written procedure for the waiver in April. A SEK 5 million fee is attached to the change in the bond terms.

NOTE 45 RELATED-PARTY TRANSACTIONS

Transactions with the Group’s key management personnel	2024	2023
Sales of goods/services	-	-
Purchases of goods/services	63.6	76.4
Receivable at balance sheet date	-	-
Liability at balance sheet date	-	-
Trade payables at the balance sheet date	10.0	18.7

Transactions with associated companies and joint ventures	2024	2023
Sales of goods/services	374.0	994.7
Purchases of goods/services	785.0	396.3
Invoiced costs	-	-
Receivable at balance sheet date	102.0	59.4
Liability at balance sheet date	2.0	20.2
Trade payables at the balance sheet date	246.3	59.0

SIBS’ related parties consist of directors and senior executives. SIBS is also involved in the activities of associated companies and joint ventures.

Transactions between the Board of Directors, senior executives and the Group include employee benefit expenses and the purchasing of services from companies controlled by senior executives. See Note 13 for wage costs. Purchases of services from companies (Industrium AB) controlled by senior executives amount to SEK 3.6 million (3.0), and purchases of construction-related

services (Skvalberget AB) amount to SEK 60.0 million (73.4). The Group’s trade payables for construction-related services amount to SEK 10.0 million (18.7).

The Group recognises contracting income for its project activities. Of this income, SEK 374.0 million (994.7) represents income from joint ventures. In addition, the Group has assets in joint ventures totalling SEK 82.0 million (57.9) and liabilities of SEK 0.0 million (20.2). There is also a small amount of management income from administrative tasks.

CONTINUATION OF NOTE 45 RELATED-PARTY TRANSACTIONS

During the period, the Group disposed of two subsidiaries, each of which owns one property, to a jointly-owned joint venture. The companies were disposed of for an underlying property value of SEK 288 million.

The Chair of the Board, Johan Karlsson, does not take part in decisions related to Slättö Förvaltning AB and Slättö Sveaviken Bostad AB due to a conflict of interests. Board member Jonas Ramstedt does not participate in decisions related to Landia AB due to a conflict of interests.

The Group receives expense reimbursements from the associated companies MOKO AB and Frontlog AB. For MOKO, these expenses amount to SEK 110 million (119.6) and, for Frontlog, to SEK 675 million (276.7). The Group has a net receivable of SEK 5 million (1.5) due from MOKO and SEK 13 million (0.0) due from Frontlog.

All related-party transactions are conducted at arm’s length.

NOTE 46 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

- At an Extraordinary General Meeting on 22 January 2025, Johan Karlsson was appointed as Chair of the Board of SIBS AB, succeeding Michael Wolf. At the same time, the meeting decided to re-elect Erik Thomaeus, Jonas Ramstedt and Pär Thomaeus as Board members.
- In February 2025, SIBS completed a transaction in which Sveaviken Bostad sold its majority stake in the development project in Nykvarn to Slättö and Sveaviken's joint venture. This was the last wholly-owned property under its own management. The transaction reduced the Group’s consolidated net debt by approximately SEK 500 million.
- In February 2025, SIBS was guaranteed a capital injection of SEK 150 million by existing shareholders. In connection with this guarantee, the company obtained a bond term waiver from more than two-thirds of its bond investors, including terms related to the financing of its subsidiary SIBS Malaysia. The written procedure for the waiver was completed in April.
- SIBS’ Board of Directors has sought authorisation from the 2025 Annual General Meeting for a new share issue of SEK 500 million, of which just over SEK 300 million has been guaranteed by existing and new shareholders. In addition, it has obtained a further relaxation of its bond terms, which has been accepted by a committee representing more than two-thirds of the bond principal.
- In May 2025, SIBS signed a delivery agreement, aimed at delivering up to 2,000 homes a year, with one of the largest property owners and developers in the Asia-Pacific region.

Certification by the Board

The annual report and the consolidated financial statements were approved for issuing by the Board of Directors on 12 May 2025. The consolidated and parent company income statements and balance sheets will be submitted for approval to the Annual General Meeting on 2 June 2025.

STOCKHOLM, 12 MAY 2025

Erik Thomaeus
CEO

Johan Karlsson
Chair

Jonas Ramstedt
Board member

Pär Thomaeus
Board member

OUR AUDIT REPORT WAS SUBMITTED ON 12 MAY 2025
ÖHRLINGS PRICEWATERHOUSECOOPERS AB

Magnus Thorling
Authorised Public Accountant

Auditor’s report

To the Annual General Meeting of SIBS AB (publ), company registration number 559050-3073

Report on the annual report and consolidated financial statements

Opinion

We have audited the annual report and consolidated financial statements of SIBS AB (publ) for the year 2024. The Company’s annual report and consolidated financial statements are included on pages 70-119 of this document. In our opinion, the annual report has been prepared in accordance with the Annual Accounts Act and gives a true and fair view, in all material respects, of the financial position of the parent company as at 31 December 2024, and of its financial performance and cash flows for the year, in accordance with the Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Group as at 31 December 2024 and its financial performance and its cash flows for the year, in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The Directors’ report is consistent with the other parts of the annual report and consolidated financial statements.

We therefore recommend that the General Meeting approve the income statement and balance sheet of the parent company and the consolidated income statement and statement of financial position for the Group.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under these standards are described in more detail in the section entitled Responsibilities of the auditor. We are independent of the parent company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional responsibilities in accordance with these standards. This means that, to the best of our knowledge and belief, no prohibited services referred to in Article 5(1) of the Audit Regulation (537/2014) have been provided to the audited entity or, where applicable, its parent or its controlled entities within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Significant information

We would like to draw your attention to the disclosures in Note 7 Significant estimates and judgements and Note 9 Net sales in the annual report and consolidated financial statements.

It is reported that, at 31 December 2024, the Group recognised SEK 1,547 million of receivables due from clients in the line item “income earned but not invoiced”. This item relates to recognised income from accrued expenses that had not been invoiced to clients at 31 December 2024. Of the total amount of the item, SEK 790 million are accounted for by receivables relating to compensation claims for significant changes in the original conditions for the projects’ realisation. It appears that this item requires significant

estimates and judgements from the management. The Board of Directors and the management believe that the company has a contractual right to compensation.

Our audit approach

Focus and scope of the audit

We designed our audit by determining the level of materiality and assessing the risk of material misstatements in the financial statements. In particular, we considered areas where the Chief Executive Officer and the Board of Directors have made subjective judgements, such as significant accounting estimates based on assumptions and forecasts of future events, which are inherently uncertain. As in all audits, we also considered the risk of non-compliance with internal controls by the Board of Directors and the Chief Executive Officer, including whether there is evidence of systematic deviations that have given rise to a risk of material misstatements due to irregularities.

We conducted our audit in order to perform an appropriate review for the purpose of expressing our opinion on the financial statements taken as a whole, taking into account the Group’s structure, accounting processes and controls, and the industry in which the Group operates.

Materiality

The scope and focus of the audit were influenced by our materiality assessment. An audit is designed to obtain reasonable assurance about whether the financial statements are free from material misstatements. Misstatements can occur as a result of irregularities or mistakes. They are considered to be material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions that users make on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative materiality measures, including for the financial reporting as a whole. Using these and qualitative considerations, we determined the focus and scope of the audit and the nature, timing and extent of our audit procedures, and were also able to assess the effect of individual and aggregate misstatements on the financial statements taken as a whole.

Areas of particular significance

The areas of particular significance for the audit are those areas which, in our professional judgement, were the most significant for the audit of the annual report and consolidated financial statements for the period under review. These areas were addressed in the context of the audit of, and in our opinion on, the annual report and consolidated financial statements as a whole, but we do not express separate opinions on these areas.

Area of particular significance

Valuation of investment properties and shares in associated companies and joint ventures

Investment properties are recognised in the Group at their estimated market value, which, during construction, includes an assessment of the remaining production costs. Market valuations are carried out annually by external valuation agencies; see Note 19. Subsequent changes in value are managed in accordance with ISA 40 and are recognised in the income statement in accordance with the standard, and therefore have a significant impact on both the reported profit/loss and the financial position. Unrealised and realised changes in the value of investment properties during the year totalled SEK -192.8 million, and the book value of these assets totalled SEK 1,577.1 million at the end of the financial year. The

valuation of investment properties also has a significant impact on the carrying amount of the profit/loss from associated companies and joint ventures and the book value of these assets. For 2024, the profit/loss from associated companies and joint ventures amounted to SEK -254.5 million (of which SEK 31.1 million relate to changes in the value of properties), and the book value of their assets totalled SEK 137.6 million at the end of the financial year. For information on investment properties and associated companies/joint ventures and the assessments applied by the company management, see Note 5 Significant accounting policies, as well as Note 19 Investment properties and Note 27 Shares in associated companies and joint ventures.

How our audit took the particularly important area into account

Our audit included, but was not limited to, the following:

- Spot checks on the mathematical accuracy of the valuation model and evaluation that the methods applied are based on accepted valuation principles. We were assisted in the audit by our internal valuation specialists.
- Spot checks and evaluation of the reasonableness of model inputs such as yield requirements, net operating income, vacancy rates and projected outcomes based on historical data.
- Evaluation and assessment of the competence and independence of the external valuation agencies.
- Verification of sensitivity analyses carried out.
- Evaluation of the estimates and judgements made by the company management with respect to remaining production costs.
- Review of the additional disclosures in the financial statements.

Accounting of income and profit/loss for construction projects

The total income from the SIBS Group’s project activities for 2024 amounts to approximately SEK 5,821.6 million (2,631.6). Income is essentially derived from construction projects and is recognised using the percentage of completion method. This means that the income and expenses recognised for construction projects are based on assumptions and estimates of future outcomes documented in the final cost estimate for each project. The projections include estimates of total costs for the Group’s own factory, labour, materials, subcontractors and guarantee commitments. The final cost estimates may occasionally require updated estimates. Of the total income, receivables of SEK 790 million are recognised for claims for compensation from customers for significant disruptions and other changes affecting the realisation of projects compared with the original conditions at the start of contracts. SIBS has a contractual right to compensation for project cost overruns that are beyond its control. In the considered opinion of the Board of Directors and the management, the amount recognised is the amount that will be received (see Note 7 and Note 9). The assumptions and estimates involved mean that the final results may differ from those reported here. Given that estimates and judgements feature highly, this is an area of particular focus for the audit. See the sections “Project income” and “Critical accounting estimates and judgements” in Notes 4 and 7, and Note 36 Provisions for other liabilities and charges.

Our audit included, but was not limited to:

- We assessed processes and procedures for the conducting of projects and their completion.
- We carried out analytical reviews and spot tested, in detail, reported income and margins, and evaluated the manage-

ment’s procedures for monitoring the financial performance of projects and discussed them with the management.

- We carried out spot checks of the income and recognised project expenses that form the basis for determining the stage of completion.
- We also tested the mathematical correctness of the calculation of the percentage of completion.
- We discussed with SIBS the policies, methods and assumptions on which judgements are based, including those underlying guarantee provisions for already completed projects.
- We reviewed, together with the management, the circumstances and documentation supporting the reported SEK 790 million receivable relating to claims for compensation for project cost overruns that were outside SIBS’ control. The amount is significant in relation to the rest of the year’s results and had not yet been invoiced at the time of our review. For this reason, we would like to highlight the uncertainty associated with the item given that it is a particularly significant disclosure.
- We assessed whether SIBS’ assumptions and estimates are within a reasonable range.
- We reviewed the additional disclosures in the financial statements.

Information other than the annual report and consolidated financial statements

This document also contains information other than the annual report and consolidated financial statements, which can be found on pages 1–69. This other information is the responsibility of the Board and the Chief Executive Officer.

Our opinion on the annual report and consolidated financial statements does not cover this information, and we do not express an audit opinion on this other information.

In connection with our audit of the annual report and consolidated financial statements, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual report and consolidated financial statements. In performing our review, we also consider the other knowledge that we have obtained during the audit and assess whether the information otherwise appears to be materially misstated.

If, based on the review of this information, we conclude that the other information contains a material misstatement, we are required to report it. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation and fair presentation of the annual report and consolidated financial statements in accordance with the Annual Accounts Act and, in the case of the consolidated financial statements, in accordance with the IFRS, as adopted by the EU, and the Annual Accounts Act. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they deem necessary to enable the preparation of an annual report and consolidated financial statements that are free from material misstatements, whether due to fraud or error.

When preparing the annual report and consolidated financial statements, the Board of Directors and the Chief Executive Officer

are responsible for assessing the ability of the company and the Group to continue operating as a going concern. They disclose, where applicable, the conditions that may affect their ability to continue operating as a going concern and to use the going concern assumption. However, the going concern assumption does not apply if the Board of Directors and the Chief Executive Officer intend to liquidate the company or cease operations, or have no realistic alternative to doing so.

Responsibilities of the auditor

Our objectives are to obtain reasonable assurance about whether the annual report and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to provide an audit report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit performed in accordance with ISA and generally accepted auditing standards in Sweden will always detect a material misstatement if one exists. Misstatements may arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the financial decisions of users taken on the basis of the annual report and consolidated financial statements.

A further description of our responsibility for the audit of the annual report and consolidated financial statements can be found on the website of the Swedish Inspectorate of Auditors: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor’s report.

Report on other legal and regulatory requirements

Opinion

In addition to our audit of the annual report and consolidated financial statements, we have also audited the management of SIBS AB (publ) for the year 2024 by the Board of Directors and the Chief Executive Officer, and the proposed appropriation of the company’s profit or loss. We recommend that the Annual General Meeting manage the loss as proposed in the Directors’ report and discharge the Directors and the Chief Executive Officer from liability for the financial year.

Basis for opinion

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under these standards are described in more detail in the section entitled Responsibilities of the auditor. We are independent of the parent company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional responsibilities in accordance with these standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for proposing the appropriation of the company’s profit or loss. When proposing a dividend, this includes an assessment of whether the dividend is justified in view of the requirements imposed by the nature, scope and risks of the company’s and Group’s activities on the size of the parent company’s and Group’s equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the organisation of the company and the management of its affairs. This includes continuously assessing the financial position of the company and the Group, and ensuring that the company’s organisation is such that its accounting, asset management and other financial affairs are adequately controlled. The Chief Executive Officer must carry out day-to-day management in accordance with the Board of Directors’ guidelines and instructions, and must take the measures necessary to ensure that the company’s accounts are kept in accordance with the law and that the assets are managed in a satisfactory way.

Responsibilities of the auditor

Our objectives are to obtain reasonable assurance about whether the annual report and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to provide an audit report that includes our opinions.

Our objective in relation to the management audit, and hence our opinion on the discharging of liability, is to obtain audit evidence to provide a reasonable level of assurance as to whether any Director or the Chief Executive Officer has, in a material way:

- taken any action or made any omissions that could give rise to liability for the company
- otherwise acted in breach of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective in auditing the proposed appropriation of the company’s profit or loss, and hence our opinion thereon, is to obtain reasonable assurance about whether the proposed appropriation of the company’s profit or loss is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that may give rise to liability for the company, or that the proposed appropriations of the company’s profit or loss are not in accordance with the Companies Act.

A further description of our responsibilities for the management audit can be found on the website of the Swedish Inspectorate of Auditors: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor’s report.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, Sweden, was appointed as the auditor of SIBS AB (publ) by the Annual General Meeting on 14 June 2024, and has been the company’s auditor since 2016.

Stockholm, 12 May 2025

Öhrlings PricewaterhouseCoopers AB

Magnus Thorling
Authorised Public Accountant

Definitions and glossary och ordlista

Operating surplus

Rental income less property expenses. A key performance indicator that is useful for measuring management profitability before central expenses, financial income and expenses and unrealised changes in value.

Interest coverage ratio

The operating surplus less central administrative expenses as a proportion of net interest income/expenses. The interest coverage ratio is used to show the income statement’s sensitivity to changes in interest rates and central expenses.

Loan-to-value ratio

Group investment property to property loan ratio.

Equity/assets ratio

Equity as a percentage of the balance sheet total at period-end.

Adjusted equity/assets ratio

Equity at period-end as a proportion of the balance sheet total adjusted for cash and cash equivalents. The equity/assets ratio is used as a key performance indicator to indicate long-term financial stability.

Residential floor area (RFA)

The residential floor area refers to the surface area of a building that is usable for residential purposes. The residential floor area is the surface area from which rental income may be earned.

Gross floor area (GFA)

The gross floor area is the sum of the surface area of every floor and is bounded by the outside of the encompassing building components. The gross floor area is used in many contexts, e.g. planning decisions, property valuations and fee calculations.

Planning permission

Planning permission refers to a permit to build a new building, or rebuild, extend or change the use of a building or facility. The purpose of this permit is to ensure that the project adheres to local land use and construction rules. In the project summary, planning permission refers to a planning permission that has become enforceable.

Development rights

The assessed possibility of building a property. The granting of development rights requires ownership of the land or some form of contract or agreement, such as a purchase agreement, land allocation agreement or cooperation agreement.

Detailed development plan, Planning decision and Awaiting planning decision

The planning process for detailed development plans is regulated by the Swedish Planning and Building Act. It is the municipality that decides on starting planning work. The planning process may be initiated through a planning decision on when the planning work may begin, or by the municipality itself taking the initiative to starting the planning work. The planning decision states guidelines for the continued planning. In connection with the planning work

being initiated the municipality will assess whether a planning programme is necessary. A potential planning programme is presented in a programme consultation before it is forwarded for approval.

The municipality will present a planning proposal together with the property owner/developer which will thereafter be sent for consultation. A consultation will normally be in progress for about six weeks. After the consultation, the municipality will establish a consultation presentation where all opinions that have been received during the consultation are compiled and discussed. A reworked planning proposal is communicated a second time by being sent out for review. The review period is at least two weeks.

After the review period, the municipality will compile and go through the opinions that have been received in a review statement. After the review, only minor adjustments may be made to the planning proposal before a decision for adoption. After the adoption, the detailed development plan may be appealed.

The appeal period lasts for three weeks from when the municipality announces the decision. If the detailed development plan is not annulled or appealed, or if appeals are rejected in the higher courts, the detailed development plan becomes legally enforceable. This means that the detailed development plan governs land use and construction within the area.

Legally binding

A detailed development plan is a physical planning document that sets out how a limited area of a municipality or the equivalent should be built on and how it may be used. In project summaries, legally binding refers to a detailed development plan that has become legally enforceable.

Parametric modularisation

SIBS’ proprietary modular design and construction system automates large parts of the planning process and industrialises construction. It offers greater design flexibility and significantly shorter planning and construction times. The method is almost as flexible as the site-built approach. This allows the construction of all types of apartment buildings without the limitations to which other industrial home builders are often subject.

ConstructionTech

ConstructionTech is the combination of automated design systems and industrial construction, which transforms generated drawings into finished buildings with precision. Our technical platform has scalable functionality that allows the final product to be easily adapted to different conditions. This allows us to move away from traditional approaches to real estate development, where each construction project has its own process. This makes the production of comfortable and affordable homes smarter, more flexible and more cost-effective. The scalable building system – the core of ConstructionTech – is also integrated into our factory. Thanks to the structured on-site work and digital systems support, we can produce homes of varying sizes quickly and with a high degree of completion.



Contact information

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Next financial report

The interim report for January–March will be published on 29 May 2025.

This information is the kind of inside information that SIBS AB (publ) is obliged to make public in accordance with the EU Market Abuse Regulation and the Swedish Securities Market Act.

The information was submitted for publication, through the contacts above, at 7.30 am CET on 12 May 2025.