

## SIBS Market update summary

As of November 19, 2025

### **Executive Summary**

SIBS has evolved significantly in recent years. While our foundation was built on delivering high-quality apartment buildings in Sweden, we have increasingly established a strong international footprint, tailoring our products to meet the needs of some of the world's most dynamic housing markets. We will soon enter 2026 with renewed momentum and strategic focus, well positioned to capture the substantial opportunities available in our expanded global market.

We recognise that 2025 has been a challenging year, particularly in Saudi Arabia, where delayed contract awards resulted in lower factory utilisation. Despite the past headwinds, our commercial activity across both existing and new markets has been extensive. This hard work has now generated a broad and compelling pipeline, which we expect will translate into multiple additional orders. As a result, we look ahead to 2026 with confidence and anticipate a meaningful increase in activity and deliveries.

### **1. Market trends and positioning**

#### **Global demand for modular solutions**

During 2025, we observed continued demand for modular solutions that offer speed, flexibility and cost-efficiency, across several markets. While each region has its own unique dynamics, customers are increasingly seeking partners who can deliver high-quality, standardized products and adapt to local requirements. This is driven by the need for rapid project delivery, evolving regulatory frameworks, and a growing focus on sustainability.

In response to these trends and market dynamics, SIBS has shifted its strategy from focusing primarily on large, single-project deliveries to broadening our business across several markets and segments. We are now positioning ourselves as a leading supplier of modules in targeted geographies as the UK, Australia, Malaysia, Middle East, and Sweden, with a strong emphasis on partnerships and scalable, standardized solutions. This enables us to be more agile, diversify our revenue streams, and better serve a wider range of customers. Our target markets have been chosen based on where we see the strongest combination of market potential, SIBS product-market-fit, and maturity in terms of acceptance of new technology. Market potential is very commonly driven by housing shortages and the need to scale accommodation in various sectors, while a strong product-market-fit is a result of a combination of high labor costs, shortage of labor, and the need for scale and quality. The relevance of each criteria varies between markets, but these are the important drivers of decision-making for our customers.

#### **Strengthening organisation and capabilities**

To support this strategic shift, we have intensified our business development efforts, strengthened local teams, and made key recruitments. These actions have resulted in a more robust project pipeline and new orders in our targeted markets. We have also established an on-



site presence in the UK and initiated key recruitments in Australia and the Middle East. Our home base in Malaysia continues to serve as a strong platform for the Singaporean and Malaysian markets. This renewed focus on operational excellence and organizational capability positions SIBS for growth and resilience as we move into 2026.

In line with our expansion into new markets, we are actively strengthening our organization with the right competencies across all regions. This includes reinforcing both our sales and delivery teams and developing our product in order to suit the various codes and standards of local markets. While we already possess deep expertise in factory production, our building system, and project delivery, we are now focused on further enhancing our commercial and operational capabilities to support our growth ambitions internationally.

## **2. Business development and projects**

SIBS currently has an active orderbook in Sweden, Saudi Arabia, United Kingdom and Australia.

### **Sweden**

Sweden remains one of our core markets, where we continue to see stable activity supported by a robust pipeline of development opportunities. While overall market volumes remain below pre-2023 levels, sentiment has improved and we are well positioned through Sveaviken Bostad, our wholly owned residential development platform, to capitalise on renewed demand as market conditions continue to normalise. Across Sweden, SIBS currently has thousands of apartments in ongoing development, reflecting the scale and strength of our portfolio and our ability to deliver high-quality residential solutions at scale.

Our disciplined project selection and active engagement with institutional partners support our confidence in the long-term fundamentals of the Swedish residential sector. Notable examples include the Svanholmen project of 271 apartments where construction has commenced. This project marks a key milestone in our strategy to advance developments through to delivery and subsequently divest upon completion. We also have the Lund project development, of 130 apartments, which is progressing according to plan and is currently in the final stages of the building permit process, with construction expected to start in Q1 2026. These projects, together with our broader pipeline, position SIBS to benefit from a strengthening transaction environment and a supportive market outlook.

### **Saudi Arabia**

In Saudi Arabia, we have completed our first project with 2,200 apartments and are currently finalizing the second project with 1,300 apartments. While the tender activity in Saudi slowed down during the year, due to what seems to be a shift in priorities between the giga-projects, the activities seem to be coming back and we are experiencing an increased number of enquires again. The opportunity and need for both permanent housing and staff accommodation in Saudi Arabia remains strong with many giga-projects under development, and with, for example, World Expo coming up in 2030 and World Cup coming up in 2034. A lot of lessons learned from our first years in Saudi will lead to a different commercial set-up in future projects.



## **United Kingdom**

The market in the United Kingdom has proven to be one where our product has a strong product-market-fit. The UK market has a significant housing shortage, and the current rate of construction will not suffice for the government to fulfil its commitments. As a result, there is a strong push to accelerate delivery, and financiers, contractors, and architects are all actively seeking scalable and reliable solutions. SIBS focus segments in the UK are build-to-rent residential (BTR) projects, focusing on the sub 12 floor segments, and purpose-built student housing (PBSA). Our first project in the UK, Great Oaks at Basildon, was signed in July. We are currently in the so called Gateway 2 process and will commence construction as soon as approvals are received.

In addition to the Basildon project, we are progressing multiple discussions that are expected to further strengthen our UK pipeline. We have also signed a heads of terms and expect a contract soon for a student housing project in Scotland.

These two projects within different market segments are a good representation of where SIBS can add significant value to its customers. Our team is currently working on a large and growing pipeline of new projects in the UK, and multiple new orders are anticipated in the next 18 months.

## **Australia**

The Australian market is similar to the United Kingdom in terms of the need for housing and lack of supply. We are pursuing two business models in the country. The first one is in the multi-tenant segments where we use our experience from previous construction projects to add value to BTR, PBSA, and hotels in Australia. This is supported by our first multi-tenant order in Kalgoorlie, where we are supplying the modules for a construction project to build a hotel to support the local mining industry. Our design team and the customer have collaborated closely on this project to define an optimized solution with great value that we also see we will be able to sell to other customers and other markets. The project comprises of delivering modules for a hotel with 212 keys or approximately 7,700 m<sup>2</sup>. The parties will finalize design, and during November prepare the ground for production start in early Q1 2026 and delivery of modules to site during Q2 2026.

In addition to the multi-tenant market, together with a prominent local player, we have identified the ancillary dwelling unit (ADU) market as a significant opportunity, due to recently relaxed requirements for building so-called “granny flats” on properties in Australia.

In October, we announced our first order in Australia for the delivery of 50 ADU's. The order is expected to be delivered in Q1 2026, subject to approved planning and site access. The ADU's are designed to provide modern, high-quality accommodation through an end-to-end solution, from financing to delivery and handover, in cooperation with SIBS' local partner. Together with our partner, we also see great potential in expanding this product offering to a nationwide network of individual owners and investors, targeting over 2,000 units annually.



## **Malaysia**

In our second home market, Malaysia, SIBS has entered into an exclusive partnership with a Malaysian partner for delivery of staff accommodation and student housing in Malaysia. SIBS will be the module supplier, with the partner taking on all local site works and a minimum volume of 100,000 m2 per annum will be targeted. SIBS and the partner aim to design and implement standardized products that enable competitive solutions at scale. On November 18, SIBS received a letter of award from the customer for a staff accommodation project with over 25,000m2 total area. SIBS expects a final supply contract before the end of the year and the project delivery and completion will take place in 2026.

## **Other strategic projects**

Outside of the markets with an existing orderbook, we are pursuing strategic partnerships to drive recurring business in selected segments and geographies. The first is a partnership agreement that we have recently signed with an international hospital builder and healthcare provider. This long-term partnership establishes SIBS as a key delivery partner for modular staff accommodation across the company's global hospital rollout program, providing a scalable and standardised housing solution for medical personnel. The partnership reflects growing demand for industrialised building solutions in mission-critical sectors and reinforces SIBS' position as a global leader in modular construction. Both organisations share a strong commitment to rapid deployment, quality and sustainability, and this collaboration will enable multi-site delivery programs across key international markets. With the agreement in place, SIBS is positioned to support the partner's global expansion by delivering high-performance, turnkey staff accommodation wherever healthcare infrastructure is needed.

As part of our Malaysian business, we also engaged with Malaysia property developer Berjaya land for a project in Greenland, which we expect will move into production early 2026. This is a further testament that SIBS is capable to deliver even to the remote of locations. In Singapore, we have multiple active tenders on-going where SIBS is in a strong position to be awarded projects in the student accommodation segment.

In addition to the partnership agreements, we have a campaign with large developers and construction companies in the Gulf region of the Middle East, where we have identified a number of players with land and potential projects that involve large scale and recurring construction of villas, staff accommodation, and residential multi-family construction. Working together with local players we will design optimized products that are fast to produce and create value to customers with speed, quality, and their business case. This approach represents an important pillar of our strategy going forward; recurring business with large players who need scale, and value speed and quality.

We have also implemented several operational processes and proof points to ensure our ability to deliver. One example is within building compliance, where we successfully acquired the remaining fire test reports for the UK market and are finalizing the steps for full certification in Australia. These reports confirm that our product exceeds local fire requirements and demonstrate SIBS' ability to adapt to and comply with a wide range of country-specific building codes across several markets.

### **3. Strategic initiatives**

#### **Acquisition MOKO**

In order to solidify its position as a leading designer and producer of modular solutions, SIBS has acquired the remaining shares in modular design company MOKO. While SIBS owns all the IP to its solutions, MOKO is the dedicated company for design and engineering of project deliveries. With the acquisition, all MOKO employees are a part of SIBS and form a global R&D, design, and engineering organization. This will increase speed and improve SIBS product competitiveness in projects in all geographies.

### **4. Financial management**

SIBS shareholders have continued to support the group and during 2025 SIBS has raised SEK 520 million in equity to strengthen the balance sheet and to support the business. During November the equity process continues with the goal of reaching at least SEK 600 million for the year, and commitments of approximately SEK 100 million have already been given.

In the beginning of the year a large part of the loan portfolio consisted of short-term debt. During the year SIBS has successfully issued long term bonds in Malaysia to repay short-term debt. The proceeds have as well been used for general corporate purposes.

### **5. Looking ahead**

#### **Operational progress and market confidence**

During 2025, we have focused on optimizing our operations and improving our cost structure to increase efficiency across the organization. We have continued to invest strategically in business development to support our expansion into new markets and regions. Our efforts have been recognized by customers internationally, confirming that our product delivers value at scale. The need for sustainable and cost-effective housing remains high in many of our markets, and we are well positioned to meet this demand.

#### **Outlook and growth potential**

Looking ahead, we remain cautiously optimistic about our financial outlook. Based on our orderbook, the activity in our pipeline and ongoing discussions in several key markets, we believe it is possible to achieve a turnover of at least USD 300 million by the end of next year. This would also serve as a strong platform to secure business volumes by the end of 2027 that would reach peak capacity in our production facilities, not relying on a few markets but with a diverse customer base and recurring relationships.

While these targets reflect our confidence in the business, we recognize the challenges we have faced, particularly related to delayed contracts and capacity utilization. We have worked hard to



address these issues, and the effects of our efforts are now becoming visible in our operational performance and market engagement.

With these foundations in place, we are confident that our broadened market approach, strengthened organization, and ongoing operational improvements will drive growth and profitability as we move into 2026 and beyond.