

TRANSLATION OF THE ORIGINAL SWEDISH

Statement by the Board of Directors pursuant to Chapter 19, section 22 of the Swedish Companies Act on the proposed buy-back program

Given the strong development in the business in 2022, JM has a strong financial position with interest-bearing net liabilities according to segment reporting of only SEK 334m. This offers scope for a large capital transfer to shareholders in addition to regular dividend. The Board of Directors proposes that the Annual General Meeting resolve to authorize the Board to buy back shares so that the Company's holdings do not exceed 10 percent of all of the shares in the Company.

A theoretical calculation given full utilization of the buy-back authorization at the current share price after regular dividends would result in a reduction in the Group's visible equity/assets ratio from 53 to 46 per cent and the Parent Company's visible equity/assets ratio from 41 to 31 per cent. The Group's holdings of development properties have a surplus value at the end of 2022 of SEK 6.7 billion. Taking into consideration the surplus value of development properties, the adjusted equity/asset ratio after proposed dividends and buy-backs is 62 percent.

JM works with a very detailed capitalization model, under which equity is allocated to the different asset classes in the balance sheet taking assessed operating risk into account. The model serves as the basis for how JM plans its capital structure.

The Group conducts its business with stable and good profitability and fundamentally good demand in the majority of JM's housing markets.

It is the Board's opinion that, after the proposed buy-back program, JM will continue to have the financial capacity to meet the requirements that the operations' nature, scope, investment needs and risks place on the shareholders' equity of both the Group and the Parent Company. The proposal is therefore reasonable, taking into account the Group's and the Parent Company's consolidation needs, liquidity and position in general, which means that the proposal does not prevent the Company and other companies in the Group from meeting their short- and long-term obligations.

Stockholm, January 31, 2023

JM AB (publ)

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Board of Directors*

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