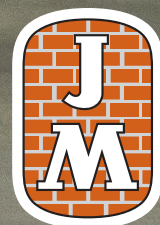


Interim Report January–June 2023



Interim Report January–June 2023

JANUARY – JUNE 2023

- Revenue amounted to SEK 7,598m (7,644).
- Operating profit decreased to SEK 676m (898). The operating margin decreased to 8.9 percent (11.8).
- The period was burdened by SEK 67m (0) attributable to implemented savings measures.
- Profit before tax decreased to SEK 626m (868), and profit after tax decreased to SEK 494m (687).
- Return on equity for the past twelve months amounted to 16.4 percent (20.9).
- Earnings per share amounted to SEK 7.50 (10.10).
- Consolidated cash flow including net investment in properties amounted to SEK –351m (–251).
- The number of residential units sold decreased to 842 (1,727), and housing starts decreased to 668 (1,527).
- According to IFRS, revenue amounted to SEK 8,071m (6,411) and earnings per share to SEK 10.80 (6.80).

APRIL – JUNE 2023

- Revenue decreased to SEK 3,636m (3,790).
- Operating profit decreased to SEK 258m (432). The operating margin decreased to 7.1 percent (11.4).
- The quarter was burdened by SEK 67m (0) attributable to implemented savings measures.
- Profit before tax decreased to SEK 232m (418), and profit after tax decreased to SEK 182m (331).
- Earnings per share amounted to SEK 2.70 (4.90).
- Consolidated cash flow including net investment in properties amounted to SEK –1,143m (–525).
- The number of residential units sold decreased to 363 (732) and housing starts to 454 (719).
- According to IFRS revenue amounted to SEK 3,375m (3,140), and earnings per share to SEK 3.30 (3.80).

Starting on January 1, 2023, JM applies a new accounting principle for projects with Swedish tenant-owners associations; see Note 1 Accounting principles. Restated income statements and balance sheets with the reported effect per quarter are provided in Note 1 of JM's interim report for the first quarter, 2023. Comparative figures in this report have been restated according to the new accounting principle. For the Group's income statement and balance sheet in accordance with IFRS, IFRS 15 Revenue from Contracts with Customers is applied, which means that revenue and profit/loss from JM's housing development are reported according to the completed contract method, see Note 1 for further information. Segment reporting and project management are reported according to the percentage of completion method. The Group's calculations according to IFRS are presented on pages 18–19. For definitions of key financial figures, see "Definitions Key Financial Figures" at jm.se/en/about-us/investors/

The financial statements are presented in Swedish krona (SEK), which is also the reporting currency for the Parent Company. All amounts are rounded to the nearest million unless otherwise specified. The figures in the report are based on the Group's consolidation system, which is in SEK thousand. Due to rounding in tables, total amounts may not correspond to the sum of the initial rounded whole numbers. **Unless otherwise specified, amounts and comments in this Interim Report are based on JM's segment reporting.** This Interim Report is a translation of the original text in Swedish which is the official version.

Group Key Figures

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–JUNE		APRIL–JUNE		JULY–JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue	7,598	7,644	3,636	3,790	16,339	16,385
Operating profit ¹⁾	676	898	258	432	1,842	2,064
Operating margin, %	8.9	11.8	7.1	11.4	11.3	12.6
Profit before tax	626	868	232	418	1,752	1,994
Cash flow from operating activities	–351	–251	–1,143	–525	–361	–261
Return on equity, %					16.4	17.9
Equity/assets ratio, %	53	48				53
Earnings per share, SEK	7.50	10.10	2.70	4.90	21.00	23.40
Number of residential units sold ^{2) 3)}	842	1,727	363	732	1,774	2,659
Number of housing starts ^{4) 5)}	668	1,527	454	719	2,254	3,113
ACCORDING TO IFRS, SEK M						
Revenue	8,071	6,411	3,375	3,140	16,237	14,577
Operating profit	962	633	314	347	2,307	1,978
Earnings per share, SEK	10.80	6.80	3.30	3.80	26.40	22.20
¹⁾ Including costs attributable to implemented savings measures	67	–	67	–	67	–
²⁾ Of which rental units and residential care units in JM Property Development	218	–	–	–	288	70
³⁾ Of which residential units in JM Finland to investors	–	231	–	103	128	359
⁴⁾ Of which rental units and residential care units in JM Property Development	155	–	155	–	321	166
⁵⁾ Of which residential units in JM Finland to investors	–	231	–	103	128	359
RESIDENTIAL UNITS IN CURRENT PRODUCTION						
			6/30/2023	6/30/2022	12/31/2022	
Number of residential units in current production ^{1) 2)}			6,657	7,823	8,078	
Percentage of sold residential units in current production, % ³⁾			54	65	59	
Percentage reserved residential units in current production, %			4	9	3	
Percentage sold and reserved residential units in current production, %			58	74	62	
¹⁾ Of which rental units and residential care units in JM Property Development			662	484	507	
²⁾ Of which rental units and residential care units not intended for sale in current production in JM Property Development – not included in the percentage of sold and reserved residential units in current production			444			
³⁾ Percentage of sold residential units expressed as a binding contract with the end customer.						
UNSOLD UNITS						
			6/30/2023	6/30/2022	12/31/2022	
Completed production, number of unsold units ¹⁾			266	87	91	
Number of unsold residential units reported in the balance sheet			106	77	63	
¹⁾ After final occupancy according to plan.						

Housing market continued to be challenging

The second quarter continued to be impacted by challenging market conditions and a low transaction level. Market rates are continuing to rise on our submarkets, inflation is slowing but continues to be at a high level, and there is customer uncertainty. JM's ability to maintain housing production is negatively impacted, and subsequently we also have a low number of housing starts during the second quarter.

Continued weak sales

In our submarkets, customers have been cautious at the same time as the supply of residential units continued to increase. However, we are seeing tendencies that prices on the existing home market are stabilizing and that buyers and sellers are starting to meet again. Prices on the existing home market have increased slightly during the quarter, although there are some local deviations. We also noted increased interest in JM's residential units, and the Big Open House Day in the spring had a large number of visitors.

The housing operations in Stockholm have had a continued decrease in sales and margin during the quarter. The housing operations in the rest of Sweden showed lower sales and a severe deterioration in profitability level. The deterioration in profitability for the rest of Sweden is primarily attributable to the quarter being burdened to a large extent by costs related to implemented savings measures.

In Norway, housing prices on the existing home market continued to rise and are now in line with the corresponding period last year. Our operations in Norway, however, are showing continued low margins in current projects due to the recent quarters' high cost pressure and declining sales.

Prices and activity on the Finnish housing market continued to decrease during the second quarter, and the general consumer confidence is low at the same time as interest rates are rising. Our Finnish operations are thus showing decreased volume and margin for the quarter.

For JM, it is a long-term social commitment to offer attractive housing for a broad target group. One part of this is rental units and student housing, and during the quarter we started the rental project Flora in Järfälla, which consists of 155 units, and we reached an agreement with the City of Gothenburg to construct more student housing.

Adjustment to lower demand

Statistics from SCB show that housing construction in Sweden during the first quarter dropped in half compared to the corresponding period the previous year and that housing construction is at the lowest level in many years.

In June, Sweden's minister of infrastructure and housing invited me and others active in our sector to a roundtable. I presented JM's proposal for how to guarantee Swedish housing production for the future and how new production of homes can be facilitated, for example by streamlining planning and permit



"A focus on sales and housing starts continues to be highly prioritized for JM"

processes, removing the capital gains tax for a limited period of time, removing the second amortization requirement, advocating sustainable building and harmonizing the legislation between the Nordic countries.

A focus on sales and housing starts continues to be highly prioritized in order for JM to generate stable cash flow. We are starting new projects where we accept the sale later in the projects than normal. At the same time, we are continuing to work on adjusting our costs to a lower production volume, where profit in the second quarter was burdened by SEK 67m attributable to the savings measures communicated at the beginning of the quarter.

Strong financial position

There is continued uncertainty regarding the short-term conditions for our future projects, and 2023 is appearing to be a difficult year for housing developers. At the same time, we continue to see considerable interest in our projects and that the housing market has a long-term great need for JM's residential units. We are well-positioned with an attractive project and building rights portfolio that is refined on an ongoing basis to meet these needs, and our strong financial position gives us freedom of action in JM's business. Despite the uncertainty on the global market, the fundamental and long-term conditions for our business continue to be good.

Johan Skoglund,
President and CEO

Market, sales and housing starts

JANUARY – JUNE 2023

The slow-down in the economy and the general market conditions continued to have a considerable impact on the housing market and subsequently JM's operations. The housing market on the Group's submarkets during the first half of the year were negatively impacted by a large supply on the existing home market, current global factors, and continued rising market rates and high inflation. Overall, consumers' buying power was weakened and customers continue to be cautious. Often, it takes a long time from when the customer signs the agreement until they move in, which means that the market for newly produced residential units is more exposed than the existing home market when households' finances are weakened.

During the first six months of the year, prices on the existing home market continued to rise on the Swedish and Norwegian submarkets, but continued to fall on the Finnish submarket.

The underlying need for housing continues to be large, but housing starts on the Group's submarkets decreased during the first six months of the year due to weaker demand.

Sales decreased due to the weak market, and the number of sold residential units in the form of signed contracts decreased to 842 (1,727). The percentage of sold and reserved residential units in relation to current production amounted to 58 percent (74), with an interval of 60–65 percent considered normal. JM Residential Stockholm sold 117 residential units (494), JM Residential Sweden sold 253 (665), JM Norway sold 221 (287), JM Finland sold 33 (281) and JM Property Development sold 218 (0).

The number of housing starts decreased to 668 (1,527). JM Residential Stockholm started production on 0 residential units (251), JM Residential Sweden on 298 (619), JM Norway on 181 (284), JM Finland on 34 (373) and JM Property Development on 155 (0).

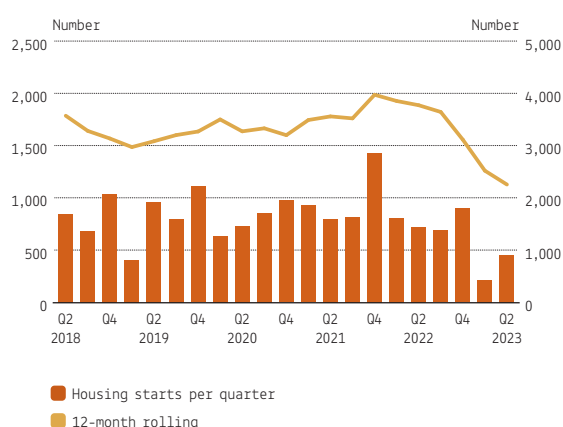
The number of residential units in current production decreased to 6,657 (7,823), of which 662 (484) rental units in JM Property Development. The carrying amount for project properties amounted to SEK 960m (1,225), of which properties under development amounted to SEK 938m (1,201).

Residential building rights

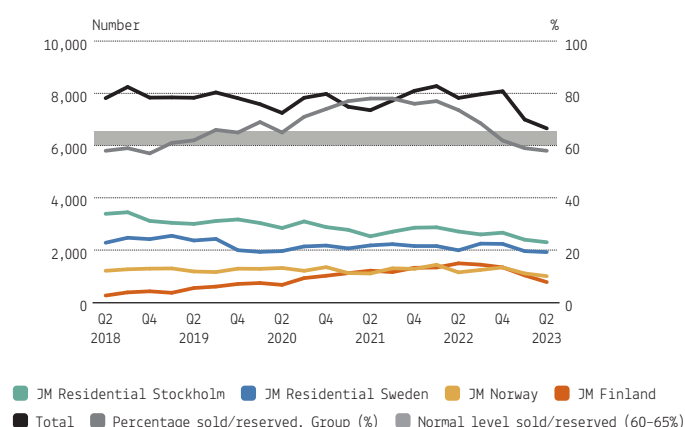
The number of available building rights at the end of the first half of the year amounted to 40,400 (38,400), of which 23,100 (21,300) are recognized in the balance sheet. Capital tied up in building rights (development properties in the balance sheet) for residential units increased to SEK 8,736m (8,324).

JM acquired development properties for residential units during the first half of the year for SEK 710m (800), of which SEK 627m (334) relates to JM Residential Stockholm, SEK 49m (313) to JM Residential Sweden, SEK 0m (38) to JM Norway and SEK 34m (115) to JM Finland.

HOUSING STARTS
GROUP



RESIDENTIAL UNITS IN CURRENT PRODUCTION



¹⁾ Including 662 rental units and residential care units in JM Property Development where rental units intended for sale are included in the percentage of sold/reserved.

Revenue, operating profit and operating margin

JANUARY–JUNE 2023

Consolidated revenue according to segment reporting for the first half of the year amounted to SEK 7,598m (7,644). Revenue is primarily attributable to a high level of current production of residential units and commercial projects. Operating profit according to segment reporting decreased to SEK 676m (898), and the operating margin decreased to 8.9 percent (11.8), which is primarily attributable to increased costs in current production. The profit was burdened by SEK 67m (0) due to costs from completed staff departures. This results in a reduced annual cost for approximately 200 people, which essentially represents a reduced project cost, set against lost revenue. The operating margin adjusted for the savings measures amounted to 9.8 percent.

Revenue restated according to IFRS increased to SEK 8,071m (6,411). Operating profit restated according to IFRS increased to SEK 962m (633). The increase is mainly attributable to a high number of people moving into residential projects with good margin and projects in current production within the segment JM Property Development.

Rental income from JM's project properties was SEK 16m (13). Net operating income was SEK 7m (1).

APRIL–JUNE 2023

Consolidated revenue according to segment reporting for the second quarter decreased to SEK 3,636m (3,790). The decrease in revenue is primarily attributable to a low sales ratio in all business segments except JM Norway, which is showing higher sales than in the corresponding period last year.

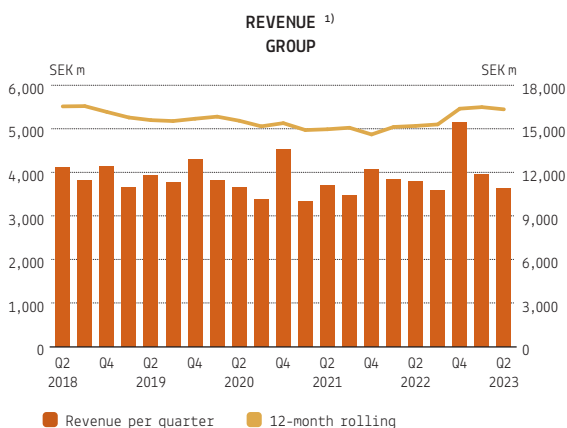
Operating profit according to segment reporting decreased to SEK 258m (432), and the operating margin decreased to 7.1 percent (11.4), which is primarily attributable to increased costs in current production and costs of SEK 67m related to implemented savings measures for staff departures. The operating margin adjusted for this amounted to 8.9 percent.

Revenue restated according to IFRS increased to SEK 3,375m (3,140). The operating profit restated according to IFRS decreased to SEK 314m (347), which is primarily due to costs for implemented savings measures for staff departures of SEK 67m.

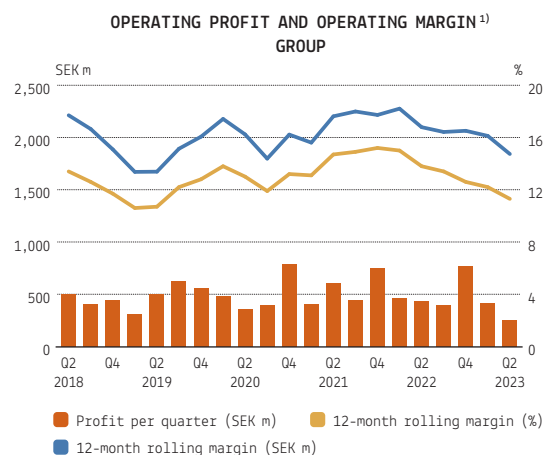
Rental income from JM's project properties amounted to SEK 8m (8). Net operating income was SEK 4m (1).

OPERATING PROFIT BY BUSINESS SEGMENT, SEK M	JANUARY–JUNE		APRIL–JUNE		JULY–JUNE FULL-YEAR	
	2023	2022	2023	2022	2022/2023	2022
JM Residential Stockholm	206	372	90	182	554	720
JM Residential Sweden	178	359	51	185	501	682
JM Norway	86	134	43	61	190	238
JM Finland	67	74	29	41	151	158
JM Property Development	164	-18	60	-22	487	306
JM Construction	5	8	3	4	9	12
Group-wide expenses	-28	-30	-17	-19	-51	-52
Total	676	898	258	432	1,842	2,064
<i>Of which property sales</i>	2	-	2	-	2	-
<i>Of which income from joint venture</i>	-5	1	-1	-6	-17	-11

OPERATING MARGIN BY BUSINESS SEGMENT, %	JANUARY–JUNE		APRIL–JUNE		JULY–JUNE FULL-YEAR	
	2023	2022	2023	2022	2022/2023	2022
JM Residential Stockholm	9.1	15.0	7.6	15.2	11.7	14.5
JM Residential Sweden	8.4	15.4	5.2	15.3	11.7	15.2
JM Norway	6.7	8.3	6.7	8.1	6.2	7.0
JM Finland	8.1	9.0	7.5	9.1	8.7	9.2
JM Property Development	18.7	-	19.4	-	24.5	25.0
JM Construction	1.1	1.4	1.1	1.4	0.9	1.1



¹⁾ According to segment reporting



¹⁾ According to segment reporting

Financial items

JANUARY–JUNE 2023

Net financial items declined slightly compared to the corresponding period of the previous year, primarily attributable to increased interest expenses.

Total interest-bearing liabilities according to segment reporting were SEK 2,202m (2,550), of which the provision for pension liabilities comprised SEK 1,305m (1,686). At the end of the first six months, the average interest rate for the total loan stock including the pension liability was 4.3 percent (2.1). The average term for fixed-rate loans excluding the pension liability was 0.3 years (0.4).

Consolidated available liquidity decreased to SEK 3,499m (5,281). Aside from cash and cash equivalents of SEK 699m (2,481), this includes unutilized overdraft facilities and credit lines totaling SEK 2,800m (2,800), where credit agreements for SEK 2,400m had an average maturity of 3.0 years (2.8).

Interest-bearing net liabilities including pension liabilities according to segment reporting totaled SEK 1,498m (64) at the end of the period. Non-interest-bearing liabilities for completed property acquisitions amounted to SEK 492m (437). Of these liabilities, SEK 80m (64) were current.

The valuation of financial assets and liabilities shows no significant difference between the carrying amount and fair value.

Cash flow

JANUARY–JUNE 2023

Cash flow from operating activities according to segment reporting decreased to SEK –351m (–251), which is attributable to an increased level of working capital, which is partly offset by a lower level of investments in properties. Net investments in development properties resulted in a cash flow of SEK –308m (–314). The increase in holdings of unsold residential units in the balance sheet resulted in a negative cash flow of SEK –244m (3). Consolidated cash flow attributable to project properties (sales minus investment) during the first half of the year was SEK –307m (–395).

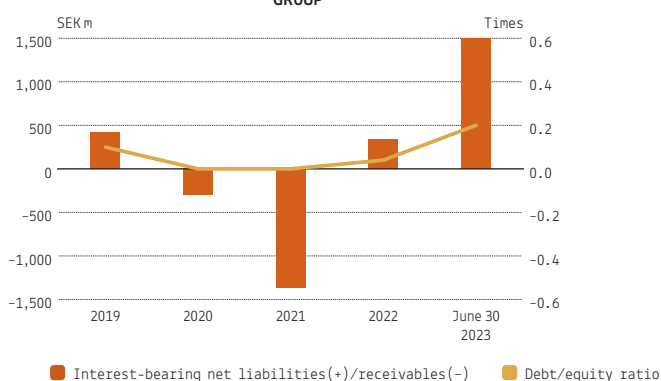
APRIL–JUNE 2023

Cash flow from operating activities decreased to SEK –1,143m (–525) during the second quarter, which is primarily attributable to investments of SEK 585m in development properties within the segment JM Residential Stockholm and an increased level of working capital. Net investments in development properties resulted in a cash flow of SEK –470m (–381). The increased holdings of repurchased residential units resulted in a negative cash flow of SEK –102m (–66). Consolidated cash flow attributable to project properties (sales minus investment) amounted to SEK –158m (–312). During the second quarter, SEK 903m was paid out in dividend.

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–JUNE		APRIL–JUNE		July–June	Full-year
	2023	2022	2023	2022	2022/2023	2022
Financial income	21	7	10	4	32	19
Financial expenses	–70	–37	–36	–18	–122	–89
Financial income and expenses	–50	–30	–27	–14	–90	–70

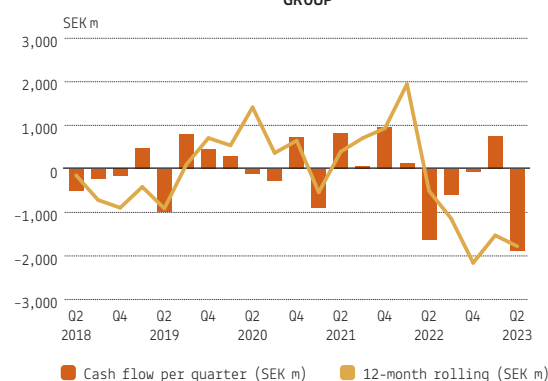
ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–JUNE		APRIL–JUNE		July–June	Full-year
	2023	2022	2023	2022	2022/2023	2022
Interest-bearing net liabilities (+)/receivables(–) at beginning of period	334	–1,363	–549	–1,466	64	–1,363
Change in interest-bearing liabilities/-receivables	1,164	1,428	2,047	1,530	1,434	1,697
Interest-bearing net liabilities (+)/receivables (–) at end of period	1,498	64	1,498	64	1,498	334

INTEREST-BEARING NET LIABILITIES (+)/RECEIVABLES (–) ¹⁾
GROUP



¹⁾ According to segment reporting

CASH FLOW ¹⁾
GROUP



¹⁾ Total cash flow for the period

JM Residential Stockholm

The JM Residential Stockholm business segment develops residential projects in Greater Stockholm. Operations include acquisitions of development properties, planning, pre-construction, production and sales of residential units.

The average prices on the existing home market increased slightly during the second quarter. The total supply of residential units continues to be high, but the supply of newly produced residential units is still at a low level.

The housing market in Stockholm continued to be cautious during the second quarter. For the business segment's new projects, the higher interest rate and the general uncertainty, among other things, have meant that customers have been very cautious. However, customers have shown increased interest in the second quarter, but the willingness to sign a contract early was significantly below normal.

The absence of necessary authority decisions continues to have a negative impact on the business segment's housing

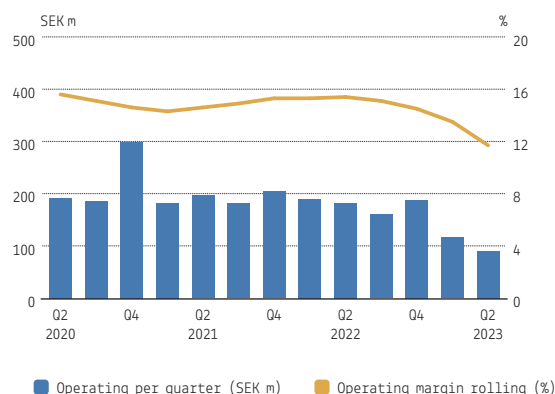
starts, which contributes to Stockholm not having any housing starts during the first half of the year. This currently concerns one project with a total of 46 residential units. In addition to necessary authority decisions, the weak sales have also restricted the business segment's housing starts.

Revenue and operating profit are negatively impacted by the lower sales in recent quarters and costs for implemented savings measures. However, the number of unsold apartments with completion in 2023 is limited.

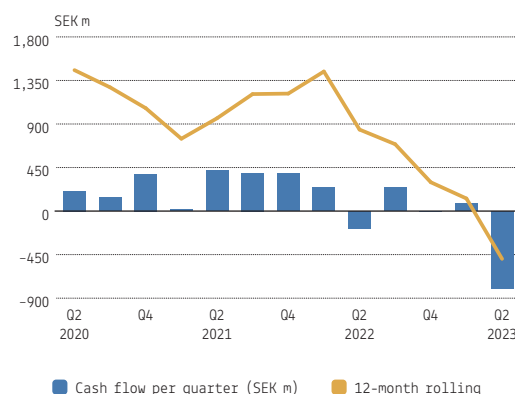
The period's cash flow is burdened by major investments in development properties of SEK 585m and to some extent that the business unit has a project that is financed with its own funds.

SEK M	JANUARY-JUNE		APRIL-JUNE		July-June	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue	2,271	2,481	1,176	1,196	4,756	4,966
Operating profit	206	372	90	182	554	720
Operating margin, %	9.1	15.0	7.6	15.2	11.7	14.5
Average operating capital					4,791	4,494
Return on operating capital, %					11.6	16.0
Operating cash flow	-730	61	-806	-182	-494	298
Carrying amount, development properties	4,619	4,143				4,033
Number of available building rights	12,900	12,900				12,400
Number of residential units sold	117	494	66	230	280	657
Number of housing starts	-	251	-	178	470	721
Number of residential units in current production	2,299	2,709				2,665
Number of employees	807	821				804

OPERATING PROFIT AND OPERATING MARGIN
JM RESIDENTIAL STOCKHOLM



CASH FLOW
JM RESIDENTIAL STOCKHOLM



JM Residential Sweden

The JM Residential Sweden business segment develops residential projects in growth areas in Sweden, excluding Greater Stockholm. Operations include acquisitions of development properties, planning, pre-construction, production and sales of residential units.

Average prices on the existing home market for tenant-owned units increased slightly during the second quarter in the business segment's submarkets. Single-family homes followed a similar development, with the exception of Uppsala, where the average prices decreased.

Supply on the existing home market remains at the same high levels as in recent quarters. The supply of new production is not decreasing any more, but rather is holding steady at very low levels, with the exception of Gothenburg.

The sales rate continued to be low during the second quarter, and the business segment has had a major focus on sales of residential units that are close to occupancy. The willingness of customers to sign a contract early in the process was considerably below normal, and customers continued to be cautious.

The business segment is demonstrating a lower operating profit and decreased operating margin, which is attributable to the increase in production and financing costs and the decrease in the number of housing starts in recent quarters. Costs attributable to savings measures implemented during the quarter also have a significant impact on the margin.

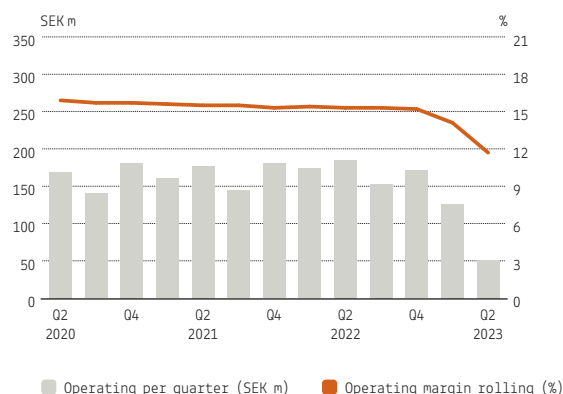
Cash flow for the period is burdened by an increase in working capital and purchased residential units in the balance sheet.

Production was started in the second quarter on 159 residential units in apartment buildings in H arryda and Gothenburg.

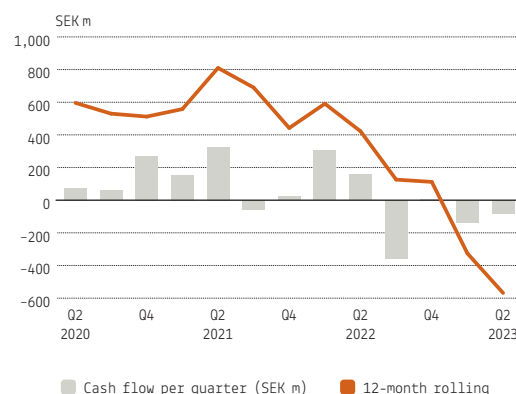
No building rights were acquired during the second quarter.

SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue	2,112	2,332	982	1,205	4,280	4,500
Operating profit	178	359	51	185	501	682
Operating margin, %	8.4	15.4	5.2	15.3	11.7	15.2
Average operating capital					2,057	1,656
Return on operating capital, %					24.4	41.2
Operating cash flow	-220	460	-85	156	-568	112
Carrying amount, development properties	2,092	1,704				2,270
Number of available building rights	12,100	10,100				11,500
Number of residential units sold	253	665	140	290	534	946
Number of housing starts	298	619	159	262	701	1,022
Number of residential units in current production	1,922	1,991				2,234
Number of employees	552	568				568

OPERATING PROFIT AND OPERATING MARGIN
JM RESIDENTIAL SWEDEN



CASH FLOW
JM RESIDENTIAL SWEDEN



JM Norway

The business segment develops residential projects in Norway. Operations include acquisitions of development properties, planning, pre-construction and production and sale of residential units. Revenue recognition for the business segment is reported using the percentage of completion method.

The price level on the existing home market increased during the first half of the year and was at the end of the first six months back at the same levels as in the corresponding period the previous year. The central bank of Norway has once again increased the interest rate, resulting in increased mortgage rates.

Sales of residential units on the existing home market have increased slightly compared to the corresponding period last year. However, net sales of newly produced residential units decreased by approximately 60 percent.

Demand for JM's residential units was lower than normal in the second quarter. However, the number of sold residential

units during the quarter was higher than in the previous year and amounts to 144, of which 65 constitute sales to an investor.

Operating profit and the operating margin was weakened by lower sales ratios and higher production expenses in recent quarters. Material prices continued to stabilize during the quarter at the same time as financing costs in the projects increased.

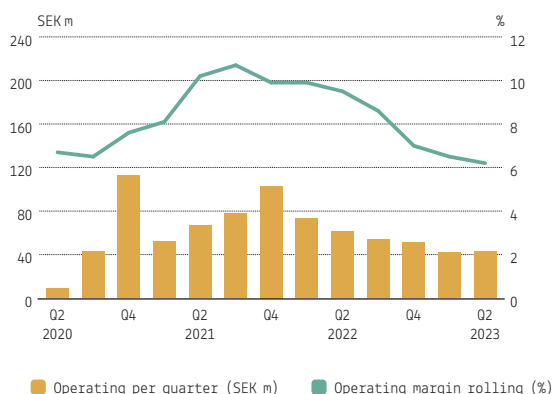
The period's cash flow is in balance.

Production was started in the second quarter on a total of 140 residential units, of which 134 in Asker Municipality.

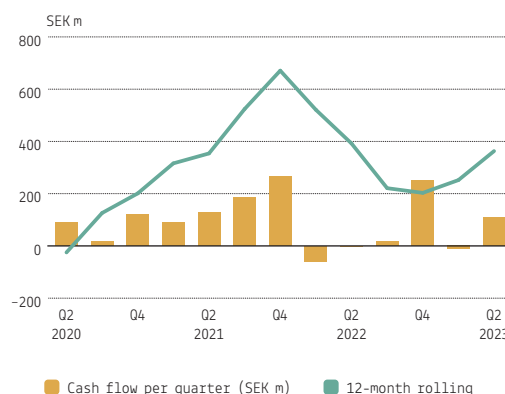
No building rights were acquired during the second quarter.

SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue	1,277	1,602	645	747	3,067	3,392
Operating profit ¹⁾	86	134	43	61	190	238
Operating margin, %	6.7	8.3	6.7	8.1	6.2	7.0
Average operating capital					2,047	2,158
Return on operating capital, %					9.3	11.0
Operating cash flow	98	-62	109	-2	363	203
Carrying amount, development properties	888	1,391				1,034
Carrying amount, project properties	15	18				18
Number of available building rights	6,700	7,400				7,100
Number of residential units sold	221	287	144	93	461	527
Number of housing starts	181	284	140	34	502	605
Number of residential units in current production	1,001	1,147				1,335
Number of employees	350	375				370
¹⁾ Of which property sales	2	-	2	-	2	-

OPERATING PROFIT AND OPERATING MARGIN
JM NORWAY



CASH FLOW
JM NORWAY



JM Finland

The business segment develops residential projects in Finland. Operations include acquisitions of development properties, planning, pre-construction and production and sale of residential units. Revenue recognition for the business segment is reported using the percentage of completion method.

The activity on the housing market in the Helsinki region continued to be low during the first half of the year. The geopolitical situation, inflation and the rapidly rising interest rates impacted customers' willingness to buy homes. The market is characterized by cautiousness, and customers' confidence in the future continues to be low. The price level on the existing home market in the Helsinki region decreased during the first half of the year.

Sales were lower than in the corresponding period last year, and sales periods were longer.

The business segment is showing a reduced profit and margin level, primarily attributable to costs from implemented savings measures.

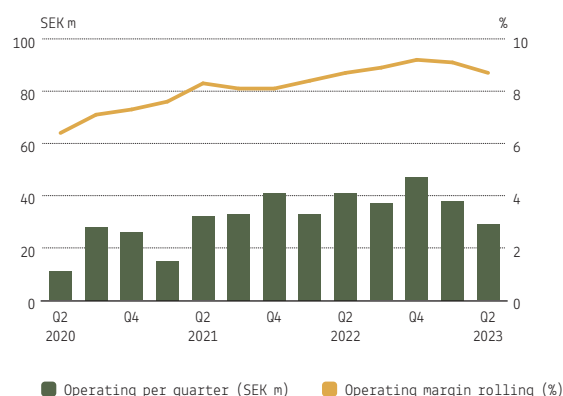
The period's cash flow is in balance.

Due to the current market situation and the decreased sales, there were no housing starts during the quarter.

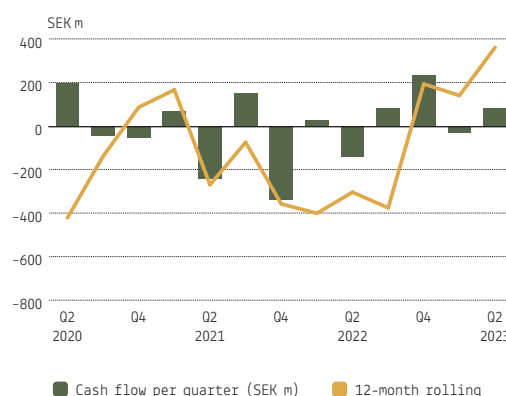
During the second quarter, approximately 129 residential building rights were acquired and the legal title transferred in Tesomajärvi, Tampere.

SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue	828	824	389	449	1,732	1,729
Operating profit	67	74	29	41	151	158
Operating margin, %	8.1	9.0	7.5	9.1	8.7	9.2
Average operating capital					1,681	1,618
Return on operating capital, %					9.0	9.8
Operating cash flow	50	-117	79	-141	361	193
Carrying amount, development properties	1,086	1,009				1,046
Number of available building rights	7,100	6,100				6,800
Number of residential units sold ¹⁾	33	281	13	119	211	459
Number of housing starts ²⁾	34	373	-	245	260	599
Number of residential units in current production	773	1,492				1,337
Number of employees	181	190				201
¹⁾ Of which residential units to investors	-	231	-	103	128	359
²⁾ Of which residential units to investors	-	231	-	103	128	359

OPERATING PROFIT AND OPERATING MARGIN
JM RESIDENTIAL FINLAND



CASH FLOW
JM RESIDENTIAL FINLAND



JM Property Development

The JM Property Development business segment primarily develops rental and residential care units and commercial properties in Greater Stockholm. The business segment's entire portfolio comprises project development properties. The operations include JM@home, which offers economic and technical management services to tenant-owners associations as well as housing services.

Business segment revenue increased compared to the corresponding period last year. This is primarily attributable to the business segment's current production, the office project K1 Karlbergs Strand, for which the estimated completion is the first quarter 2025, the rental project Kvarter 8, for which the estimated completion is the third quarter 2024, and the residential care building Pilhamns Gårdar, for which the estimated completion is the third quarter 2024. Profit and revenue recognition will occur gradually during construction.

Contracting revenue and sales of services amounted to SEK 859m (99), and rental income to SEK 16m (13). The operating profit amounted to SEK 164m (-18), of which net rental income

for project properties amounted to SEK 7m (1). Cash flow for the period is positive because of project financing and the down-payment received for sold properties under construction.

In the second quarter, production started on the rental project Flora in Söderdalen, Järfälla, with 155 rental units, in JM's own balance sheet. The project is the ninth phase of Söderdalen and the third rental project JM is developing and producing in the area.

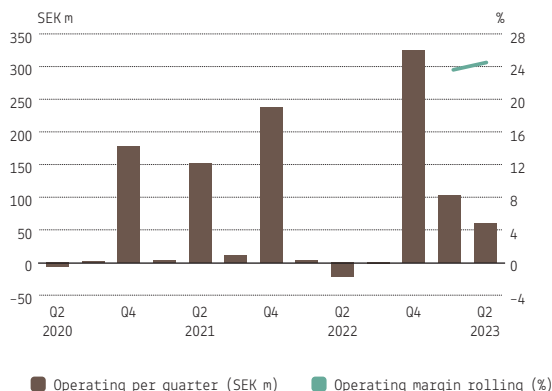
Production is ongoing on an additional two rental projects in JM's own balance sheet: Igelsta in Södertälje, with 96 rental units, and Dyrvers Kulle in Sundbyberg, with 123 rental units.

SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue	876	112	310	40	1,987	1,224
Operating profit ¹⁾	164	-18	60	-22	487	306
Operating margin, %	18.7	-	19.4	-	24.5	25.0
Average operating capital					1,399	1,325
Return on operating capital, %					34.8	23.1
Operating cash flow	824	-396	-95	-316	554	-666
Carrying amount, development properties	-	10				-
Carrying amount, project properties	944	1,208				914
Number of available building rights	1,600	1,900				1,700
Number of residential units sold ¹⁾	218	-	-	-	288	70
Number of housing starts ²⁾	155	-	155	-	321	166
Number of residential units in current production	662	484				507
Number of employees	79	77				80
	-5	1	-1	-6	-17	-11

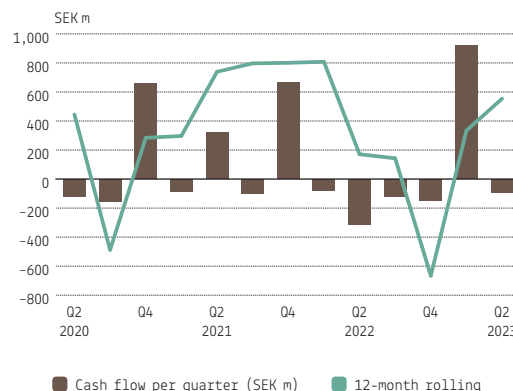
¹⁾ Of which income from joint venture

²⁾ Refers to rental units

OPERATING PROFIT AND OPERATING MARGIN
JM PROPERTY DEVELOPMENT



CASH FLOW
JM PROPERTY DEVELOPMENT



JM Construction

The JM Construction business segment carries out construction work for external and internal customers in the Greater Stockholm area. The business segment focuses on projects that have synergies with residential project development.

Demand on the civil engineering market in Stockholm decreased slightly during the first half of the year, but with continued high competition for assignments.

Business segment revenue decreased compared to last year due to lower internal and external activity for JM in its civil engineering operations. The operating margin continued to be burdened by increased material costs in contracts previously entered into that could not be fully passed on to orderers.

The period's cash flow was positively impacted by a decrease in working capital.

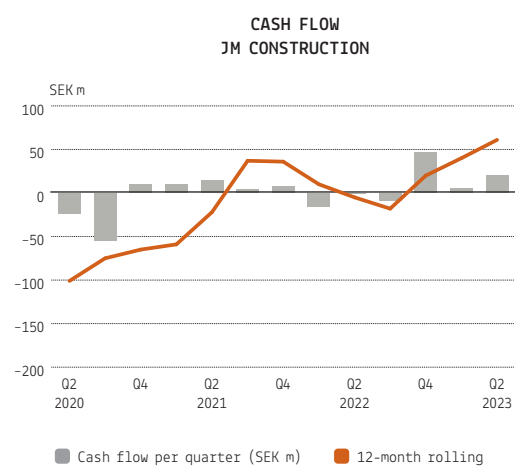
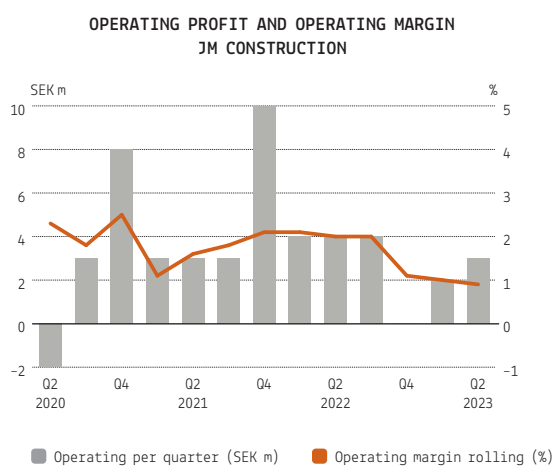
The business segment received a number of external assignments during the second quarter, of which the largest

is groundwork for a new sewage treatment plant and a water treatment plant, both in Haninge Municipality.

The largest ongoing external assignments are infrastructure projects in Tyresö (Tyresö Municipality), detailing work in Norra Djurgårdsstaden (City of Stockholm), and site work and conduit work in Ursvik Västra (City of Sundbyberg).

The business segment also has several ongoing Group-internal projects in JM's larger development areas, such as Igelsta in Södertälje, Kabelverket in Älvsjö, Stockholm and Södertälje in Järfälla.

SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue ¹⁾	441	551	244	289	967	1,077
Operating profit	5	8	3	4	9	12
Operating margin, %	1.1	1.4	1.1	1.4	0.9	1.1
Operating cash flow	25	-17	20	-1	61	20
Carrying amount, development properties	10	13				10
Number of employees	240	265				259
¹⁾ Of which internal	206	260	111	136	451	505



Sustainable development

Sustainability is an integrated part of JM's residential and urban development, from the acquisition of land and throughout the entire design phase until the customers move in and are living in Swan Ecolabel homes in areas that promote a sustainable lifestyle. Structured work environment initiatives, efforts to prevent accidents, quality-assured supplier chains, and active efforts to improve diversity and equal opportunity are central components of JM's sustainability work.

At JM, we take a long-term approach to everything we do. Our buildings are meant to stand for at least 100 years, and even in times when the economy challenge us the development of our sustainability initiatives continue.

JM's efforts to reduce emissions have been highlighted in a ranking by Financial Times, where JM placed 88 out of the 300 companies in Europe that have reduced their emissions the most during the period 2014–2019. JM was one of 20 Swedish companies among the 300, thanks to our efforts to improve energy efficiency at our building sites and decreased emissions from our work machinery.

During the second quarter, JM has published the Nordisk Boendebarmeter (Nordic Housing Indicator), which is based on a survey conducted by Kantar Sifo of 4,500 randomly selected persons between the ages of 18 and 79. The survey shows in part that the climate and sustainability are increasingly important when buying a new home. The percentage that consider climate and sustainability when buying a home has increased by approximately ten percentage points in Sweden in the past two years.

During the quarter, JM has started production on an apartment building with a wooden frame. An increase in the use of wood in certain areas could make it possible to decrease the

impact on the climate, and evaluating wood as an alternative to concrete is a prioritized initiative in JM's climate roadmap for 2030.

The outcome as a whole during the first half of the year indicates stable development of the Group's sustainability work. JM is pursuing an ambitious goal of no serious accidents at our workplaces, and during the second quarter zero serious accidents occurred.

Completed residential units in closed projects continue to receive Swan Ecolabel certification according to plan. JM introduced a requirement on Swan Ecolabel housing production in 2018. This means that the percentage of Swan Ecolabel-certified projects will increase as projects that were started after 2018 are completed and finalized.

With regard to construction waste there was a slight downturn. JM is working on an ongoing basis to facilitate and prioritize waste management in all ongoing projects within the group.

The outcome of the energy consumption of the residential units has fluctuated between periods. Even when calculated energy consumption has decreased compared to the corresponding period previous year, the difference to national norms are less, since these requirements have been adjusted.

GOALS 2030	OPERATIONAL TARGET 2023	JANUARY–JUNE		
		2023	2022	FY 2022
JM has the industry's best work environment and zero workplace accidents	No serious (according to national work environment authority's definition) accidents for own staff or subcontractors	2 (Sweden) – (Norway) – (Finland)	4 (Sweden) – (Norway) – (Finland)	9 (Sweden) 2 (Norway) – (Finland)
20% women among JM's wage-earners	Percentage of women among JM's wage-earners at least 10%	7.6%	6.2%	8.0%
JM is striving for an even gender distribution and diversity among its employees (at least 40/60 women/men)	Even gender distribution among salaried employees, at least 35/65 women/men	38/62	39/61	39/61
	Even gender distribution among managers, at least 35/65 women/men	30/70	31/69	30/70
Total amount of construction waste reduced to 15 kg/GFA (gross floor area) by 2030 ¹⁾	Total amount of construction waste reduced to max 25/GFA excl. garage	30 (Sweden) 27 (Norway)	33 (Sweden) 30 (Norway)	35 (Sweden) 33 (Norway)
JM's operations have climate-affecting emissions close to zero ¹⁾	The estimated energy needed for residential units is at least 10% below the applicable norm in Sweden	15%	18%	19%
	The estimated energy needed for residential units is at least 25% below the applicable norm in Norway	33%	35%	34%
All properties must receive Swan Ecolabel certification	All completed projects in our own operations must receive Swan Ecolabel certification	81%	82%	81%
JM's residential units have low energy consumption	Kwh/m2 (A-temp in Sweden and GFA in Norway and Finland)	60 (Sweden) 50 (Norway) 75 (Finland)	63 (Sweden) 49 (Norway) 79 (Finland)	59 (Sweden) 51 (Norway) 77 (Finland)

¹⁾ Data for JM Finland has been developed recently and will be reported when a longer time series is available.

Other information

Risks and uncertainty factors

JM's risks and risk management are presented in 2022 Annual and Sustainability Report on pages 14–18, 76 and 80–81. The risk assessment has not changed in relation to what is presented there.

Buy-back, elimination and holdings of own shares

As at the end of the second quarter, JM has no treasury shares. The number of outstanding shares on June 30, 2023, amounts to 64,504,840. In accordance with the resolution by the Annual General Meeting on March 30, 2023, the share capital has been reduced for allocation of SEK 3,774,001 to unrestricted equity through the elimination of 3,774,001 own ordinary shares. The share capital remains unchanged since the Annual General Meeting resolved on a bonus issue, without the issue of new shares and through a transfer from unrestricted equity to share capital, at the same time as it resolved to reduce the share capital through the elimination of own ordinary shares. The share capital was thus restored to the same level as before the reduction.

The Annual General Meeting also resolved to authorize the Board of Directors, during the period up to the next Annual General Meeting and on one or more occasions, to decide to buy back shares so that the Company's holdings do not at any point in time exceed 10 percent of all the shares in the Company. Acquisition should take place on Nasdaq Stockholm within the applicable share-price interval at the time of purchase. During the second quarter of 2023, JM has not bought back any own shares.

Personnel

As at the end of the second quarter, there were 2,401 (2,499) employees. The number of wage-earners amounted to 853 (886), and the number of salaried employees was 1,548 (1,613).

Related parties

No significant transactions with related parties occurred during the period other than the normal transactions between JM's Group companies and joint arrangements. The transactions occurred at market terms.

Significant events after the end of the quarter

No significant events have occurred after the end of the quarter.

Group – segment reporting

CONDENSED CONSOLIDATED INCOME STATEMENT

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY–JUNE		APRIL–JUNE		JULY–JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue	7,598	7,644	3,636	3,790	16,339	16,385
Production and operating costs	-6,363	-6,175	-3,073	-3,035	-13,404	-13,216
Gross profit	1,235	1,469	562	755	2,935	3,169
Selling and administrative expenses	-556	-572	-305	-317	-1,078	-1,094
Gains/losses on the sale of property, etc. ¹⁾	-3	1	1	-6	-15	-11
Operating profit	676	898	258	432	1,842	2,064
Financial income and expenses	-50	-30	-27	-14	-90	-70
Profit before tax	626	868	232	418	1,752	1,994
Taxes	-132	-182	-49	-87	-370	-419
Profit for the period	494	687	182	331	1,382	1,575
Other comprehensive income	90	159	93	96	499	568
Comprehensive income for the period	584	846	276	427	1,881	2,143
Earnings per share ²⁾ , diluted, SEK	7.50	10.10	2.70	4.90	21.00	23.40
Average number of shares, diluted	64,815,685	68,446,755	64,815,685	68,126,974	65,583,459	67,384,072
¹⁾ Of which income from joint venture	-5	1	-1	-6	-17	-11
²⁾ Net profit/loss for the period						

CONDENSED CONSOLIDATED BALANCE SHEET

ACCORDING TO SEGMENT REPORTING, SEK M	6/30/2023	6/30/2022	12/31/2022
ASSETS			
Non-current assets	335	326	351
Project properties	960	1,225	932
Development properties	8,746	8,336	8,465
Participations in tenant-owners associations, etc.	503	389	308
Current receivables ¹⁾	5,126	4,218	5,225
Cash and cash equivalents	699	2,481	1,840
Total current assets	16,034	16,649	16,771
Total assets	16,369	16,975	17,122
EQUITY AND LIABILITIES ²⁾			
Equity	8,687	8,210	9,006
Non-current interest-bearing liabilities	186	247	268
Other non-current liabilities	413	373	414
Non-current provisions	2,671	3,036	2,717
Total non-current liabilities	3,270	3,657	3,399
Current interest-bearing liabilities	711	617	507
Other current liabilities	3,577	4,349	4,088
Current provisions	124	142	122
Total current liabilities	4,412	5,109	4,717
Total equity and liabilities	16,369	16,975	17,122
¹⁾ Of which receivables from property sales	75	25	55
²⁾ Of which liabilities for property acquisition	516	460	516

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY-JUNE		FULL-YEAR
	2023	2022	2022
Opening balance at beginning of the period	9,006	8,608	8,608
Total comprehensive income for the period	584	846	2,143
Dividend	-903	-922	-922
Conversion of convertible loan	-	1	1
Repurchase of shares	-	-324	-825
Equity component of convertible debentures	-	-	-
Closing balance at end of the period	8,687	8,210	9,006

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Cash flow from operating activities before change in working capital and taxes ¹⁾²⁾	308	704	138	218	1,154	1,550
Tax paid	-249	-300	-96	-149	-481	-532
Investment in development properties	-708	-1,007	-641	-642	-1,572	-1,871
Payment on account for development properties	400	692	171	261	1,245	1,538
Investment in project properties	-310	-395	-161	-312	-710	-795
Sale of project properties	3	-	3	-	83	79
Change in current liabilities/receivables	205	54	-557	99	-80	-230
Cash flow from operating activities	-351	-251	-1,143	-525	-361	-261
Cash flow from investing activities	-	-	-1	6	-29	-29
Loans raised	333	360	271	89	511	538
Amortization of liabilities	-206	-371	-105	-78	-496	-661
Buy-back of shares	-	-324	-	-200	-500	-825
Dividends	-903	-921	-903	-921	-904	-922
Cash flow from financing activities	-776	-1,257	-737	-1,111	-1,388	-1,869
Cash flow for the period	-1,127	-1,508	-1,881	-1,630	-1,778	-2,159
Cash and cash equivalents at end of the period	699	2,481	699	2,481	699	1,840
¹⁾ Of which investment in participations in tenant-owners associations and freehold residential units	-679	-157	-373	-136	-775	-252
²⁾ Of which the sale of participations in tenant-owners associations and freehold residential units	435	160	271	70	615	340

GROUP KEY FIGURES

ACCORDING TO SEGMENT REPORTING, %	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Operating margin	8.9	11.8	7.1	11.4	11.3	12.6
Return on equity					16.4	17.9
Return on capital employed					17.3	18.6
Debt/equity ratio, multiple	0.2	-				-
Equity/assets ratio	53	48				53

Group – IFRS

CONDENSED CONSOLIDATED INCOME STATEMENT

ACCORDING TO IFRS, SEK M	JANUARY–JUNE		APRIL–JUNE		JULY–JUNE FULL-YEAR	
	2023	2022 ^{*)}	2023	2022 ^{*)}	2022/2023 ^{*)}	2022 ^{*)}
Revenue	8,071	6,411	3,375	3,140	16,237	14,577
Production and operating costs	-6,543	-5,202	-2,753	-2,467	-12,822	-11,481
Gross profit	1,528	1,209	621	673	3,415	3,096
Selling and administrative expenses	-563	-577	-308	-320	-1,093	-1,108
Gains/losses on the sale of property, etc. ¹⁾	-3	1	1	-6	-15	-11
Operating profit	962	633	314	347	2,307	1,978
Financial income and expenses	-62	-41	-33	-20	-110	-89
Profit before tax	899	592	281	327	2,197	1,889
Taxes	-190	-124	-59	-68	-460	-395
Profit for the period	710	468	222	259	1,736	1,495
Other comprehensive income						
<i>Items that will be reclassified as income</i>						
Translation differences from the translation of foreign operations	-20	52	71	-31	75	148
<i>Items that will not be reclassified as income</i>						
Restatement of defined-benefit pensions	151	128	27	162	537	515
Tax attributable to other comprehensive income	-31	-26	-6	-33	-111	-106
Comprehensive income for the period	809	622	314	357	2,239	2,051
Net profit for the period is attributable to shareholders of the Parent Company	710	468	222	259	1,736	1,495
Comprehensive income for the period is attributable to shareholders of the Parent Company	809	622	314	357	2,239	2,051
Earnings per share ²⁾ , basic, is attributable to shareholders of the Parent Company, SEK	10.80	6.90	3.30	3.80	26.40	22.30
Earnings per share ²⁾ , diluted, is attributable to shareholders of the Parent Company, SEK	10.80	6.80	3.30	3.80	26.40	22.20
<i>Number of outstanding shares at end of the period</i>	64,504,840	67,326,841	64,504,840	67,326,841	64,504,840	64,504,840
<i>Average number of shares, basic</i>	64,504,840	68,135,910	64,504,840	67,816,129	65,272,614	67,073,227
<i>Average number of shares, diluted</i>	64,815,685	68,446,755	64,815,685	68,126,974	65,583,459	67,384,072
¹⁾ Of which income from joint venture	-5	1	-1	-6	-17	-11
²⁾ Net profit/loss for the period						

CONDENSED CONSOLIDATED BALANCE SHEET

ACCORDING TO IFRS, SEK M	6/30/2023	6/30/2022 ^{*)}	12/31/2022 ^{*)}
ASSETS			
Non-current assets¹⁾	542	545	565
Project properties	960	1,225	932
Development properties	8,746	8,336	8,465
Utilization of site leasehold rights	502	356	513
Participations in tenant-owners associations, etc.	503	389	308
Work in progress	14,365	13,834	15,217
Current receivables	4,308	3,453	3,767
Cash and cash equivalents ²⁾	875	2,757	2,151
Total current assets	30,259	30,350	31,354
Total assets	30,801	30,896	31,919
EQUITY AND LIABILITIES^{3) 4) 5)}			
Equity	7,946	7,111	8,039
Non-current interest-bearing liabilities	789	744	892
Other non-current liabilities	413	373	414
Non-current provisions	2,483	2,755	2,468
Total non-current liabilities	3,685	3,872	3,774
Current interest-bearing liabilities	14,397	14,392	15,480
Other current liabilities	4,649	5,378	4,504
Current provisions	124	142	122
Total current liabilities	19,170	19,912	20,105
Total equity and liabilities	30,801	30,896	31,919
Pledged assets	6,258	6,063	7,418
Contingent liabilities	1,956	1,628	2,056
¹⁾ Of which right-of-use offices and cars	207	220	214
²⁾ Of which cash and cash equivalents in tenant-owners associations	175	276	311
³⁾ Of which project financing	15,371	15,892	16,341
⁴⁾ Of which liabilities for property acquisition	516	460	516
⁵⁾ Of which current and non-current interest-bearing lease liabilities	692	579	709

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

ACCORDING TO IFRS, SEK M	JANUARY-JUNE FULL-YEAR		
	2023	2022 ^{*)}	2022 ^{*)}
Opening balance at beginning of the period	8,039	7,734	7,734
Total comprehensive income for the period	809	622	2,051
Dividend	-903	-922	-922
Conversion of convertible loan	-	1	1
Repurchase of shares	-	-324	-825
Equity component of convertible debentures	-	-	-
Closing balance at end of the period	7,946	7,111	8,039

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

ACCORDING TO IFRS, SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE FULL-YEAR	
	2023	2022 ^{*)}	2023	2022 ^{*)}	2022/2023 ^{*)}	2022 ^{*)}
Cash flow from operating activities before change in working capital and taxes¹⁾²⁾	636	477	215	152	1,704	1,545
Tax paid	-249	-300	-95	-149	-481	-532
Investment in development properties	-708	-1,007	-641	-642	-1,572	-1,871
Payment on account for development properties	131	189	73	78	591	649
Investment in project properties	-310	-395	-161	-312	-710	-795
Sale of project properties	3	-	3	-	83	79
Change in current liabilities/receivables	1,219	113	213	256	118	-988
Cash flow from operating activities	723	-922	-393	-617	-267	-1,912
Cash flow from investing activities	-	-	-1	6	-29	-29
Loans raised	6,139	5,562	2,694	2,385	12,456	11,879
Amortization of liabilities	-7,222	-5,007	-3,305	-2,613	-12,636	-10,421
Buy-back of shares	-	-324	-	-200	-500	-825
Dividends	-903	-921	-903	-921	-904	-922
Cash flow from financing activities	-1,985	-691	-1,513	-1,350	-1,583	-288
Cash flow for the period	-1,263	-1,613	-1,907	-1,962	-1,879	-2,229
Cash and cash equivalents at end of the period	875	2,757	875	2,757	875	2,151
¹⁾ Of which the purchase of participations in tenant-owners associations and freehold residential units	-679	-157	-373	-136	-775	-252
²⁾ Of which the sale of participations in tenant-owners associations and freehold residential units	435	160	271	70	615	340

GROUP KEY FIGURES

ACCORDING TO IFRS, %	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE FULL-YEAR	
	2023	2022 ^{*)}	2023	2022 ^{*)}	2022/2023 ^{*)}	2022 ^{*)}
Operating margin	11.9	9.9	9.3	11.1	14.2	13.6
Debt/equity ratio, multiple	2.0	2.0				1.9
Equity/assets ratio	26	23				25

^{*)} Starting on January 1, 2023, JM applies a new accounting principle for projects with Swedish tenant-owners associations; see Note 1 Accounting principles. Restated income statements and balance sheets with the reported effect per quarter are provided in Note 1 of JM's interim report for the first quarter, 2023. Comparative figures in this report have been restated according to the new accounting principle.

Parent Company

CONDENSED INCOME STATEMENT, PARENT COMPANY

SEK M	JANUARY-JUNE		FULL-YEAR
	2023	2022	2022
Net sales	4,860	4,748	9,597
Production and operating costs	-4,184	-3,764	-7,629
Gross profit	676	985	1,968
Selling and administrative expenses	-463	-494	-828
Gains/losses on the sale of property	-	-	-
Operating profit	213	491	1,140
Financial income and expenses	-12	299	707
Profit before appropriations and tax	201	790	1,847
Appropriations	-2	-	34
Profit before tax	200	790	1,881
Taxes	-34	-101	-243
Profit for the period	166	689	1,638

CONDENSED BALANCE SHEET, PARENT COMPANY

SEK M	6/30/2023	6/30/2022	12/31/2022
Assets			
Non-current assets	2,906	2,349	2,932
Total current assets	11,453	13,283	11,955
Total assets	14,359	15,633	14,887
Equity and liabilities			
Equity	3,573	3,861	4,310
Untaxed reserves	2,300	2,390	2,300
Provisions	1,497	1,479	1,356
Non-current liabilities	392	385	426
Current liabilities	6,597	7,518	6,495
Total equity and liabilities	14,359	15,633	14,887
Pledged assets	100	100	100
Contingent liabilities	9,482	8,363	8,946

Notes

Note 1 Accounting principles

This interim report for the first six months of 2023 has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The consolidated accounts were prepared in accordance with the International Financial Reporting Standards (IFRS). Since the Parent Company is an enterprise within the EU, only EU-approved IFRS are applied. The Parent Company's accounts were prepared in accordance with RFR 2.

Amended standards as of 2023

According to the amendments to IAS 1 Presentation of financial statements, which the Group applies as of January 1, 2023, JM must provide disclosures regarding significant information about accounting principles instead of disclosing significant accounting principles. The amendment to IAS 1 has been analyzed and is not judged to have a material impact on JM's financial statements. Other amendments to standards and interpretations that entered into force on January 1, 2023, have also not had a material impact on this financial statement.

Segment reporting

JM's segment reporting primarily differs from IFRS in three respects:

In segment reporting, the Group's revenue is recognized using the percentage of completion method.

In addition, project financing within JM Norway and JM Finland and parts of the project financing in JM Residential Stockholm, JM Residential Sweden and JM Property Development are recorded as a deduction item to "Revenue less progress billings" or "Progress billings in excess of recognized revenue" and raised/repaid project financing is reported in the cash flow from operating activities.

The reporting of leases in accordance with IFRS 16 is not applied in the segment reporting.

JM makes the assessment that segment reporting most accurately reflects the economic implications of JM's business at the same time as it correlates well with the Group's internal governance, which is based on the Group's cash flows, risk profile and capital allocation.

Change in accounting principle operating segment

Starting January 1, 2023, JM International will be broken down into two new operating segments: JM Norway and JM Finland. This decision is in line with JM's strategy to be one of the leading residential project developers in the Nordics and how the business is governed and reported. JM Norway will include residential development projects, acquisitions of development properties, planning, pre-construction and the production and sales of residential units in Norway. JM Finland will include residential development projects, acquisitions of development properties, planning, pre-construction and the production and

sales of residential units in Finland. The accounting principles and methods of calculation for the Group have also not changed compared to the description on pages 87–91 in the 2022 Annual and Sustainability Report.

Changed accounting principle for housing development through Swedish tenant-owners associations

Against the background of the decision by the Supreme Administrative Court not to grant JM leave to appeal, the ruling by the Administrative Court of Appeal from November 9, 2022 becomes legally binding. As of fiscal year 2023, in accordance with IFRS 10 Consolidated Financial Statements, JM consolidates Swedish tenant-owners associations during the production phase up until the point in time that the home buyers of the residential units take over occupancy. Accordingly, the group's balance sheet and profit and loss according to IFRS includes all of the tenant-owners associations' assets, equity and liabilities as well as revenue and expenses. This principle is hereinafter referred to as the "completion contact method".

JM recognizes the projects in the balance sheet where largest items consist of work in progress on the asset side and the tenant-owners associations borrowing as a part of the Group's interest-bearing liabilities. Revenue and expenses for the projects are recognized when the home buyers take over occupancy of the residential units.

The changed accounting principle entails that JM will recognize all residential projects that are developed in-house in Sweden, Norway and Finland according to the completed contract method. Revenue from residential development through tenant-owner associations in Sweden was previously recognized over time.

To provide a clear and comparable overview of JM's earnings trend over time with regard to residential development through tenant-owner associations, JM will continue to present segment reporting where revenue in these projects is recognized in accordance with the percentage of completion method. The reporting of financial key ratios will also take these conditions into consideration. This is in line with JM's internal governance model. Neither JM's risk profile nor existing financing agreements are impacted by the change in accounting.

The Parent Company's accounting principles are unchanged, for more information refer to Note 1 in 2022 Annual and Sustainability Report.

Comparative figures in this report have been restated according to the new accounting principle. Restated income statements and balance sheets with the reported effect per quarter are provided on pages 22–23 of JM's interim report for the period January–March 2023.

Note 2 Breakdown of revenue

REVENUE BY COUNTRY

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Sweden	5,493	5,217	2,601	2,594	11,538	11,263
Norway	1,277	1,602	645	747	3,067	3,392
Finland	828	824	389	449	1,732	1,729
Other	–	–	–	–	2	2
Total	7,598	7,644	3,636	3,790	16,339	16,385

REVENUE BY BUSINESS SEGMENT

ACCORDING TO SEGMENT REPORTING, SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
JM Residential Stockholm	2,271	2,481	1,176	1,196	4,756	4,966
JM Residential Sweden	2,112	2,332	982	1,205	4,280	4,500
JM Norway	1,277	1,602	645	747	3,067	3,392
JM Finland	828	824	389	449	1,732	1,729
JM Property Development	876	112	310	40	1,987	1,224
JM Construction	441	551	244	289	967	1,077
Elimination	-206	-260	-111	-136	-451	-505
Other	–	–	–	–	2	2
Total	7,598	7,644	3,636	3,790	16,339	16,385

PROFIT/LOSS COMPONENTS, HOUSING BUSINESS, PERCENTAGE OF COMPLETION METHOD (GROSS PROFIT)

ACCORDING TO SEGMENT REPORTING, SEK M	APRIL-JUNE	JANUARY-MARCH	OCT-DECEMBER	JULY-SEPTEMBER	APRIL-JUNE
	2023	2023	2022	2022	2022
Cost-based effect	313	292	325	291	309
Revaluation effect	168	231	434	352	410
Sales effect	-24	5	-62	-30	7
Total	457	528	697	613	726

The percentage of completion method in JM and the accounting of gross profit for the housing business consists of three components: incurred costs (cost-based effect), assessment of expected margin (revaluation effect), and sales rate of projects (sales effect).

Profit/loss components are reported quarterly and are not accumulated. The table starts with the business segments' gross operating profit (excluding net rental income from project and development properties) for the housing business. For definitions of profit/loss components in the housing business, see the document entitled "Definitions key financial figures" at jm.se/en/about-us/investors

REVALUATION EFFECTS – HOUSING BUSINESS

ACCORDING TO SEGMENT REPORTING, SEK M	APRIL-JUNE	JANUARY-MARCH	OCT-DECEMBER	JULY-SEPTEMBER	APRIL-JUNE
	2023	2023	2022	2022	2022
JM Residential Stockholm	27	53	134	120	126
JM Residential Sweden	70	118	188	173	203
JM Norway	49	39	73	45	55
JM Finland	22	21	38	14	27
Total	168	231	434	352	410

Note 3 Reconciliation between segment reporting and IFRS

CONSOLIDATED INCOME STATEMENT

SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Revenue for the period (segment reporting)	7,598	7,644	3,636	3,790	16,339	16,385
Recalculation to the completion method	473	-1,233	-261	-650	-102	-1,808
Revenue for the period (IFRS)	8,071	6,411	3,375	3,140	16,237	14,577
Operating profit/loss for the period (segment reporting)	676	898	258	432	1,842	2,064
Recalculation to the completion method	274	-276	50	-90	446	-105
Leases IFRS 16	12	11	6	5	20	18
Operating profit/loss for the period (IFRS)	962	633	314	347	2,307	1,978
Profit/loss for the period (segment reporting)	494	687	182	331	1,382	1,575
Recalculation to the completion method	216	-219	39	-71	354	-81
Leases IFRS 16	-1	-	-	-1	-	-
Profit/loss for the period (IFRS)	710	468	222	259	1,736	1,495

CONSOLIDATED BALANCE SHEET

SEK M	6/30/2023	6/30/2022	12/31/2022
Balance sheet total (segment reporting)	16,369	16,975	17,122
Recalculation to the completion method	-1,610	-2,547	-2,250
Reclassification project financing, interest-bearing	3,255	3,312	4,169
Additional project financing Swedish tenant-owners associations	10,340	10,380	10,719
Reclassification project financing, non-interest-bearing ¹⁾	1,756	2,200	1,453
Leases IFRS 16	689	576	706
Balance sheet total (IFRS)	30,801	30,896	31,919

¹⁾ Billing on account to customers.

CONSOLIDATED EQUITY

SEK M	6/30/2023	6/30/2022	12/31/2022
Equity (segment reporting)	8,687	8,210	9,006
Recalculation to the completion method	-738	-1,095	-964
Leases IFRS 16	-3	-4	-3
Equity (IFRS)	7,946	7,111	8,039

CONSOLIDATED CASH FLOW

SEK M	JANUARY-JUNE		APRIL-JUNE		JULY-JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Cash flow from operating activities (segment reporting)	-351	-251	-1,143	-525	-361	-261
Reclassification project financing	1,020	-721	725	-116	-32	-1,772
Leases IFRS 16	53	50	27	23	125	121
Cash flow from operating activities according to IFRS	723	-922	-393	-617	-267	-1,912

CONSOLIDATED INTEREST-BEARING NET LIABILITIES/RECEIVABLES

SEK M	6/30/2023	6/30/2022	12/31/2022
Interest-bearing net liabilities (+)/receivables (-) at end of period (segment reporting)	1,498	64	334
Reclassification project financing	13,420	13,416	14,576
Leases IFRS 16	692	579	709
Interest-bearing net liabilities (+)/receivables (-) at end of period (IFRS)	15,610	14,060	15,619

Note 4 Development properties

DEVELOPMENT PROPERTIES BY BUSINESS SEGMENT

CARRYING AMOUNT, SEK M	6/30/2023	6/30/2022	12/31/2022
JM Residential Stockholm	4,619	4,143	4,033
JM Residential Sweden	2,092	1,704	2,270
JM Norway	888	1,391	1,034
JM Finland	1,086	1,009	1,046
JM Property Development	–	10	–
JM Construction	10	13	10
Other	50	67	70
Total	8,746	8,336	8,465

DEVELOPMENT PROPERTIES, GROUP

CARRYING AMOUNT, SEK M	JANUARY–JUNE		APRIL–JUNE		JULY–JUNE	FULL-YEAR
	2023	2022	2023	2022	2022/2023	2022
Carrying amount at beginning of the period	8,465	8,205	8,239	7,995	8,336	8,205
New purchases	710	800	625	658	1,611	1,700
Transferred to production	–400	–692	–171	–261	–1,245	–1,538
Other	–29	24	53	–56	44	97
Carrying amount at end of the period	8,746	8,336	8,746	8,336	8,746	8,465

AVAILABLE RESIDENTIAL BUILDING RIGHTS BY BUSINESS SEGMENT

NUMBER	6/30/2023	6/30/2022	12/31/2022
JM Residential Stockholm	12,900	12,900	12,400
JM Residential Sweden	12,100	10,100	11,500
JM Norway	6,700	7,400	7,100
JM Finland	7,100	6,100	6,800
JM Property Development (project properties)	1,600	1,900	1,700
Total	40,400	38,400	39,500
Including those carried in the balance sheet (development properties)			
JM Residential Stockholm	7,400	6,800	6,400
JM Residential Sweden	8,300	6,700	8,000
JM Norway	3,100	3,600	3,300
JM Finland	3,700	3,300	3,500
JM Property Development (project properties)	600	900	800
Total	23,100	21,300	22,000

Stockholm, July 12, 2023
JM AB (publ)

The Board of Directors and the CEO certify that the report for the first six months gives a true and fair view of the Parent Company's and the Group's operations, position and results and describes the substantial risks and uncertainties faced by the Parent Company and the companies included in the Group.

Fredrik Persson
Chair of Board

Stefan Björkman
Member

Kerstin Gillsbro
Member

Camilla Krogh
Member

Jenny Larsson
Member

Olav Line
Member

Thomas Thuresson
Member

Peter Olsson
Employee
representative

Jan Strömberg
Employee
representative

Johan Skoglund
President and CEO

The company's auditors did not review this interim report.

Group quarterly overview

ACCORDING TO SEGMENT REPORTING, SEK M

INCOME STATEMENT	2023		2022			
	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	3,636	3,962	5,152	3,589	3,790	3,854
Production and operating costs	-3,073	-3,290	-4,099	-2,942	-3,035	-3,140
Gross profit	562	673	1,054	646	755	714
Selling and administrative expenses	-305	-252	-284	-238	-317	-255
Gains/losses on the sale of property, etc.	1	-4	-3	-9	-6	7
Operating profit	258	417	767	399	432	466
Financial income and expenses	-27	-23	-21	-19	-14	-16
Profit before tax	232	394	746	380	418	450
Taxes	-49	-83	-152	-85	-87	-94
Profit for the period	182	311	593	295	331	356
CONSOLIDATED BALANCE SHEET	6/30	3/31	12/31	9/30	6/30	3/31
ASSETS						
Non-current assets	335	339	351	318	326	351
Project properties	960	800	932	1,369	1,225	896
Development properties	8,746	8,239	8,465	8,607	8,336	7,995
Participations in tenant-owners associations, etc.	503	363	308	339	389	330
Current receivables	5,126	4,856	5,225	4,536	4,218	3,770
Cash and cash equivalents	699	2,577	1,840	1,902	2,481	4,115
Total current assets	16,034	16,835	16,771	16,753	16,649	17,105
Total assets	16,369	17,175	17,122	17,071	16,975	17,457
EQUITY AND LIABILITIES						
Equity	8,687	9,314	9,006	8,396	8,210	8,904
Non-current interest-bearing liabilities	186	257	268	250	247	193
Other non-current liabilities	413	413	414	374	373	374
Non-current provisions	2,671	2,591	2,717	2,862	3,036	3,066
Total non-current liabilities	3,270	3,261	3,399	3,485	3,657	3,633
Current interest-bearing liabilities	711	461	507	662	617	658
Other current liabilities	3,577	4,013	4,088	4,391	4,349	4,118
Current provisions	124	126	122	137	142	144
Total current liabilities	4,412	4,600	4,717	5,189	5,109	4,920
Total equity and liabilities	16,369	17,175	17,122	17,071	16,975	17,457
CASH FLOW STATEMENT	Q2	Q1	Q4	Q3	Q2	Q1
From operating activities	-1,143	792	354	-363	-525	273
From investing activities	-1	1	-28	-	6	-6
From financing activities	-737	-39	-394	-219	-1,111	-146
Total cash flow for the period	-1,881	753	-68	-582	-1,630	122
Cash and cash equivalents at end of the period	699	2,577	1,840	1,902	2,481	4,115
INTEREST-BEARING NET LIABILITIES/RECEIVABLES	Q2	Q1	Q4	Q3	Q2	Q1
Interest-bearing net liabilities(+)/receivables(-) at beginning of period	-549	334	615	64	-1,466	-1,363
Change in interest-bearing net liabilities/receivables	2,047	-882	-281	550	1,530	-102
Interest-bearing net liabilities(+)/receivables(-) at end of period	1,498	-549	334	615	64	-1,466
DEVELOPMENT PROPERTIES	Q2	Q1	Q4	Q3	Q2	Q1
Carrying amount at beginning of the period	8,239	8,465	8,607	8,336	7,995	8,205
New purchases	625	86	246	654	658	141
Transferred to production	-171	-229	-416	-430	-261	-431
Other	53	-82	26	47	-56	80
Carrying amount at end of the period	8,746	8,239	8,465	8,607	8,336	7,995
KEY RATIOS	Q2	Q1	Q4	Q3	Q2	Q1
Operating margin, %	7.1	10.5	14.9	11.1	11.4	12.1
Debt/equity ratio, multiple	0.2	-	-	0.1	-	-
Equity/assets ratio, %	54	54	53	49	48	51
Earnings per share, SEK	2.70	4.80	9.00	4.40	4.90	5.20
Number of available building rights	40,400	40,500	39,500	39,000	38,400	36,300
Number of residential units sold	363	479	462	470	732	995
Number of housing starts	454	214	898	688	719	808
Number of residential units in current production	6,657	6,996	8,078	7,962	7,823	8,276

Business Segment Quarterly Overview

ACCORDING TO SEGMENT REPORTING, SEK M

	2023		2022			
	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
JM RESIDENTIAL STOCKHOLM						
Revenue	1,176	1,095	1,344	1,141	1,196	1,285
Operating profit	90	116	188	160	182	190
Operating margin, %	7.6	10.6	14.0	14.1	15.2	14.8
Average operating capital	4,791	4,552	4,494	4,476	4,548	4,644
Return on operating capital, % ¹⁾	11.6	14.2	16.0	16.4	16.6	16.6
Operating cash flow	-806	76	-6	242	-182	244
Carrying amount, development properties	4,619	4,034	4,033	4,101	4,143	3,960
Number of available building rights	12,900	12,900	12,400	12,700	12,900	12,600
Number of residential units sold	66	51	61	102	230	264
Number of housing starts	-	-	265	205	178	73
Number of residential units in current production	2,299	2,396	2,665	2,598	2,709	2,870
JM RESIDENTIAL SWEDEN	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	982	1,129	1,156	1,012	1,205	1,127
Operating profit	51	126	171	153	185	174
Operating margin, %	5.2	11.2	14.8	15.1	15.3	15.5
Average operating capital	2,057	1,830	1,656	1,515	1,377	1,366
Return on operating capital, % ¹⁾	24.4	34.7	41.2	45.7	49.7	49.5
Operating cash flow	-85	-135	8	-356	156	304
Carrying amount, development properties	2,092	2,150	2,270	2,138	1,704	1,553
Number of available building rights	12,100	12,100	11,500	11,100	10,100	10,000
Number of residential units sold	140	113	92	189	290	375
Number of housing starts	159	139	148	255	262	357
Number of residential units in current production	1,922	1,958	2,234	2,246	1,991	2,153
JM NORWAY	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	645	632	960	829	747	856
Operating profit	43	42	51	54	61	73
Operating margin, %	6.7	6.7	5.3	6.5	8.1	8.6
Average operating capital	2,047	2,110	2,158	2,181	2,165	2,184
Return on operating capital, % ¹⁾	9.3	9.8	11.0	14.9	17.7	19.3
Operating cash flow	109	-12	249	16	-2	-61
Carrying amount, development properties	888	957	1,034	1,245	1,391	1,443
Carrying amount, project properties	15	17	18	18	18	18
Number of available building rights	6,700	6,900	7,100	7,300	7,400	7,400
Number of residential units sold	144	77	100	140	93	194
Number of housing starts	140	41	189	132	34	250
Number of residential units in current production	1,001	1,105	1,335	1,240	1,147	1,436
JM FINLAND	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	389	439	505	399	449	375
Operating profit	29	38	47	37	41	33
Operating margin, %	7.5	8.6	9.4	9.3	9.1	8.7
Average operating capital	1,681	1,644	1,618	1,496	1,399	1,249
Return on operating capital, % ¹⁾	9.0	9.9	9.8	16.7	23.1	30.5
Operating cash flow	79	-29	231	79	-141	24
Carrying amount, development properties	1,086	1,040	1,046	1,031	1,009	951
Number of available building rights	7,100	6,900	6,800	6,100	6,100	5,000
Number of residential units sold	13	20	139	39	119	162
Number of housing starts	-	34	226	-	245	128
Number of residential units in current production	773	1,030	1,337	1,441	1,492	1,333
JM PROPERTY DEVELOPMENT	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	310	566	1,064	48	40	73
Operating profit	60	104	326	-2	-22	4
Operating margin, %	19.4	18.3	30.6	-	-	5.6
Average operating capital	1,399	1,355	1,325	1,212	1,171	1,187
Return on operating capital, % ¹⁾	34.8	29.9	23.1	18.0	19.8	34.3
Operating cash flow	-95	919	-145	-124	-316	-81
Carrying amount, development properties	-	-	-	10	10	10
Carrying amount, project properties	944	783	914	1,351	1,208	878
Number of available building rights	1,600	1,700	1,700	1,800	1,900	1,300
Number of residential units sold	-	218	70	-	-	-
Number of housing starts	155	-	70	96	-	-
Number of residential units in current production	662	507	507	437	484	484
JM CONSTRUCTION	Q 2	Q 1	Q 4	Q 3	Q 2	Q 1
Revenue	244	197	252	274	289	262
Operating profit	3	2	-	4	4	4
Operating margin, %	1.1	1.0	-	1.5	1.4	1.4
Operating cash flow	20	5	46	-9	-1	-16

¹⁾ Calculated on 12-month rolling profits and average capital.

JM in brief

Business concept

With people in focus and through constant development, we create homes and sustainable living environments.

Vision

We are laying the foundations for a better life.

Business

JM is one of the leading developers of housing and residential areas in the Nordic region.

Operations focus on new production of homes in attractive locations, with the main focus on expanding metropolitan areas and university towns in Sweden, Norway and Finland. We are also involved in project development of commercial premises and contract work, primarily in the Greater Stockholm area.

JM should promote long-term sustainability work in all its operations. Annual sales total approximately SEK 16 billion and the company has around 2,400 employees. JM AB is a public limited company listed on Nasdaq Stockholm, Large Cap segment.

Financial targets, benchmarks for capital structure and dividend policy

The operating margin should amount to on average 12 percent, including gains/losses from property sales.

Return on equity should be 25 percent on average over time.

Long-term growth should amount to 4 percent a year on average for the number of housing starts, where the baseline is an annual rate of 3,800 housing starts.

Benchmark for capital structure where the visible equity/assets ratio should amount to at least 35 percent over a business cycle.

Dividend policy where the average dividend should be 50 percent of the Group's profit after tax over a business cycle.

JM's financial targets, benchmarks for capital structure and dividend policy are based on segment reporting.

Disclosures

This information is information that JM AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 8:00 a.m. CEST on July 12, 2023.

For more information please contact:

Claes Magnus Åkesson, acting CFO, Head of IR
Email: cfo@jm.se, Tel (switchboard): +46 8 782 87 00

Financial calendar

October 25, 2023 Interim Report January–September

Press releases, Q2 2023

- May 31 Share capital and number of ordinary shares in JM AB (publ)
- April 27 JM Interim Report January–March 2023
- April 26 JM announces potential lay-offs
- April 21 The Supreme Administrative Court rejects JM's application for leave to appeal

JM's annual reports, interim reports and other financial information are available at jm.se/en/about-us/investors

Text: JM. **Photo/Illustrations:** Sandra Birgersdotter Ek, André Elwin, ANR.

JM AB (publ)

Mailing address SE-169 82 Stockholm
Street address Gustav III:s boulevard 64, Solna
Telephone +46 8 782 87 00
Fax +46 8 782 86 00
Comp. Reg. No. 556045-2103
Website jm.se/en