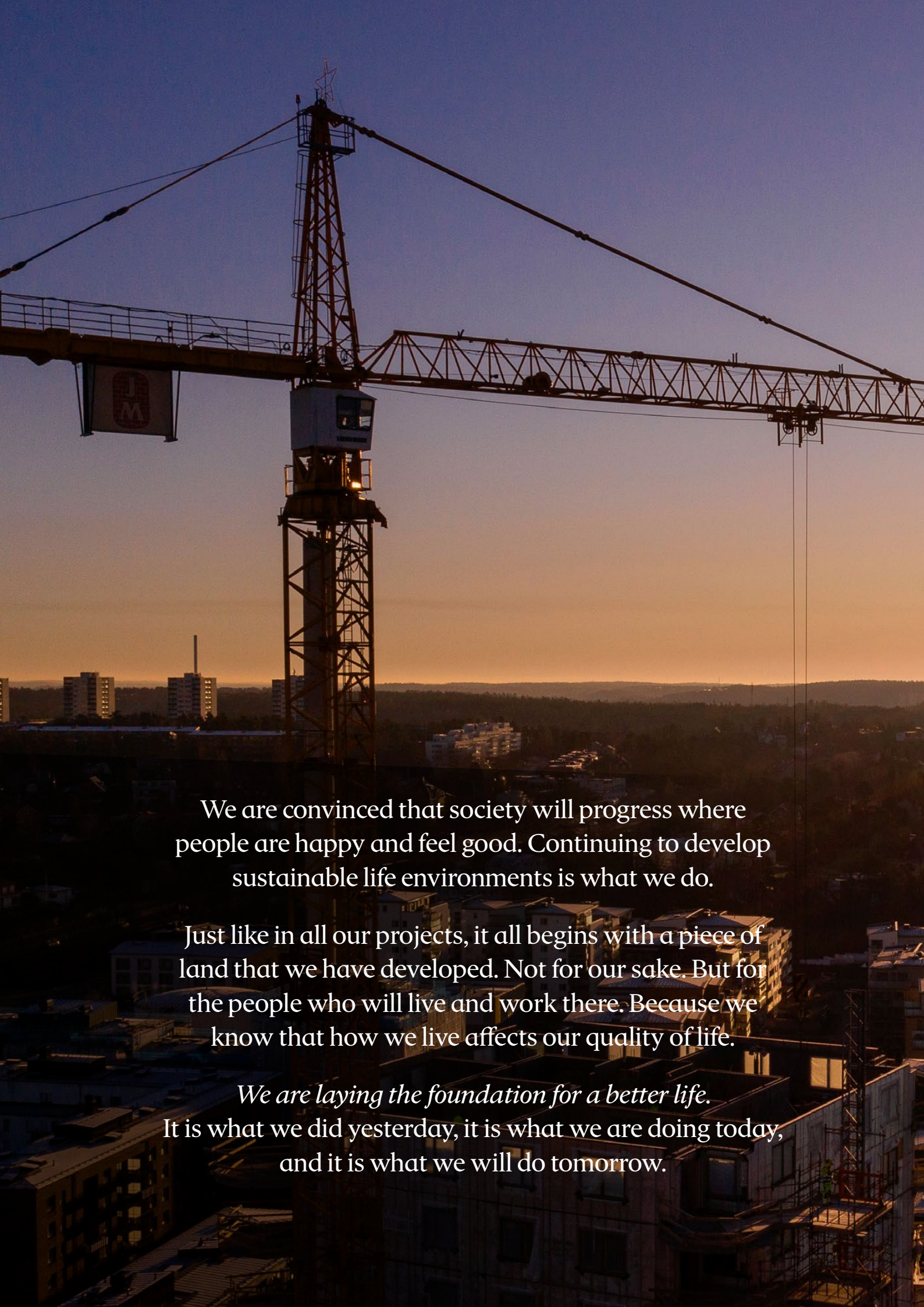


# Annual and Sustainability Report 2022





We are convinced that society will progress where people are happy and feel good. Continuing to develop sustainable life environments is what we do.

Just like in all our projects, it all begins with a piece of land that we have developed. Not for our sake. But for the people who will live and work there. Because we know that how we live affects our quality of life.

*We are laying the foundation for a better life.*  
It is what we did yesterday, it is what we are doing today,  
and it is what we will do tomorrow.



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# One of the leading developers of housing and residential areas in the Nordic region

Our goal is to establish a solid basis for good quality of life through our sustainable homes with a sound indoor climate.

The Group's operations focus on the new production of homes in attractive locations, with its main focus on expanding metropolitan areas and university towns in Sweden, Norway and Finland.

JM is also active in commercial property development and contracting work in the greater Stockholm area, and we offer economic and technical management to tenant-owned associations.

As of 2018, we certify all residential units that enter the pre-construction phase in accordance with the Swan Ecolabel. JM is thus first in the Nordic region to certify its entire production of residential units according to the Swan Ecolabel.

In 2022, JM made several large acquisitions of land, and production started on 3,113 residential units.

The JM Group has annual sales of approximately SEK 16 billion and around 2,500 employees.

JM was founded in 1945 by John Mattson, and it has been a public company listed on Nasdaq Stockholm, Large Cap, since 1982.



## 39

In 2022, 39 Swedish, Norwegian and Finnish residential projects at JM were certified in accordance with the Swan Ecolabel.

## 8,078

Residential units in current production.

## 2,488

Employees at JM.

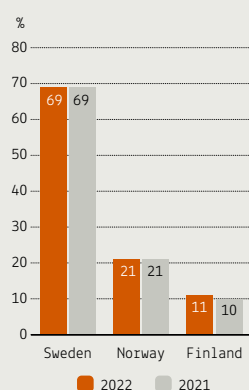
## No. 1

JM most popular employer among undergraduate engineers in 2022.

## 39,500

Residential building rights.

GEOGRAPHIC DISTRIBUTION OF REVENUE, %



JM offices

## According to segment reporting

**Revenue** increased to SEK 16,385m (14,608).

**Operating profit** decreased to SEK 2,064m (2,216).  
The operating margin decreased to 12.6 percent (15.2).

**Gains from the sale of properties and joint venture** of SEK –11m (436) are included in the operating profit.

**Profit before tax** decreased to SEK 1,994m (2,158), and **profit after tax** decreased to SEK 1,575m (1,798).

**Consolidated cash flow** including net investment in properties amounted to –261m (2,287).

**The number of residential units sold** decreased to 2,659 (4,248), and **housing starts** to 3,113 (3,972).

**Return on equity** for the past twelve months amounted to 17.9 percent (21.9). **Earnings per share** during the year amounted to SEK 23.40 (25.90).

**Surplus value of development properties** amounted to SEK 6.7bn (7.2).

**The Board of Directors** proposes SEK 14.00 (13.50) in dividend for 2022.

**The Board of Directors** proposes a renewed mandate to buy back own shares.

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 of figures in tables, total amounts may not correspond to the sum of the initial rounded whole numbers. Unless otherwise specified, the amounts and comments on pages 2–3, 8, 69–73 are based on JM's segment reporting. For an overview of the difference between segment reporting and IFRS, see Segment reporting on page 89. For definitions, see pages 136–139. This Annual Report is a translation of the original text in Swedish, which is the official version.

# Stable development in an uncertain world

*Strong result and important steps in sustainable housing development in a cautious market.*

During the almost three decades that I have been active in housing development, our industry has gone through a number of challenges and crises. The development in 2022 is unique in that several critical factors have come together. Russia's invasion of Ukraine has caused not only major human suffering but also considerable uncertainty in the global economy. Much like a perfect storm, the shortage of input goods, rising production costs and rising inflation and interest rates combined with increased energy prices caused considerable uncertainty, which resulted in a cautious market in 2022.

## Impact of global uncertainty

Given that the market saw a decrease in prices and an increase in supply, I am very satisfied with JM's development during the year. Due to the weaker macroeconomic conditions, we have seen a slow-down in our markets with a drop in sales. JM sold 2,659 residential units in 2022, which corresponds to 62 percent of the number of residential units sold in 2021.

JM started production on 3,113 residential units in 2022, which is approximately 800 fewer than in 2021. A lower number of housing starts is caused to varying extents, depending on the sub-market, by a combination of falling demand, increased production costs, and delays related to the lack of authority decisions.

JM continues to be strong as a whole with 8,078 residential units in current production at the end of 2022, of which 62 percent are reserved or sold, which is within the normal range. Despite increased production costs, overall we continue to have good profitability in our operations and a strong balance sheet.

In 2022, JM also sold the office project K1 Karlbergs Strand to the Swedish Fortifications Agency for SEK 2.4bn. The project will be recognized gradually starting in Q4 2022 until completion, which is estimated for the beginning of 2025.

## Opportunities and continued focus on housing starts

Fundamentally, there is a large need for new homes, and we are seeing conditions for JM to start new housing projects in all our markets. Despite global uncertainty, JM will continue to focus on housing starts in the locations where we are active. In a situation

where construction costs are high and customers cautious, however, it is more important than ever before for the conditions for new production to not be further weakened by drawn-out planning processes and delayed authority decisions.

The market is also presenting good opportunities in the form of land acquisition to refine our project and building rights portfolio, where JM has made a number of strategic acquisitions during the year.

## Progress for sustainable housing development

Sustainability is an integrated part of JM's residential project development, and we are pursuing a number of projects, tests and cooperations to achieve our target of close to zero climate-impacting emissions by 2030. Fuel for vehicles and work tools used at JM's construction sites must be renewable, and we are striving to switch to electric to the greatest extent possible. We are gradually introducing climate-improved concrete in all our markets. A large portion of our emissions occurs in our value chain, which means that we are placing a heavy emphasis on having a dialogue with and placing requirements on our suppliers.

We are gathering data to be able to continuously follow our climate impact and the actual impact of various measures. In 2022, as part of this work, we added climate calculations early in the development process.

Greater awareness about electricity prices and energy consumption makes it increasingly important to offer energy-efficient homes. In Sweden, the energy consumption of JM's completed residential units is on average 19 percent lower than the regulatory requirement, and in Norway this figure is 34 percent lower than the regulatory requirement. We are continuing our efforts to deliver housing with significantly less energy consumption, and at the end of 2022 we installed solar panels in a number of projects.

JM decided in 2018 that all newly started projects will be certified in accordance with Swan Ecolabel. We have seen the effect of this in 2022, with 39 out of 48 completed projects receiving Swan Ecolabel certification.

Systematic work with, among other things, an apprenticeship program for women contributes to a positive development in the

number of women among JM's skilled workers, which was 8 percent at the end of 2022.

Read more about JM's sustainability work in the sustainability report on page 33.

### Satisfied customers and dedicated employees

JM has a proud tradition of and strong commitment to developing attractive and sustainable homes in a way that creates satisfied customers and employees and strengthens its structural capital. I am proud of and grateful for the efforts of JM's dedicated employees in 2022, in particular their ability in a cautious market to continue to focus on delivering attractive homes to our customers and refining our processes in everything from land acquisition, product development, pre-construction and production to sales, interior selections, occupancy and management. Proof of this is the high ratings and rankings that JM receives in independent surveys of customer satisfaction, where JM's Customer Satisfaction Index for 2022 increased from the already high value of 78 to an excellent 79 when moving in to a newly produced JM residential unit.

### Strong position and good conditions in the long term

JM has historically emerged strong from challenging periods thanks to committed and customer-focused work combined with both an attractive project and building rights portfolio and a strong financial position. Our profit and our balance sheet enable both long-term growth and stable transfers to shareholders, with the Board of Directors proposing an increase in the dividend for 2022 and a continued mandate for the repurchase of shares. Despite the uncertainty in the world, I humbly assert that the fundamental and long-term conditions for JM and our business continue to be favorable.



**Johan Skoglund**

President and Chief Executive Officer



*"A strong result, with good long-term conditions for JM's business."*

# JM as an investment

*The ambition is to give shareholders a higher total return over time than other companies with a similar risk profile and business activities.*

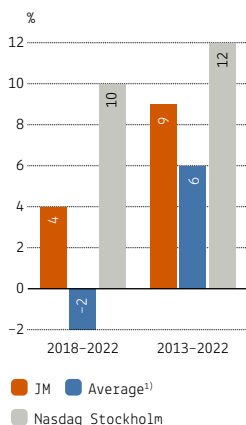
JM develops residential units and sustainable living environments in large growth areas in Sweden, Norway and Finland. The ambition is to give JM's shareholders a higher total return over time than other companies with a similar risk profile and business activities. The shareholders in JM are to be given the opportunity to receive good, long-term total return from well-balanced growth in the business

in terms of risk, with optimal utilization of risk capital over the business cycle and increasing value transfers to shareholders with a focus on earnings per share and dividends per share. This is achieved through high operational capacity, good risk control, financial strength and an attractive building rights portfolio that has great value potential and is continuously refined and updated.

## Good long-term total return

Over the past five years, JM has had an average total return of 4 percent. The share is volatile, but it has created good total return in the long run. Over the past ten years, the total return has been 9 percent, compared to 6 percent for the average for comparable companies.

THE SHARE'S AVERAGE TOTAL RETURN

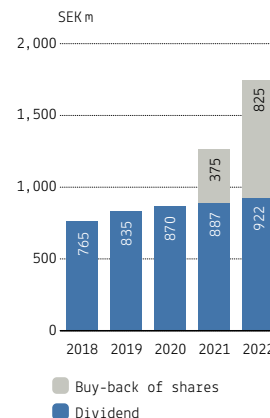


<sup>1)</sup> Besqab\*, Bonava\*, NCC, PEAB, Selvaag\*, Skanska, Veidekke, YIT  
\* not 2013-2022

## Increasing dividend over long period of time

JM's dividend has increased over a long period of time combined with multiple capital distributions over the years. Value transfers to the shareholders amounted over the past ten years to SEK 5.5bn, of which SEK 4.3bn through dividends and SEK 1.2bn through acquisition of own shares (buy-back).

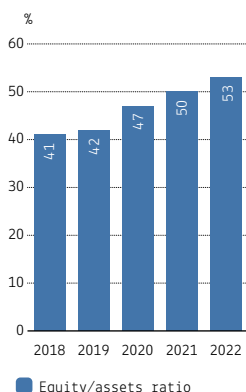
DISTRIBUTION TO SHAREHOLDERS



## Strong balance sheet

JM has a strong financial position with an equity/assets ratio of 40-50 percent (excluding surplus values) over the past five years. A strong equity/assets ratio is a prerequisite for stable and cost-effective financing of ongoing housing production. At the same time, the risk capital including the surplus values should be optimized over the economic cycle.

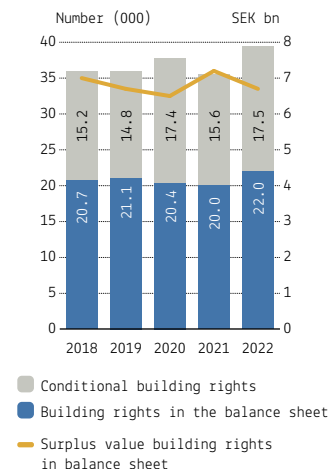
EQUITY/ASSETS RATIO



## Building rights portfolio with great value potential

JM has 39,500 building rights for future project development, of which 22,000 are reported in the balance sheet. The surplus value compared to the carrying amount of the building rights in the balance sheet amounts to SEK 6.7bn based on external assessment. The surplus value is part of JM's risk capital and indicates future profit potential.

BUILDING RIGHTS



### Benchmark for capital structure and dividend policy

Benchmark for capital structure where a visible equity ratio should amount to at least 35 percent over a business cycle. Dividend policy where the dividend on average should be 50 percent of the Group's profit after tax over a business cycle. JM's benchmark for capital structures and dividend policy is defined using segment reporting.

# Business concept, vision and strategy

*JM's business concept and vision guide the work to live up to JM's customer promise, "Better quality of life" and thereby to create shareholder value with a higher total return than other companies with a similar risk profile and business activities.*

## 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.*

## OVERALL OBJECTIVE FOR SHAREHOLDER VALUE:

*To give shareholders a higher total return than other companies with a similar risk profile and business activities. Total return refers to the sum of dividends and increased value.*

## Strategy

In order to achieve its overall shareholder value objective within the framework of its business concept, JM has the following strategy:

- Leading project developer of housing in the Nordic area — in terms of both market position and quality of the product and sustainability
- Operations in growth areas with good long-term demographic and economic conditions
- Clear focus on high quality and eco-compliant homes and workplaces, with high customer value and in attractive locations
- Growth that preserves good profitability and leading market position
- Growth should primarily be organic, but also through corporate acquisitions that can strengthen JM's position in existing markets
- Company culture that is characterized by good values, responsibility, a long-term approach, sustainability and respect for individuals.

## Leading project developer of high-quality housing in the Nordic area

JM is one of the Nordic region's leading developers of housing. Operations primarily focus on new production of homes, with the main focus on expanding metropolitan areas and university towns in Sweden, Norway and Finland. Areas with a growing population and a good purchasing power trend form the common denominator, increasing the potential for success in JM's business.

Project development at JM covers every link in the value chain, from acquisition of land to the sale of the new home. In many cases, JM projects mean the creation of new neighborhoods.

In Sweden homes will mainly be sold to tenant-owners associations for personal ownership, but may also include rental units and to some extent freehold apartments. Project development of commercial properties will be limited and primarily support housing development in large projects, where offices may be a natural planning prerequisite. JM@home offer economic and technical management.

A clear focus on cash flows and effective utilization of the balance sheet form the basis for JM's strategy for value generation and growth. This is achieved both by maintaining a high rate of housing starts, implementation and sales in projects and efficient project financing. Risk control and focus on cash flows mean that housing starts only take place in response to guaranteed demand in the form of reservations and signed contracts.

Quality assured pre-construction and production are achieved through JM's limited and efficient production capacity.

## CAPITAL MANAGEMENT

The strategy comprises both asset and capital structure aspects, and has been adapted to JM's project development. Focus is on cash flows and effective utilization of the balance sheet, and entails, for example:

- Building rights portfolio – development properties on the balance sheet should correspond to five years of production
- Project properties – should primarily consist of residential properties developed in-house or properties that can be developed through conversion or densification. The portfolio's value will be realized through sale or exchange, and the size of the portfolio can vary over a business cycle
- Target for return on equity that on average over time should amount to 25 percent. The target is set on the basis of capital efficiency being a fundamental condition for value creation in a project development transaction.

# Targets and outcome

As a means of ensuring long-term value generation, JM has formulated general targets. The financial targets aim to provide balanced support for the long-term financial development within the Group and at the same time be adapted to the cyclical nature of the business. JM's financial targets are defined based on segment reporting.

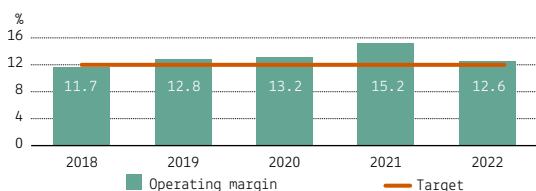
## Financial targets

### OPERATING MARGIN

**Target:** Average of 12.0 percent over a business cycle<sup>1)</sup>

**Outcome:** 12.6 percent in 2022.

During the five-year period 2018–2022, the average operating margin was 13.1 percent.

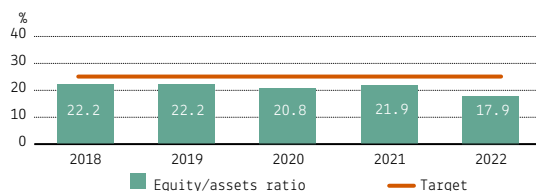


<sup>1)</sup> Including results from property sales.

### RETURN ON EQUITY

**Target:** Average of 25.0 percent over a business cycle.

**Outcome:** 17.9 percent in 2022. During the 5-year period 2018–2022, the average annual return on equity amounted to 21.0 percent.

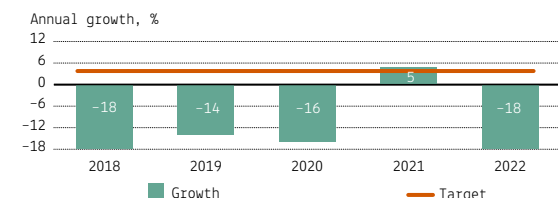


### GROWTH

**Target:** Average increase of 4 percent per year in number of housing starts over a business cycle.

**Outcome:** In 2022, housing starts decreased by 22 percent.

During the period 2018–2022, the annual growth rate in housing starts was –6 percent.

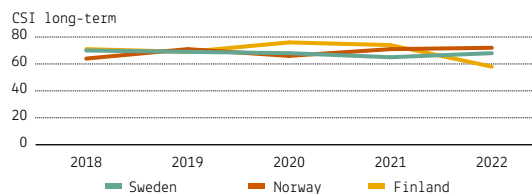


## Non-financial targets

### CUSTOMERS

**Target:** The Customer Satisfaction Index survey two years after occupancy (CSI long-term) should be greater than 70 at the end of 2023.

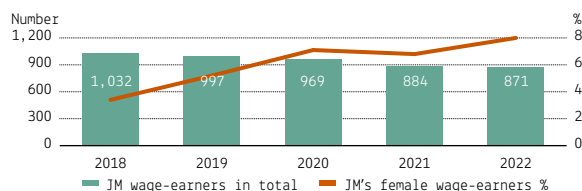
**Outcome:** Sweden 68, Norway 72, Finland 58 in 2022.



### EMPLOYEES

**Target:** The number of women among JM's wage-earners should increase to 10 percent by the end of 2023.

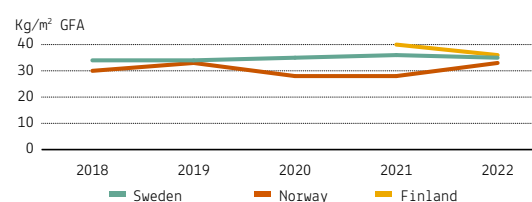
**Outcome:** 8.0 percent in 2022.



### ENVIRONMENT

**Target:** Reduce the total amount of construction waste to 25 kg/m<sup>2</sup> gross floor area (GFA) by 2023.

**Outcome:** Sweden 35, Norway 33 and Finland 36 in 2022.



# Value generation in JM's core business

*Our understanding of customer needs and demand — as well as how these are met through effective processes — forms the basis for JM's value generation. We have developed efficient construction processes and accumulated solid experience in carrying out large and complex projects.*

From the very start in 1945, JM has worked to develop residential projects, which means that vacant or built land is acquired and refined into attractive housing or commercial premises. Project development covers every link in the value chain from acquisition of land to the sale of the new home. In many cases, JM projects mean the creation of new neighborhoods. Since our operations are primarily focused on new production of homes, over the years we have been able to develop our processes while working to improve the quality of our homes.

Good risk control, focus on cash flows and effective utilization of the balance sheet are prerequisites for ensuring long term value generation.

Sustainability work is a central and integrated part of our project development. We are designing the buildings and cities of the future, and we take environmental, economic and social aspects into consideration to create conditions for sustainable lifestyles.

## Value chain

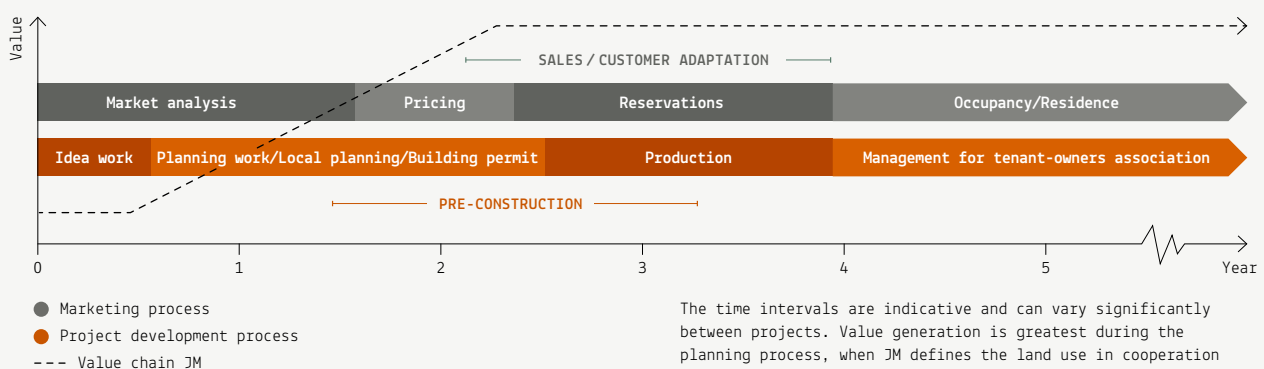
The value chain includes land and property acquisition, the planning process and pre-construction, production, sales and management. The ability to manage the entire value chain is an important competitive advantage for JM and decisive in terms of successful value generation.

Each step of the project development process adheres to the requirements outlined in JM's decision gates, which aim to ensure good profitability as well as an efficient and controlled process (see illustration on page 14).

Value grows step by step, as land use is defined. Full land value is attained when the local plan becomes legally binding and building permits are obtained — a process that can take from one to over five years — and the project has been sold to buyers.



## VALUE GROWTH



## Appropriate capital structure

JM's business is capital-intensive and requires effective utilization of the balance sheet. In order to maximize value generation, the starting point of an optimized capital structure must be based on the fact that different fields of activity have different requirements for capital when addressing their specific risks.

Using a capitalization model, JM performs an analysis each year to determine how much venture capital is needed for the different fields of activity.

The capitalization model quantifies access to and need for venture capital in each of JM's fields of activity, and is based on assessed market values. The analysis also takes liquidity aspects in the various asset classes into consideration.

As one means of continually analyzing JM's overall requirement for capital, the management and the Board utilize the capital allocation model to assess required capital and allocated venture capital for the different fields of activity. The analysis of required capital subsequently forms the basis, together with other qualitative aspects not considered in the capitalization model, for the Board's decision regarding a suitable capital structure at any specific time, and is a prerequisite for value transfer to shareholders.

## Required rate of return for projects

Value generation requires each investment to generate returns that exceeds its cost of capital. JM works with a number of investment analysis methods and criteria (such as WACC, IRR and present value ratios) to evaluate both each specific project's profitability

and which projects should be prioritized. These methods and criteria form the tools and governance methods used to meet the Group's requirements of return, which has been impacted by increased interest rate levels in 2022 and forecasts for the interest rate of the future.

- **The weighted cost of capital (WACC) after tax for new projects** amounts to 7.0–8.5 percent and is used to calculate the present value of forecasted cash flows for a specific project.
- **The debt/equity ratio in individual projects** is assessed to be 1.0.
- **Average cost of capital — borrowed capital<sup>1)</sup>**  
A two-year interest rate (corresponding to the average length of a project) of a total of 4.0–4.5 percent based on the underlying risk-free rate of 0.3 percent and a risk premium of 2.0–2.5 percent. Taking tax deductions for interest expenses into consideration, the average cost of capital for borrowed capital is thus 3.2–3.6 percent.
- **Average cost — shareholders' equity<sup>1)</sup>**  
Return on equity, when weighing the different evaluation criteria, CAPM (Capital Asset Pricing Model) and IRR (Internal Rate of Return), amounts to approximately 13–15 percent.
- **The return on shareholders' equity** for the 10-year period of 2013–2022 was an average of 25.3 percent and for the five-year period of 2018–2022 21.0 percent.

<sup>1)</sup> Risk-free rate and risk premium assessed from a longer perspective.

### INDEPENDENT TENANT-OWNERS ASSOCIATIONS BUILD CONFIDENCE IN THE LONG TERM

JM's residential project development in Sweden consists primarily of JM developing and selling tenant-owned properties where JM enters into agreements with tenant-owners associations for a total undertaking to deliver a turn-key residential property. The individual home buyers enter into a purchase agreement with the tenant-owners associations. It is fundamental for JM's business that the tenant-owners associations are independent.

To create confidence, it is necessary during the production phase for the board of directors that represents the individual buyers of the tenant-owned units to be independent from JM and enter into agreements that protect the buyers' interests. In order to protect not only these interests but also JM's business-related interest in interacting with a professional orderer, the association's members of the board of directors must have relevant experience and competence. This is also important for the members' responsibility as laid down by association law. Therefore, the tenant-owners associations are formed by board members who are independent of JM and have extensive experience and competence in all areas that are relevant for a tenant-owners association. According to the statutes of the association, the majority of the board of directors during the entire production phase must be appointed by a party that is independent of JM. JM has no right to appoint the association's board of directors and never has any representation on the board. The tenant-owners association's board of directors makes important decisions about and enters into agreements with JM for the production and provision of a turnkey residential property on behalf of the association and the individual buyers of tenant-owned apartments.

Furthermore, JM's business model is adapted to allow good governance and follow-up with a high level of business requirements. The essential criteria in this business model can be summarized by the following:

- The tenant-owners association's statutes stipulate the appointment of JM-independent board members in the association, where JM is not entitled to appoint the board
- All significant and relevant decisions are made independently by the board of directors in the tenant-owners association
- Agreements on a total undertaking, where JM delivers a turn-key property, are entered into by the independent board in the tenant-owner association prior to production start
- The tenant-owners association has its own financing through a construction loan, including the tenant-owners association's property as collateral. JM pledges a temporary surety as a partial credit enhancement
- An independent real estate agent sells the tenant-owned apartments based on a direct agreement with the tenant-owners association.

These criteria are central from both a legal perspective and from a financial and accounting perspective, with transparent follow-up over the project's lifecycle, both internally and externally. Systematic follow-up includes current performance, risk and market changes and modified revenue and cost assessments in the projects. The entire project process, from agreement with the tenant-owners association on JM's total undertaking to deliver a turn-key property to the transfer agreement with the final buyers of the residential units and the completion of the projects, is consistently processed in financial reporting with a high degree of precision over time. The issue of independence, which is fundamental for the business, serves also a basis for the tenant-owners associations not just from a legal perspective but also from an accounting perspective being viewed as independent and thus are a customer of JM.

# Product portfolio

*Building rights are the starting point for JM's housing and property development. In addition to owner-owned residential project development, JM also develops rental units, commercial premises and residential care units. Management activities are also included in JM's product portfolio.*

## Residential building rights — the basis for sustainable profitability

JM continually invests in land that can be developed for future production. We acquire land at the same pace that we put land into production. A great deal of insight into customers' needs and demand is required in order to make the appropriate investments in building rights. Rising housing prices and more remote working have resulted in many prospective buyers looking for homes farther away from the city center, which is facilitated by improved public transport and thus better possibilities for commuting longer distances. At the same time, central urban locations are still very attractive.

### Good composition

JM's planned residential units are located in both traditionally strong housing markets and new emerging markets. Areas close to water and parks are popular. Other important qualities include close vicinity to public transport, service and schools. At the end of 2022, JM had 39,500 available residential building rights (35,600). Capital tied up in residential building rights (development properties in the balance sheet) amounted at the end of 2022 to SEK 8,454m (8,192).

### Appraisal of residential building rights

At the end of the year, an appraisal of all of JM's residential development properties was performed together with an external appraisal company. The appraisals were made using an assumed sales price for the properties at actual cash values. The appraisals were based on the location, attractiveness, scope and type of building planned, the stage in the planning process and the time remaining until the housing start.

#### THE BUILDING RIGHTS PORTFOLIO COMPRISES TWO TYPES OF BUILDING RIGHTS:

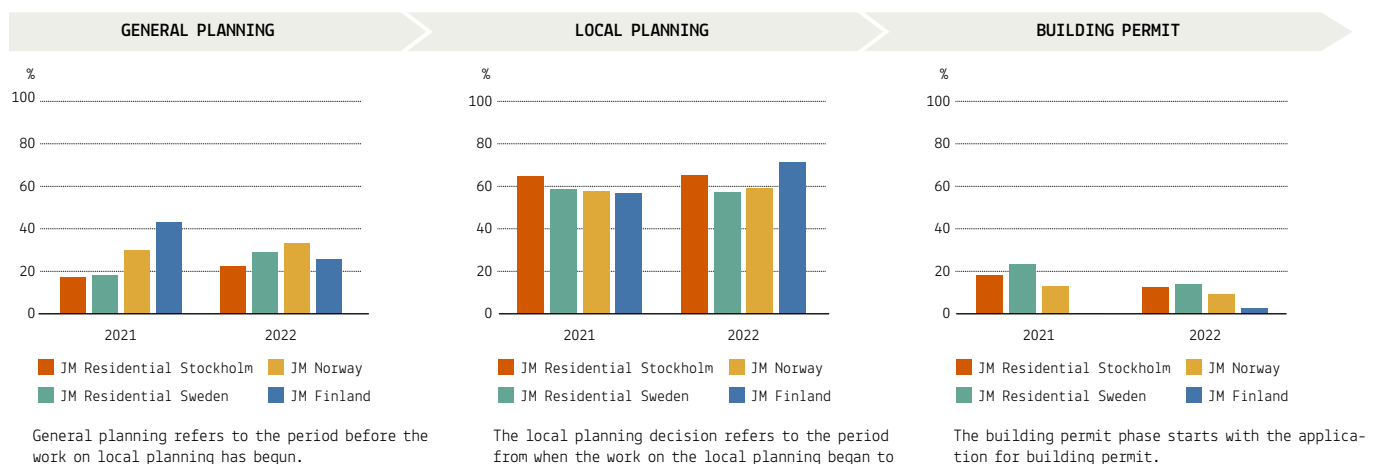
- Building rights in the balance sheet, 22,000 (20,000), corresponding to about seven years of production at the current rate of production
- Building rights available through conditional acquisitions or cooperation agreements, 17,500 (15,600). In most cases, JM has the opportunity to decide both whether and when to acquire land.

The benchmark for the number of building rights in the balance sheet is five years of production based on the current production rate calculated on a rolling twelve-month basis.

The assessed market value of JM's residential development properties amounts to SEK 15.2bn (15.4). The corresponding carrying amount is SEK 8.5bn (8.2). The 17,500 building rights available through conditional acquisitions were not included in the market value assessment. Some of the development properties have old existing buildings that generate net rental income or which there are future plans for demolition. The appraisal of these buildings is based on current rental revenue and future use, taking costs for possible demolition into account. The market value of these buildings is included in the summary above.

In the diagrams below, the market value for JM's development properties has been broken down by planning phase depending on where in the planning process the development properties are. The planning process can be broken down into three phases: general

BREAKDOWN OF JM'S BUILDING RIGHTS INTO DIFFERENT PHASES OF THE PLANNING PROCESS <sup>1)</sup>



<sup>1)</sup> Number of building rights on the balance sheet.

planning, local planning and building permit. General planning also includes undeveloped land not covered by the general planning. Local planning refers to the time from when the local planning is started until the application for building permit. The building permit phase starts with the application for building permit.

### *Geographic distribution of available residential building rights*

Building rights refer to land that can be developed for future production; they are recognized as assets on the consolidated balance sheet under the heading, Development properties. About 36 percent of the residential building rights reported in the balance sheet are in the Greater Stockholm area. The rest of Sweden constitutes approximately 29 percent of the Group's residential building rights. The majority of the Group's building rights in Norway, approximately 18 percent, and Finland, approximately 17 percent, are in the capital regions.

### Rental units

JM has a continuous and long-term production of rental units, including student and young adult housing, primarily in the Stockholm region. JM also has a joint venture with the Swedish Foundation for Strategic Research and the Knowledge Foundation, which manages rental properties on site-leasehold rights in attractive urban areas. The part of the return that goes to the foundations will be used to support research and development within their assignments. Read more about JM's rental units at [jm.se/en/about-us/operations/property-development/rental-units](https://jm.se/en/about-us/operations/property-development/rental-units)

### Residential care units

JM has been building high-quality and accessible residential care units for a long time. An own home is a fundamental human need and crucial for self-esteem, integrity and security. The point of departure for our development of residential care units is that both the residential unit itself and the common areas must be perceived as homey and pleasant. Read more about JM's residential care units at [jm.se/en/about-us/operations/property-development/residential-care-units](https://jm.se/en/about-us/operations/property-development/residential-care-units)

### Commercial properties

The bottom floors of our apartment buildings are made into thriving environments with workplaces, stores and restaurants. JM has also built and managed offices for many years, and we are currently constructing the office property K1 Karlbergs Strand in Solna, Stockholm, which after completion will be turned over to the Swedish Fortifications Agency. Read more about JM's development of commercial properties at [jm.se/en/about-us/operations/property-development/commercial-premises](https://jm.se/en/about-us/operations/property-development/commercial-premises)

### Management

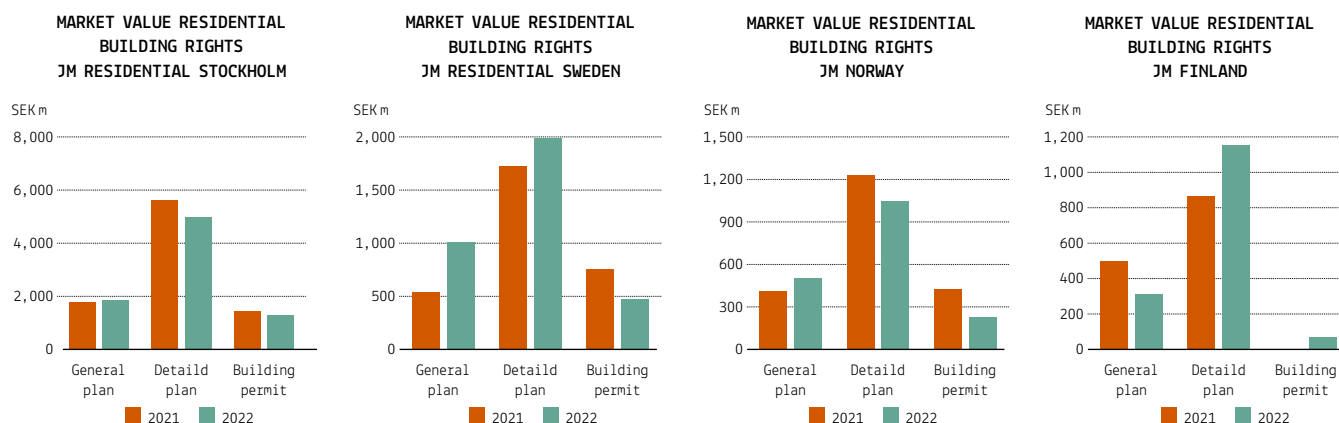
Management activities are performed within JM@home and meet customers' needs for both technical and economic management. In 2022, the operations continued to develop and grow, both in terms of geographic market and sales.

| MARKET VALUATION — PROJECT PROPERTIES <sup>1)</sup> | 12/31/2022          |                        |                           |                               | 12/31/2021             |
|-----------------------------------------------------|---------------------|------------------------|---------------------------|-------------------------------|------------------------|
|                                                     | Market value, SEK m | Carrying amount, SEK m | Area (000) m <sup>2</sup> | Occupancy rate annual rent, % | Carrying amount, SEK m |
| Properties under development                        | 1,049               | 908                    | 29                        | 92                            | 789                    |
| Completed rental unit properties                    | —                   | —                      | —                         | —                             | —                      |
| Completed commercial properties                     | 40                  | 24                     | 1                         | 89                            | 23                     |
| <b>Total</b>                                        | <b>1,089</b>        | <b>932</b>             | <b>30</b>                 | <b>92</b>                     | <b>813</b>             |

<sup>1)</sup> Market valuations are performed by external appraisal companies.

### MARKET VALUE OF JM's DEVELOPMENT PROPERTIES (RESIDENTIAL UNITS)

| SEK bn                   | 12/31/2022   |                 |               | 12/31/2021   |                 |               |
|--------------------------|--------------|-----------------|---------------|--------------|-----------------|---------------|
|                          | Market value | Carrying amount | Surplus value | Market value | Carrying amount | Surplus value |
| JM Residential Stockholm | 8.2          | 4.0             | 4.1           | 8.8          | 4.1             | 4.8           |
| JM Residential Sweden    | 3.5          | 2.3             | 1.2           | 3.0          | 1.7             | 1.4           |
| JM International         | 3.5          | 2.2             | 1.4           | 3.5          | 2.5             | 1.0           |
| <b>Total</b>             | <b>15.2</b>  | <b>8.5</b>      | <b>6.7</b>    | <b>15.4</b>  | <b>8.2</b>      | <b>7.2</b>    |



General planning refers to the period before the work on local planning has begun. Local planning refers to the time from when the local planning is started until the application for building permit. The building permit phase starts with the application for building permit.

# Industrialized construction in constant development

*Structured Project Development is JM's initiative for industrialization and thus the streamlining of residential project development*

JM's development projects continue over a long period of time and include a large number of residential units. The results are new and improved neighborhoods that, in addition to residential units, include stores, schools, restaurants, etc. In order for JM to be competitive across business cycles, its residential units must be attractive and high quality and be produced cost efficiently. Processes and tools for this are gathered and controlled in what we call structured project development.

## JM's product

JM's project development is based on standardized components, which, depending on how they are combined, create variation in homes and urban spaces. The components are defined in JM's "Pre-construction Instructions," which serve as a basis for product governance. Installation instructions and method descriptions specify how the components are joined to create complete buildings and homes and thus serves as a significant tool for JM's production employees.

Manufacturing and delivery of components for JM's projects are guaranteed through long-term framework agreements with our suppliers. To achieve an efficient and sustainable logistics flow, JM uses policy documents in the form of logistics conditions and logistics instructions.

## Processes and methods of working

From the customer's initial contact with JM to occupancy, everything should work in a uniform manner, regardless of the location of the residential unit. The same applies to the handling of fault reports and service and warranty activities after occupancy.

JM's housing business is described through a number of main processes, with underlying process categories, activities and detailed procedure descriptions that aim to ensure uniformity, high quality and efficiency. JM places considerable importance on compliance with decided processes, which is done via the Company's business management system, where the processes' structures follow the American Productivity & Quality Center (APQC) standard.

## Innovation and constant improvements

Standardization of products, processes and work methods need to be developed continuously to maintain competitiveness over time. JM therefore actively works with a focus on operational and product development. Development suggestions based on studies or actual tests are presented at least four times a year.

JM's employees also submit a large number of suggestions for how standards and processes can be developed. A large number

of improvement suggestions that can lead to direct changes or development projects focused on long-term change are submitted every year. The suggestions are submitted via a special system and evaluated on an ongoing basis by the people responsible at JM for each process.

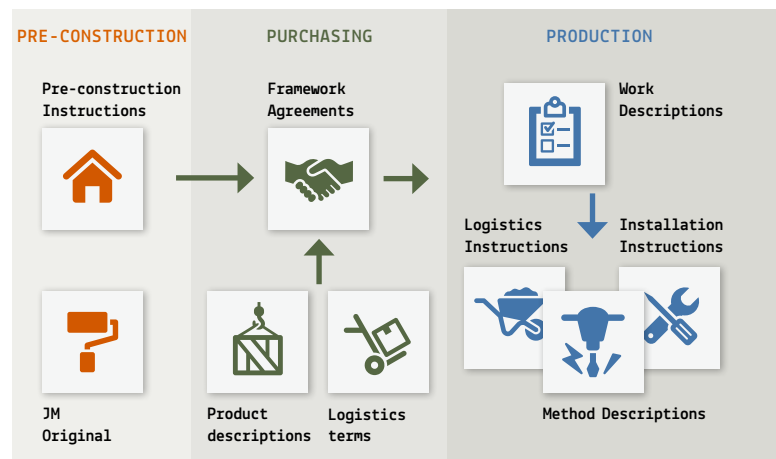
## Digitalization and sustainability in focus in 2022

The focus of the development work during the year has been digitalization and sustainability. The work that results in a completed residential unit is increasingly becoming digital. A well-known, and for JM well-implemented, method is Building Information Modeling (BIM). During the year, BIM and other systems were developed to support pre-construction and strengthen information flows within residential production. Drawings, work procedures, checklists, etc., are now available digitally in shared systems.

During the year, the digital customer portal My JM was also developed with the aim of giving customers access to all information linked to the purchase of their home.

In the second focus areas for development, sustainability, a lot happened in 2022. JM has driven development projects that resulted in JM's standardized product being developed with climate-improved concrete, that a new type of wooden outlet is used, and that vehicles and work machinery at construction sites run on renewable fuel and/or electricity. One example of how JM's processes have developed is that climate calculations will be completed for all projects; see page 36.

### PRODUCT POLICY PROCEDURES



# Risks and opportunities

*Controlled risk-taking is decisive for good profitability and growth. Risks and opportunities are two sides of the same coin. Skillful management of strategic, operative, financial and sustainability risks creates opportunities and competitive advantages. From the other side of the coin, risks that are not managed properly can lead to insufficient profitability.*

JM generates value through project development — by optimizing customer value, revenues and costs through the identification and acquisition of land on which to develop attractive neighborhoods and commercial premises. During the process, the project developer is faced with a number of risks and opportunities, which if handled appropriately can add to value generation and profitability. We also believe that we are transparent about our business from a sustainability perspective.

## Risk management — an integrated part of decision-making

Together with the clear focus on long-term approach and sustainable value creation found in JM's business concept and strategy, risk management helps ensure that risk-taking in the business is kept at a balanced level. Risk management is therefore an integrated part of the decision-making at all levels of JM. It is subject to strategic initiatives from the Board and management, and a current risk analysis is regularly presented to the Audit Committee.

Procedures for project oversight, monitoring and follow-up are designed to reduce business and implementation risks. This applies in particular to the initiatives produced within the framework of structured project development, which help reduce the operational risks in the business. All significant business and project decisions are analyzed with regard to both risk and opportunities.

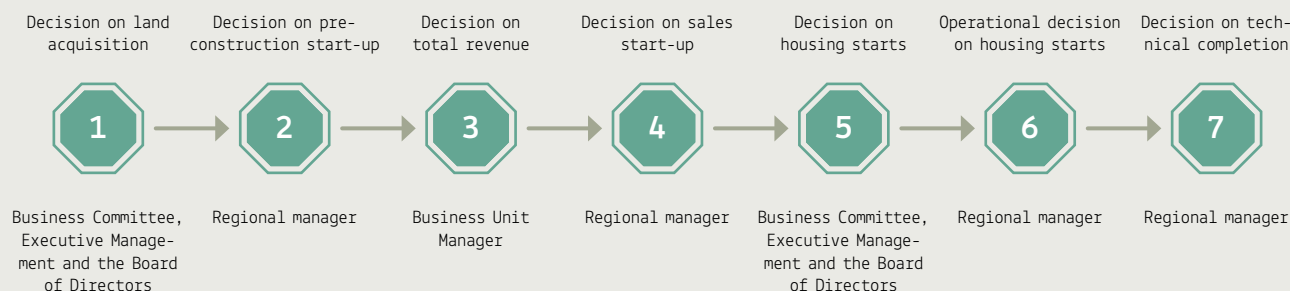
Climate-related financial risks and opportunities have been identified and analyzed to meet the recommendations in the TCFD (Task force on Climate-related Financial Disclosures) framework.

The work with TCFD is described in more detail on pages 17–18.

### ANALYSIS OF RISKS AND OPPORTUNITIES IN THE DIFFERENT PHASES OF PROJECT DEVELOPMENT – EXAMPLES

| Decision situation        | Risks                                                                                           | Opportunities                                                                                        |
|---------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Land acquisition          | Customer demand<br>Modified municipal planning<br>Technical difficulties and soil contamination | Attractive building rights<br>Technical development with regard to management of environmental risks |
| Pre-construction start-up | Delays, increased costs                                                                         | Customized design                                                                                    |
| Sales start-up            | State of the economy, interest rate level                                                       | Right pricing                                                                                        |
| Housing starts            | Sales<br>Delays, increased costs                                                                | Optimized efficiency in planning and production                                                      |
| Production                | Work environment deficiencies<br>Delayed occupancy                                              | High level of security and good working climate<br>Weather-proof production                          |
| Occupancy                 | Quality deficiencies<br>Delayed occupancy                                                       | Swan Ecolabel housing<br>Satisfied customers                                                         |
| Guarantee/Management      | Climate shell exposed to more extreme weather                                                   | Robust product                                                                                       |

### DECISION GATES IN STRUCTURED PROJECT DEVELOPMENT



In 2022, the most important risks at JM have been uncertainty regarding Swedish cement supply, the effects of the ongoing war in Ukraine and greater uncertainty with a cautious housing market due to higher inflation, rising energy prices, and higher interest rate levels.

In 2022, there has been uncertainty regarding the supply of cement from local cement production in Sweden due to an unclear authorization process between authorities and a market-leading producer. During the fourth quarter, the required authorization was extended for another four years, which secures the coming year's cement supply.

Russia's ongoing invasion of Ukraine has caused not only human suffering but also considerable uncertainty in the global economy. JM has no framework suppliers in Russia, Belarus or Ukraine. Even though JM has long contracts and is a prioritized customer at its suppliers, the suppliers in turn may be dependent on input goods for which access has been impacted by the war in Ukraine. However, JM makes the assessment that this has not had a material impact on its ongoing projects.

In 2022, prices for many construction materials continued to increase, and inflation has increased sharply in the economy as a whole. JM's long-term supplier relationships and agreements decreased the impact of this on its cost position during the year, but there is a greater risk of a negative impact from cost inflation both in the project portfolio and prior to new housing starts.

The sales and reservation level in current production was at a normal level after having decreased slightly during the year, which balances the risk in the operations. Housing starts did not increase according to plan in 2022, but rather were limited somewhat by drawn-out planning processes and weaker sales during the second half of the year. A more detailed description of the risks JM faces and how we are managing them is provided in the Board of Directors' Report on pages 80–81.

Heading into 2023, the market is considered to be cautious in all of our markets, and we are prepared to manage both continued caution on the housing market and high inflation, which could limit JM's possibilities for maintaining its production volume. The planning processes on our primary markets continue to play a key role in the growth of the number of housing starts.

## Balance sheet

The land acquired by JM is entered in the balance sheet as development property. When production begins for each project phase, the carrying amount of the property is transferred to the project and included among the project's costs.

## Cash flow

Since projects run over a long period of time, efficient cash flow management is essential. JM's control systems and processes are structured to support and stimulate an optimal cash flow approach in all project phases. Decisions concerning acquisitions and housing starts are crucial business decisions that have a major impact on cash flow, and therefore undergo special scrutiny and evaluation.

## Finance strategy and policy

JM's finance unit handles the Group's short and long-term financing, liquidity planning, cash management and financial risk management. The division of responsibility, organization and control of the

Group's overall financing activities are regulated by a finance policy established by the Board. The policy specifies the objectives for finance operations, overall responsibility and specific rules and limits.

The objectives for the finance operations are to:

- support the operational activities for project development of residential and commercial premises
- optimize the use of capital and cash flow management
- control and manage the financial risks to which JM is exposed.

JM's basic finance strategy is to clearly link cash flows from projects in progress and project properties to the Company's borrowing and interest rate risk management. This strategy provides the best control of financial risks.

In order to maintain flexible administration and cost-effective debt management, existing loan agreements are guaranteed by JM's excellent credit worthiness, which means that no mortgage deeds are provided.

## Tax policy

The Board of Directors has adopted a tax policy stating the fundamental principles for how the Group handles taxes.

The manner in which JM handles its taxes shall be viewed from a sustainability perspective and guided by transparency, social responsibility and a clear contribution to the welfare of society. Significant taxes for JM include income tax, value added tax and sales tax (VAT), stamp duty, property tax, employer's contribution and special payroll tax.

The ambition is to pay the correct tax in each country where JM is operational based on the spirit of the law and regulations. The tax expense shall be handled with professional rigor as an important part of the company's income statement, and the tax flow shall be optimized within the framework of the ongoing operating activities.

## Sensitivity analysis of the building right portfolio

One way to reflect the dynamics in the building rights portfolio of residential building rights in the balance sheet is to perform a sensitivity analysis where all anticipated future cash flows from the portfolio are calculated at present value. This analysis includes a number of simplified assumptions designed to determine via a model the present value of JM's building rights portfolio given a number of assumed revenue levels per square meter. The calculations are not a forecast.

All 22,000 residential building rights JM has in its balance sheet are assumed to be distributed evenly over eight years of production. The assumption is theoretical since housing starts in practice occur from both residential building rights in the balance sheet and conditional residential building rights. A normal residential unit is assumed to be 75 square meters, the assumed tax cost is 21.0 percent, and the discount rate after tax is 7.8 percent. The calculation does not take any inflation into consideration. The calculation includes both the tax charged and the deduction effect from historic land investment of SEK 8,455m.

The tables below show assumed revenue, including loans in tenant-owners associations, and project costs per square meter of apartment area excluding VAT. Using a number of average revenue and cost assumptions, the present value of future cash flows for the entire building rights portfolio are calculated. The analysis shows a strong leverage effect in value creation depending on the company's

ability to manage both revenue and expenses effectively, and in particular the general trend for housing prices during the period. A price or cost change of SEK 900 per square meter corresponds to about SEK 900m, or approximately SEK 14 per share, according to the basis for this calculation.

JM's 17,500 residential building rights made available through conditional acquisitions or cooperation agreements are not included in the sensitivity analysis.

#### SENSITIVITY ANALYSIS, PRESENT VALUE IN SEK M FOR JM'S BUILDING RIGHTS PORTFOLIO/RESIDENTIAL UNITS

| Revenue/m <sup>2</sup> , SEK <sup>1)</sup>      | 50,000 | 51,000 | 52,000 | 53,000 | 54,000 |
|-------------------------------------------------|--------|--------|--------|--------|--------|
| <b>Cost/m<sup>2</sup>, SEK <sup>1) 2)</sup></b> |        |        |        |        |        |
| <b>35,000</b>                                   | 15,100 | 16,000 | 16,900 | 17,800 | 18,700 |
| <b>36,000</b>                                   | 14,200 | 15,100 | 16,000 | 16,900 | 17,800 |
| <b>37,000</b>                                   | 13,300 | 14,200 | 15,100 | 16,000 | 16,900 |
| <b>38,000</b>                                   | 12,400 | 13,300 | 14,200 | 15,100 | 16,000 |
| <b>39,000</b>                                   | 11,500 | 12,400 | 13,300 | 14,200 | 15,100 |

<sup>1)</sup> Excluding VAT

<sup>2)</sup> Excluding cost of land

#### SENSITIVITY ANALYSIS, PRESENT VALUE IN SEK/SHARE FOR JM'S BUILDING RIGHTS PORTFOLIO/RESIDENTIAL UNITS

| Revenue/m <sup>2</sup> , SEK <sup>1)</sup>      | 50,000 | 51,000 | 52,000 | 53,000 | 54,000 |
|-------------------------------------------------|--------|--------|--------|--------|--------|
| <b>Cost/m<sup>2</sup>, SEK <sup>1) 2)</sup></b> |        |        |        |        |        |
| <b>35,000</b>                                   | 234    | 248    | 262    | 276    | 290    |
| <b>36,000</b>                                   | 220    | 234    | 248    | 262    | 276    |
| <b>37,000</b>                                   | 206    | 220    | 234    | 248    | 262    |
| <b>38,000</b>                                   | 192    | 206    | 220    | 234    | 248    |
| <b>39,000</b>                                   | 178    | 192    | 206    | 220    | 234    |

<sup>1)</sup> Excluding VAT

<sup>2)</sup> Excluding cost of land

### Implicit value of conditional building rights

JM had 17,500 available residential building rights (15,600) at the end of the year through conditional building rights in Sweden, Norway and Finland. Normally, JM pays for these building rights in conjunction with the local planning gaining final approval. The building rights are then recognized in JM's balance sheet at acquisition cost as a development property.

The acquisition price is normally based on the market value for the building rights at the time the terms of the agreement are met and the transfer occurs. The value of the development properties thereafter varies depending on the price development of residential units, and market valuations can be conducted based on prices in the area and specific project conditions.

It is normally not possible to sell conditional building rights, and the agreements have different periods of validity depending on the pre-conditions and agreement structure. Even if the conditional building rights normally do not have market prices, they still constitute secured continuation for JM's ongoing addition of building rights to be taken into production for residential project development. With the conditional agreements as a basis, an implicit net present value can also be calculated for future cash flows in the conditional part of the building rights portfolio. Under the assumptions that the conditional portfolio of 17,500 residential building rights (15,600) is taken into production over a period of eight years, meets the target requirement of 12.0 percent (12.0) for the operating margin, and has an acquisition cost for building rights that approximately corresponds to the current average market value in the balance sheet, the net present value after tax amounts to SEK 4.5bn (4.3) at a discount rate of 7.8 percent (6.0). In other words, this can be viewed as an implicit value in JM's project development, in addition to the market value of the development properties JM has recognized in the balance sheet in accordance with the above sensitivity analysis, assuming that the projects can be carried out operationally.

### Costs for residential project development

A residential project consists of a number of different costs that are categorized and followed up within the operations. In order to reflect the Company's propensity for change in total cost, a sensitivity analysis was prepared that shows an effect on earnings per cost category given a change of +/- 10%.

The analysis relies on a number of simplifications to identify the effect on JM's earnings. Material refers to costs for in-house purchases of building materials. Land refers to cost for land expensed. Developer's costs are costs not directly related to contracting, such as interest on loans, municipal connection charges and registration of title. Pre-construction mainly relates to costs for technical consultants. Overhead refers to incidental expenses for setting up the building site and rent for fixed assets such as machinery.

The table below shows seven main categories of costs in residential project development and their relative proportion of the total cost. A change in each category impacts earnings to varying extents, and the table shows that costs for sub-contracts are undeniably the largest expense item, where a change of +/- 10% has an impact on earnings of +/- SEK 440m.

#### SENSITIVITY ANALYSIS, VARIOUS COST CATEGORIES, PROJECT DEVELOPMENT FOR RESIDENTIAL UNITS

| Category          | 2022                           |           |               | 2021                           |
|-------------------|--------------------------------|-----------|---------------|--------------------------------|
|                   | Share of cost, % <sup>1)</sup> | Change, % | Effect, SEK m | Share of cost, % <sup>2)</sup> |
| Salaries/wages    | 14                             | +/-10     | +/-162        | 14                             |
| Materials         | 17                             | +/-10     | +/-200        | 15                             |
| Land              | 10                             | +/-10     | +/-120        | 13                             |
| Developer's costs | 9                              | +/-10     | +/-107        | 13                             |
| Pre-construction  | 4                              | +/-10     | +/-52         | 4                              |
| Overhead          | 8                              | +/-10     | +/-87         | 8                              |
| Subcontracting    | 38                             | +/-10     | +/-440        | 33                             |

<sup>1)</sup> Estimated share of cost base for residential project development in Sweden was SEK 11.7bn.

<sup>2)</sup> Reported outcome refers solely to Sweden.

## Managing climate-related risks and opportunities



| Climate area                                       | Impact on JM                                                         | Risk                                                                                                                | Opportunity                                                                                                         | Management                                                                                                                                                                      |
|----------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Costs for fuel                                  | Production<br>Completed construction                                 | Increased cost:<br>• Carbon dioxide tax<br>• Energy tax<br>• Renewable                                              | Energy-efficient<br>Attractive product<br>Improved customer value                                                   | Managed according to:<br>• Active product/production/<br>method development                                                                                                     |
| 2. Energy savings/consumption                      | Planning<br>Production<br>Completed construction                     | Increased cost:<br>• Electricity SEK/kWh<br>• Heat SEK/kWh<br>• Cooling SEK/kWh                                     | Energy efficiency<br>New technological solutions<br>Renewable energy                                                | Managed according to:<br>• Energy mapping<br>• Technological solutions<br>• Intelligent Homes                                                                                   |
| 3. Costs of raw materials and products             | Planning<br>Production                                               | Increased cost:<br>• Raw materials<br>• Materials<br>• Imports<br>• Logistics                                       | Efficient planning<br>Efficient production<br>Choice of supplier                                                    | Managed according to:<br>• Agreement management<br>• Procurement<br>• Framework Agreements                                                                                      |
| 4. Climate-affecting products (concrete and steel) | Planning<br>Production                                               | Increased cost:<br>• Concrete<br>• Steel                                                                            | Technological development<br>Other materials, e.g. wood, climate-improved concrete, and steel                       | Managing through participation:<br>• Industry development<br>• Research<br>• Roadmaps                                                                                           |
| 5. Increase in extreme weather                     | Land acquisition<br>Planning<br>Production<br>Completed construction | Increased cost:<br>• Climate shell<br>• Regulation risk<br>• Insurance<br>• Water/waste<br>• Municipal requirements | Robust climate shell that can withstand moisture and temperature<br>Shortened production time due to milder winters | Managed according to:<br>• Sustainability criteria transparency at acquisition<br>• Robust products<br>• Active product development<br>• Structured production<br>• Aftermarket |
| 6. Elevated water levels                           | Land acquisition<br>Planning<br>Production                           | Increased cost:<br>• Groundwater assurance                                                                          | Choice of geographic and topographic location                                                                       | Managed according to:<br>• National Board of Housing's requirements<br>• Municipal requirements (height above the water)<br>• Technological requirements                        |

## Identifying climate risks and work with TCFD

It is not enough to work to reduce our climate-affecting emissions. Our operations need to also continuously adapt – both to changes that have already occurred and changes that could come as a result of global warming.

Identifying climate risks is therefore a priority for JM. At least once a year, a cross-functional working group with participants from Executive Management performs a scenario analysis where it assesses JM's climate-related financial risks and opportunities in the entire value chain. We also perform a sensitivity analysis for JM's various cost categories.

Since risk assessments are particularly important for land acquisition, we have a tool that helps us evaluate the sustainability risks at the specific locations where we intend to acquire land. This means identifying any risks, such as flooding and landslides, and analyzing which measures we could take to reduce the identified risks in area. In addition to this, we must also define which concrete climate adaptation measures are relevant in each individual case. These adaptations can consist of a number of different measures, for example avoiding residential units on the bottom floor, equipping the bottom floor with a moisture-proof facade or choosing a construction that is particularly moisture-resistant in cellars and bottom floors.

The risks we identified that are most important for us right now and in the mid and long term are elevated water levels and extreme weather, increased fuel costs, energy savings/consumption, raw materials and products and climate-affecting products.

## Climate-related risks — part of a company's other risks

Since 2019, JM has been working with TCFD's recommendations for a uniform and consistent financial reporting related to the climate. JM formally signed on to support TCFD in 2021.

In practice, this work with TCFD means that we have integrated climate-related financial risks and opportunities into the Company's other risks and opportunities. In addition, we have also included climate-related risks and opportunities in our sensitivity analysis.

## SENSITIVITY ANALYSIS FOR VARIOUS COST CATEGORIES LINKED TO CLIMATE, PROJECT DEVELOPMENT FOR RESIDENTIAL UNITS

| Category per climate area <sup>1)</sup> | 2022                                     |           |                         | 2021                                     |  |
|-----------------------------------------|------------------------------------------|-----------|-------------------------|------------------------------------------|--|
|                                         | Estimated share of cost, % <sup>2)</sup> | Change, % | Estimated effect, SEK m | Estimated share of cost, % <sup>3)</sup> |  |
| Fuel                                    | 2                                        | +/-10     | +/-23                   | 2                                        |  |
| Energy                                  | 2                                        | +/-10     | +/-18                   | 2                                        |  |
| Materials                               | 17                                       | +/-10     | +/-200                  | 15                                       |  |
| of which Concrete                       | 2                                        | +/-10     | +/-5                    | 2                                        |  |
| of which Steel                          | 6                                        | +/-10     | +/-11                   | 4                                        |  |
| of which Wood                           | 2                                        | +/-10     | +/-4                    | 2                                        |  |
| Climate shell                           | 6                                        | +/-10     | +/-69                   | 6                                        |  |
| Groundwater protection                  | 1                                        | +/-10     | +/-9                    | 1                                        |  |

<sup>1)</sup> The categories Concrete, Steel and Wood are subsets of Material. Groundwater protection is a subset of the category Climate Shell.

<sup>2)</sup> Estimated share of cost base for residential project development in Sweden in the Group, SEK 11.7bn.

<sup>3)</sup> Reported outcome refers solely to Sweden.

Fuel refers to costs for fuel used at the construction site and for transports. Energy refers to costs for purchased electricity, heating and cooling for the business. Material refers to costs for in-house purchases of building materials. Concrete, Steel and Wood refer to the costs for in-house purchases of building materials that contain concrete, steel and wood, and costs for building materials that contain concrete, steel and wood purchased via subcontracting. Climate shell refers to costs for materials and products used for roofs, exterior walls, facades and bottom slabs. Groundwater protection refers to material costs to protect buildings from groundwater intrusion.

According to TCFD, the identified climate-related risks can be broken down into two categories (transition risks and physical risks). Of the six climate-related risks that are assessed to have the greatest impact on JM's business, four of them have been classified as transition risks and two of them as physical risks.

#### Transition risks

1. Costs for fuel
2. Energy savings/consumption
3. Costs of raw materials and products
4. Climate-affecting products (concrete and steel).

#### Physical risks

5. Increase in extreme weather
6. Elevated water levels.

Our sensitivity analysis for cost categories served as the assessment basis for the classification. An additional basis was SMHI's published impact analysis for Sweden that has a 10-year perspective and is based on IPCC's (Intergovernmental Panel on Climate Change) scenario for temperature increases (RCP 2.6–8.5).

The Board of Directors is informed regularly about the work on climate risks and TCFD in accordance with JM's governance of its sustainability work, see page 44.

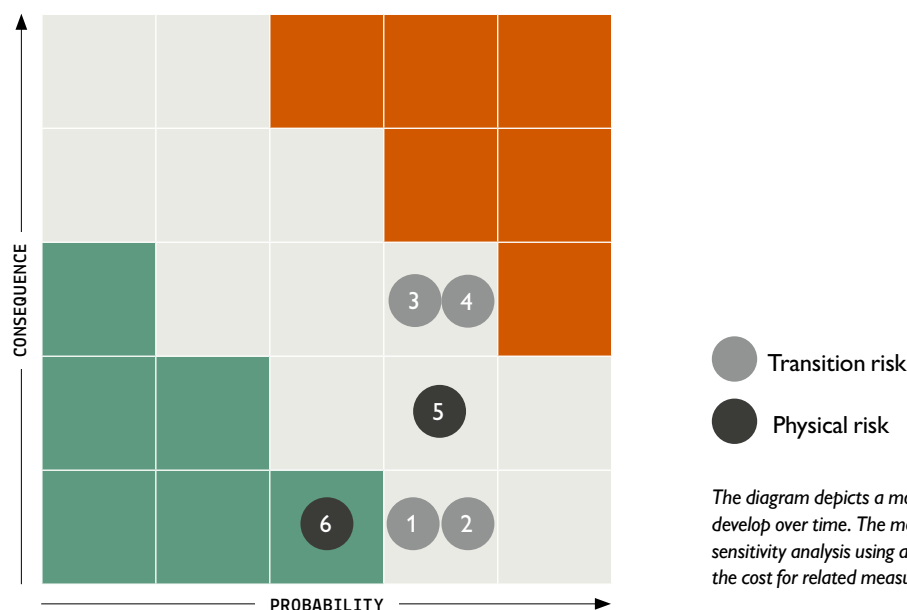
#### Follow-up of climate-related risks and opportunities

JM annually follows up the transition and physical risks we identified based on the determined cost impact metric; see the table "Sensitivity analysis for cost categories related to the climate, residential project development" above.

For 2022, we expected cost increases for both fuel and climate-impacting products such as concrete and steel. After the fact, we are able to note that our assessments in general have been in line with the actual price increases. However, we are also able to note that some of the items – and primarily fuel – had even more of an impact than what we initially expected.

To reduce costs requires continued focus on energy efficiency, short lead times, and resource efficiency. The price development for fuel and materials, though, is not only attributable to climate-related risks and scenarios. Looking forward, we make the assessment that the risk of future effects compared to today's situation has not increased further; instead, it has decreased slightly.

JM is also judged to have good conditions for adapting its operations to the climate-related challenges that we may face. From a somewhat shorter perspective, we benefit a lot from our initiative to build low-energy residential units and our long-term supplier cooperations.



# Trend tracking in an uncertain world

*We live in uncertain times, where a war in Europe, economic uncertainty and a growing climate crisis are impacting all industries. Looking at the global mega trends, though, we are seeing a few glimpses of light.*

Drawing conclusions about the future has seldom been as challenging as it is today. At the same time, we have always lived and been active in a continuously changing environment. For JM, it is therefore crucial to try to predict where the market and our customers are headed, in part with the help of business intelligence.

2022 has been a year of crises, both nationally and globally. This creates uncertainty in all parts of society. We are seeing greater economic uncertainty, driven by inflation, rising interest rates and electricity prices. We see how the war in Ukraine is leading to insecurity and growing preparedness among households, companies and states. At the same time, the climate crisis has made sustainability a given, where commercial interests often precede politics. And in parallel, the digitalization is continuing full-speed ahead.

In these unpredictable times, it is necessary to work with three perspectives: the now, the short term and the long term. Identifying mega trends is one way to gain an understanding for the influences that are shaping these perspectives. The definition of a mega trend is a global, persistent and macroeconomic trend that impacts the commercial sector, the economy, society, culture and personal lives. This understanding can contribute to wiser decisions, for example with regard to future strategies and investments.

We have identified five mega trends that are particularly important for JM's business. As society changes, seemingly toward greater polarization, what these trends will entail is often a matter of interpretation. Regardless of the interpretation, though, the trends provide a broader overview with valuable insights into our customers' needs, requirements and driving forces. And help us to create dream homes of the future.

## Sustainability requires action

If the pandemic became a catalyst for the digital shift, the war in Ukraine can do the same thing for the climate transition. Households' awareness of the importance of saving energy has surged along with electricity prices, and an increasing number of states are investing in becoming self-sufficient in fossil-free energy. The sustainability work goes from words to action to resolve the climate issue.

Within the commercial sector, sustainability has long been part of business. Many experience that companies are ahead of politics when it comes to climate work, in everything from electric cars to organic food, both to be able to grow in the long term and because customers demand it. Analyses show that sustainability has become a hygiene factor insofar as companies are no longer an

option if they do not take responsibility for the climate. Sustainability is also something that creates engagement among employees and makes the company more attractive, in terms of both recruiting and keeping competence. It is becoming increasingly more important to show concrete results, which means that research and technological development will be crucial for many companies.

In this transition, housing developers and urban planners play a key role, not just in terms of working climate effectively, with as little emissions as possible from the production and giving consideration to natural resources. For the construction industry, climate adaptation measures are also important which is described on pages 17–18. The sustainability concept does not only refer to the environment but also includes social and economic sustainability. Therefore, we must simultaneously develop society, homes and neighborhoods that encourage greater diversity, equality and tolerance.

At the same time as the world is transitioning to reduce emissions, active work and intensive discussions are underway regarding necessary adaptations for changes that have already occurred due to global warming. When the world's countries gathered at the UN's COP27 climate conference, there was a lot of focus on how countries that were adversely impacted would be compensated. We will bring the parallel work and discussions with us into the future.

## The digital revolution

Today's youth are the first digital generation. They will not have any memories of an analogue world where people are expected to go to an office every day or buy books at a store. Digitalization has fundamentally changed society. The shift has been ongoing for decades but got a strong boost from the pandemic and is now fundamentally transforming the conditions for all sectors – from work and health-care to housing and education.

One example is that the hybrid work life is here to stay. It affects both where we choose to live and the needs our homes must fulfill. Digitalization also changes our buying habits. Today, shopping through our phones is common, and more and more people are using digital currencies. Technology is becoming more common even in the everyday lives of the elderly – to order food, pay bills, or chat with the grandkids. The digital purchasing journey needs to evolve as customers evolve in order to offer an inspirational holistic experience.

Industry 4.0 is another central concept in digitalization. After the steam engine, electricity and electronics, we are now facing the fourth industrial revolution. It is a fusion of recent years' dramatic progress in fields such as artificial intelligence, internet of things, robot technology, virtual reality and big data. Industry 4.0 means that entire production chains can be automated and places demands on entirely new skills, specialties and methods of working.

But digitalization is also increasing the vulnerability of all societal functions. This will lead to a larger focus on data security issues and the stability and capacity of digital systems. Companies and organizations are now working with the concept of resilience, which means preparing for crises by learning to quickly transitioning.

### Globalization with conflict areas

From a long-term perspective, globalization will continue. Digitalization and increased access to information and communication technology bring the world closer together. This naturally leads to a long list of positive impacts – such as increased knowledge, reduced poverty, growing prosperity, greater transparency and more democratic societies.

In the short term, it is hard to read the situation. We are in an economic downturn with rising prices, higher interest rates and energy crises at the same time as there is a war going on in Europe. Extremely conservative parties have been gaining popularity over the past few years – from the USA to Italy – and we are seeing many communities are becoming increasingly polarized. The war has also created considerable uncertainty in the global economy, which has resulted in disruptions in production and deliveries.

At a global level, the geopolitical agenda is also influenced by the great powers' battle over natural resources. The impact from climate changes also has an unequal effect, which becomes an increasingly more acute and infected area of conflict. Even in Sweden, gaps and exclusion are increasing, which creates a risk of further polarization. At the same time, crises can bring out the best in us and create greater solidarity. For example, Europe is currently more unified than it has ever been.

There are several parameters that in the short term contributed to the tug-of-war between globalization and anti-globalization forces such as greater climate consideration and protectionism. The state of the global economy in turn affects where investments go and what the labor and housing market of the future will look like.

### New mobility flows and housing dreams

More and more people are looking to leave the city centers. This tendency became stronger, not least in Sweden, during the pandemic. This change is due to new mobility flows where people of child-bearing age – a large group due to the large number of babies born at the end of the 1980s and the beginning of 1990s – want larger homes along with greater possibilities for working from home and impose higher demands on the housing market.

The countryside could be about to change and is attracting new target groups, in part due to the new wave of industrialization that is sweeping across, for example, northern Sweden. But digitalization and new opportunities to work remotely are also of importance. Many people who moved away from urban settings also say that they want to be closer to nature or lower their housing costs.

At the same time, the list of what people want close to them has largely remained unchanged. Security, proximity to services, and social meeting places continue to be important, and there is a wish to have a large selection of stores, restaurants, drug stores, etc. within 15 minutes from the home. There is also demand for possibilities for physical activity, particularly among young adults.

This development presents a challenge for both the housing industry and society at large. The idea to create new neighborhoods with the offerings of a big city at a reasonable distance requires planning for everything from public transport to retail, schools and healthcare. Despite the trends, though, one fact remains: people will always move to where there is work.

### Aging population

We are living longer, but longevity varies by country. In the Nordics, the average age is rising rapidly, and more people are working later in life. The number of able-bodied persons, however, is relatively constant since the age of entry into the labor force is rising at the same time as it takes longer for many new arrivals to establish themselves on the labor market.

An aging population comes with a long list of consequences. More people need to work in healthcare for multisick elderly. Demand for services and leisure activities is increasing among the healthy elderly. Life phases are also changing, with traditional major life events – like marriage, childbirth and the purchase of the first home – occurring increasingly later in life.

This also impacts the housing industry more directly. An older population creates, primarily in Sweden, a lock-in effect where young adults cannot enter the housing market without help. There is less supply for families with children since many elderly are staying in their large apartments, townhomes and houses that they have owned for a long time and thus do not have very large expenses for. A majority of the people in Sweden over the age of 60 have a home with four or more rooms.

To release this lock-in effect, the rate of construction of newly produced homes needs to increase. Studies have shown that each newly produced home means that 2.3 households can move to a new – and for the household, more suitable – home. The high electricity prices can also drive construction of more energy-efficient and Swan Ecolabel homes, which in turn creates new moving chains.

# How does the future affect JM?

*Since 1945, JM has steadily developed its business in close dialogue with suppliers and customers. Five factors that make JM ready to take on the challenges of the future.*

## Long-term goals

We build homes and neighborhoods that will last for at least 100 years. This work has a long-term focus, and our experience in adapting makes us a good choice in a changing world. We know how to persevere. It is in our DNA.

## Sustainable development

Investing in sustainability is a must to be competitive in the future. JM's climate goals are for our climate-affecting emissions to be close to zero by 2030. As we strive to achieve this goal, we are working to reduce our footprint from the building process and make it easy to live sustainably in our homes. We are also pushing for tougher environmental requirements and sustainable playing rules.

## Continuous analysis

Since 1945, JM has taken on an increasingly bigger role – from housing construction to project developers of entire city districts. Our success is largely dependent on our analysis work. We conduct continuous surveys and prepare different scenarios for how we can best adapt our housing production to new needs and conditions. These analyses equip us for times of greater uncertainty and help us handle risks.

## Strong finances

Our strong financial position grants us freedom of action. We are well-positioned with a good project and building rights portfolio that is refined on an ongoing basis to meet the needs of the housing market. Despite the uncertainty in the world around us, the fundamental and long-term conditions are favorable for our business. Solid ground to stand on as the market changes.

## Ear to the ground

The customer is the heart of everything that JM does. Year after year, our customers give us good ratings for housing quality, service and reliability. The key to this is listening. We aim to understand how driving forces and global factors influence customers, and which requirements and needs are important to both current and future customers.





Liljeholmskajen, Stockholm

# JM is one of the Nordic region's leading developers of housing

*Operations primarily focus on new production of homes, with the main focus on expanding metropolitan areas and university towns in Sweden, Norway and Finland.*

In all, JM started production on 3,113 residential units in 2022, compared to 3,972 residential units the previous year. In Sweden, JM started production on 1,909 residential units in apartment buildings, of which 166 were rental units. In Norway, JM started production on 605 residential units, and in Finland 599 residential units.

## Sweden

The Swedish economy rebounded strongly in 2021, and activity in the economy continued to be high even in 2022. In Sweden, GDP in 2022 increased by approximately 2.8 percent. Demand for labor was high, and employment increased by approximately 2.7 percent. Despite good growth and a strong labor market, the year has been difficult. Inflation appeared at the beginning of the year and reached in 2022 its highest level since the early 1990s. The upswing was caused by high demand at the same time as supply was limited in several areas. Prices increased significantly, for example related to energy and food. As a result, the Riksbank was forced to raise the interest rate in 2022 from zero to 2.5 percent to dampen inflation and inflation expectations.

High inflation, which resulted in falling disposable income, and rising mortgage rates put pressure on households, and this led to a drop in household consumption at the end of 2022. Housing investments also slowed sharply at the end of the year. High material prices, high interest rates and rapidly falling housing prices had a negative impact on companies' profitability. The number of housing starts therefore decreased in 2022.

## Stockholm

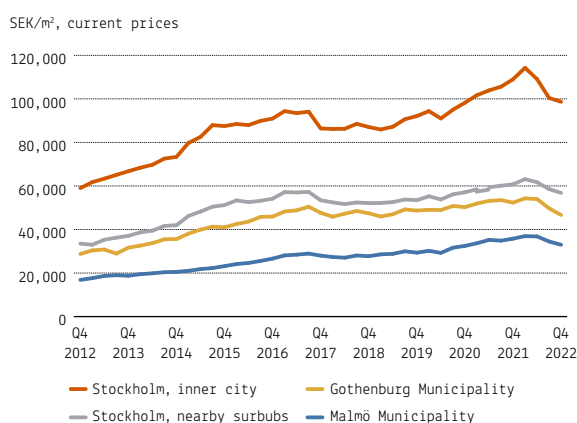
In the Stockholm region, economic growth, measured as wages, weakened gradually during 2022. In the third quarter, wages fell by around two percent on an annual basis. However, the labor market was resilient, and the number of employed reached the highest level ever recorded. The level of new jobs was high throughout the year. Increasingly fewer companies believed they would see an increase in demand, but a lack of labor was still having an impact. Domestic net migration into the Stockholm region improved after several years of sharply falling levels. However, it remained negative in 2022.

Prices of tenant-owned units in Stockholm's inner city and suburbs rose sharply in January and February but have fallen sharply since then. For the full year 2022, the price level in fixed prices fell both in the inner city and suburbs by 18 percent. The prices of single-family homes also fell during the year by a similar magnitude. Housing construction in the Stockholm region slowed in 2022 for both tenant-owned units and rental units. The number of building permits decreased sharply.

## Gothenburg

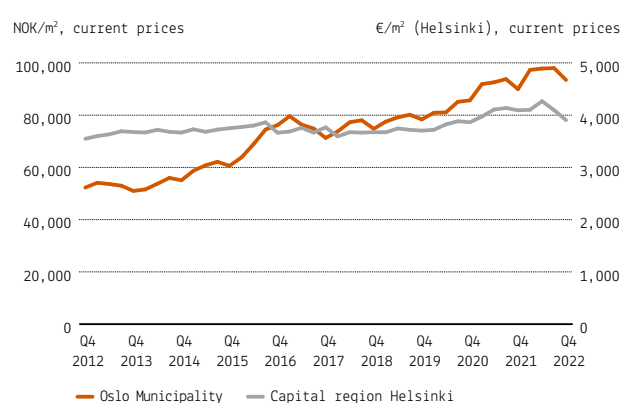
Economic growth was also weak in the Gothenburg region in 2022, and wages decreased on an annual basis by almost two percent during the third quarter. However, employment increased very rapidly in 2022, and the Gothenburg region was the metropolitan region that had the fastest growth in the number of employed. However, in the fall the number of new jobs was lower than in the spring. Population

PRICES OF TENANT-OWNED UNITS IN SWEDEN'S METROPOLITAN AREAS OVER THE PAST 10 YEARS



Source: Mäklarstatistik. Compiled by WSP Advisory.

APARTMENT PRICES IN OSLO AND HELSINKI OVER THE PAST 10 YEARS



Source: The statistics bureau of each country. Compiled by WSP Advisory.

growth increased during the year primarily due to increased net migration, both domestic and international.

Housing prices in Gothenburg fell sharply during the year. Housing prices in the inner city fell in fixed prices by 23 percent and suburbs by 20 percent. The drop in prices for single-family homes was slightly lower. Housing starts in Greater Gothenburg decreased in 2022 but were still at a relatively high level during the first half of the year. Construction of tenant-owned units decreased faster than that of rental units.

### Malmö/Lund

The Malmö region, like the other metropolitan regions, had weak economic growth in 2022. In the third quarter, wages decreased by just under 3 percent on an annual basis. The labor market in the Malmö region continued to be strong in 2022, and during the first half of the year the level of new jobs was very high but fell slightly during the second half of the year. Population growth in the Malmö region is approximately at the same level as the Stockholm and Gothenburg regions, but one big difference is that domestic net migration is significantly higher in the Malmö region.

Housing prices have fallen across the board in the Malmö region. In Malmö's inner city, prices fell in fixed prices by 17 percent in 2022, and the same applied in Lund Municipality. Prices of single-family homes in Malmö Municipality decreased by approximately 10 percent. The number of housing starts had a downward trend in 2022, regardless of tenure.

### Uppsala, Linköping, Västerås and Örebro

In the third quarter of 2022, economic growth fell by 3–4.5 percent at an annual rate in the Uppsala, Linköping, Västerås and Örebro regions. The largest drop was in Uppsala. However, population growth was highest in Uppsala due to an increase in net migration.

Housing prices fell in all markets during the year. Prices of tenant-owned units fell by 16–18 percent while the rate at which the prices of single-family homes fell was slower in Uppsala and Linköping and somewhat faster in Västerås and Örebro. Housing starts of tenant-owned units fell in all four municipalities while housing starts of rental unit maintained the same levels as the previous year.

### Norway

GDP increased for mainland Norway by approximately 3.5 percent in 2022. Household consumption and corporate investments were the primary contributors to growth. Consumer prices rose rapidly in Norway as well, and inflation ended the year well above the target of two percent. Norway's central bank raised the key rate six times in 2022, from 0.5 to 2.75 percent. At the same time, unemployment was low, and a high percentage of the population was employed. JM's largest sub-markets in Norway are the Oslo area including Drammen and Tønsberg, together with Trondheim and Bergen.

### Oslo

Higher interest rates and a weak development in households' net financial position have held prices back in Oslo, and prices (real) also fallen at the end of 2022. The number of housing starts in Oslo decreased and is clearly below the average since 2000. However, the number of approved building permits did not fall in 2022.



Docks, Malmö

In 2022, there were clear signs that the declining population growth in the Oslo region had stopped. During the year, population growth turned upward again, and the region grew by around one percent on an annual rate in the third quarter. The contribution to population growth is coming primarily from strong international net migration due to a clear increase in immigration in 2022 compared to the previous year. Just like in Stockholm, the domestic net migration in the Oslo region was negative in 2022, although the negative domestic net migration was not as large as it was during 2020–2021.

### Bergen

During 2022, population growth in Bergen was stable at just under one percent, which is similar to the levels of the past five years. The largest contribution to population growth in 2022 came from international net migration. Domestic net migration was negative, which is due to both a decrease in immigration and an increase in emigration.

Prices in Bergen showed a development similar to that in Oslo. The number of completed residential units in Bergen in 2022 decreased slightly compared to the previous year at the same time as granted building permits fell to record-low levels.

### Trondheim

Population growth in Trondheim fell somewhat in 2022 compared to the previous year and reached the lowest levels since the start of the 2000s. However, population growth in 2022 continued to be clearly positive, with growth of just under one percent on an annual basis. The weak development in 2022 can be primarily explained by falling domestic immigration.

Just like in the other Norwegian markets, prices in Trondheim showed weak development in 2022, and the price level fell in real terms. The number of completed residential units in Trondheim in 2022 was larger than the average for the past 20 years. The development of building permits in Trondheim deviated from the other markets in Norway, with a record-setting number of new building permits in 2022.

## Finland

GDP in Finland increased by almost two percent in 2022, primarily due to strong consumption growth, largely in the private sector but also in the public sector. The labor market continued to improve after the pandemic, and employment increased by around 2.5 percent. Unemployment also decreased despite the increase in the labor force participation rate. High inflation in the euro zone also led to higher interest rates in 2022. The interest rate on primary refinancing transactions (refi-rate) was raised on four occasions, from zero to 2.5 percent.

Construction in Finland did still not show any clear signs at the end of the year that it was slowing down. Housing starts in apartment buildings reached record-high levels in 2022, although there was a slight decrease in approved building permits. JM conducts operations in the capital region and Tampere.

## Helsinki

Helsinki's housing market has shown clear resilience to weak economic development over a long period of time, but as inflation rose in 2022, prices (real) fell in the Helsinki region. However, the number of newly produced residential sold (total) was at a significantly lower level in 2022 than in previous years.

After a relatively weak 2021, population growth increased in 2022 in the Helsinki region by just under one percent. Despite positive population growth, the levels in 2022 did not return to the growth levels of the 2010s. Just like in the other capital cities, domestic net migration turned upward in 2022 but ended the year on a downward trend.

Construction in Helsinki fell somewhat in 2022 since the number of housing starts decreased by approximately 20 percent compared to 2021, which was a record-setting year, though, with approximately 21,000 housing starts in the Helsinki region. The approximately 16,000 housing starts in 2022 were, however, significantly above the average for the period 2010–2022. The number of approved building permits for 2022 indicates a slightly lower rate of construction in coming years.

## Tampere

Prices in Tampere developed much like the prices in Helsinki, that is to say they stood still in nominal terms but fell in real terms due to high inflation. The population in Tampere grew by approximately one-half a percent in 2022 due to strong domestic net migration.

The number of housing starts in Tampere also decreased compared to 2021, which, however, was a record-setting year as well. Housing starts in the Tampere region totaled approximately 5,000 in 2022, which is one of the highest yearly figures since 1995. However, the number of approved building permits decreased by approximately 40 percent compared to 2021.

### MAJOR COMPETITORS, PRIVATE HOUSING MARKET

| Country               | Major competitors                                           |
|-----------------------|-------------------------------------------------------------|
| Sweden                | Peab, Skanska, HSB and Bonava                               |
| Norway                | OBOS, Selvaag Bolig, Stor-Ølso Eiendom and Fredenborg Bolig |
| Finland <sup>1)</sup> | YIT, Bonava, Skanska and SRV                                |

<sup>1)</sup> Capital region

### RESIDENTIAL CONSTRUCTION — NUMBER OF HOUSING STARTS

| Country | 2022   | 2021   | 2020   |
|---------|--------|--------|--------|
| Sweden  | 48,300 | 67,600 | 54,800 |
| Norway  | 29,900 | 30,100 | 29,900 |
| Finland | 39,400 | 47,300 | 40,600 |

Source: The statistics agency in each country, compiled by WSP Advisory. Figures for 2022 are preliminary and will be finalized during spring of 2023.

### JM's SOLD RESIDENTIAL UNITS

| Country      | 2022         | 2021         | 2020         |
|--------------|--------------|--------------|--------------|
| Sweden       | 1,673        | 2,747        | 2,966        |
| Norway       | 527          | 674          | 587          |
| Finland      | 459          | 827          | 473          |
| <b>Total</b> | <b>2,659</b> | <b>4,248</b> | <b>4,026</b> |

### JM's HOUSING STARTS

| Country      | 2022         | 2021         | 2020         |
|--------------|--------------|--------------|--------------|
| Sweden       | 1,909        | 2,671        | 2,104        |
| Norway       | 605          | 636          | 550          |
| Finland      | 599          | 665          | 545          |
| <b>Total</b> | <b>3,113</b> | <b>3,972</b> | <b>3,199</b> |

### JM's RESIDENTIAL UNITS IN CURRENT PRODUCTION

|                                                                                                                                                                                                               | 12/31/2022 | 12/31/2021 | 12/31/2020 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|
| Number of residential units in current production <sup>1)2)</sup>                                                                                                                                             | 8,078      | 8,094      | 7,976      |
| Percentage of sold residential units in current production, % <sup>3)</sup>                                                                                                                                   | 59         | 64         | 60         |
| Reserved residential units in current production, %                                                                                                                                                           | 3          | 13         | 14         |
| Sold/reserved residential units in current production, %                                                                                                                                                      | 62         | 76         | 74         |
| <sup>1)</sup> Of which rental units and residential care units in current production in JM Property Development — not included in the percentage of sold and reserved residential units in current production | 507        | 484        | 463        |
| Includes residential units in projects where costs incurred are only reported as project properties under construction                                                                                        | 437        | 320        | 457        |

<sup>2)</sup> Beginning with production start-up through final occupancy according to plan.

<sup>3)</sup> Percentage of sold residential units expressed as binding contract with the end customer.

PERCENTAGE OF JM'S SOLD AND RESERVED RESIDENTIAL UNITS IN CURRENT PRODUCTION, GROUP



# Homes from JM

## — with humans in focus

*Buying a newly produced home from JM has many advantages. Our residential units are adapted to how people live today and tomorrow, and JM takes responsibility for social, ethical and environmental sustainability. Since 2018, all new JM residential units are built in accordance with the requirements for Swan Ecolabel certification.*

### Three housing concepts — a home for every need

*Everyone should be able to find their dream home, regardless of their current phase in life. This is why JM offers three different housing concepts: Smarta Kvadrat, Original and Premium.*

The trend is moving toward homes that are increasingly adapted to individual needs and where people find themselves in life. Some want the most recent in smart technology and some value being able to work easily from home, while others are looking for a unique home filled with personal details. This is why JM offers three different housing concepts: Smarta Kvadrat, Original and Premium. The aim is to offer a more tailored and flexible product range that meets different needs, wishes and lifestyles without needing to sacrifice JM's high quality.

#### 1. Smarta Kvadrat

The Smarta Kvadrat concept is intended for people who prefer a simple, affordable and space-efficient home. By streamlining production and the buying process, prices can be kept in check. Pleasant and comfortable accommodation for those who sometimes stay in another location or for young adults who want to prioritize something else in life.

#### 2. Original

Original is JM's classic concept that was created to fit a broad customer group. An Original home offers functional, comfortable accommodation with a high level of quality and the possibility of choosing a number of options for the fixed interior of the home. The design is timeless and made to last for many years.

#### 3. Premium

Premium is the concept for those who want to have a tailored home that features exclusive design, material and equipment. Extended service is also an important part of Premium, and the customer receives help with all matters related to the new home, including interior design and furniture as well as legal or financial questions.

### Three types of tenure — to own or rent

*JM has been building attractive homes for all target groups for more than 75 years. It is natural for us to offer several different housing tenures — tenant-owned, freehold and rental.*

As one of the Nordic region's leading housing developers, it is important to have a broad range of tenures. This is part of a long-term social commitment, where JM contributes with a variety of homes for different target groups. We are therefore proud to offer tenant-owned, freehold and rental units.

#### 1. Tenant-owned unit

The buyer of a tenant-owned unit becomes a member of the tenant-owner association. This association owns the buildings and land, while the buyer owns a share in the tenant-owner association.

In conjunction with the purchase of a tenant-owned unit, the buyer makes a cash downpayment to the association and pays an annual fee for the unit's share of the association's costs for interest, amortization and operational/maintenance costs.

Every unit is priced based on factors such as location, design, size, local price levels, and supply and demand.

#### 2. Freehold unit

The freehold unit is a common tenure for single-family homes that JM has offered for a long time in Sweden, Norway and Finland.

Freehold apartments are a relatively new tenure in Sweden, but they are common in other countries. The buyer becomes the legal owner of the apartment, with the freedom to rent out the apartment without applying for permission. Parts of the building are owned jointly by the residents, for example the roof and facade, and are managed by a joint property association, to which residents pay a regular fee.

### 3. Rental unit

The lack of both a requirement on a cash downpayment and economic risk for the resident are usually highlighted as the primary benefits of living in a rental unit. On the other hand, there are limited renovation possibilities, and the tenant does not benefit from the increase in the property's value while living there.

JM builds, develops and manages rental units. We also build rental apartments for students and young adults. All of our rental units are mediated by the housing association. Read more about JM's production of rental units at [jm.se/en/about-us/operations/property-development/rental-units](https://jm.se/en/about-us/operations/property-development/rental-units)

## *Always with the customer in focus*

*JM has earned top rankings in industry surveys of customer satisfaction for many years. The explanation is simple — the customer is at the heart of everything we do.*

Customers give JM top ratings when it comes to housing quality, service and reliability. Nothing makes us prouder. The key to our satisfied customers is our long-term strategy to always listen to them and place them at the center of what we do, along with great commitment from every JM employee. We strive to give our customers a great experience, both when they buy their home and for many years following.

### Sustainable homes and residential areas

JM certifies all of its residential units in accordance with Swan Ecolabel. This means that our customers get sustainable homes with low energy consumption, materials that are reviewed from an environmental and health perspective, and residential units furnished for waste sorting. Sustainable homes also consider the areas around the home, where we provide, for example, biking-friendly environments, charging stations for electrical cars and inspiring play areas for the littlest ones, and we assure proximity to public transport.

We are working continuously to offer even more sustainable solutions for our customers in their homes and neighborhoods. Read more about JM's sustainable homes and Swan Ecolabel residential units at [jm.se/en/about-us/sustainability/sustainable-homes](https://jm.se/en/about-us/sustainability/sustainable-homes)

### Digital interior selections

Customers can use JM's digital interior selection tool to browse at their own pace through the options available for their home. They can experiment with different combinations of materials and colors until they are satisfied. And they can see in 3D how their choices will work together.

Customers who would prefer not to make their own choices can use either in full or in part JM's specially prepared design lines. We also use already at the sales stage an interior simulator where people interested in our homes can test and be inspired by different interior styles for their future home.



### Smart technology

For all new homes from JM, our customers can choose the concept Intelligent Homes. This concept offers a broad selection of smart functions that make day-to-day living simpler, safer and more sustainable. During the pandemic, many people also began to view their homes from a health perspective.

This can include everything from sensor-steered ventilation that improves the air quality and touch-free surfaces to only using healthy building materials or building homes that are quieter than required under Swedish standards. Other examples of smart health technology in the home are fall sensors and heart monitoring.

### Satisfied customers

JM always strives to understand customers' dreams, drive and needs related to their housing. Part of this work is to regularly conduct various customer surveys. We also allow the customer to have a significant influence on their home, for example in its design or requests for services in the immediate area.

Another important aspect of the customer experience is meetings and showings. The pandemic sped up the digital development and changed customers' behavior. In addition to traditional showings, JM therefore offers today digital showings, digital customer meetings and other digital services in connection with the housing transaction.

Through JM's own Customer School, we ensure that all employees understand how they can contribute to satisfied customers. Employees in Sweden, Norway and Finland learn here about JM's view on customer service and customer relations. The goal is a world-class customer experience to ensure that JM is the first choice for housing customers, both today and tomorrow. The customer is therefore at the heart of everything we do.

# A selection of our projects in Stockholm



## Liljeholmskajen

Liljeholmskajen is known for its beautiful location next to Årstaviken bay across from the Södermalm area in Stockholm. Residents are close to public transport and a wide range of services, stores and schools. For more than 20 years, JM has been transforming Liljeholmskajen from an industrial area into a thriving, popular district. As of 2022, JM has completed 3,500 residential units, and the last 200 are in production.



## Täby Park ↑

Täby Park is emerging in the heart of Täby, 15 km north of Stockholm. It is a new pulsing district with green areas, services, restaurants and many meeting places. JM is planning to develop around 2,500 residential units in a range of sizes, both tenant-owned and rental units and freehold, with a strong focus on the environment and sustainability. As of 2022, JM has completed approximately 200 residential units, and around 300 are in production.

## Älvsjöstaden ↑

Approximately 10 km from the center of Stockholm is the Älvsjöstaden district, an attractive mix of an urban environment and nature, oak forests and parks. Of a total of around 1,050 tenant-owned and freehold apartments, JM completed just over 550 in 2022, and another 500 are in production. Residents will live walking distance to the commuter train and Älvsjö Centrum, close to schools and daycares, restaurants and green areas.

# A selection of our projects in the rest of Sweden



## Dockan

Dockan is a thriving district in central Malmö close to the water. JM's residential units offer a balcony view of Öresund sound in apartment buildings located close to the quay walking path, the masts of the marina, the culinary experiences of the neighborhood and good public transport. JM has been developing Dockan for 20 years. As of 2022, JM has completed approximately 1,100 residential units, and around 150 are in production.



## Norra Älvstranden ↑

Along the quay at Eriksberg in Gothenburg, the old shipbuilding industry has given way to new residential areas, stores, outdoor cafés and venues with a magnificent view of the Älvsborg bridge. JM has completed around 2,000 residential units in apartment buildings, around 300 are in production and around 350 have not been started yet.

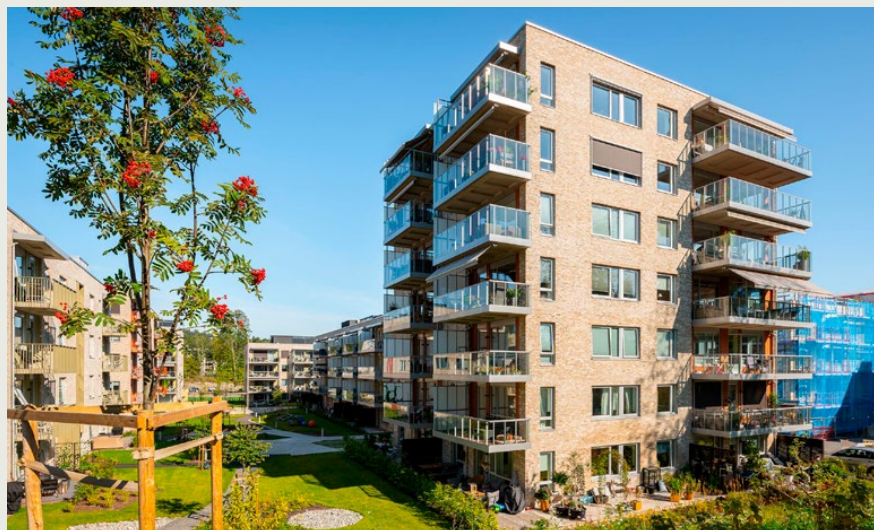
## Kungsängen ↑

JM has been building residential units in Kungsängen, one of Uppsala's most attractive districts, for almost 20 years. Residents live centrally, just a few blocks from Fyrisån and its jetties and paths along the water. The area offers good commuting options close to a travel hub that has both train and bus connections. As of 2022, JM has completed around 1,400 residential units, and the last 70 are in production.

# A selection of our projects in Norway

## Myrvoll Stasjon

In Nordre Follo, 22 minutes by train south-east of Oslo, JM is developing a total of 725 residential units in a new area next to Myrvoll Stasjon. It is close to good public transport in a car-free area with a mix of apartment buildings and townhouses set against a scenic backdrop of the local salamander pond. JM has completed around 300 residential units, and more than 200 are in production in the area, which has a direct connection to stores and services.



## Bergerløkka

Around 10 km south-west of Oslo, JM is developing a total of approximately 590 residential units in Bergerløkka in Asker. The residential units, which range in size, are in apartment buildings with geothermal heating, and JM will also offer senior housing. JM has completed 230 residential units in Bergerløkka, and another 130 are in production.



## Skulpturen

In the Gulsbogen area in Drammen, 40 km south of Oslo, JM is developing a total of 241 residential units next to a large park. The area features a popular artistic touch in cooperation with a local blacksmith. The first 110 residential units, which range in size and tenure, are in production, and the first residents moved in during 2022.



# A selection of our projects in Finland



## Läkkiseppä

During the fall of 2022, the first customers moved into their new homes in Läkkiseppä, an apartment building with 17 floors in Herttonäs, 7 km from downtown Helsinki. The building has 147 residential units ranging from studios to three bedroom apartments and glassed-in balconies. The common areas include a sauna on the tenth floor with a fantastic view. Läkkiseppä is the third of a total of 13 residential buildings that JM is planning in the Sohlberg block of Herttonäs in Helsinki, only a stone's throw from stores and the subway station.



## Tیرهttöri ↑

The 121 residential units in Tیرهttöri will range from studios to three bedroom apartments in an apartment building with 16 floors that is being constructed in Myyrmäki, Vanda, and that will be completed in 2023. Only 12 km from central Helsinki, JM is offering high-quality residential units, all of which will have glassed-in balconies, generous common areas and proximity to services and public transport.



## Alexander ↑

In Laurinlahti in Esbo, JM began at the end of 2022 excavations and groundwork for the construction of a total of 130 residential units. Alexander, which is the first of seven apartment buildings with 4-5 floors, is expected to be completed in 2024. Laurinlahti is located very close to the sea, a short distance to stores, schools and a newly opened subway line 18 km from Helsinki. In the residential units on the top floors, you will be able to enjoy the sea view.



# Sustainability Report

JM holds an important and obvious role in society. The homes we make help fulfill one of humans' most fundamental needs. Through the urban districts we develop, we are also able to create sustainable living environments.

Our employees make us successful, and therefore we must be a responsible and attractive — in other words, sustainable — employer.

At the same time, we are aware that the construction and engineering industry is responsible for a significant portion of Sweden's total carbon emissions. Because we are the leading housing developer in the Nordic region, and it is also our ambition to be the leader in sustainability, we have a great responsibility. Not just to reduce our own emissions, but also to require and inspire our suppliers to reduce their emissions and to be a responsible employer for their employees.

Ecological, social and economic sustainability are integral parts of JM's housing and urban development operations. We consider sustainability throughout the development of the entire project — from the acquisition of land to when the customer has moved in to their new Swan Ecolabel home.

In our 2022 report, we describe JM's sustainability goals, how we plan to reach them, and some highlights from the past year. Results are presented on pages 50–61.

JM's work to analyze climate-related risks and adapt its operations to the changes that have already occurred due to global warming is presented on page 17.

## ■ Sustainability report

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# Sustainability strategy

Our sustainability work is based on JM's business concept: *With people in focus and through constant development, we create homes and sustainable living environments.* Sustainability is an obvious part of our business and a long-term investment in order for us to be competitive well into the future. Our sustainability work is also based on our values, which include our employee policy, work environment policy, code of conduct and ethical guidelines.

Our sustainability policy describes JM's views on economic responsibility, social responsibility, quality and the environment. The President and CEO is responsible for preparing the sustainability policy, which is available on the intranet for all employees. Instead of publishing the sustainability policy in its entirety on our website, we choose to specifically describe what JM is doing within the area of sustainability.

JM's strategy is to have a clear focus on the areas where we can make the most of a difference at the same time as we work and plan for work in all areas that will be crucial for achieving our goals. A large portion of JM's carbon emissions comes from the construction process and the materials we use, which is why we are focusing on initiatives that will reduce these emissions. We also work actively with how we create conditions for our customers to live sustainably in the buildings and residential units we build in order to make it possible for them to contribute to a more sustainable society.

JM always prioritizes its work to be a responsible employer and purchaser, and this work is governed by the sustainability policy and other policies such as the code of conduct, employee policy, equality plan and skills development procedures.

All significant policies are adopted annually by the Board of Directors. The policies are implemented in all JM processes in the operations system. Built-in controls occur at different levels within management, main and support processes through procedure descriptions, requirements and decision gates.

Management's controls are supplemented with ongoing operational audits, which include monitoring compliance with policies, guidelines and instructions.

JM also has systematic HR work, which entails annual performance reviews with all employees and supplemental employee surveys. The employee surveys provide overall assessments at the Group level for some policies.

However, to achieve truly successful sustainability work, it is not enough to only have our own policies and a deep commitment — it is also crucial to cooperate effectively with a number of different actors. JM therefore actively participates in several different initiatives, both within and outside of the construction sector, to drive the urgent development toward greater sustainability. For example, we have signed the roadmap for the construction and engineering sector to achieve a climate-neutral value chain in this sector in Sweden and we are a member of the Haga Initiative in Sweden, SKIFT in Norway and Green Building Council in Finland. JM is also a member of several other initiatives in each country.

- Green Building Council
- Haga Initiative
- Fossil-free Sweden
- Uppsala Klimatprotokoll
- Hållbart Stockholm 2030 (HS30)
- Elektrifieringspakten i Stockholm
- Lokal Färdplan Malmö 2030 (LFM30)
- Klimatneutrala Nacka
- BASTA
- SKIFT
- Stockholms Stadsmission
- Mentor Sverige
- Red Cross



# JM's target areas and sustainability goals

JM's sustainability work is based on five target areas that are relevant for the UN's global goals. We have identified long-term goals and short-term goals for the years 2021–2023 for each target area. The selection of target areas has been based on the results from a materiality analysis, see page 45.

| Target area                                                                                                                | JM's contribution to society                                                                                                                   | Long-term goal 2030                                                                                                                                                     | Operational goal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Results                                                                                                         |                                                                                                                 | UN sustainability goal                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                            |                                                                                                                                                |                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2022                                                                                                            | 2021                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                |
| <b>CLIMATE</b><br>                        | Contribute to a society with a small climate impact.<br>Contribute to greater resource efficiency and reduced environmental impact in society. | JM should have climate-affecting emissions close to zero.<br>JM should reduce its total amount of construction waste to max 15 kg/GFA by 2030.                          | Reduce total amount of construction waste to 25 kg/GFA by 2023. Sweden (S), Norway (N), Finland (F).<br>Increase the percentage of construction waste that is sorted into fractions for recycling to 80% by 2023. Sweden (S), Norway (N), Finland (F).<br>Reduce greenhouse gas emissions from JM's own operations by 20% in 2023 compared to 2019.<br>The calculated energy need for residential units is 10% lower than the applicable norm in Sweden (S) and Finland (F) and 25% lower than the norm in Norway (N). | 35 (S)<br>33 (N)<br>36 (F)<br><br>76% (S)<br>83% (N)<br>83% (F)<br><br>–3%<br><br>19% (S)<br>34% (N)<br>15% (F) | 36 (S)<br>28 (N)<br>40 (F)<br><br>69% (S)<br>87% (N)<br>77% (F)<br><br>–3%<br><br>23% (S)<br>34% (N)<br>18% (F) | <br><br>                                                                                              |
| <b>EMPLOYEES</b><br>                    | Develop a workplace with a good and safe work environment.<br>Develop a workplace that offers equality and diversity.                          | JM should have the industry's best work environment and no workplace accidents.<br>JM should work toward an even gender distribution and diversity among its employees. | No serious (according to the definition by national work environment authority) accidents with either own staff or subcontractors.<br>Even gender distribution among salaried employees (at least 40/60 women/men) by 2030.<br>20% women among wage-earners by 2030.                                                                                                                                                                                                                                                   | 11<br><br>39/61<br><br>8.0%                                                                                     | 7<br><br>39/61<br><br>6.8%                                                                                      | <br><br><br> |
| <b>SUPPLIERS</b><br>                    | Work to strengthen labor law, human rights, anti-corruption efforts and environment responsibility in society.                                 | JM promotes social responsibility in its operations and supply chain.                                                                                                   | Conduct at least four sustainability audits at our construction sites and in the supplier chain.                                                                                                                                                                                                                                                                                                                                                                                                                       | 4                                                                                                               | 3                                                                                                               |                                                                                                                                                                                                                                                                           |
| <b>CUSTOMERS</b><br>                    | JM has the industry's most satisfied customers.                                                                                                | JM has the industry's most satisfied residential customers.                                                                                                             | The industry's most satisfied customers according to CSI Occupancy. <sup>1) 2)</sup> Index/placement, Sweden (S), Norway (N), Finland (F).<br>CSI Long-term: <sup>2)</sup> Index Sweden (S), Norway (N), Finland (F).                                                                                                                                                                                                                                                                                                  | 79/2 (S)<br>77/3 (N)<br>77/4 (F)<br><br>68 (S)<br>72 (N)<br>58 (F)                                              | 78/– <sup>3)</sup> (S)<br>75/– <sup>3)</sup> (N)<br><br>65 (S)<br>71 (N)                                        | <br>                                                                                                                                                                                 |
| <b>LONG-TERM SUSTAINABLE GROWTH</b><br> | Conduct long-term responsible and stable housing development.                                                                                  | JM has long-term and ethically sound financial growth that contributes to the increased welfare of society.                                                             | The operating margin should amount to at least 12%, including gains/losses from property sales.<br>Long-term growth in the number of housing starts.<br>JM's building rights portfolio has at least five years of production.                                                                                                                                                                                                                                                                                          | 12.6%<br><br>–18%<br><br>7                                                                                      | 15.2%<br><br>4.5%<br><br>5                                                                                      | <br>                                                                                                                                                                                 |

In addition to the above Group targets, there are sub-targets and other detailed targets related to productivity, innovation, quality and processes for internal control Sweden (S) Norway (N) Finland (F).

See pages 50–53 for additional KPIs and information about calculation methods.

<sup>1)</sup> Customer Satisfaction Index. The survey is conducted by Prognoscentret, an independent market analysis company that focuses on the construction industry in the Nordic region.

<sup>2)</sup> CSI Occupancy and CSI Long-term are not available for Finland in 2021.

<sup>3)</sup> CSI Occupancy, "–" refers to a ranking outside of 1–3.

<sup>4)</sup> Industry benchmarks are not available for Finland.

## Climate

*Sustainability is an obvious part of JM's structured project development and standardized product development. Therefore, we consistently perform pilot projects and develop different types of improvement measures that are then implemented as quickly as possible in our operations.*

### Goal: JM has climate-affecting emissions close to zero

#### *Our goal is a reduction of 85 percent*

JM's goal is to reduce our emissions to close to zero by 2030, which according to our estimate is an emissions level of around 15 percent. It is therefore our ambition to reduce our climate-affecting emissions by as much as 85 percent in only a few years. Our focus will thus be on reducing our own emissions as much as possible along the entire value chain.

All of the solutions that are needed to be able to go all the way down to 15 percent are not yet in place. Therefore, we are not only following but also actively participating in the research and development in the area.

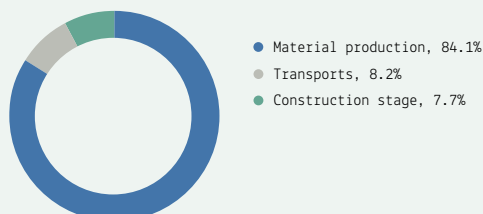
One thing that gives us good cause to feel confident about the future is the rapid development occurring in climate-improved materials.

Based on the technologies, methods and materials available on the market today, and the results from the ongoing pilot and development projects that JM is conducting, we make the assessment that we will be able to reduce our emissions at an increasing rate through 2026.

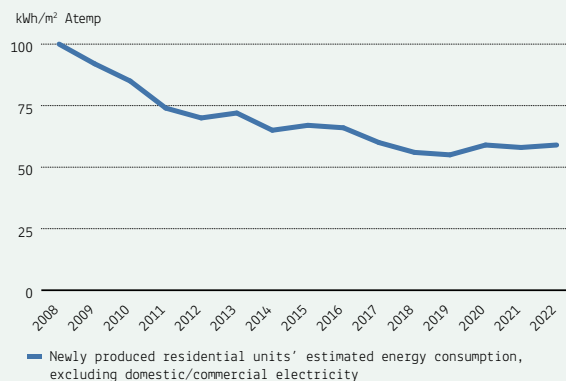
#### *Material is the big challenge*

Up through 2026, our focus will primarily be on reducing emissions from material production — especially concrete. However, this assumes that the concrete industry's work with climate-neutral concrete will progress rapidly. In addition to climate-improved concrete, it is also likely that wood will take a significantly more prominent position in the construction process in the future. The pre-studies and pilots that we are conducting related to the use of wood in construction look promising.

#### DISTRIBUTION OF EMISSIONS FROM THE CONSTRUCTION PROCESS



#### NEWLY PRODUCED HOMES' ESTIMATED ENERGY CONSUMPTION FOR JM IN SWEDEN



JM uses a standardized method to calculate the energy use of newly produced homes, which enables a comparison over time. The diagram shows the average from housing projects completed each year. The calculated energy use has been reduced by around 40 percent since 2008.

#### *Create sustainable conditions*

At JM, we are not settling for simply building with as low of an impact on the climate as possible. We also want to create the conditions necessary for people to be able to live sustainably in JM's buildings and residential units. Building low energy buildings creates key added values for our customers. Not only does lower energy consumption mean a more sustainable economy for our customers, but our low energy buildings also create the conditions necessary for the people who live there to be able to live sustainably every day, all year long. Because we certify all of our buildings in accordance with the Swan Ecolabel, we also create conditions for source sorting and much more. Read more about our Swan Ecolabel and intelligent homes at [jm.se/en/about-us/sustainability/sustainable-homes](https://jm.se/en/about-us/sustainability/sustainable-homes)

#### SOME KEY INITIATIVES DURING THE YEAR

- Completed climate calculations for around 30 projects in the Group and passed a decision that, as of December 2022, JM will conduct climate calculations for all projects.
- Introduction of climate-improved concrete and fossil-free construction sites.
- Preliminary studies on production with wood and new frame system that include a larger percentage of wood.
- Solar panels in the majority of our projects.

## Goal: Reduce total construction waste to 15 kg/GFA by 2030

### *We must become more resource-efficient*

Working in a way that efficiently uses resources is a priority issue for JM. Therefore, within our Group we are striving to be as precise as possible when purchasing material. We are also working actively to handle all material carefully to avoid it becoming damaged or unusable.

To ensure that each individual project is using resources as efficiently as possible, there is always a waste coordinator at every construction site. This person plays a key role in each individual project since they must not only be well-immersed in JM's goals and be knowledgeable about waste management and sorting but also be able to strengthen the engagement of the employees at the worksite.

Economic incentives at the individual level in the form of bonuses as part of the variable pay and waste premiums to projects that meet the goals are other tools JM is implementing to create engagement in its efforts to reduce waste.

## Goal: JM has an efficient and largely circular flow of materials

### *We will become more circular*

No matter how skilled and careful we are in our purchasing and handling, it is unavoidable that there will be some waste at a construction site. We can do a lot in this area as well, particularly in terms of sorting, which thus enables recycling of material. Therefore, JM sets every year minimum levels for sorting, for which the projects can receive a so-called waste premium if they reach these levels. JM's regions also have agreements with various firms to take care of excess material such as doors, windows and other complete parts for resale to other actors in the industry.

#### GROWING REUSE MARKET INCREASES OUR OPPORTUNITIES

A big actor like JM needs very large volumes of reused material in order to be able to make it part of our standardized product. The fact that the reuse market is growing improves the conditions for us to be able to use reused material in our pre-construction in the future. We are therefore following this development carefully, and we also are maintaining an active dialogue with both the reuse industry and potential suppliers.

For JM's performance and key ratios regarding the climate, please refer to page 52.

#### SOME KEY INITIATIVES DURING THE YEAR

- JM implemented into its structured project development support for how reuse inventories are to be conducted prior to demolition of buildings.
- JM Norway started a pilot project that gathers leftover bricks from its projects to be reused.
- JM Norway completed a project where plaster waste was basically eliminated by custom ordering the plasterboard so it is delivered ready for installation.



## Employees

*Sustainable employees are a prerequisite for JM to be able to offer attractive residential units. We therefore perform systematic and structured work related to the work environment, equality, diversity and skills development.*

### Goal: JM strives for an even gender distribution and diversity among its employees

#### Equality at worksites

At JM, we believe it is important for the composition of employees to reflect society at large. An aggregate competence that is enriched by different experiences makes us more competitive. It also increases well-being at the worksites.

The construction industry is still dominated by men. However, at JM we are working actively to increase the percentage of women among employees — not just when it comes to salaried employees and managers but also to wage-earners.

#### APPRENTICESHIP PROGRAM FOR WOMEN

Our goal at JM is for 20 percent of our wage-earners to be women by 2030. Because there are not enough women graduating from building and engineering programs at upper-secondary schools to be able to meet this goal, we started our own apprenticeship program for women a few years ago.

Under JM's apprenticeship program, women can apply to participate in a traditional apprenticeship program. The program runs for four years, and participants receive a professional certificate.



#### MORE FEMALE SALARIED WORKERS AND MANAGERS

JM's goal is an even gender distribution among our salaried workers and managers. We therefore set equality targets in our succession planning, for the selection to our external development program, and when recruiting for our trainee program. Since we began to set goals, we were able to see a more even distribution of men and

women in the sample groups, which has also contributed to a shift within both employees and managers.

JM applies collective agreement terms regardless of whether the employee is a union member or not.

#### IDENTIFICATION OF UNFAIR DIFFERENCES

Every year we conduct a survey to identify if there are any unfair differences at JM in the opportunities for women, men, various age groups and persons with another ethnic background<sup>1)</sup>. This survey covers a number of key ratios, and via the annual employee survey we analyze how employees perceive their opportunities. In the cases where we identify groups of employees who are not facing the same opportunities based on gender, age or ethnic background, we prepare an action plan for how to resolve the problem.

All forms of victimization and discrimination due to gender are unacceptable at JM and a violation of our code of conduct. This type of event can be reported via our incident reporting tool, BIA.

#### SOME KEY INITIATIVES DURING THE YEAR

- JM implemented several initiatives that aimed to help women working in production; for example, bathrooms were equipped with free menstrual products.
- JM introduced a new procedure in its incident reporting tool, through which reports only go to JM's HR director and not the immediate manager, which we hope will help make more people feel comfortable about reporting incidents.

### Goal: JM has the industry's best work environment and no workplace accidents

#### Safe workplaces

The construction industry suffers from more accidents and work-related illnesses than many other industries do. One explanation for this is that the work environment at a construction site includes many potentially risky tasks.

Therefore, at JM we are working systematically with a preventive work environment approach to eliminate the risk of injuries and accidents at our construction sites. One important part of this work is to obtain a genuine understanding of the problems. We obtain valuable knowledge by maintaining statistics of both the risk observations that are made and the incidents and accidents that occur and by carefully reviewing the accidents to be able to learn from them. Thanks to these statistics, we have realized, for example, that as many as 50 percent of our accidents and just over 50

<sup>1)</sup> The key ratios for ethnic background in Sweden were prepared via Statistics Sweden. In Norway and Finland, persons with other ethnic backgrounds are not included.



percent of our days of absence are due to our employees tripping or slipping on flat ground. As a result, we started a project in 2022 to not just analyze this type of accident but also to prepare instructions to prevent them.

## Safe workplaces for skilled workers

### *Basic training*

The ID06 card that must be shown to pass the gates at a construction site provides us with information about whether the person in question has completed the basic safety training required to be at a construction site. In addition to this basic training, all employees must also have undergone sufficient training to be able to perform their tasks safely.

At JM, it is important to be able to easily check that both our own staff and the persons working for one of our suppliers have completed necessary training. We use two systems for this: Infobric (for our own employees) and Kompetensdatabasen (for employees of our suppliers).

In addition to the basic training courses, there may also be a need for employees to complete specific further training. However, these advanced modules are not entered into any system and are instead checked manually by JM's site managers. In certain areas, there is a need for extra training, in addition to industry standard. One way to meet these needs is to develop our own training courses. One such example is an online course to increase safety in crane lifting that our employees as well as subcontractors, who will perform crane lifting, must complete.

### *Important instructions*

Our employees must always follow the installation instructions that are provided. These documents consist largely of pedagogical pictures and describe not only how the work is to be performed in each step but also which protective equipment is mandatory. For

particularly risky tasks, the site manager or another responsible manager also reviews the installation instructions with all skilled workers. This is also repeated after the first installation.

### *Continuous improvements*

Employees who have suggestions for improvements for increased safety at work, have the opportunity to submit improvement suggestions via a special system. After the submitted suggestion for a change in working method has been analyzed, the improved and safer procedure is added to our operations system. This way we constantly refine our procedures and working methods so there will be fewer risks over time.

### *Unannounced audits*

Unannounced audits are conducted twice a year at all JM construction sites. These audits check, for example, staff equipment, that walkways and passageways are safe, and that there is fall protection where required for safety reasons.

### *In the event of an accident*

JM has clear processes and procedures if an accident occurs, which includes alarm procedures.

#### SOME KEY INITIATIVES DURING THE YEAR

- One of the key focus areas this year at JM was vibrations. Therefore, we offered medical check-ups for employees exposed to vibrations, raised the knowledge level through an e-learning course, revised installation instructions, and developed a joint working method to assess vibration exposure.
- Our annual Safety Week in 2022 focused on three specific safety areas: safe access routes, risk observation reporting, and safety procedures for crane lifting.

On the next page, you will meet Maria Carlstedt, HR Strategist, who explains how we work to create a good working environment for all employees and what skills development initiatives are being carried out.

For JM's performance and key ratios regarding employees, please refer to the sustainability report on pages 50–51.

# Important initiative for increased learning

Being a responsible, sustainable and attractive employer is crucial for JM. The Group is therefore currently actively focusing on increasing the amount of available learning within the organization as a whole.

“Our first priority is of course always to ensure that all employees have the certifications and completed the work environment courses necessary for our workplaces to be secure and safe,”

says Maria Carlstedt, HR strategist at JM, and explains that the Group is working in a structured way to map and meet the training needs of JM's 2,500 employees.

“All employees should have the opportunity to develop, but we conduct surveys every year for guidance on the roles and functions that we should have an extra focus on and the types of knowledge that are needed.”

## Just in time

At JM, every employee participates once a year in a goal and performance review. According to Maria, these reviews provide an excellent opportunity for managers and employees to identify the development initiatives that are needed:

“We want our employees to both feel a responsibility for and involvement in their own development. This is important for increasing their motivation to learn.”

In order for skills development to have a positive impact, it must also occur at the right time:

“When an employee at JM finds themselves in a situation where they need to gain new knowledge, the information must be available right then and there. It can be a short video, a digital forum where employees can solve problems together, or just support from a senior employee — what is important is that it occurs “just in time.”



Maria Carlstedt, HR Strategist at JM



## 70:20:10 model

Maria explains that JM has been using for many years the 70:20:10 model for learning and development:

“In the past, we had a strong focus on sending our employees on courses. But since it often takes a long time from when we identify a need until we have a course to offer, we are now focusing more on scaling up the learning on a day-to-day basis via skills transfer from one employee to another.”

### JM's 70:20:10 MODEL

At JM, 10 percent of formal training is offered in the form of courses and e-learning modules, 20 percent from interaction between employees and 70 percent on a daily basis.

### JM COMPETENCE

JM's learning platform currently has around 180 training courses on everything from first aid to how a specific tool should be handled so it is as safe to use as possible.

*“We are now focusing more on scaling up learning with the help of our own employees.”*

### FOCUS ON HEALTH-POSITIVE INITIATIVES

JM wants to be an employer that inspires and motivates employees to be healthy and happy. Being healthy means more than just not being sick. Health and a sense of well-being can be influenced by physical, mental, emotional and social factors. JM offers, among other things, wellness allowance, sponsored sports activities and naprapathic treatments. JM also pays for terminal glasses and shoe inserts and offers physical examinations.

# Suppliers

*As a large orderer of products and services, JM has both the opportunity and the responsibility to ensure that its supply chains are economically, socially and environmentally sustainable.*

## Goal: JM promotes social and sustainable responsibility in its operations and supply chain

### Code of conduct

JM takes a clear stance on all matters related to human rights, labor rights, environmental responsibility and anti-corruption. The JM Group has therefore chosen to sign the UN's Global Compact, and we have used these principles to develop our own code of conduct.

JM's employee code of conduct clarifies the values that apply within our Group. The aim of the code is to define our core values so we improve our possibilities for making the right decisions in our daily work. The code regulates in part our relationships with each other and our surroundings. For example, our code lays forth that JM does not allow requirements on short production time and low costs to have a negative impact on worker protection and a good work environment.

In order to reach out within the organization and enable our employees to learn about and understand the content, the code is used in all recruitment and at all annual performance reviews. JM has also established an ethical council formed by the company's management to which employees can turn for guidance.

The JM Group has good internal controls, and, in order to avoid and prevent various types of irregularities such as theft or bribery, it also has a whistleblower function. This provides both employees and others with the conditions necessary to be able to anonymously report their suspicions to a company that is independent of JM.

### Social sustainability in the supply chain

According to JM's guidelines, all companies that we might sign framework agreements with must sign a commitment to comply with the ILO core conventions, our code of conduct and our specific sustainability requirements. Suppliers must fill in a special questionnaire on the sustainability requirements. One of the several important sustainability requirements is that building material may not contain substances that can have an adverse impact on a person's

health or the environment, which we ensure through not only Swan Ecolabel certification but also BASTA, Sunda Hus and Byggsvarubedomningen.

When it comes to the operational work surrounding JM's code of conduct and sustainability requirements, the purchasing and sustainability functions hold key roles. For support, there are supplier assessment resources for handling matters directly related to assessment and audits and the implementation of annual sustainability audits. A third party conducts the audits.

### Development through internal and external dialogue

JM's purchasing work should be characterized by involvement and openness to the feedback and wishes of our customers and employees, which means that we work together with our suppliers to continuously find new possibilities for improvement and development of both procedures and products. We should challenge and develop our suppliers through good cooperation and dialogue.

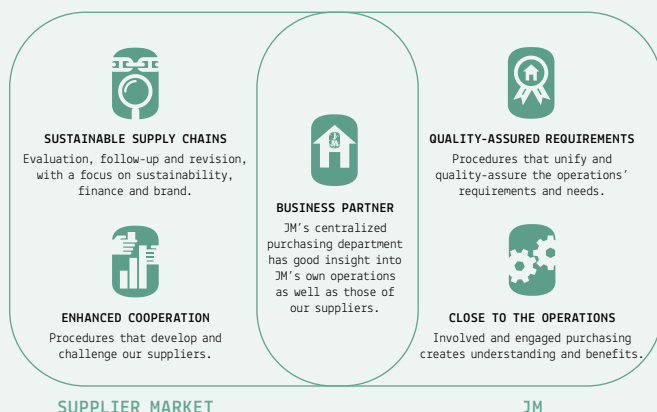
To secure the operation's need for resources at the lowest total cost, with the right quality, at the right time, and considering sustainability aspects, we must challenge and develop the requirements we impose. We achieve this through a close and cross-functional cooperation within the company.

An important part of how we enhance our cooperation with our suppliers is also our regular follow-up. We measure our suppliers' performance through delivery precision analyses. Satisfied Purchaser Index and viewpoints from the operations. This enables us to continuously increase the business gains in our supplier collaborations and provides a solid basis for a dialogue.

### Reporting critical concerns

If any critical concerns have been identified in the sustainability assessment, operational audit or incident team, these concerns are communicated to the Board's Audit Committee on a quarterly basis. The Audit Committee in turn reports to the Board of Directors. No identified critical concerns were communicated in 2022.

For JM's performance and key ratios regarding suppliers, please refer to the sustainability report on page 50.



### IMPORTANT INITIATIVE IN 2022

- We have prepared for the implementation of the EU Due Diligence Directive for human rights. With regard to our operations in Norway—where the Transparency Act entered into force on July 1, 2022—our established process for supplier assessments and audits was expanded to also include the direct project purchases that sometimes occur outside of the central framework agreements.



## Purchasing that can improve an entire industry

The central purchasing department plays a key role in JM's sustainability work. In addition to ensuring that all suppliers live up to the company's ambitious sustainability requirements, the department also holds a key role in driving the development forward.

The fact that JM has the chance to influence the entire construction industry can at large part be explained by the company's focused initiative on centralized purchasing.

"Our standardized method of designing and building means that the volumes we purchase are so large it becomes beneficial to sign a framework agreement with us," says Magnus Thelander, the head of purchasing at JM.

### Close partnerships

He explains that most suppliers view JM's sustainability requirements positively:

"Many like to be challenged by us since this also helps make them more attractive for other customers."

He explains that JM often works in close cooperation with its suppliers:

"Most common is that our suppliers develop something in accordance with our specifications, and then we test it to ensure that it meets all of the other key requirements, for example durability."

### Impacts all suppliers

JM's requirements on sustainability impact all suppliers. To be approved, a supplier must receive a green light from an extensive and detailed questionnaire.

However, Linda Ragnerstam, who works as the category responsible for interiors at JM's central purchasing department,

is clear that there are opportunities even for suppliers who do not meet all of the requirements:

"If a supplier has a number of points that need to improve, we usually are open to approving them on the condition that we agree on an action plan — which is also one of the reasons why JM can influence many companies to work more sustainably."

### Follow-up and random sampling

In order to verify that approved suppliers truly live up to their promises, JM uses a third-party appraiser.

"We also conduct different types of random sampling, which can include everything from factory visits to checking that the sub-contractors at our construction sites are working in the manner we have agreed upon and that the cleaning staff are working under fair conditions," concludes Ragnerstam.



*Magnus Thelander, Head of Purchasing at JM.*



## Customers

*Our customers should be given the opportunity to live sustainably. Our Swan Ecolabel buildings and residential units have created a foundation, and we constantly challenge ourselves to find new solutions that promote sustainable lifestyles.*

### Goal: JM has the industry's most satisfied residential customers

#### *Satisfied residential customers*

At JM, we measure on an ongoing basis how satisfied our customers are with us in all areas related to sustainability. The Customer Satisfaction Index is a survey of our customers about how they view the residential unit's heating, energy savings, source sorting and water savings — in other words, the sustainability measures available in their homes.

In addition to measuring customer satisfaction, we also follow both existing and presumptive customers' attitudes and behavior related to sustainability. So far, sustainability has not been included in the factors that are valued the most when choosing a home — price and location are significantly more important. Our interpretation is that customers to some extent have a tendency to view sustainability as a hygiene factor; they expect us to take responsibility for reducing our emissions when we build our residential units. We are convinced that the requirements will be higher in the future, particularly when it comes to how we create conditions for our customers to be able to live sustainably in their homes and neighborhoods.

JM's products include a number of initiatives that create conditions for a sustainable lifestyle, for example charging stations for electric cars, bicycle parking under a roof, recycling rooms in the buildings and well-planned spaces for sorting waste in the residential units.

We survey the general public every year in the report Boendebarmeteren to understand their position on a number of sustainability areas. This provides us with key insights for our sustainability development work.

For JM's performance and key ratios regarding customers, please refer to page 35.

#### IMPORTANT INITIATIVE IN 2022

- We continue to certify all our buildings in accordance with Swan Ecolabel, which means in part that we are creating conditions for our customers to use little energy and lower their electricity consumption. This is increasingly important given the current energy shortage and high energy prices. In 2022, 39 buildings earned a swan on their facade.



# Organization and governance

*To ensure that all parts of our operations are sustainable, we have both policy documents and support documents that are natural parts of our project development and are integrated into our business management system.*

## From Board members to employees — everyone is important

### *Board of Directors and Group management*

All significant policies are adopted by the Board of Directors. Sustainability is an important part of the Board's strategy work, and JM's Board of Directors therefore receives regular updates about JM's sustainability work on a general level. The Board is also informed about regulatory changes, trends, business intelligence and any key significant events. The Audit Committee receives updates about the sustainable key ratios that are presented in JM's quarterly report.

The CEO is responsible for sustainability issues in Group management, and sustainability is a standing point on the agenda at Group management meetings.

### *Quality and Environmental Council*

The task of the Quality and Environmental Council is to be responsible for the joint governance of the operations with regard to sustainability, including the Group's business unit and regional managers.

### *Sustainability Council*

The Sustainability Council consists of representatives from Executive Management and other key staff within the Group. The Council is tasked with contributing to the coordination of the work to achieve our sustainability goals.

### *Head of Sustainability*

JM's head of sustainability is responsible for driving the development of JM's sustainability strategies and goals, coordinating sustainability work, providing support for the organization, and following up, anchoring and leading sustainability work.

### *Employees*

The key component for JM to be able to meet our established sustainability goals is our employees. Without our employees' commitment to reaching our goals, it would be impossible to carry out our initiatives.

There is a module on sustainability in the introduction for new employees, and a number of training courses are targeted to different employee groups during the business year. For example, in 2022, courses were held on the EU taxonomy and climate calculations.

### *Business management system*

JM's business management system provides support for employees regarding which sustainability initiatives they should implement in their work. It is also the company's governance tool for its sustainability work.

# Materiality analysis and stakeholder dialogue

A materiality analysis identified the most significant sustainability aspects for JM to work with in order to generate long-term sustainable value within both JM and our surroundings.

The materiality analysis is based on a compilation of information from in-depth interviews with key staff members, survey responses from identified stakeholders, internal investigations and standards, de facto standards and legislative requirements in the area of sustainability. The analysis was conducted in 2020 and anchored in JM's Board of Directors.

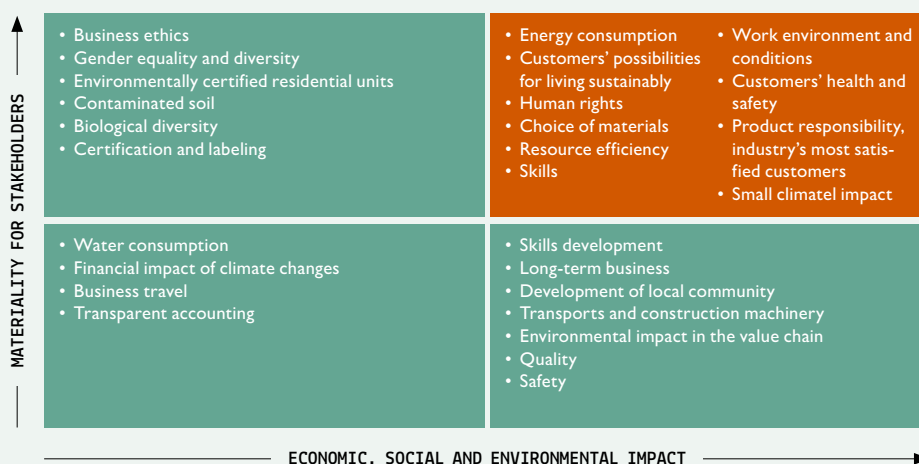
A workshop was held at the Board's annual strategy meeting in the fall of 2022 with the aim of evaluating whether the materiality of any area had increased since 2020. The conclusion was that customers' possibilities for living sustainably, a small impact on the climate, business ethics, work environment, development of local community and environmental impact in the value chain have become even more important for JM and its surrounding world.

## Sustainability aspects

| Material sustainability aspects                                                      | Why material                                                                                                                                                                                                                                                             | Scope of aspect                                                                                                                                                            | Governance                                                                                                                                                                                                                  | Follow-up                                                                                               |
|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| Ethics and value creation (Sustainability governance — financial performance)        | JM's long-term profitability is fundamental for long-term value creation in JM.                                                                                                                                                                                          | JM creates value and ensures responsibility in the supply chain in its own operations and at subcontractors.                                                               | Ethical guidelines, code of conduct, goals, economic governance, risk management (see Risks and risk management, page 80–81), incident reporting, tax policy.                                                               | Economic reporting<br>Incident reporting                                                                |
| Small climate impact (Sustainability governance — energy and emissions)              | It is strategically important that JM strives for its operations that generate direct and indirect emissions of greenhouse gases to have a minimal impact on the climate.                                                                                                | The impact arises in the entire building's life cycle. JM is responsible for governance of its own operations and indirectly for those of suppliers and customers.         | Sustainability policy, sustainability goals, JM's structured project and product development, JM's business management system.                                                                                              | Key ratios – emissions and energy<br>Fuel and energy statistics<br>Climate calculations                 |
| Resource efficiency (Sustainability governance — waste)                              | It is strategically important to strive for resource efficiency in material-intensive activities like JM's.                                                                                                                                                              | The impact arises in the entire supply chain, including contractors and customers. JM is responsible for the governance of its own operations.                             | Sustainability policy, sustainability goals, JM's procedures for project design, purchasing and production management.                                                                                                      | Key ratios – waste<br>Waste statistics                                                                  |
| Work environment (Sustainability governance — work environment and safety)           | It is strategically important for JM to have structured work environment efforts that reduce the risk of accidents and work injuries since construction is a high-risk activity.                                                                                         | JM is responsible for the design and coordination of its own construction sites, where risks and the impact arise.                                                         | JM's systematic work environment initiatives, corporate health care, employee policy, sustainability goals, anti-drug program, code of conduct, environmental product database.                                             | Key ratios – accidents<br>Internal Audit<br>Accident and injury statistics<br>Neatness and order audits |
| Competence (Sustainability governance — training)                                    | One characteristic of a long-term employee policy is a workplace that allows people to develop and contribute to long-term value creation.                                                                                                                               | JM's own operations.                                                                                                                                                       | Procedures for skills development, position structure, sustainability goals, employee policy, code of conduct.                                                                                                              | Registration of skills and skills development in JM<br>Competence.<br>Neatness and order audit          |
| Equality and diversity (Sustainability governance — diversity and equal opportunity) | A long-term employee policy is based on the protection of equality and diversity.                                                                                                                                                                                        | The impact arises in the entire supply chain. JM is responsible for the design in its own operations.                                                                      | Equality plan, sustainability goals, employee policy, code of conduct, recruitment procedures.                                                                                                                              | Key ratios – equality<br>Equality analysis                                                              |
| Responsible suppliers (Sustainability governance — social assessment of suppliers)   | JM buys and uses large quantities of materials and construction goods. It is strategically important that they are manufactured under responsible conditions.                                                                                                            | JM contributes to the impact in its role as an employer and a customer. The impact arises in the supply chain and at subcontractors.                                       | Code of conduct, surveys, sustainability policy, sustainability goals, JM's purchasing process, JM's process for sustainability assessments and audits.                                                                     | Sustainability assessment<br>Sustainability audits                                                      |
| Product responsibility (Sustainability governance — marketing and labeling)          | JM develops homes and residential areas that have a long lifespan and many stakeholders. It is important that JM take responsibility for the product corresponding to the stakeholders' expectations and requirements and creating conditions for living sustainability. | JM has an impact on the design of housing and residential areas. Impact arises in the supply chain, in own operations, at subcontractors and in operations and management. | Sustainability policy, quality policy and governance, sustainability goals, customer surveys, sales staff and interior designers, communication, customer support and customer advocate, documentation on material choices. | JM's operations program and key ratios                                                                  |

Our most important stakeholders are the groups that to the greatest extent are impacted by and/or impact our business, customers, employees, shareholders/investors, partners/suppliers, society (officials and politicians) and special interest organizations. In our stakeholder dialogue, we define the channels in which we reach our target groups, list examples of issues important to them, and describe how we will handle these issues.

| Stakeholder group                          | Channels for dialogue                                                                                                                              | How important aspects are handled                                                                                                                                                                                                  |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customers (existing and potential)</b>  | Customer meetings, customer and market surveys, occupancy surveys, focus groups, at home interviews, online panels                                 | Handled in land acquisition, planning process, pre-construction and purchasing                                                                                                                                                     |
| <b>Employees (existing)</b>                | Performance reviews, training, internal communication, employee survey, improvement suggestions, Safety Week                                       | Handled in JM's HR process, which includes work environment and health, skills development, equality and diversity plan, code of conduct, pension, insurances and other benefits, sustainability policy and internal communication |
| <b>Employees (potential)</b>               | Internships, trainee program, thesis projects, cooperation with schools and universities, recruitment                                              | Handled in JM's HR process according to the above, Employer Branding strategy and Employer Value Proposition                                                                                                                       |
| <b>Shareholders and Investors</b>          | Capital Markets Day, analyst meetings, person-to-person meetings, ongoing communication, annual report and interim reports, annual general meeting | Handled in JM's communication planning                                                                                                                                                                                             |
| <b>Suppliers and partners</b>              | Contract meetings, questionnaires, audits, development projects, supplier collaboration                                                            | Handled in JM's purchasing process, our communications work and our process for sustainable supply chains                                                                                                                          |
| <b>Society (officials and politicians)</b> | Municipal dialogues, project meetings, person-to-person meetings, conferences, JM Focus                                                            | Handled in land acquisition, planning process and pre-construction                                                                                                                                                                 |
| <b>Special interest organizations</b>      | Business networks, industry forums, development projects, memberships, sponsorships, ongoing dialogues                                             | Handled in our cooperation work based on our sustainability policy, sustainability strategy and sustainability work                                                                                                                |



# Sustainable highlights during the year

## Record-high interest for low-energy residential units

The year 2022 will be associated with high electricity prices and a record-large interest in the energy consumption of residential units.

In a survey we conducted during the first quarter, six out of ten participants responded that they believe that the value of low-energy homes will develop better than that of other homes. Since our survey was conducted early in the year, there is cause to believe that interest in our low-energy residential units has grown even stronger in particular due to the rapidly rising electricity prices during the year.

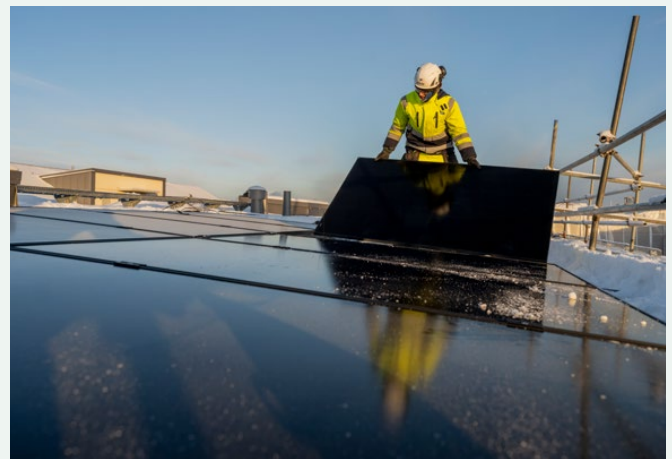


## JM got the green light!

We are pleased and proud that our committed efforts to be a serious and sustainable actor in the building industry are generating results.

During 2022, JM received several awards, of which we would like to mention in particular the following:

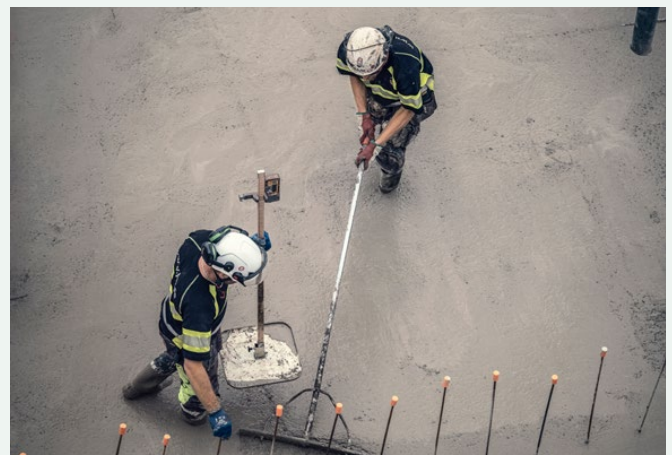
- We received a green light (the best category) in the Haga Initiative's Ambition Index. The Haga Initiative's Ambition Index investigates listed companies' climate ambitions, and the 105 companies are then categorized as green, yellow, red or black
- We kept our AA in the MSCI rating, and we have been considered low risk by Sustainalytics
- We were named one of Sweden's most attractive employers by Karriärföretagen.



## Decisions generating significant emission reductions

In 2022, we began in Sweden to use a new type of concrete that is in line with a significantly improved carbon footprint. In addition, we also began to impose new requirements on our suppliers of vehicles and machinery. This means that all vehicles and machinery used at JM's construction sites must be electric or run by renewable fuel.

According to our preliminary calculations, these initiatives will together be powerful enough to reduce our emissions by 4,100–5,100 tons of CO<sub>2</sub> equivalents per year. This is a significant decrease that will also become even more noticeable when we implement the same measures in our markets in Norway and Finland, which is expected to occur in 2023.





### Social sustainability in the project development

When we develop residential units and residential areas at JM, we also have a unique possibility to influence both the lives and well-being of a lot of people in coming years. By designing inviting, well-lit courtyards and fun climbing walls, we can create, for example, natural and safe meeting places to thereby increase both well-being and the sense of community among residents. Already at the drawing table, we can impact important values, for example health, safety, equality and diversity.

At JM, these initiatives are nothing new. Quite the opposite — social sustainability has always been a natural part of our project development. What is new is that during the year we have worked to create a joint definition of what JM means by *social sustainability* and implemented support for this definition in our business

management system. Our goal with this has been to make it easier to consider social values in all our projects through their entire development.

Social sustainability in project development is a concept that has different meanings for different actors. At JM, social sustainability in project development entails sustainable architecture, security and community, equality and diversity, availability and inclusion, and health and well-being. We are also working actively to assure social sustainability in the supplier chain and in our own operations. Read more on page 41.

# Accounting principles for sustainability, references and results

The sustainability report is part of the annual report. The Sustainability Report has been prepared according to both GRI standards in 2021 at the core level and the requirements on sustainability reports in the Annual Accounts Act and presents the achieved results for the accounting period given our commitments, strategies and sustainability governance. The aim of the report is to present, measure and take responsibility for what we have achieved in our work toward sustainable development with respect to both our internal and external stakeholders. The President and CEO is responsible for the sustainability report. JM's Board of Directors issues the report.

The sustainability report refers to the 2022 financial year and encompasses the operations of the entire Group unless otherwise stated. JM's ambition is to provide a comprehensive account of its sustainability work and clearly present both positive and negative developments.

We perform a materiality analysis based on what is most important for our stakeholders, de facto standards and legal requirements within the area of sustainability to determine the issues that are most important to manage and report; see page 45.

The GRI Indicators included in the report are listed with a page reference in a GRI index on pages 53–55.

## Sustainability Report

JM presents its Sustainability Report for 2022 in accordance with the requirements set out in the Annual Accounts Act according to the following:

|                                       |                                                                                                                                                                        |
|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| The company's business model          | Value generation in JM's business (pages 9–10)                                                                                                                         |
| Policies                              | JM's aspects and governance within sustainability (page 45)                                                                                                            |
| Significant risks and risk management | Risks and opportunities (pages 14–18, 80–81)                                                                                                                           |
| Results                               | JM's Group-wide targets (page 35), Facts and KPIs (pages 50–52), Sustainable purchasing and supply chains (pages 41–42), Responsible decisions at all levels (page 41) |
| EU's taxonomy                         | EU's taxonomy (pages 56–61)                                                                                                                                            |

## Auditor's statement on the statutory sustainability report

To the general meeting of the shareholders in JM AB, corporate identity number 556045-2103

### Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2022 on the pages set out above and for that it has been prepared in accordance with the Annual Accounts Act.

### Scope of the examination

Our examination has been conducted in accordance with FAR's recommendation RevR 12 The auditor's statement on the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with a sufficient basis for our opinion.

### Opinion

A statutory sustainability report has been prepared.

Stockholm, March 7, 2023  
PricewaterhouseCoopers AB

Ann-Christine Hägglund  
Authorized Public Accountant  
Auditor-in-charge

Fredrik Kroon  
Authorized Public Accountant

## Facts and KPIs for sustainability

## ETHICS AND VALUE CREATION, Group 201-1

|                                           |                                                                | 2022    | 2021    |
|-------------------------------------------|----------------------------------------------------------------|---------|---------|
| Direct economic value generated, SEK m    | Revenue (segment reporting)                                    | 16,385  | 14,608  |
| Direct economic value distributed, SEK m  | Production and operating costs, etc. (Note 2)                  | -12,068 | -10,210 |
|                                           | Wages, salaries, other remuneration and pension costs (Note 3) | -1,783  | -1,739  |
|                                           | Financial income (Note 8)                                      | 19      | 4       |
|                                           | Financial expenses (Note 8)                                    | -89     | -62     |
|                                           | Expensed tax and social security expenses (Note 9 and Note 3)  | -890    | -803    |
|                                           | Proposed dividend/dividend                                     | -903    | -922    |
| Direct economic value retained, SEK m     | Total                                                          | 1,575   | 871     |
| Tax JM Sweden and JM International, SEK m | Profit/loss before tax                                         | 1,933   | 2,147   |
|                                           | Total tax JM Sweden                                            | -339    | -274    |
|                                           | Total tax JM Norway                                            | -22     | 69      |
|                                           | Total tax JM Finland                                           | -43     | -       |

## EMPLOYMENT, Group , 401-1

|                           | 2022  |
|---------------------------|-------|
| Total number of employees | 2,488 |
| of which new employees    | 291   |
| of which terminated       | 258   |

|                 | Number of new employees<br>(share of new employees) |           |           | Number of terminated<br>(share of terminated) |           |           |
|-----------------|-----------------------------------------------------|-----------|-----------|-----------------------------------------------|-----------|-----------|
| Sweden          | Women                                               | Men       | Total     | Women                                         | Men       | Total     |
| ≤ 25 years old  | 11 (39%)                                            | 32 (36%)  | 43 (37%)  | 4 (14%)                                       | 14 (16%)  | 18 (16%)  |
| 26–35 years old | 33 (19%)                                            | 38 (11%)  | 71 (14%)  | 27 (16%)                                      | 50 (15%)  | 77 (15%)  |
| 36–45 years old | 22 (15%)                                            | 25 (8%)   | 47 (10%)  | 14 (10%)                                      | 28 (9%)   | 42 (9%)   |
| 46–55 years old | 10 (9%)                                             | 28 (8%)   | 38 (8%)   | 7 (6%)                                        | 25 (7%)   | 32 (7%)   |
| >56 years old   | 5 (7%)                                              | 11 (4%)   | 16 (5%)   | 6 (9%)                                        | 25 (9%)   | 31 (9%)   |
| Total           | 81 (15%)                                            | 134 (10%) | 215 (11%) | 58 (11%)                                      | 142 (10%) | 200 (11%) |

|                 | Number of new employees<br>(share of new employees) |          |          | Number of terminated<br>(share of terminated) |          |          |
|-----------------|-----------------------------------------------------|----------|----------|-----------------------------------------------|----------|----------|
| Norway          | Women                                               | Men      | Total    | Women                                         | Men      | Total    |
| ≤ 25 years old  | 2 (67%)                                             | 4 (50%)  | 6 (55%)  | 0 (0%)                                        | 0 (0%)   | 0 (0%)   |
| 26–35 years old | 5 (20%)                                             | 7 (9%)   | 12 (12%) | 5 (20%)                                       | 12 (15%) | 17 (17%) |
| 36–45 years old | 5 (22%)                                             | 11 (16%) | 16 (18%) | 5 (22%)                                       | 7 (10%)  | 12 (13%) |
| 46–55 years old | 2 (9%)                                              | 3 (5%)   | 5 (6%)   | 5 (22%)                                       | 4 (7%)   | 9 (11%)  |
| >56 years old   | 1 (4%)                                              | 2 (3%)   | 3 (3%)   | 1 (4%)                                        | 1 (2%)   | 2 (2%)   |
| Total           | 15 (16%)                                            | 27 (10%) | 42 (11%) | 16 (17%)                                      | 24 (9%)  | 40 (11%) |

|                 | Number of new employees<br>(share of new employees) |          |          | Number of terminated<br>(share of terminated) |         |         |
|-----------------|-----------------------------------------------------|----------|----------|-----------------------------------------------|---------|---------|
| Finland         | Women                                               | Men      | Total    | Women                                         | Men     | Total   |
| ≤ 25 years old  | 0 (0%)                                              | 6 (3%)   | 6 (3%)   | 0 (0%)                                        | 1 (1%)  | 1 (1%)  |
| 26–35 years old | 2 (1%)                                              | 6 (3%)   | 8 (4%)   | 3 (2%)                                        | 4 (2%)  | 7 (4%)  |
| 36–45 years old | 5 (3%)                                              | 6 (3%)   | 11 (6%)  | 2 (1%)                                        | 5 (3%)  | 7 (4%)  |
| 46–55 years old | 3 (2%)                                              | 4 (2%)   | 7 (4%)   | 0 (0%)                                        | 1 (1%)  | 1 (1%)  |
| >56 years old   | 1 (1%)                                              | 1 (1%)   | 2 (1%)   | 0 (0%)                                        | 2 (1%)  | 2 (1%)  |
| Total           | 11 (6%)                                             | 23 (12%) | 34 (18%) | 5 (3%)                                        | 13 (7%) | 18 (9%) |

## RESPONSIBLE SUPPLIERS, Group, 414-1

|                           | 2022                                                 | 2021  |
|---------------------------|------------------------------------------------------|-------|
| Sustainability assessment | Share of new framework providers that were evaluated | 100 % |
|                           |                                                      | 100 % |

## WORK ENVIRONMENT, Group , 403-9

|                                               | 2022                                                                                                                                                                                                            | 2021                                                                              |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Injuries <sup>1)</sup>                        | Number of work-related injuries (regardless of absence due to illness)<br>240 (JM)<br>79 (subcontractors)                                                                                                       | 203 (JM)<br>75 (subcontractors)                                                   |
| Injury rate <sup>1)</sup>                     | Frequency of work-related injuries (regardless of absence due to illness) per million working hours<br>65.8 (JM)<br>(no statistics available for subcontractors)                                                | 56.9 (JM)<br>(no statistics available for subcontractors)                         |
| Lost day rate                                 | Total number of leave-of-absence days due to occupational injuries relative to total number of work days for all employees<br>496 of total<br>465,031 days (JM)<br>(no statistics available for subcontractors) | 549 of total<br>454,503 days (JM)<br>(no statistics available for subcontractors) |
| Absentee rate <sup>2)</sup>                   | Total number of days of absence relative to total number of work days for all employees<br>Women 6,425 (4.6%)<br>Men 20,953 (5.8%)<br>Total 27,378 (5.5%)                                                       | Women 5,451 (5.6%)<br>Men 23,414 (8.2%)<br>Total 28,865 (7.5%)                    |
| Work-related fatalities                       | Number<br>0 (JM)<br>0 (subcontractors)                                                                                                                                                                          | 0 (JM)<br>0 (subcontractors)                                                      |
| Near-accidents and observations <sup>3)</sup> | Number<br>10,546                                                                                                                                                                                                | 6,569                                                                             |

<sup>1)</sup> The most common causes/risks of injury in 2022 were same-level falls (tripping, slipping). The most common types of injury were sprains, twists or strains.

<sup>2)</sup> Reported data for 2021 refers to Sweden and Norway

<sup>3)</sup> In 2022, JM implemented a broad initiative to increase the reporting of risk observations.

## Facts and KPIs for sustainability, cont.

**SKILLS DEVELOPMENT, Group, 404-2**

|                    | 2022   |
|--------------------|--------|
| Training hours     |        |
| Women              | 4,386  |
| Men                | 11,813 |
| Total              | 16,199 |
| Salaried employees | 11,162 |
| Wage-earners       | 5,037  |
| Total              | 16,199 |

**DIVERSITY AND EQUAL OPPORTUNITY, Sweden, Norway and Finland, 405-1**

|                                           |               | 2022         |            |              | 2021         |            |              |
|-------------------------------------------|---------------|--------------|------------|--------------|--------------|------------|--------------|
| Age and gender distribution <sup>1)</sup> | Number        | Women        | Men        | Total        | Women        | Men        | Total        |
| <i>Wage-earners</i>                       |               |              |            |              |              |            |              |
| ≤ 25 years old                            |               | 16           | 81         | 97           | 11           | 77         | 88           |
| 26–35 years old                           |               | 35           | 211        | 246          | 35           | 242        | 277          |
| 36–45 years old                           |               | 15           | 157        | 172          | 10           | 158        | 168          |
| 46–55 years old                           |               | 3            | 200        | 203          | 4            | 203        | 207          |
| ≥ 56 years old                            |               | 1            | 155        | 156          | –            | 144        | 144          |
| Total                                     |               | 70           | 804        | 874          | 60           | 824        | 884          |
| <i>Salaried employees</i>                 |               |              |            |              |              |            |              |
| ≤ 25 years old                            |               | 20           | 26         | 46           | 26           | 24         | 50           |
| 26–35 years old                           |               | 170          | 223        | 393          | 163          | 222        | 385          |
| 36–45 years old                           |               | 153          | 208        | 361          | 143          | 198        | 341          |
| 46–55 years old                           |               | 110          | 187        | 297          | 112          | 175        | 287          |
| ≥ 56 years old                            |               | 88           | 152        | 240          | 81           | 153        | 234          |
| Total                                     |               | 541          | 796        | 1,337        | 525          | 772        | 1,297        |
| <i>Managers</i>                           |               |              |            |              |              |            |              |
| ≤ 25 years old                            |               | –            | –          | –            | 1            | –          | 1            |
| 26–35 years old                           |               | 8            | 15         | 23           | 11           | 21         | 32           |
| 36–45 years old                           |               | 29           | 60         | 89           | 25           | 59         | 84           |
| 46–55 years old                           |               | 28           | 63         | 91           | 30           | 67         | 97           |
| ≥ 56 years old                            |               | 15           | 46         | 61           | 14           | 43         | 57           |
| Total                                     |               | 80           | 184        | 264          | 81           | 190        | 271          |
| <i>Executive Management</i>               |               |              |            |              |              |            |              |
| ≤ 25 years old                            |               | –            | –          | –            | –            | –          | –            |
| 26–35 years old                           |               | –            | –          | –            | –            | –          | –            |
| 36–45 years old                           |               | 1            | –          | 1            | 1            | –          | 1            |
| 46–55 years old                           |               | 2            | 4          | 6            | 2            | 4          | 6            |
| ≥ 56 years old                            |               | 1            | 3          | 4            | –            | 2          | 2            |
| Total                                     |               | 4            | 7          | 11           | 3            | 6          | 9            |
| <i>Board of Directors</i>                 |               |              |            |              |              |            |              |
| ≤ 25 years old                            |               | –            | –          | –            | –            | –          | –            |
| 26–35 years old                           |               | –            | –          | –            | –            | –          | –            |
| 36–45 years old                           |               | 1            | –          | 1            | 1            | –          | 1            |
| 46–55 years old                           |               | 1            | 1          | 2            | 1            | 1          | 2            |
| ≥ 56 years old                            |               | 1            | 3          | 4            | 1            | 3          | 4            |
| Total                                     |               | 3            | 4          | 7            | 3            | 4          | 7            |
| <i>Employment type <sup>2)</sup></i>      | <i>Number</i> | <i>Women</i> | <i>Men</i> | <i>Total</i> | <i>Women</i> | <i>Men</i> | <i>Total</i> |
| <i>Sweden</i>                             |               |              |            |              |              |            |              |
| Full-time                                 |               | 513          | 1,358      | 1,871        |              |            |              |
| Part-time                                 |               | 20           | 30         | 50           |              |            |              |
| Permanent                                 |               | 530          | 1,387      | 1,917        |              |            |              |
| Temporary                                 |               | 3            | 0          | 3            |              |            |              |
| Non-guaranteed hours                      |               | 54           | 63         | 117          |              |            |              |
| <i>Norway</i>                             |               |              |            |              |              |            |              |
| Full-time                                 |               | 85           | 262        | 347          |              |            |              |
| Part-time                                 |               | 11           | 12         | 23           |              |            |              |
| Permanent                                 |               | 91           | 272        | 363          |              |            |              |
| Temporary                                 |               | 5            | 2          | 7            |              |            |              |
| Non-guaranteed hours                      |               | 5            | 3          | 8            |              |            |              |
| <i>Finland</i>                            |               |              |            |              |              |            |              |
| Full-time                                 |               | 63           | 124        | 187          |              |            |              |
| Part-time                                 |               | 8            | 6          | 14           |              |            |              |
| Permanent                                 |               | 64           | 125        | 189          |              |            |              |
| Temporary                                 |               | 7            | 5          | 12           |              |            |              |
| Non-guaranteed hours                      |               | 7            | 6          | 13           |              |            |              |

<sup>1)</sup> Data is obtained from JM's personnel system.

**PROPORTION OF ANNUAL TOTAL REMUNERATION, Group, 2-21**

|                                                                        | 2022     | 2021     |
|------------------------------------------------------------------------|----------|----------|
| Highest paid employee/median compensation (SEK thousand) <sup>2)</sup> | 95.2/4.8 | 95.3/4.7 |

<sup>2)</sup> Related disclosures 2022.

## Facts and KPIs for sustainability, cont.

## RESOURCE EFFICIENCY, Sweden, 306-2

|                                                  |                   | 2022        | 2021        |
|--------------------------------------------------|-------------------|-------------|-------------|
| Construction waste to material recycling         | Tons (Percentage) | 6,597 (80%) | 5,859 (74%) |
| Construction waste to energy recovery            | Tons (Percentage) | 1,064 (13%) | 1,498 (19%) |
| Construction waste to landfill                   | Tons (Percentage) | 126 (2%)    | 188 (2%)    |
| Mixed waste (unsorted)                           | Tons (Percentage) | 426 (5%)    | 389 (5%)    |
| Hazardous waste                                  | Tons (Percentage) | 44 (1%)     | 21 (0.3%)   |
| Total amount of construction waste <sup>1)</sup> | Tons              | 8,213       | 7,955       |

## RESOURCE EFFICIENCY, Norway, 306-2

|                                                  |                   | 2022        | 2021        |
|--------------------------------------------------|-------------------|-------------|-------------|
| Construction waste to material recycling         | Tons (Percentage) | 1,871 (77%) | 1,839 (69%) |
| Construction waste to energy recovery            | Tons (Percentage) | 228 (9%)    | 419 (16%)   |
| Mixed waste (unsorted)                           | Tons (Percentage) | 298 (12%)   | 363 (14%)   |
| Hazardous waste                                  | Tons (Percentage) | 23 (1%)     | 37 (1%)     |
| Total amount of construction waste <sup>1)</sup> | Tons              | 2,418       | 2,658       |

## RESOURCE EFFICIENCY, Finland, 306-2

|                                                  |                   | 2022        | 2021        |
|--------------------------------------------------|-------------------|-------------|-------------|
| Construction waste to material recycling         | Tons (Percentage) | 2,032 (84%) | 1,423 (77%) |
| Construction waste to energy recovery            | Tons (Percentage) | 397 (16%)   | 323 (18%)   |
| Mixed waste (unsorted) <sup>2)</sup>             | Tons (Percentage) | 0 (0%)      | 97 (5%)     |
| Hazardous waste                                  | Tons (Percentage) | 3 (0.1%)    | 2 (0.1%)    |
| Total amount of construction waste <sup>1)</sup> | Tons              | 2,432       | 1,845       |

RESOURCE EFFICIENCY, LARGEST FRACTIONS, Sweden, 306-1 <sup>3)</sup>

|             |                   | 2022        | 2021 |
|-------------|-------------------|-------------|------|
| Wood        | Tons (Percentage) | 2,090 (25%) |      |
| Backfill    | Tons (Percentage) | 1,942 (24%) |      |
| Combustible | Tons (Percentage) | 1,098 (13%) |      |
| Plaster     | Tons (Percentage) | 1,041 (13%) |      |
| Metal       | Tons (Percentage) | 763 (9%)    |      |
| Plastic     | Tons (Percentage) | 377 (5%)    |      |
| Cardboard   | Tons (Percentage) | 248 (3%)    |      |

## CLIMATE IMPACT, 305-1, 305-2, 305-3, 305-4, CRE1, CRE3, CRE4

|                                                                              |                                                    | 2022                                                | 2021               |
|------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|--------------------|
| JM's carbon dioxide emissions, 305-1, 305-2, 305-3 <sup>3)</sup>             | Tons CO <sub>2</sub> e                             | 2,677                                               | 3,060              |
|                                                                              | Scope 1                                            | 345                                                 |                    |
|                                                                              | Of which biogenic emissions                        | 1,131                                               | 1,100              |
|                                                                              | Scope 2 <sup>4)</sup>                              | 85,571                                              | 90,407             |
|                                                                              | Scope 3 <sup>5)</sup>                              | 1,854                                               |                    |
|                                                                              | Of which biogenic emissions                        | 89,379                                              | 94,567             |
|                                                                              | Total                                              |                                                     |                    |
| Newly produced homes' carbon dioxide emissions from energy consumption, CRE3 | Kg CO <sub>2</sub> e/m <sup>2</sup> Atemp and year | 2                                                   | 2                  |
| Carbon dioxide intensity from new production, CRE4, Sweden <sup>6)</sup>     | Tons CO <sub>2</sub> e/turnover, SEK m             | 8.2                                                 | 10.4 <sup>7)</sup> |
| Carbon dioxide intensity from new production, CRE4, Norway <sup>6) 8)</sup>  | Tons CO <sub>2</sub> e/turnover, SEK m             | 8.2                                                 |                    |
| Carbon dioxide intensity from new production, CRE4, Sweden <sup>6) 8)</sup>  | Kg CO <sub>2</sub> e/m <sup>2</sup> GFA, fbh/smh   | 355/180                                             |                    |
| Carbon dioxide intensity from new production, CRE4, Norway <sup>6) 8)</sup>  | Kg CO <sub>2</sub> e/m <sup>2</sup> GFA, fbh/smh   | 363/180                                             |                    |
| Newly produced homes' estimated energy consumption, CRE1, Sweden             | kWh/m <sup>2</sup> Atemp                           | 59 (S), 51 (N) <sup>8)</sup> , 77 (F) <sup>8)</sup> | 58 (S)             |

<sup>1)</sup> Statistics from our waste contractors. The waste is classified by the waste contractor and reported in fractions in accordance with the National Construction Federation's guidelines for waste sorting.

<sup>2)</sup> Due to a new system for waste management, no mixed unsorted waste is generated in Finland.

<sup>3)</sup> Refers to JM AB.

<sup>4)</sup> Reported using market-based method. If location-based method were applied, Scope 2 would amount to 1,248 tons CO<sub>2</sub>e.

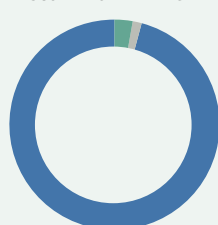
<sup>5)</sup> Scope 3 includes JM material transports to worksites, rented machinery, business travel, purchase of goods and services, and energy consumption in our newly constructed residential units for the first two years. Due to this, the outcome for 2021 has been revised.

<sup>6)</sup> Scope in accordance with the Swedish National Board of Housing, Building and Planning's proposed expanded climate declaration as well as pile driving and groundworks.

<sup>7)</sup> Carbon dioxide intensity for 2021 has been revised following a review.

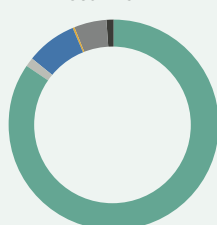
<sup>8)</sup> Related disclosures 2022.

SCOPE - FÖRDELNING



- Scope 1, 3.0% (3.2)
- Scope 2, 1.3% (1.2)
- Scope 3, 95.7% (95.6)

SCOPE 3



- Purchased goods and services, 84.5% (88.3)
- Capital goods, 0.0% (0.0)
- Energy and fuel-related emissions, 1.4% (1.5)
- Purchased transports and upstream transports, 7.8% (2.3)
- Waste management, 0.1% (0.1)
- Business travel, 0.2% (0.0)
- Rented assets, 4.9% (6.6)
- Assets rented out, 1.1% (1.2)

Emissions (tons CO<sub>2</sub>e)

|                                                                | 2022          | 2021          |
|----------------------------------------------------------------|---------------|---------------|
| Scope 1                                                        | 2,677         | 3,060         |
| Business trips by car                                          | 1,966         | 2,453         |
| Heating                                                        | 711           | 607           |
| Scope 2                                                        | 1,131         | 1,100         |
| Electricity                                                    | 0             | 0             |
| District heating                                               | 1,131         | 1,100         |
| Scope 3                                                        | 85,571        | 90,407        |
| 3.1 Purchase of goods and services                             | 72,310        | 79,860        |
| 3.2 Capital goods                                              | 0             | 0             |
| 3.3 Energy and fuel-related emissions                          | 1,240         | 1,362         |
| 3.4 Purchased transports and upstream transports <sup>9)</sup> | 6,688         | 2,072         |
| 3.5 Waste management                                           | 55            | 49            |
| 3.6 Business trips                                             | 144           | 18            |
| 3.8 Upstream leased assets                                     | 4,193         | 5,965         |
| 3.13 Downstream leased assets                                  | 941           | 1,081         |
| <b>TOTAL (excluding climate compensation)</b>                  | <b>89,379</b> | <b>94,567</b> |
| Climate compensation <sup>10)</sup>                            | 126           | 12            |
| <b>TOTAL (including climate compensation)</b>                  | <b>89,253</b> | <b>94,555</b> |

<sup>9)</sup> Increase in 2022 due to more detailed calculation method in 2022.

<sup>10)</sup> Climate compensation for travel has increased due to JM's 75th anniversary in 2022 and compared to fewer trips in 2021 due to the pandemic.

# GRI content index

The index is intended to be used as a cross-reference list that describes where the information for each GRI code is located in the annual report. The information is located in both text and KPIs. The

carbon emission calculations are reviewed by an external party, the company 2050. Other calculations of indicators and KPIs have not been reviewed by an external party.

| Description/indicator                                                            | Reference<br>(page number in the<br>2022 annual report) | Reason for omission                                                                                                    | External<br>assurance | Comments                        |
|----------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------|
| <b>GRI 2: General disclosures</b>                                                |                                                         |                                                                                                                        |                       |                                 |
| <b>The organization and its reporting practices</b>                              |                                                         |                                                                                                                        |                       |                                 |
| 2-1 Organizational details                                                       | 140                                                     |                                                                                                                        |                       |                                 |
| 2-2 Entities included in the organization's sustainability reporting             | 49                                                      |                                                                                                                        |                       |                                 |
| 2-3 Reporting period, frequency and contact point                                | 49                                                      |                                                                                                                        |                       |                                 |
| 2-4 Restatements of information                                                  |                                                         |                                                                                                                        |                       | No relevant restatements        |
| 2-5 External assurance                                                           | 49, 53                                                  |                                                                                                                        |                       |                                 |
| <b>Activities and workers</b>                                                    |                                                         |                                                                                                                        |                       |                                 |
| 2-6 Activities, value chain and other business relationships                     | 9, 13, 14, 41, 42                                       |                                                                                                                        |                       |                                 |
| 2-7 Employees                                                                    | 50                                                      |                                                                                                                        |                       |                                 |
| 2-8 Workers who are not employees                                                |                                                         | System supports are missing, so there is no information available. Implementation of support systems under evaluation. |                       |                                 |
| <b>Governance</b>                                                                |                                                         |                                                                                                                        |                       |                                 |
| 2-9 Governance structure and composition                                         | 123, 126                                                |                                                                                                                        |                       |                                 |
| 2-10 Nomination and election of highest governance body                          | 120–123                                                 |                                                                                                                        |                       |                                 |
| 2-11 Chair of the highest governance body                                        | 122, 124                                                |                                                                                                                        |                       |                                 |
| 2-12 Role of the highest governance body in overseeing the management of impacts | 44                                                      |                                                                                                                        |                       |                                 |
| 2-13 Delegation of responsibility for managing impacts                           | 44                                                      |                                                                                                                        |                       |                                 |
| 2-14 Role of the highest governance body in sustainability reporting             | 45                                                      |                                                                                                                        |                       |                                 |
| 2-15 Conflicts of interest                                                       | 122                                                     |                                                                                                                        |                       | Assessed at every Board meeting |
| 2-16 Communication of critical concerns                                          | 41                                                      |                                                                                                                        |                       |                                 |
| 2-17 Collective knowledge of the highest governance body                         | 44                                                      |                                                                                                                        |                       |                                 |
| 2-18 Evaluation of the performance of the highest governance body                | 122                                                     |                                                                                                                        |                       |                                 |
| 2-19 Remuneration policies                                                       | 77, 94, 128                                             |                                                                                                                        |                       |                                 |
| 2-20 Process to determine remuneration                                           | 77, 79, 94, 128                                         |                                                                                                                        |                       |                                 |
| 2-21 Annual total compensation ratio                                             | 51                                                      |                                                                                                                        |                       |                                 |
| <b>Strategy, policies and practices</b>                                          |                                                         |                                                                                                                        |                       |                                 |
| 2-22 Statement on sustainable development strategy                               | 34, 44                                                  |                                                                                                                        |                       |                                 |
| 2-23 Policy commitments                                                          | 41                                                      |                                                                                                                        |                       |                                 |
| 2-24 Embedding policy commitments                                                | 34, 44                                                  |                                                                                                                        |                       |                                 |
| 2-25 Processes to remediate negative impacts                                     | 17, 18, 38, 41                                          |                                                                                                                        |                       |                                 |
| 2-26 Mechanisms for seeking advice and raising concerns                          | 41                                                      |                                                                                                                        |                       |                                 |
| 2-27 Compliance with laws and regulations                                        | 41, 57                                                  |                                                                                                                        |                       |                                 |
| 2-28 Membership associations                                                     | 34                                                      |                                                                                                                        |                       |                                 |
| <b>Stakeholder engagement</b>                                                    |                                                         |                                                                                                                        |                       |                                 |
| 2-29 Approach to stakeholder engagement                                          | 46                                                      |                                                                                                                        |                       |                                 |
| 2-30 Collective bargaining agreements                                            | 38                                                      |                                                                                                                        |                       |                                 |
| <b>GRI 3: Disclosures on material topics</b>                                     |                                                         |                                                                                                                        |                       |                                 |
| 3-1 Process to determine material topics                                         | 45, 46                                                  |                                                                                                                        |                       |                                 |
| 3-2 List of material topics                                                      | 45, 46                                                  |                                                                                                                        |                       |                                 |
| 3-3 Management of material topics                                                | 17, 18, 33, 34, 36, 45                                  |                                                                                                                        |                       |                                 |

| Description/indicator                                                                                               | Reference<br>(page number in the<br>2022 annual report) | Reason for omission | External<br>assurance | Comments |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|---------------------|-----------------------|----------|
| <b>Topic-specific disclosures</b>                                                                                   |                                                         |                     |                       |          |
| <b>Economic performance</b>                                                                                         |                                                         |                     |                       |          |
| 201-1 Direct economic value generated and distributed                                                               | 3                                                       |                     |                       |          |
| 207-1 Approach to tax                                                                                               | 15                                                      |                     |                       |          |
| 207-2 Tax governance, control and risk management                                                                   | 14–18                                                   |                     |                       |          |
| 207-3 Stakeholder engagement and management of concerns related to tax                                              | 46                                                      |                     |                       |          |
| 207-4 Country-by-country reporting                                                                                  | 50                                                      |                     |                       |          |
| <b>Environmental performance</b>                                                                                    |                                                         |                     |                       |          |
| <b>Energy</b>                                                                                                       |                                                         |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| CRE1 Building energy intensity                                                                                      | 51                                                      |                     |                       |          |
| <b>Emissions</b>                                                                                                    |                                                         |                     |                       |          |
| CRE3 Greenhouse gas emissions intensity from buildings                                                              | 51                                                      |                     |                       |          |
| CRE4 Greenhouse gas emissions intensity from new construction                                                       | 51                                                      |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| 305-1 Direct (Scope 1) GHG emissions                                                                                | 51, 52                                                  |                     | Yes                   |          |
| 305-2 Direct (Scope 2) GHG emissions                                                                                | 51, 52                                                  |                     | Yes                   |          |
| 305-3 indirect (Scope 3) GHG emissions                                                                              | 51, 52                                                  |                     | Yes                   |          |
| 305-4 GHG emissions intensity                                                                                       | 51                                                      |                     |                       |          |
| 305-5 Reduction of GHG emissions                                                                                    | 47                                                      |                     |                       |          |
| <b>Waste</b>                                                                                                        |                                                         |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| 306-1 Waste generation and significant waste-related impacts                                                        | 51                                                      |                     |                       |          |
| 306-2 Waste by type and disposal method                                                                             | 51                                                      |                     |                       |          |
| 306-3 Waste generated                                                                                               | 51                                                      |                     |                       |          |
| <b>Social performance</b>                                                                                           |                                                         |                     |                       |          |
| 401-1 New employee hires and employee turnover                                                                      | 50                                                      |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| 403-1, CRE6 Occupational health and safety management system                                                        | 38, 39, 40                                              |                     |                       |          |
| 403-2 Hazard identification, risk assessment, and incident investigation                                            | 38, 39                                                  |                     |                       |          |
| 403-3 Occupational health services                                                                                  | 40                                                      |                     |                       |          |
| 403-4 Worker participation, consultation, and communication on occupational health and safety                       | 38, 39, 40, 124                                         |                     |                       |          |
| 403-5 Worker training on occupational health and safety                                                             | 39, 40                                                  |                     |                       |          |
| 403-6 Promotion of worker health                                                                                    | 40                                                      |                     |                       |          |
| 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 35, 38, 39, 40                                          |                     |                       |          |
| 403-9 Work-related injuries                                                                                         | 50                                                      |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| 404-2 Programs for upgrading employee skills and transition assistance programs                                     | 40                                                      |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| 405-1 Diversity of governance bodies and employees                                                                  | 50                                                      |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| 414-1 New suppliers that were screened using social criteria                                                        | 81                                                      |                     |                       |          |
| 3-3 Management of material topics                                                                                   | 17, 18, 33, 34, 36, 45                                  |                     |                       |          |
| 417-1 Requirements for product and service information and labeling                                                 | 36                                                      |                     |                       |          |

# Global Compact

JM has signed the UN's Global Compact initiative, thus taking a clear stand on issues related to human rights, labor law, accountability for the environment and anti-corruption.

| Ten principles of the UN's Global Compact                                                                                 | Reference  |
|---------------------------------------------------------------------------------------------------------------------------|------------|
| <b>HUMAN RIGHTS</b>                                                                                                       | 41, 42, 57 |
| 1. Support and respect the protection of internationally proclaimed human rights in the spheres the company can influence |            |
| 2. Make sure that the company is not complicit in human rights abuses                                                     |            |
| <b>LABOR LAW</b>                                                                                                          | 41, 42, 57 |
| 3. Uphold freedom of association and the effective recognition of the right to collective bargaining                      |            |
| 4. Elimination of all forms of forced and compulsory labor                                                                |            |
| 5. Effective abolition of child labor                                                                                     |            |
| 6. Elimination of discrimination in respect of employment and occupation                                                  |            |
| <b>ENVIRONMENT</b>                                                                                                        | 41, 42     |
| 7. Support a precautionary approach to environmental challenges                                                           |            |
| 8. Undertake initiatives to promote greater environmental responsibility                                                  |            |
| 9. Encourage the development and diffusion of environmentally friendly technologies                                       |            |
| <b>ANTI-CORRUPTION</b>                                                                                                    | 41, 42, 57 |
| 10. Work against corruption in all its forms, including extortion and bribery                                             |            |

# JM's compliance with the EU taxonomy regulation

## Construction of new buildings 7.1

The EU's Taxonomy Regulation aims to define economic activities that are sustainable as part of the efforts to work toward the established environmental objectives within the EU. JM's operations fall largely under the economic activity Construction of new buildings (7.1).

## Sustainable according to the EU Taxonomy Regulation

For an economic activity to be classified as sustainable according to the EU taxonomy, it needs;



## JM's eligible turnover

JM's turnover from the business segments JM Residential Stockholm, JM Residential Sweden, JM International and new production of homes in JM Property Development is eligible under the EU taxonomy. The business segment JM Construction and turnover from JM@Home are not subject to the EU taxonomy and are thus not included as eligible activities. Rental income in JM Property Management is internal, so it is also not subject to the EU taxonomy. None of this income is thus included as eligible activities.

## Share of aligned activities

JM reports Environmental Objective 1, the contribution to the mitigation of climate change. In order to report the percentage of aligned activities, JM has prepared a questionnaire to assess and classify technically completed projects for the reporting in the 2022 Annual Report.

Due to the absence of legislative guidance, JM has needed to make the following assumptions:

- JM has defined the population for data collection as projects that have been technically completed during the current financial year. The allocation key for calculating the share of aligned turnover is thus based solely on projects that were technically completed during the current year. The argument behind this definition is that only completed projects have a comprehensive compilation of the data and documentation needed in the assessment based on the EU taxonomy's technical criteria. Choosing technically completed projects impacts the outcome negatively since the majority of the sustainability initiatives that are implemented today were not in place when the projects started.
- JM has chosen to measure and report the actual outcome and not only whether we have procedures and instructions in place, which also has a negative impact on the outcome.

During the fall of 2022, all projects that were technically completed during the year reported the percentage of the project that complies with the EU taxonomy's technical criteria. Data was collected from projects in all three of the Group's countries, and in total 41 projects were assessed.

## 28 percent of the projects

Of the reported projects, 28 percent contribute significantly to Environmental Objective 1 – Climate Change Mitigation. At the same time, they are assessed to do no significant harm to the other environmental objectives, in accordance with the technical review criteria for activity 7.1, and comply with minimum social safeguards.

*69 percent of the projects are assessed to significantly contribute to Environmental Objective 1 to mitigate climate change*

Such a high percentage of contribution to Environmental Objective 1 can be explained by JM's long-term and successful work to produce low-energy housing. Since 2008, JM has been producing low-energy housing that have significantly lower energy consumption than the existing national requirements.

In Norway, there is currently no set value for NZEB (Near Zero Energy Building), and therefore, in accordance with the European Commission's FAQ 146, we used Swedish values for JM's Norwegian projects as well. Among the Swedish projects, some comply with an earlier version of BBR (regulations by the Swedish National Board of Housing Building and Planning) than BBR25, so we used specific energy consumption to calculate relevant energy requirements.

*Do no significant harm to other environmental objectives*

The majority of the projects that reported data started when JM's overarching procedures for climate risk analysis and measures for climate adaptation were not yet in place, which explains the relatively low percentage.

81 percent of the projects comply with the technological requirements within the objective Transition to a Circular Economy. It is above all the degree of source sorting that negatively affected the result. JM has its own sustainability goal of an 80 percent sorting rate by 2023, which means that JM makes the judgement that it will have a better outcome in the next few years.

JM requires everything that is built in or used during the production process to have received environmental approval and be registered in one of the national environmental assessment systems. Because all JM projects are to be Swan Ecolabel certified, there are also requirements on input substances in order to obtain certification. Compliance with JM's requirements is a prerequisite for signing a framework agreement with JM. Until existing environmental assessment systems are updated for full compliance with the requirement set out in Appendix C in the EU taxonomy on additional limitations, JM continues in accordance with the Swedish Construction Federation's interpretation to comply with the requirements in place today. Efforts continue in parallel to ensure awareness for the new limitations at our suppliers.

The objective Sustainable Use and Protection of Water and Marine Resources is achieved by complying with national legislation.

## Compliance with minimum social safeguards

JM had already implemented procedures and processes for working with human rights, corruption, taxes and healthy competition several years ago. JM has signed the UN's Global Compact and is working continuously with issues relating to human rights, labor law, environmental responsibility and anti-corruption pursuant to the OECD's six steps for human rights in Due Diligence. JM is working steadily to achieve its sustainability goals "JM has long-term and ethically sound financial growth that contributes to the improved welfare of society" and "JM promotes social responsibility in its operations and supply chain".

See page 35 for a description of JM's sustainability goals

During 2022, JM has not participated in any legal proceedings or received a court ruling regarding corruption, taxes, violation of human rights or competition.

In summary, since JM has chosen to measure actual outcomes based on projects completed in 2022—and not solely based on procedures in place for the projects ongoing now and in the future and that are recognized during the course of the project—the percentage of the aligned turnover, CAPEX and OPEX is low this year. Due to the structured and long process for housing development, the percentage of aligned projects is expected to increase gradually as procedures that have been implemented are applied gradually to the projects and improve the results.

The preparation of the 2021 taxonomy reporting was based on data available in January 2022. Clarifications were then made about some costs that are not directly attributable to JM's core operations but are still EU taxonomy eligible, which for JM means that additional company cars and rental agreements for premises have been classed as eligible, which only has a minor impact on CAPEX. Additional company cars are listed as eligible in activity 6.5, and rental premises in activity 7.7 according to Commission Delegated Regulation (EU) 2021/2139. This year's investments consist of new rental premises, which meet the energy requirements set out in 7.7 and are LEED platinum-certified, and a number of company cars, the majority of which are electric or hybrid, which is in accordance with JM's company car policy. The majority of the cars and rental premises meet the technical criteria set out in activity 6.5, but JM has not been able to ensure that the supplier meets the minimum safeguards set out in the EU taxonomy regulation and thus cannot be classified as aligned. To calculate the percentage of the aligned turnover, an allocation key was calculated based on the surface area of the aligned technically completed projects during the year.

## Turnover, CAPEX and OPEX

| IFRS                | Total<br>(SEK m) | Portion of eligible<br>activities (%) <sup>1)</sup> | Portion of non-eligible<br>activities (%) <sup>2)</sup> |
|---------------------|------------------|-----------------------------------------------------|---------------------------------------------------------|
| Turnover            | 15,747           | 92                                                  | 8                                                       |
| CAPEX <sup>3)</sup> | 42               | 100                                                 | 0                                                       |
| OPEX <sup>3)</sup>  | 339              | 0                                                   | 9                                                       |

<sup>1)</sup> Refers to new production of homes in JM Residential Stockholm, JM Residential Sweden and JM International and new production of homes in JM Property Development.

<sup>2)</sup> Refers to JM Construction (engineering activities), JM@home and rental income in JM Property Development since these activities are not eligible under the EU Taxonomy Regulation (2020/852).

<sup>3)</sup> JM's business model is to own, develop and sell its assets over a short period of time. Most of the assets are thus reported as current assets (for example, rights-of-use leasehold rights and project and development properties) and thereby do not meet the definitions in CAPEX or the operating expense for it (OPEX). The OPEX stated in the table is so small that JM uses the materiality exception for the distribution of what constitutes eligible activities. OPEX refers to expenses for short-term leasing, for example sheds, which are not reported as a fixed asset.

The above table is based on reporting in accordance with IFRS. Information on turnover (see the row Revenue) is found in the Group's income statement according to IFRS on page 82, and the year's CAPEX (from the balance sheet items Rights-of-use offices and cars and Machinery and equipment) are found in the Group's balance sheet according to IFRS on page 83 and in Notes 12 and 13 on pages 97–98. For a definition of turnover, CAPEX and OPEX, see page 139.

Portion of turnover from products or services associated with aligned economic activities for 2022

| Portion of turnover from products or services associated with aligned economic activities |            |                              |                           | Criteria for significant contribution |                                |                                 |                       |                 |                                          | Criteria for doing no significant harm (DNSH) |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
|-------------------------------------------------------------------------------------------|------------|------------------------------|---------------------------|---------------------------------------|--------------------------------|---------------------------------|-----------------------|-----------------|------------------------------------------|-----------------------------------------------|----------------------------------|----------------------------------|-----------------------------------|-------------------------|------------------|--------------------------------------------|----------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------|-------------------------------------------|--|
| Economic activities                                                                       | code/codes | Absolute turnover<br>[SEK m] | Portion of turn-over<br>% | Climate change mitigation<br>%        | Climate change adaptation<br>% | Water and marine resources<br>% | Circular economy<br>% | Pollu-tion<br>% | Biological diversity and ecosystems<br>% |                                               | Climate change mitigation<br>Y/N | Climate change adaptation<br>Y/N | Water and marine resources<br>Y/N | Circular economy<br>Y/N | Pollution<br>Y/N | Biological diversity and ecosystems<br>Y/N | Minimum safe-guards<br>Y/N | Aligned portion of turnover, 2022<br>Percent | Aligned portion of turnover, 2021<br>Percent | Category (enabling activities)<br>Y/N | Category (transitional activities)<br>Y/N |  |
| A. ELIGIBLE ACTIVITIES                                                                    |            |                              |                           |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
| A.1.Environmentally sustainable (aligned) activities                                      |            |                              |                           |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
| 7.1 Construction of new buildings                                                         | 7.1        | 4,056                        | 26                        | 100                                   |                                |                                 |                       |                 |                                          |                                               | Y                                | Y                                | Y                                 | Y                       | Y                | Y                                          | Y                          | 26                                           | –                                            | –                                     | –                                         |  |
| Turnover of environmentally sustainable (aligned) activities (A.1)                        | 7.1        | 4,056                        | 26                        | 100                                   |                                |                                 |                       |                 |                                          |                                               | Y                                | Y                                | Y                                 | Y                       | Y                | Y                                          | Y                          | 26                                           | –                                            | –                                     | –                                         |  |
| A.2 Eligible activities that are not environmentally sustainable (unaligned)              |            |                              |                           |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
| 7.1 Construction of new buildings                                                         | 7.1        | 10,431                       | 66                        |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
| Turnover of eligible activities that are not environmentally sustainable (unaligned)(A.2) |            | 10,431                       | 66                        |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
| Total (A.1 + A.2)                                                                         |            | 14,487                       | 92                        |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            | 26                                           |                                              |                                       |                                           |  |
| B. NON-ELIGIBLE ACTIVITIES                                                                |            |                              |                           |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
| Turnover of non-eligible activities (B)                                                   |            | 1,260                        | 8                         |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |
| Total (A + B)                                                                             |            | 15,747                       | 100                       |                                       |                                |                                 |                       |                 |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                              |                                              |                                       |                                           |  |

| Portion of capital expenses from products or services associated with aligned economic activities   |            |                                      |                                  | Criteria for significant contribution |                                |                                 |                       |                     |                                          | Criteria for doing no significant harm (DNSH) |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
|-----------------------------------------------------------------------------------------------------|------------|--------------------------------------|----------------------------------|---------------------------------------|--------------------------------|---------------------------------|-----------------------|---------------------|------------------------------------------|-----------------------------------------------|----------------------------------|-----------------------------------|-------------------------|------------------|--------------------------------------------|--------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|---------------------------------------------|-------------------------------------------------|---|
| Economic activities                                                                                 | code/codes | Absolute capital expenses<br>[SEK m] | Portion of capital expenses<br>% | Climate change mitigation<br>%        | Climate change adaptation<br>% | Water and marine resources<br>% | Circular economy<br>% | Pollu-<br>tion<br>% | Biological diversity and ecosystems<br>% | Climate change mitigation<br>Y/N              | Climate change adaptation<br>Y/N | Water and marine resources<br>Y/N | Circular economy<br>Y/N | Pollution<br>Y/N | Biological diversity and ecosystems<br>Y/N | Minimum safe-<br>guards<br>Y/N | Aligned por-<br>tion of capital<br>expenses, 2022<br>Percent | Aligned por-<br>tion of capital<br>expenses, 2021<br>Percent | Category<br>(enabling<br>activities)<br>Y/N | Category<br>(transitional<br>activities)<br>Y/N |   |
| A. ELIGIBLE ACTIVITIES                                                                              |            |                                      |                                  |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
| A.1.Environmentally sustainable (aligned) activities                                                |            |                                      |                                  |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
| 6.5 Transport by motorbikes, passenger cars and light commercial vehicles                           | 6.5        | 16                                   | 38                               | 100                                   |                                |                                 |                       |                     |                                          | Y                                             | Y                                | Y                                 | Y                       | Y                | Y                                          | Y                              | 38                                                           | –                                                            | –                                           | –                                               | O |
| 7.7 Acquisition and ownership of buildings                                                          | 7.7        | 9                                    | 22                               | 100                                   |                                |                                 |                       |                     |                                          | Y                                             | Y                                | Y                                 | Y                       | Y                | Y                                          | Y                              | 22                                                           | –                                                            | –                                           | –                                               | O |
| Capital expenses for environmentally sustainable (aligned) activities (A.1)                         |            | 25                                   | 60                               |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                | 60                                                           |                                                              |                                             |                                                 | – |
| A.2 Eligible activities that are not environmentally sustainable (unaligned)                        |            |                                      |                                  |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
| 6.5 Transport by motorbikes, passenger cars and light commercial vehicles                           | 6.5        | 17                                   | 40                               |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
| Capital expenses for eligible activities that are not environmentally sustainable (unaligned) (A.2) |            | 17                                   | 40                               |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
| Total (A.1 + A.2)                                                                                   |            | 42                                   | 100                              |                                       | 0                              | 0                               | 0                     | 0                   | 0                                        |                                               |                                  |                                   |                         |                  |                                            |                                | 60                                                           |                                                              |                                             |                                                 |   |
| B. NON-ELIGIBLE ACTIVITIES                                                                          |            |                                      |                                  |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
| Capital expenses for non-eligible activities (B)                                                    |            | 0                                    | 0                                |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |
| Total (A + B)                                                                                       |            | 42                                   | 100                              |                                       |                                |                                 |                       |                     |                                          |                                               |                                  |                                   |                         |                  |                                            |                                |                                                              |                                                              |                                             |                                                 |   |

Portion of turnover from products or services associated with aligned economic activities for 2022, cont'd.

| Portion of operating expenses from products or services associated with aligned economic activities   |            |                                        |                                    | Criteria for significant contribution |                                |                                 |                       |                |                                          | Criteria for doing no significant harm (DNSH) |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |
|-------------------------------------------------------------------------------------------------------|------------|----------------------------------------|------------------------------------|---------------------------------------|--------------------------------|---------------------------------|-----------------------|----------------|------------------------------------------|-----------------------------------------------|----------------------------------|----------------------------------|-----------------------------------|-------------------------|------------------|--------------------------------------------|----------------------------|------------------------------------------------------|------------------------------------------------------|---------------------------------------|-------------------------------------------|
| Economic activities                                                                                   | code/codes | Absolute operating expenses<br>[SEK m] | Portion of operating expenses<br>% | Climate change mitigation<br>%        | Climate change adaptation<br>% | Water and marine resources<br>% | Circular economy<br>% | Pollution<br>% | Biological diversity and ecosystems<br>% |                                               | Climate change mitigation<br>Y/N | Climate change adaptation<br>Y/N | Water and marine resources<br>Y/N | Circular economy<br>Y/N | Pollution<br>Y/N | Biological diversity and ecosystems<br>Y/N | Minimum safe-guards<br>Y/N | Aligned portion of capital expenses, 2022<br>Percent | Aligned portion of capital expenses, 2021<br>Percent | Category (enabling activities)<br>Y/N | Category (transitional activities)<br>Y/N |
| A. ELIGIBLE ACTIVITIES                                                                                |            |                                        |                                    |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |
| A.1. Environmentally sustainable (aligned) activities                                                 |            | 0                                      | 0                                  |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            | 0                                                    |                                                      | –                                     | –                                         |
| Operating expenses for environmentally sustainable (aligned) activities (A.1)                         |            | 0                                      | 0                                  |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            | 0                                                    |                                                      | –                                     | –                                         |
| A.2 Eligible activities that are not environmentally sustainable (unaligned)                          |            |                                        |                                    |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |
| Operating expenses for eligible activities that are not environmentally sustainable (unaligned) (A.2) |            | 0                                      | 0                                  |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |
| Total (A.1 + A.2)                                                                                     | 0          | 0                                      | 0                                  |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |
| B. NON-ELIGIBLE ACTIVITIES                                                                            |            |                                        |                                    |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |
| Operating expenses for non-eligible activities (B)                                                    |            | 339                                    | 100                                |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |
| Total (A + B)                                                                                         |            | 339                                    | 100                                |                                       |                                |                                 |                       |                |                                          |                                               |                                  |                                  |                                   |                         |                  |                                            |                            |                                                      |                                                      |                                       |                                           |

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For the consolidated income statement and balance sheet in accordance with IFRS, IFRS 15 *Revenue from Contracts with Customers* and other standards are applied. This means that revenue and profit/loss for JM's operations outside of Sweden, JM International, are reported according to the completed contract method. Segment reporting and project management are reported according to the percentage of completion method for JM International as well.

For other differences between IFRS and segment reporting, see page 89.

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 of figures in tables, total amounts may not correspond to the sum of the initial rounded whole numbers.

# JM Residential Stockholm

## *Cautious housing market in Stockholm*

### Market

Average prices on the existing home market decreased during the year. The total supply of residential units has been high, but the supply of newly produced residential units has been at a low level.

The willingness of customers to sign a contract early was at a normal level during the first six months of the year but decreased during the second half of the year to well below the normal level.

Demand was good through April, but starting in May it declined sharply, resulting in 657 residential units (1,306) being sold for the year. JM is continuing to experience good demand for freehold apartments, and production started on an additional 252 units (317) during the year. In total, the number of freehold apartments in current production amounts to 643 (804) at the end of 2022.

JM is the market leader in new production of tenant-owned and freehold apartments in Greater Stockholm, with several ongoing projects in the county. Some of the larger projects in the region are Älvsjöstaden and Liljeholmen in Stockholm, Kvarnholmen in Nacka, Söderdalen in Järfälla, Täby Park in Täby, Silverdal in Sollentuna, Igelsta in Södertälje and Dalénium on Lidingö.

### Revenue and profit/loss

Business segment revenue decreased to SEK 4,966m (4,990). Operating profit decreased to SEK 720m (763), and the operating margin decreased to 14.5 percent (15.3). The lack of necessary authority decisions had a negative impact during the year on the business segment's housing starts. As at the end of the year, this concerns three projects with a total of around 260 residential units. The number of housing starts was also limited during the fourth quarter due to the drop in sales.

Cash flow for the year was burdened somewhat by the unit starting a project with its own funds.

### Building rights

During the year, JM acquired building rights corresponding to around 720 residential units (100).

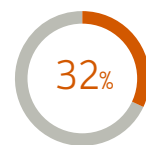
### Housing starts

During the year, production started on 721 residential units (1,153): 721 (1,113) units in apartment buildings, of which 113 in Järfälla, 64 in Nacka, 155 in Solna, 120 in Stockholm, 67 in Södertälje, 63 in Tyresö, and 139 in Täby.

### JM RESIDENTIAL STOCKHOLM

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

REVENUE Percentage of the Group    OPERATING PROFIT Percentage of the Group    NUMBER OF EMPLOYEES Percentage of the Group



| SEK m                                             | JANUARY-DECEMBER |        |
|---------------------------------------------------|------------------|--------|
|                                                   | 2022             | 2021   |
| Revenue                                           | 4,966            | 4,990  |
| Operating profit                                  | 720              | 763    |
| Operating margin, %                               | 14.5             | 15.3   |
| Average operating capital                         | 4,494            | 4,771  |
| Return on operating capital, %                    | 16.0             | 16.0   |
| Operating cash flow                               | 298              | 1,214  |
| Carrying amount, development properties           | 4,033            | 4,051  |
| Number of available building rights               | 12,400           | 11,700 |
| - of which building rights in the balance sheet   | 6,400            | 6,500  |
| Number of residential units sold                  | 657              | 1,306  |
| Number of housing starts                          | 721              | 1,153  |
| Number of residential units in current production | 2,665            | 2,855  |
| Number of employees                               | 804              | 806    |
| - of which salaried employees                     | 409              | 406    |
| - of which wage-earners                           | 395              | 400    |

# JM Residential Sweden

*Stable result in the rest of Sweden*

## Market

The average prices on the existing home market for both tenant-owned units and single-family homes decreased during the year in all of the business segment's submarkets. The total supply of newly produced residential units continues to be at a low level. In Malmö, Gothenburg and Uppsala, the supply of newly produced residential units was at the same level as in the corresponding period the previous year.

The willingness of customers to sign a contract early was below the normal level, and customers were cautious during the latter part of the year. Sales amounted to 946 residential units (1,121).

The largest submarkets in the business segment are Gothenburg, Malmö, Lund, Uppsala, Linköping, Västerås and Örebro. Larger projects are underway in Eriksberg and Södra Centrum in Gothenburg, Hyllie and the Dockan area in Malmö, and Lomma Strandstad in Lomma. A project is underway in Vipeholm in Lund. Larger projects are also underway in Kungsängen and Rickomberga in Uppsala, Öster Mälarstrand in Västerås, and Alnängarna in Örebro.

## Revenue and profit/loss

Business segment revenue increased to SEK 4,500m (4,317), and the operating profit increased to SEK 682m (662). The operating margin amounted to 15.2 percent (15.3). The business segment is showing a good profit and margin level, which to some extent derives from projects started in a stronger market.

Cash flow was burdened by increased investments in development properties primarily related to the occupancies of larger properties in Västerås, Lund and Gothenburg.

## Building rights

During the year, building rights equivalent to approximately 1,550 residential units (1,800) were acquired in Lund, Gothenburg and Linköping.

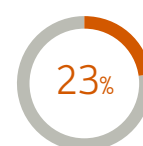
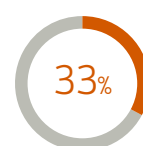
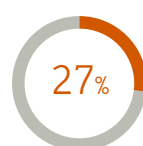
## Housing starts

During the year, production started on 1,022 residential units (1,177): 1,022 (1,081) units in apartment buildings, of which 157 in Malmö, 71 in Lund, 44 in Lomma, 47 in Landskrona, 105 in Mölndal, 80 in Gothenburg, 100 in Norrköping, 38 in Örebro, 50 in Västerås, and 330 in Uppsala,

## JM RESIDENTIAL SWEDEN

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

REVENUE      OPERATING PROFIT      NUMBER OF EMPLOYEES  
Percentage of the Group    Percentage of the Group    Percentage of the Group



| SEK m                                             | JANUARY-DECEMBER |       |
|---------------------------------------------------|------------------|-------|
|                                                   | 2022             | 2021  |
| Revenue                                           | 4,500            | 4,317 |
| Operating profit                                  | 682              | 662   |
| Operating margin, %                               | 15.2             | 15.3  |
| Average operating capital                         | 1,656            | 1,354 |
| Return on operating capital, %                    | 41.2             | 48.9  |
| Operating cash flow                               | 112              | 442   |
| Carrying amount, development properties           | 2,270            | 1,669 |
| Number of available building rights               | 11,500           | 9,900 |
| - of which building rights in the balance sheet   | 8,000            | 6,200 |
| Number of residential units sold                  | 946              | 1,121 |
| Number of housing starts                          | 1,022            | 1,177 |
| Number of residential units in current production | 2,234            | 2,154 |
| Number of employees                               | 568              | 564   |
| - of which salaried employees                     | 372              | 369   |
| - of which wage-earners                           | 196              | 195   |

# JM International

## Decreased sales in Norway and Finland

### JM International

Business segment revenue increased to SEK 5,122m (4,531). Operating profit and the operating margin were SEK 395m (415) and 7.7 percent (9.2), respectively. The lower profit is explained primarily by greater cost pressure in current production.

### Norway Market

The price level on the existing home market in Norway rose sharply in the first six months of the year and then fell back. In total, prices increased on the existing home market in 2022 compared to the previous year. The supply and activity level were high on the housing market during the first six months of the year but then weakened during the second half of the year. We are seeing increased interest costs, and inflation is affecting customer demand for new homes. There continued to be strong cost pressure in the Norwegian construction sector, with higher prices in 2022 on raw materials and other inputs.

Sales for the year amounted to 527 residential units (674). To enable more residential transactions, JM Deläga was launched in some residential projects. JM Deläga gives the customer the possibility of buying at least 50 percent of the home, and JM Norway buys the rest.

JM Norway's largest submarkets are the Oslo area, Drammen, Tønsberg and its surroundings, Bergen and Trondheim. Some of our larger ongoing projects are located in Oslo, Nordre Follo, Asker, and Lørenskog in the Oslo area and Drammen and Trondheim. The number of residential units in current production amounts to 1,335 (1,280).

### Revenue and profit/loss

JM Norway's revenue increased to SEK 3,392m (3,030), and operating profit decreased to SEK 238m (300). The operating margin amounted to 7.0 percent (9.9). The profit and margin level decreased due to increased cost pressure and lower sales compared to the previous year. Cash flow was temporarily strengthened by a low level of investments in development properties.

### Building rights

During the year, JM acquired building rights corresponding to around 83 residential units (490).

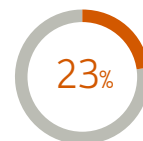
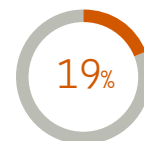
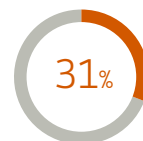
### Housing starts

During the year, production was started on a total of 605 residential units (636) in apartment buildings, of which 125 were in Oslo Municipality, 41 in Rælingen Municipality, 118 in Drammen Municipality, 91 in Nordre Follo Municipality, 48 in Lillestrøm Municipality, 84 in Asker Municipality, and 98 in Trondheim Municipality.

### JM INTERNATIONAL

The business segment develops residential projects in Norway and Finland. Operations include acquisitions of development properties, planning, pre-construction and the production and sales of residential units.

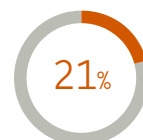
REVENUE OPERATING PROFIT NUMBER OF EMPLOYEES  
Percentage of the Group Percentage of the Group Percentage of the Group



| SEK m                                 | JANUARY-DECEMBER |       |
|---------------------------------------|------------------|-------|
|                                       | 2022             | 2021  |
| Revenue                               | 5,122            | 4,531 |
| Operating profit <sup>1)</sup>        | 395              | 415   |
| Operating margin, %                   | 7.7              | 9.2   |
| Number of employees                   | 571              | 551   |
| <sup>1)</sup> Of which property sales | -                | 4     |

### JM NORWAY

REVENUE OPERATING PROFIT NUMBER OF EMPLOYEES  
Percentage of the Group Percentage of the Group Percentage of the Group



| SEK m                                             | JANUARY-DECEMBER |       |
|---------------------------------------------------|------------------|-------|
|                                                   | 2022             | 2021  |
| Revenue                                           | 3,392            | 3,030 |
| Operating profit <sup>1)</sup>                    | 238              | 300   |
| Operating margin, %                               | 7.0              | 9.9   |
| Average operating capital                         | 2,158            | 2,178 |
| Return on operating capital, %                    | 11.0             | 13.8  |
| Operating cash flow                               | 203              | 671   |
| Carrying amount, development properties           | 1,034            | 1,468 |
| Number of available building rights               | 7,100            | 7,800 |
| - of which building rights in the balance sheet   | 3,300            | 3,800 |
| Number of residential units sold                  | 527              | 674   |
| Number of housing starts                          | 605              | 636   |
| Number of residential units in current production | 1,335            | 1,280 |
| Number of employees                               | 370              | 377   |
| - of which salaried employees                     | 243              | 240   |
| - of which wage-earners                           | 127              | 137   |
| <sup>1)</sup> Of which property sales             | -                | 4     |

## Finland Market

Activity on the housing market in Finland declined significantly during the second half of the year. The ongoing war in Ukraine, inflation and the rapidly rising interest rates had an impact on customers' willingness to buy a home, and the market was cautious.

The price level on the existing home market in the Helsinki region was stable during the first half of the year but decreased during the second half of the year.

In October, JM took occupancy of the project developer Gradina Oy in Tammerfors, which was acquired in June. The acquisition entails that JM Suomi Oy has current production outside of the Helsinki region for the first time.

Sales for the year amounted to 459 residential units (827). The number of residential units in current production amounts to 1,337 at the end of 2022 (1,321). Larger ongoing projects are located in Greater Helsinki in Herttonäs, Myrbacka, Finnö and Albergå.

### Revenue and profit/loss

JM Finland's revenue increased to SEK 1,729m (1,501). Operating profit and the operating margin increased to SEK 158m (122) and 9.2 percent (8.1), respectively. The higher profit is due primarily to several completed projects and an increase in current production. Cash flow during the year is in balance taking into consideration the slight increase in working capital.

### Building rights

During the year, JM acquired building rights corresponding to around 2,310 residential units (128).

### Housing starts

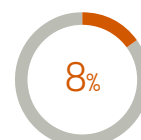
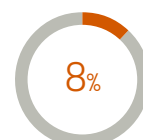
During the year, production started on 599 residential units (665) in apartment buildings, of which 270 were in Helsinki, 270 in Esbo, and 59 in Tammerfors.

## JM FINLAND

REVENUE  
Percentage of the Group

OPERATING PROFIT  
Percentage of the Group

NUMBER OF EMPLOYEES  
Percentage of the Group



| SEK m                                                 | JANUARY-DECEMBER |       |
|-------------------------------------------------------|------------------|-------|
|                                                       | 2022             | 2021  |
| Revenue                                               | 1,729            | 1,501 |
| Operating profit <sup>1)</sup>                        | 158              | 122   |
| Operating margin, %                                   | 9.2              | 8.1   |
| Average operating capital                             | 1,618            | 1,151 |
| Return on operating capital, %                        | 9.8              | 10.6  |
| Operating cash flow                                   | 193              | -358  |
| Carrying amount, development properties               | 1,046            | 930   |
| Number of available building rights                   | 6,800            | 5,100 |
| - of which building rights in the balance sheet       | 3,600            | 3,300 |
| Number of residential units sold <sup>2)</sup>        | 459              | 827   |
| Number of housing starts <sup>3)</sup>                | 599              | 665   |
| Number of residential units in current production     | 1,337            | 1,321 |
| Number of employees                                   | 201              | 174   |
| - of which salaried employees                         | 178              | 154   |
| - of which wage-earners                               | 23               | 20    |
| <sup>1)</sup> Of which property sales                 | -                | 1     |
| <sup>2)</sup> Of which residential units to investors | 359              | 583   |
| <sup>3)</sup> Of which residential units to investors | 359              | 505   |

# JM Property development

## *Sale of the office project K1 Karlbergs Strand*

### Revenue and profit/loss

Business segment revenue increased compared to the previous year thanks to the sale of the office project K1 Karlbergs Strand. Contracting revenue and sales of services amounted to SEK 1,190m (222) and rental income to SEK 34m (40). The operating profit amounted to SEK 306m (407), and net rental income for project properties amounted to SEK 10m (18).

Cash flow for the full year is negative due to ongoing investments in project properties and current projects and acquisitions of properties for development of rental projects.

### Commercial project development

During the fourth quarter, the Government approved the Swedish Fortifications Agency's acquisition of the office property K1 Karlbergs Strand for SEK 2.4bn. The purchase price is indexed with the consumer price index. The project is recognized according to the percentage of completion method. The project is progressing according to plan and is expected to be completed in Q1 2025.

### Residential care units and Co-living

During the fourth quarter, JM started production on the Pilhamn residential care building on Värmdö with 70 residential units.

The project has been sold to an external orderer and will be recognized according to the percentage of completion method until the estimated transfer of legal title in Q3 2024.

In 2022, detailed plan work was performed for the Co-living project Kaplanen in Uppsala. The project consists of 168 residential units, and the detailed plan entered into force at the end of the year.

### Rental Housing

Within Rental Housing, production was started during the year on the project Igelsta in Södertälje, with 96 rental units, on JM's own balance sheet. Production is ongoing in an additional two rental projects on JM's own balance sheet: Kvarter 8 in Järfälla, with 218 rental units, and Dyrvers Kulle in Sundbyberg, with 123 rental units.

### JM@home

The business continued to develop during 2022. The customer base continues to increase, and the organization has grown. The increase in the customer stock is also reflected in greater net sales for the business.

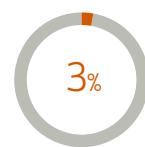
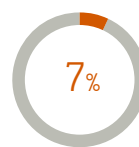
### Building rights

During the year, three properties were acquired for future development of rental housing in Veddesta, Järfälla. The properties cover 6,652 m<sup>2</sup> of rental space, which in the future is judged enable development of around 450 rental units. Available building rights for rental units and residential care units correspond to approximately 1,700 residential units.

### JM PROPERTY DEVELOPMENT

The business segment primarily develops rental units, 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.

REVENUE      OPERATING PROFIT      NUMBER OF EMPLOYEES  
Percentage of the Group    Percentage of the Group    Percentage of the Group



| SEK m                                                           | JANUARY-DECEMBER |       |
|-----------------------------------------------------------------|------------------|-------|
|                                                                 | 2022             | 2021  |
| Revenue                                                         | 1,224            | 262   |
| Operating profit <sup>1) 2)</sup>                               | 306              | 407   |
| Average operating capital                                       | 1,325            | 1,242 |
| Return on operating capital, %                                  | 23.1             | 32.7  |
| Operating cash flow                                             | -666             | 801   |
| Carrying amount, development properties                         | -                | 10    |
| Carrying amount, project properties                             | 914              | 795   |
| Number of available building rights <sup>3)</sup>               | 1,700            | 1,100 |
| - of which building rights in the balance sheet                 | 800              | 200   |
| Number of residential units sold <sup>3)</sup>                  | 70               | 320   |
| Number of housing starts <sup>3)</sup>                          | 166              | 341   |
| Number of residential units in current production <sup>3)</sup> | 507              | 484   |
| Number of employees                                             | 80               | 81    |
| - of which salaried employees                                   | 65               | 65    |
| - of which wage-earners                                         | 15               | 16    |
| <sup>1)</sup> Of which property sales                           | -                | 391   |
| <sup>2)</sup> Of which income from joint venture                | -11              | 40    |

<sup>3)</sup> Refers to rental units and residential care units.

# JM Construction

## *Civil engineering market in Stockholm at good level*

### Market

Demand in the civil engineering market in Stockholm is at a good level, although with high competition for assignments.

### Revenue and profit/loss

Business segment revenue increased compared to the previous year due to higher internal and external activity for JM in its civil engineering operations, where profitability continues to be prioritized over volume. The operating margin weakened due to increased material costs in contracts previously entered into that could not be fully passed on to orderers. Revenue increased to SEK 1,077m (951). Operating profit was SEK 12m (20).

Cash flow improved during the year and was in balance at the end of 2022.

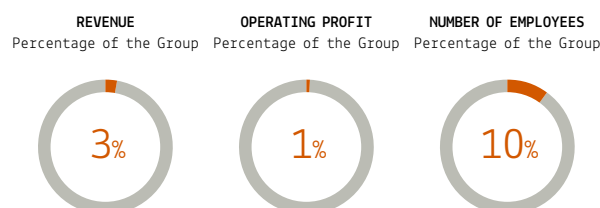
### Projects

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

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

### JM CONSTRUCTION

The business segment carries out construction work for external and internal customers in the Greater Stockholm area.



| SEK m                                   | JANUARY-DECEMBER |      |
|-----------------------------------------|------------------|------|
|                                         | 2022             | 2021 |
| Revenue <sup>1)</sup>                   | 1,077            | 951  |
| Operating profit                        | 12               | 20   |
| Operating margin, %                     | 1.1              | 2.1  |
| Operating cash flow                     | 20               | 36   |
| Carrying amount, development properties | 10               | 13   |
| Number of employees                     | 259              | 251  |
| - of which salaried employees           | 144              | 135  |
| - of which wage-earners                 | 115              | 116  |
| <sup>1)</sup> Of which internal         | 505              | 442  |

# Consolidated income statement – segment reporting

| SEK m                                                    | NOTE    | 2022         | 2021         |
|----------------------------------------------------------|---------|--------------|--------------|
| Revenue                                                  | 1, 2    | 16,385       | 14,608       |
| Production and operating costs                           | 3, 4    | –13,216      | –11,814      |
| <b>Gross profit</b>                                      |         | <b>3,169</b> | <b>2,795</b> |
| Selling and administrative expenses                      | 3, 4, 5 | –1,094       | –1,015       |
| Gains/losses on the sale of property, etc. <sup>1)</sup> | 7       | –11          | 436          |
| <b>Operating profit</b>                                  |         | <b>2,064</b> | <b>2,216</b> |
| Financial income                                         | 8       | 19           | 4            |
| Financial expenses                                       | 8       | –89          | –62          |
| <b>Profit/loss before tax</b>                            |         | <b>1,994</b> | <b>2,158</b> |
| Taxes                                                    |         | –419         | –360         |
| <b>Profit for the year</b>                               |         | <b>1,575</b> | <b>1,798</b> |
| Other comprehensive income                               |         | 568          | 218          |
| <b>Total comprehensive income for the year</b>           |         | <b>2,143</b> | <b>2,016</b> |
| Diluted earnings per share (SEK)                         | 10      | 23.40        | 25.90        |
| Average number of shares, diluted                        | 10      | 67,384,072   | 69,560,505   |
| Proposed dividend per share (SEK)                        | 10      | 14.00        | 13.50        |
| <sup>1)</sup> Of which income from joint venture         |         | –11          | 40           |

## Comments

### Revenue

(2022: SEK 16,385m, 2021: SEK 14,608m)

Consolidated revenue increased by 11 percent compared to 2021. The increase in revenue is primarily attributable to the sale of the office property K1 Karlbergs Strand, which is recognized gradually within the business unit JM Property Development and to a greater extent current production within the business segment JM Residential Sweden and JM International.

The revenue consists of 96 percent of recognized revenue in residential projects and commercial projects. Recognized revenue is reported according to the percentage of completion method, which means that revenue is recognized based on the most recent forecast, period by period, as each project is completed and sold.

JM Construction's revenue represents 3 percent of the Group's revenue.

Rental income from rental units and commercial premises corresponds to 1 percent of total revenue.

### Operating profit

(2022: SEK 2,064m, 2021: SEK 2,216m)

Operating profit decreased by 7 percent compared to the previous year. The operating profit includes gains/losses from property sales and joint venture of SEK –11m (436). Selling and administrative expenses increased by 8 percent compared to the same period the previous year.

### Financial income and expenses

(2022: SEK –70m, 2021: SEK –58m)

Net financial items decreased by 21 percent compared to 2021. This was primarily due to a slightly higher average interest-bearing debt level and a higher average interest rate.

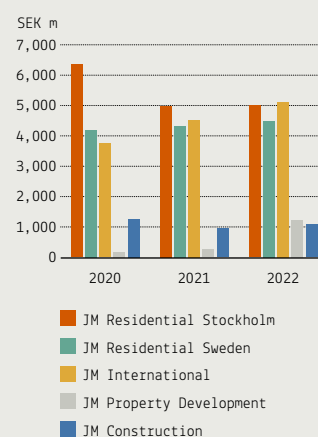
### Taxes

(2022: SEK –419m, 2021: SEK –360m)

Reported tax expense in 2022 amounts to 21 percent (17) of reported profit/loss before tax.

The effective tax rate was slightly lower in 2021 than the nominal tax rate attributable to non-taxable revenue, regarding sales of completed rental unit properties.

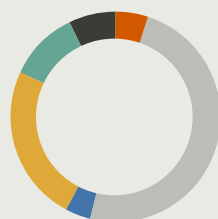
### REVENUE BY BUSINESS SEGMENT



## Consolidated balance sheet – segment reporting

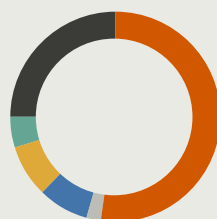
| SEK m                                                            | NOTE       | 12/31/2022    | 12/31/2021    |
|------------------------------------------------------------------|------------|---------------|---------------|
| <b>ASSETS</b>                                                    | 1.2        |               |               |
| <b>Non-current assets</b>                                        |            |               |               |
| Goodwill                                                         | 11         | 219           | 180           |
| Machinery and equipment                                          | 12         | 8             | 8             |
| Participations in joint operations and joint venture             | 14, 15     | 102           | 118           |
| Deferred tax assets                                              | 28         | –             | 1             |
| Financial assets                                                 | 16, 25     | 22            | 23            |
| <b>Total non-current assets</b>                                  |            | <b>351</b>    | <b>330</b>    |
| <b>Current assets</b>                                            |            |               |               |
| Project properties                                               | 17         | 932           | 813           |
| Development properties                                           | 17         | 8,465         | 8,205         |
| Participations in tenant-owners associations, etc.               | 18         | 308           | 377           |
| Accounts receivable                                              | 25         | 424           | 636           |
| Other current receivables                                        | 20         | 613           | 419           |
| Prepaid expenses and accrued income                              |            | 58            | 49            |
| Recognized revenue less progress billings                        | 21         | 4,131         | 2,424         |
| Cash and cash equivalents                                        | 22, 23     | 1,840         | 3,981         |
| <b>Total current assets</b>                                      |            | <b>16,771</b> | <b>16,903</b> |
| <b>TOTAL ASSETS</b>                                              |            | <b>17,122</b> | <b>17,233</b> |
| <b>EQUITY AND LIABILITIES</b>                                    |            |               |               |
| <b>Equity attributable to shareholders of the Parent Company</b> |            |               |               |
| Share capital                                                    | 10         | 68            | 70            |
| Other capital contributions                                      |            | 936           | 935           |
| Reserves                                                         |            | 70            | –89           |
| Undistributed earnings (including net profit for the year)       |            | 7,931         | 7,693         |
| <b>Total shareholders' equity</b>                                |            | <b>9,006</b>  | <b>8,608</b>  |
| <b>Liabilities</b>                                               |            |               |               |
| <b>Non-current liabilities</b>                                   |            |               |               |
| Non-current interest-bearing liabilities                         | 23, 24, 25 | 268           | 190           |
| Other non-current liabilities                                    | 24, 25     | 414           | 373           |
| Provisions for pensions and similar obligations                  | 23, 26     | 1,404         | 1,761         |
| Other non-current provisions                                     | 27         | 458           | 678           |
| Deferred tax liabilities                                         | 28         | 855           | 638           |
| <b>Total non-current liabilities</b>                             |            | <b>3,399</b>  | <b>3,641</b>  |
| <b>Current liabilities</b>                                       |            |               |               |
| Accounts payable                                                 | 24, 25     | 963           | 780           |
| Current interest-bearing liabilities                             | 24, 25     | 507           | 667           |
| Other current liabilities                                        | 24, 25     | 388           | 552           |
| Current tax liabilities                                          |            | 147           | 60            |
| Progress billings in excess of recognized revenue                | 29         | 1,309         | 1,350         |
| Accrued expenses and deferred income                             | 30         | 1,281         | 1,430         |
| Current provisions                                               | 27         | 122           | 145           |
| <b>Total current liabilities</b>                                 |            | <b>4,717</b>  | <b>4,984</b>  |
| <b>Total liabilities</b>                                         |            | <b>8,116</b>  | <b>8,625</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |            | <b>17,122</b> | <b>17,233</b> |
| <b>Pledged assets and contingent liabilities</b>                 | 31         |               |               |

CONSOLIDATED ASSETS  
12/31/2022



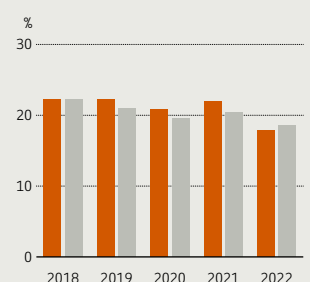
- Projects properties, 5% (5)
- Development properties, 49% (48)
- Other current receivables, 4% (2)
- Recognized revenue less progress billings/work in progress, 24% (14)
- Cash and cash equivalents, 11% (23)
- Other assets, 7% (8)

CONSOLIDATED CAPITAL STRUCTURE  
12/31/2022



- Shareholders' equity, 53% (50)
- Other non-current liabilities, 2% (2)
- Provisions for pensions and similar commitments, 8% (11)
- Progress billings in excess of recognized revenue, 8% (8)
- Interest-bearing liabilities, 5% (5)
- Other liabilities and provisions, 24% (25)

RETURN ON EQUITY AND CAPITAL EMPLOYED



- Return on equity after tax
- Pre-tax return on capital employed

## Comments

### Goodwill

(2022: SEK 219m, 2021: SEK 180m)

The reported goodwill pertains to goodwill at the acquisition of Norwegian companies JM Norge AS and AS Prosjektfinans, the Finnish company Gradina Oy that was acquired during the year, and foreign exchange fluctuations.

### Project properties

(2022: SEK 932m, 2021: SEK 813m)

The portfolio consists of minor commercial properties and two rental projects under construction in Stockholm.

The externally appraised market value was estimated to be SEK 1,089m (1,088), which means a surplus value of SEK 157m (275).

### Development properties

(2022: SEK 8,465m, 2021: SEK 8,205m)

In 2022, JM's rate of acquisition decreased compared to the previous year. During the year, JM acquired development properties for SEK 1,700m (1,754), while development properties for SEK -1,538m (-1,388) were transferred to production. The majority of the acquisitions consist of development properties intended for residential units.

The market value of the development properties shows a surplus value of SEK 6.7bn (7.2).

In all, JM has 22,000 building rights (20,000) in the balance sheet.

### Participations in tenant-owners associations, etc.

(2022: SEK 308m, 2021: SEK 377m)

The purchase of unsold tenant-owned apartments occurs no later than the settlement date and is a consequence of the undertaking in the construction contract with the tenant-owners association. There are 63 (67) unsold residential units in the balance sheet and they refer primarily to show apartments for coming residential phases.

### Recognized revenue less progress billings

(2022: SEK 4,131m, 2021: SEK 2,424m)

This asset item refers to the net of accrued revenue in current projects and accumulated billing in these projects. Ongoing projects that have a positive balance are reported in this assets item.

### Pension provisions

(2022: SEK 1,404m, 2021: SEK 1,761m)

The liability decreased during the year primarily due to changes in the actuarial assumptions of discount rate with an actuarial gain in 2022 of SEK 414m (101).

### Other non-current provisions

(2022: SEK 458m, 2021: SEK 678m)

Refers to non-current provisions for warranty commitments related to expenses that may arise during the warranty period. The amount of the provisions is primarily based on the number of residential units per project and is charged to the project upon completion. The majority of the warranty provisions have a duration of around two to three years after the project is completed.

The item also contains provisions for special payroll tax, which is calculated to be 24.26 percent of the difference between pension liability in a legal person measured using IAS 19 and reported pension liability in a legal person.

### Deferred tax liabilities

(2022: SEK 855m, 2021: SEK 638m)

The deferred tax liabilities item refers, among other things, to the fiscal value of the difference between accounting and tax values (temporary differences) that will be realized in the future. The temporary differences are mainly attributable to tax allocation reserves and development properties.

### Non-current interest-bearing liabilities

(2022: SEK 268m, 2021: SEK 190m)

Refers primarily to long-term interest-bearing liabilities to credit institutions and long-term interest-bearing promissory notes for acquisitions of development properties. The change refers primarily to reclassification from current interest-bearing liabilities to non-current interest-bearing liabilities in JM's foreign subsidiaries.

### Current interest-bearing liabilities

(2022: SEK 507m, 2021: SEK 667m)

Refers primarily to current interest-bearing liabilities in connection with acquisitions of development properties. The change refers primarily to reclassification from current interest-bearing liabilities to non-current interest-bearing liabilities in JM's foreign subsidiaries.

### Other current liabilities

(2022: SEK 388m, 2021: SEK 552m)

The item primarily consists of short-term promissory notes in conjunction with the acquisition of development properties. The item refers to the liability for unconditional agreements that were entered into with deferred payment. The decrease compared to the previous year is primarily due to payment for the acquisition of development properties in previous years in the foreign operations.

### Progress billings in excess of recognized revenue

(2022: SEK 1,309m, 2021: SEK 1,350m)

The liability item refers to the net of accrued revenue in current projects and accumulated billing in these projects. Ongoing projects that show a negative balance are reported in this liability item.

## Consolidated statement of changes in equity – segment reporting

| SEK m                                            | 2022         | 2021         |
|--------------------------------------------------|--------------|--------------|
| <b>Opening balance at beginning of the year</b>  | <b>8,608</b> | <b>7,817</b> |
| Total comprehensive income for the year          | 2,143        | 2,016        |
| Dividend to equity holders of the Parent Company | –922         | –887         |
| Conversion of convertible loan                   | 1            | 38           |
| Repurchase of shares                             | –825         | –375         |
| Equity component of convertible debentures       | –            | –            |
| <b>Closing balance at the end of the year</b>    | <b>9,006</b> | <b>8,608</b> |

## Comments

### Shareholders' equity

(2022: SEK 9,006m, 2021: SEK 8,608m)  
Consolidated equity as at December 31, 2022, totaled SEK 9,006m (8,608), which corresponds to SEK 140 (125) per share. Return on equity was 17.9 percent (21.9).

### Dividend to Parent Company shareholders

The dividend to shareholders of the Parent Company totaled SEK 922m (887), corresponding to SEK 13.50 (12.75) per share.

### Conversion of convertible loan

During the year, 6,195 shares were converted in the outstanding convertible programs.

### Repurchase of shares

During the year shares were bought back for SEK 825m. The holding of treasury shares amounts to 3,774,001 shares at the end of 2022. The number of outstanding shares amounted at the end of the year to 64,504,840 (68,648,746).

## Consolidated cash flow statement – segment reporting

| SEK m                                                                       | NOTE | 2022          | 2021          |
|-----------------------------------------------------------------------------|------|---------------|---------------|
|                                                                             | 1    |               |               |
| <b>OPERATING ACTIVITIES</b>                                                 |      |               |               |
| Operating profit                                                            |      | 2,064         | 2,216         |
| Depreciation and amortization                                               |      | 4             | 5             |
| Increase/decrease in residential units in the balance sheet <sup>1)</sup>   |      | 88            | 107           |
| Other non-cash items                                                        |      |               |               |
| Gains/losses on the sale of property                                        | 7    | –             | –396          |
| Changes in pension liability                                                |      | –357          | –43           |
| Other provisions, etc.                                                      |      | –221          | –209          |
| <b>Sub-total, cash flow from operating activities</b>                       |      | <b>1,578</b>  | <b>1,681</b>  |
| Interest received                                                           |      | 9             | 3             |
| Dividends received                                                          |      | 5             | –             |
| Interest paid and other financial expenses                                  |      | –42           | –36           |
| Paid tax                                                                    |      | –532          | –549          |
| <b>Cash flow from operating activities before change in working capital</b> |      | <b>1,018</b>  | <b>1,099</b>  |
| Investment in development properties                                        |      | –1,871        | –1,539        |
| Payment on account for development properties                               |      |               |               |
| Payment on account for development properties                               | 17   | 1,538         | 1,361         |
| Sale of development properties                                              | 7    | –             | 1             |
| Change in receivables, development properties sold                          |      | –             | –13           |
| Increase/decrease in accounts receivable                                    |      | 223           | 176           |
| Increase/decrease in other current receivables, etc.                        |      | –848          | 98            |
| Increase/decrease in accounts payable                                       |      | 171           | –51           |
| Increase/decrease in other current operating liabilities                    |      | 224           | 262           |
| <b>Cash flow before investments and sales of project properties</b>         |      | <b>455</b>    | <b>1,394</b>  |
| Investment in project properties                                            |      | –795          | –447          |
| Sale of project properties                                                  |      | 79            | 1,340         |
| <b>Cash flow from operating activities</b>                                  |      | <b>–261</b>   | <b>2,287</b>  |
| <b>INVESTING ACTIVITIES</b>                                                 |      |               |               |
| Investment in property, plant, and equipment                                |      | –4            | –4            |
| Acquisition of operations                                                   |      | –26           | –             |
| Change in financial assets                                                  |      | 2             | –12           |
| <b>Cash flow from investing activities</b>                                  |      | <b>–29</b>    | <b>–17</b>    |
| <b>FINANCING ACTIVITIES <sup>2)</sup></b>                                   |      |               |               |
| Loans raised                                                                |      | 538           | 663           |
| Amortization of debt                                                        |      | –661          | –738          |
| Repurchase of shares                                                        |      | –825          | –375          |
| Dividend                                                                    |      | –922          | –887          |
| <b>Cash flow from financing activities</b>                                  |      | <b>–1,869</b> | <b>–1,338</b> |
| <b>Cash flow for the year</b>                                               |      | <b>–2,159</b> | <b>933</b>    |
| <b>Cash and cash equivalents, at beginning of the year</b>                  |      | <b>3,981</b>  | <b>3,037</b>  |
| Exchange rate difference in cash and cash equivalents                       |      | 18            | 11            |
| <b>Cash and cash equivalents, December 31</b>                               |      | <b>1,840</b>  | <b>3,981</b>  |

<sup>1)</sup> The increase/decrease in residential units in the balance sheet creates a cash flow and is included in the operations' net profit/loss.

<sup>2)</sup> For interest-bearing net liabilities, see the consolidated five-year overview on page 135.

## Comments

### Operating activities

(2022: SEK –261m, 2021: SEK 2,287m)

Cash flow from operating activities is lower than in the previous year. Net investments in development properties and project properties and decreased holdings of repurchased residential units resulted in a cash flow of SEK –961m (811).

#### Cash flow from operating activities (sub-total)

(2022: SEK 1,578m, 2021: SEK 1,681m)

Operating activities, before interest and tax, contributed SEK 1,578m, which is a decrease of SEK 103m after elimination of non-cash items. Operating profit contributed SEK 2,064m (2,216). The change in holdings of repurchased residential units resulted in a cash flow of SEK 88m (107).

#### Cash flow from operating activities before change in working capital

(2022: SEK 1,018m, 2021: SEK 1,099m)

Net interest paid and received is at the same level as in 2021. In 2022, the Group received a dividend from JV of SEK 5m (0). Taxes paid decreased from SEK –549m in 2021 to SEK –532m in 2022.

#### Net development properties

(2022: SEK –333m, 2021: SEK –189m)

JM acquired development properties for SEK 1,700m (1,754). At the same time, SEK 1,538m (1,361) was taken into production in conjunction with housing starts.

#### Current receivables and liabilities

(2022: SEK –230m, 2021: SEK 485m)

Current receivables and liabilities had a total impact on cash flow of SEK –230m (485), compared to the previous year of SEK –715m.

#### Net project properties

(2022: SEK –716m, 2021: SEK 893m)

Cash flow from net project properties is attributable to ongoing investments in project properties, current projects and acquisitions of properties for development of rental projects.

#### Financing activities

(2022: SEK –1,869m, 2021: SEK –1,338m)

During the year, a dividend was paid to shareholders totaling SEK –922m (–887). JM repurchased shares during the year at a value of SEK –825m (–375).

# Board of Directors' Report

*The Board of Directors and the President of JM AB (publ), CIN 556045-2103, hereby submit the annual accounts and consolidated financial statements for 2022.*

## Market, sales and housing starts

The housing market in Stockholm has been cautious, with prices falling on the existing home market. Profitability in Stockholm has been good, but with a lower number of sold residential units and housing starts, and it is lower than it was the previous year.

The housing operations in the rest of Sweden reported a lower level of sales and housing starts compared to the previous year but with a continued good profitability level.

In Norway, activity on the housing market slowed but at a higher price level at the end of the year compared to the previous year. Housing starts are in line with the previous year, but sales and profitability decreased primarily due to increased costs in ongoing projects.

In Finland, activity on the housing market showed a weak downward trend with lower sales and fewer housing starts compared to the previous year. Profitability in the projects continues to be at good levels.

The number of residential units sold in the form of signed contracts decreased to 2,659 (4,248)<sup>1) 2)</sup>. The percentage of sold and reserved homes in relation to current production amounts to 62 percent (76), with an interval of 60–65 percent considered normal. JM Residential Stockholm sold 657 residential units (1,306), JM Residential Sweden sold 946 (1,121), JM International sold 986 (1,501), and JM Property Development sold 70 (320).

The number of housing starts decreased 3,113 (3,972)<sup>3) 4)</sup>. JM Residential Stockholm started production on 721 residential units (1,153), JM Residential Sweden on 1,022 (1,177), JM International on 1,204 (1,301), and JM Property Development on 166 (341).

In addition to demand, planning processes continue to be an important factor for the rate of housing starts.

The number of residential units in current production amounted to 8,078 (8,094), of which 507 are rental units (484) in JM Property Development.

## Revenue

Consolidated revenue according to segment reporting during the year increased to SEK 16,385m (14,608). The increased revenue is primarily attributable to the project K1 Karlbergs Strand, which since the fourth quarter is being gradually recognized as income within the JM Property Development segment, and a higher level of current production within the segments JM Residential Sweden and JM International. Revenue restated according to IFRS was SEK 15,747m (15,650). The difference from revenue according to segment reporting is attributable to a restatement effect for the completed contract method in JM International.

## Operating profit

Operating profit according to segment reporting decreased to SEK 2,064m (2,216), and the operating margin decreased to 12.6 percent (15.2). Gains from sales of properties of SEK 0m (396) and from joint venture of SEK –11m (40) are included in the operating profit. Operating profit restated according to IFRS decreased to SEK m 2,021 (2,277). The restatement is related to JM International, with an effect on earnings of SEK –61m (–10) and leases according to IFRS 16 with an effect on earnings of SEK 18m (22).

Operating profit for the JM Residential Stockholm business segment amounted to SEK 720m (763), and the operating margin decreased to 14.5 percent (15.3). Operating profit for JM Residential Sweden amounted to SEK 682m (662), and the operating margin amounted to 15.2 percent (15.3). Operating profit for JM International amounted to SEK 395m (415), and the operating margin decreased to 7.7 percent (9.2).

Operating profit for JM Construction amounted to SEK 12m (20).

Operating profit for JM Property Development amounted to SEK 306m (407). Rental income from JM's project properties was SEK 35m (41). Net operating income was SEK 11m (18).

| BUSINESS SEGMENTS<br>SEK m       | Revenue       |               | Operating profit |              | Operating margin, % |             |
|----------------------------------|---------------|---------------|------------------|--------------|---------------------|-------------|
|                                  | 2022          | 2021          | 2022             | 2021         | 2022                | 2021        |
| JM Residential Stockholm         | 4,966         | 4,990         | 720              | 763          | 14.5                | 15.3        |
| JM Residential Sweden            | 4,500         | 4,317         | 682              | 662          | 15.2                | 15.3        |
| JM International                 | 5,122         | 4,531         | 395              | 415          | 7.7                 | 9.2         |
| JM Property Development          | 1,224         | 262           | 306              | 407          | 25.0                | –           |
| JM Construction                  | 1,077         | 951           | 12               | 20           | 1.1                 | 2.1         |
| Elimination                      | –505          | –442          |                  |              |                     |             |
| Group-wide expenses              |               |               | –52              | –50          |                     |             |
| <b>Total (segment reporting)</b> | <b>16,385</b> | <b>14,608</b> | <b>2,064</b>     | <b>2,216</b> | <b>12.6</b>         | <b>15.2</b> |
| Restatement JM International     | –638          | –240          | –61              | –10          |                     |             |
| Restatement IFRS 16              |               |               | 18               | 22           |                     |             |
| Reclassification property sale   |               | 1,281         |                  |              |                     |             |
| <b>Total (IFRS)</b>              | <b>15,747</b> | <b>15,650</b> | <b>2,021</b>     | <b>2,227</b> | <b>12.8</b>         | <b>14.2</b> |

## RESIDENTIAL UNITS IN CURRENT PRODUCTION

|                                                                                                                                                                                                 | 12/31/2022 | 2021-12-31 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Number of residential units in current production <sup>1) 2)</sup>                                                                                                                              | 8,078      | 8,094      |
| Percentage of sold residential units in current production, % <sup>3)</sup>                                                                                                                     | 59         | 64         |
| Reserved residential units in current production, %                                                                                                                                             | 3          | 13         |
| Sold/reserved residential units in current production, %                                                                                                                                        | 62         | 76         |
| Of which rental units and residential care units in current production in JM Property Development — not included in the percentage of sold and reserved residential units in current production | 507        | 484        |
| Includes residential units in projects where costs incurred are only reported as project properties under construction                                                                          | 437        | 341        |

<sup>2)</sup> Beginning with production start-up through final occupancy according to plan.

<sup>3)</sup> Percentage of sold residential units expressed as binding contract with the end customer.

<sup>1)</sup> Of which 70 rental units (320) in JM Property Development

<sup>2)</sup> Of which 359 residential units (583) in JM International to investors

<sup>3)</sup> Of which 166 rental units (341) in JM Property Development

<sup>4)</sup> Of which 359 residential units (505) in JM International to investors

| UNSOLD UNITS                                                                                                                 | 12/31/2022 | 2021-12-31 |
|------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Completed production, number of unsold units <sup>1)</sup>                                                                   | 91         | 91         |
| The number of unsold residential units in the balance sheet reported as "Participations in tenant-owners associations, etc." | 63         | 67         |

<sup>1)</sup> After final occupancy according to plan.

## Financial income and expenses

Net financial items, excluding interest rate expenses leases, weakened somewhat compared to the previous year primarily due to slightly higher average interest-bearing loan liabilities and average interest rates.

| SEK m                                            | 12/31/2022 | 12/31/2021 |
|--------------------------------------------------|------------|------------|
| Financial income                                 | 19         | 4          |
| Financial expenses <sup>1)</sup>                 | -108       | -85        |
| <b>Financial income and expenses</b>             | <b>-89</b> | <b>-80</b> |
| <sup>1)</sup> Of which interest expenses, leases | -19        | -23        |

## Profit/loss before tax

Profit before tax according to segment reporting decreased to SEK 1,994m (2,158). Profit restated according to IFRS decreased to SEK 1,933m (2,147).

## Tax and profit for the year

Profit for the year according to segment reporting decreased to SEK 1,575m (1,798). Profit for the year restated according to IFRS decreased to SEK 1,529m (1,804). Total tax expense was SEK -419m (-360) and according to IFRS SEK -404m (-343), including current tax of SEK -472m (-383) and deferred tax of SEK 68m (40) according to IFRS.

The lower tax expense for 2021 compared to the nominal tax rate is primarily due to non-taxable revenue for the sale of completed rental properties.

A charge of SEK 49m (39) was taken against earnings for the property tax, which is treated as an operating expense.

## Development and project properties

### Residential building rights

The number of available building rights at the end of the year amounted to 39,500 (35,600), of which 22,000 (20,000) are recognized in the balance sheet. Capital tied up in building rights (development properties in the balance sheet) for residential units increased to SEK 8,454m (8,192).

### TOTAL NUMBER OF RESIDENTIAL BUILDING RIGHTS (Including rights carried in the balance sheet as development properties)

|                          | 2022          |                 | 2021          |                 |
|--------------------------|---------------|-----------------|---------------|-----------------|
| JM Residential Stockholm | 12,400        | (6,400)         | 11,700        | (6,500)         |
| JM Residential Sweden    | 11,500        | (8,000)         | 9,900         | (6,200)         |
| JM International         | 13,900        | (6,800)         | 12,900        | (7,100)         |
| JM Property Development  | 1,700         | (800)           | 1,100         | (200)           |
| <b>Total</b>             | <b>39,500</b> | <b>(22,000)</b> | <b>35,600</b> | <b>(20,000)</b> |

The valuation of JM's total development properties with a carrying amount of SEK 8.5bn (8.2) shows a surplus value of SEK 6.7bn (7.2). This valuation was carried out in cooperation with an independent appraisal company. This large surplus value confirms JM's geographic acquisition strategy.

During 2022, JM purchased development properties for residential units for SEK 1,700m (1,754), of which SEK 417m relates to

JM Residential Stockholm, SEK 1,073m to JM Residential Sweden and SEK 210m to JM International. Net investments in development properties during the year totaled SEK 165m (361). The building rights portfolio then amounts to SEK 8,465m (8,205). These holdings are essential for JM's residential development projects.

## DEVELOPMENT PROPERTIES (HOUSING)

| SEK bn                   | 12/31/2022   |                 | 12/31/2021   |                 |
|--------------------------|--------------|-----------------|--------------|-----------------|
|                          | Market value | Carrying amount | Market value | Carrying amount |
| JM Residential Stockholm | 8.2          | 4.0             | 8.8          | 4.1             |
| JM Residential Sweden    | 3.5          | 2.3             | 3.0          | 1.7             |
| JM International         | 3.5          | 2.2             | 3.5          | 2.5             |
| <b>Total</b>             | <b>15.2</b>  | <b>8.5</b>      | <b>15.4</b>  | <b>8.2</b>      |

### Project properties

Rental income from JM's project properties was SEK 35m (41). Net operating income was SEK 11m (18). Investments in project properties during the year totaled SEK 433m (447). For the corresponding period in 2021, the gains from the sale of properties amounted to SEK 396m. The externally appraised market value of JM's project properties was estimated at SEK 1,089m (1,088) with a carrying amount of SEK 932m (813), which means a surplus value of SEK 157m (275).

## PROJECT PROPERTIES

| 12/31/2022                       | Market value, SEK m | Carrying amount, SEK m | Area (000) m <sup>2</sup> | Occupancy rate annual rent, % |
|----------------------------------|---------------------|------------------------|---------------------------|-------------------------------|
| Properties under development     | 1,049               | 908                    | 29                        | 92                            |
| Completed rental unit properties | —                   | —                      | —                         | —                             |
| Completed commercial properties  | 40                  | 24                     | 1                         | 89                            |
| <b>Total</b>                     | <b>1,089</b>        | <b>932</b>             | <b>30</b>                 | <b>92</b>                     |

## Financial items

### Interest-bearing liabilities and average interest rates

As at December 31, 2022, interest-bearing net liabilities according to segment reporting totaled SEK 334m (-1,363). Non-interest-bearing liabilities for completed property acquisitions amounted to SEK 492m (651). Of these liabilities, SEK 78m (278) were current. According to IFRS, interest-bearing net liability amounted to SEK 8,043m (6,163) after the addition of project financing within JM International of SEK 4,084m (3,121) and part of the project financing within JM Residential Stockholm and JM Residential Sweden of SEK 2,832m (3,692), as well as liabilities from leases according to IFRS 16 of SEK 709m (714). Total interest-bearing loans according to segment reporting on December 31, 2022, amounted to SEK 2,179m (2,618), of which the provision for pensions comprised SEK 1,404m (1,761). According to IFRS, total interest-bearing liabilities amounted to SEK 9,889m (10,144). A revaluation of the pension liability as a result of changed assumptions regarding the discount rate decreased the liability by SEK -414m (101).

At the end of the year, the average interest rate for total interest-bearing loans according to segment reporting and including the pension liability was 3.8 percent (2.0). The average term for fixed-rate loans excluding the pension liability was 0.3 years (0.4). Since the volume of long-term borrowing is relatively limited, the Group works mainly with short term credit facilities.

### Cash flow

Cash flow during the year from operating activities according to segment reporting was SEK –261m (2,287). Net investments in development properties resulted in a cash flow of SEK –333m (–189). The reduced holdings of repurchased residential units resulted in a cash flow of SEK 88m (107). Consolidated cash flow from project properties (sales minus investment) during the year was SEK –716m (893). During the year, JM repurchased own shares for a total of SEK 825m.

Cash flow from operating activities according to IFRS was SEK –2,635m (–961). The difference in comparison to segment reporting is due to reclassified project financing within JM International, JM Residential Stockholm and JM Residential Sweden and reporting of leases according to IFRS 16. Also see comments to the cash flow statement according to segment reporting on page 73.

### Liquidity

Consolidated available liquidity increased to SEK 4,640m (6,781). Aside from cash and cash equivalents of SEK 1,840m (3,981), 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 3.5 years (2.9).

### Shareholders' equity

As at December 31, 2022, consolidated equity according to segment reporting amounted to SEK 9,006m (8,608) and restated according to IFRS to SEK 8,725m (8,385). Undistributed earnings according to IFRS amounted to SEK 7,661m (7,468). In 2022 the dividend to shareholders was SEK 13.50 per share (12.75), for a total of SEK 922m (887). The equity ratio according to segment reporting was 53 percent (50). The equity ratio according to IFRS was 36 percent (34).

### Risks and risk management

A description of significant risks and uncertainty factors that JM faces is presented on pages 80–81. The uncertainty regarding Swedish cement supply, the effects from the ongoing war in Ukraine, and greater uncertainty due to a cautious housing market from higher inflation, rising energy prices and higher interest rate levels are risks that have arisen in 2022.

### Cement supply

In 2022, uncertainty emerged regarding the supply of cement from local cement production in Sweden due to an unclear authorization process between authorities and a market-leading producer. On December 13, the Land and Environment Court of Appeal ruled to extend the required authorization for another four years, which secures the coming year's cement supply.

### Ukraine

Russia's ongoing invasion of Ukraine has caused not only human suffering but also considerable uncertainty in the global economy. JM has no framework suppliers in Russia, Belarus or Ukraine. Even though JM has long-term agreements and is prioritized by our agreed suppliers, they in turn may be dependent on input goods whose access is impacted by the war in Ukraine. The assessment is that this has not had a material impact on JM's ongoing projects.

### Exposure to commodity prices and increased cost pressure

Commodity prices for steel, wood and concrete stabilized in the second half of the year after rising prices during the first six months of 2022. Long-term agreements with JM's suppliers mean this is having a limited impact on the income statement. Cost increases on raw materials are offset in part through regular streamlining.

For JM's Swedish operations, pure steel and wood constitute around 4 percent and 2 percent, respectively, of total costs. The material cost for pure concrete is estimated to constitute around 2 percent of the total cost, which includes cement, ballast and additives.

In general, we are seeing continued increased cost pressure in the construction sector in Sweden, Norway and Finland.

### Higher interest rate levels

The central bank's sharp increases to the key rates to dampen inflation have had a negative impact on our projects through increased financing costs.

### Human Resources

The number of employees increased in 2022 by 1.5 percent and at the end of the year amounted to 2,488 (2,453). Current staffing is dimensioned to the current project volume, and adjustments are made on a regular basis. Demand on the labor market for qualified project development skills continues to be high. The number of wage-earners was 871 (884), and the number of salaried employees was 1,617 (1,569). The average number of employees during the year was 2,472 (2,461), including 564 (533) in JM's foreign companies. Wages, salaries, and social security expenses totaled SEK 1,538m (2,182), of which social security expenses comprised SEK 715m (704).

### Sustainability work

How JM works with sustainability-related matters today will leave its mark long into the future. Sustainability work is a business matter for both the short term and the long term. It provides long-term value growth for owners as well as added value for customers through, for example, lower operating costs, improved quality and more sustainable homes. JM's sustainability work continuously develops through our business management system, improvement work, measurable targets and environmental training programs. Follow-up occurs via non-conformity and key ratio reports as well as internal audits. Prioritized areas include energy consumption, choice of building materials, building waste, transports and machinery, and contaminated soil.

### Sustainability Report

The Sustainability Report in accordance with the Annual Accounts Act is reported in About the Sustainability Report on page 49.

### Corporate Governance Report

The Corporate Governance Report is on pages 120–128.

### Work of the Board in 2022

The 2022 Annual General Meeting elected eight members. The employee organizations appointed two members and two deputies. The Board of Directors held twelve meetings. In addition, the Audit Committee held six meetings, the Compensation Committee four

meetings, and the Investment Committee seven meetings. The most important issues for the Board in 2022 were decisions on the start of production of major housing projects, major acquisitions of development properties, the strategic plan, the sale of one rental project, a proposal to the Annual General Meeting on the acquisition of own shares, and short-term and long-term variable remuneration programs. The Board members' participation in meetings is presented in the chart on page 125. The performance of the Board of Directors is evaluated every fall. The results of the evaluation were discussed and presented to the Board and the Nomination Committee. A description of each committee and member is presented in the Corporate Governance Report on pages 122–123.

## Dividend

Unrestricted equity in the Parent Company amounts to SEK 2,604m. For 2022, the Board of Directors proposes a dividend of SEK 14.00 (13.50) per share, for a total of SEK 903m (922). Remaining unrestricted equity of SEK 3,339m is proposed for carry-forward. The proposed record date for the dividend is Monday, April 3, 2023. If the Annual General Meeting resolves to adopt the proposal, the dividend will be sent on Thursday, April 6, 2023.

## Elimination of treasury shares

The Board of Directors intends to propose to the Annual General Meeting that all the holdings of own shares be eliminated through a decrease in the share capital for appropriations to unrestricted equity. The Board of Directors' complete proposal for a resolution regarding the elimination of shares will be available on March 2, 2023 at the latest, in conjunction with the notice of the Annual General Meeting.

## Repurchase and holdings of own shares

Following the Annual General Meeting on March 31, 2022, 3,774,001 shares were repurchased for SEK 700m. During the first quarter of 2022, JM repurchased shares for SEK 125m attributable to the resolution by the 2021 Annual General Meeting. Holdings of treasury shares subsequently total 3,774,001. The number of outstanding shares, excluding holdings of treasury shares, at December 31, 2022, totals 64,504,840.

JM continues to have a strong financial position in terms of both capital and liquidity. In light of this, the Board of Directors will propose that the Annual General Meeting resolve to renew the mandate for the Board of Directors, during the period up to the next Annual General Meeting and on one or more occasions, to decide on the buy-back of 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.

## Outstanding shares

The number of outstanding shares, excluding holdings of treasury shares, at December 31, 2022, totals 64,504,840. Two shareholders, Samhällsbyggnadsbolaget i Norden AB (SBB) and AMF Pension, have a shareholding in the Company representing at least one-tenth of the voting rights for all shares in the Company. Their holdings amount to 30.6 percent and 11.4 percent, respectively, on January 31, 2023.

## Share capital

JM's share capital on December 31, 2022, amounted to SEK 68m (70) represented by 68,278,841 shares. All shares carry equal voting rights and equal rights to a share of the Company's equity and have a par value of SEK 1. The issued shares are freely transferable with no restrictions imposed by law or JM's Articles of Association. JM knows of no agreements involving shareholders that may restrict the right to transfer shares.

In the event major changes occur to the ownership structure of JM AB, i.e. more than 30 percent or significant changes to the voting rights in JM AB are transferred to another owner or that JM AB is delisted from Nasdaq Stockholm, the credit line of SEK 2,800m can be terminated by the lenders.

## Guidelines for senior executives

The Board of Directors proposed that the 2022 Annual General Meeting resolve on guidelines for remuneration to the CEO and other senior executives in accordance with the following. Other senior executives refers to members of executive management. After they are adopted by the 2022 Annual General Meeting, the guidelines will apply to contractual remuneration and changes made to already agreed remuneration. The guidelines do not apply to remuneration decided by the General Meeting. See also Note 3 on page 94 for a description of remuneration to senior executives.

## The Board's proposal on guidelines for remuneration to senior executives

The Board of Directors proposes that the Annual General Meeting 2023 resolve that the following guidelines for remuneration to the senior executives should apply until the Annual General Meeting 2027 unless circumstances arise that require an earlier revision.

These guidelines cover the CEO and other members of Group management. The guidelines should apply to contractual remuneration and changes made to already agreed remuneration. The guidelines do not apply to remuneration decided by the General Meeting.

### *Guidelines' promotion of the Company's business strategy, long-term interests and sustainability*

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. For more information about the business strategy, long-term interests and sustainability, see [www.jm.se](http://www.jm.se).

A successful implementation of the Company's business strategy and the protection of the Company's long-term interests, including its sustainability, require that the Company can recruit and keep qualified employees. This in turn requires that the Company offer competitive remuneration. These guidelines make it possible to offer senior executives competitive total remuneration.

The basis for remuneration to senior executives is the fulfillment of financial targets, customer satisfaction, and individual performance. A prerequisite for the payment of remuneration is compliance with policies, guidelines and JM's Code of Conduct.

Remuneration covered by these guidelines should aim to promote the Company's business strategy and long-term interests, including its sustainability.

The Company has offered for a number of years the possibility for all employees in Sweden, including Group management, to subscribe to convertible debentures. The General Meeting resolves on the programs, and they are thus not covered by these guidelines. In 2022, no offer has been issued to subscribe to convertibles, and the Board of Directors has decided not to issue invitations to new programs the next few years.

### Forms of remuneration, etc.

Remuneration should be competitive and may consist of the following components: fixed cash salary, short- and long-term variable cash remuneration, pension benefits, and other benefits.

The fulfillment of criteria for payment of short-term variable cash remuneration must be measurable during a period of one year and may amount to at the most 50 percent of the total fixed cash salary during the measurement period. The long-term variable remuneration program must be measurable during a period of three years and may amount to at the most 50 percent of the total fixed cash salary during the year the program started.

For the CEO, pension benefits, including health insurance, must be defined-contribution. Variable cash remuneration may not be pensionable. The pension premiums for defined-contribution may amount at the most to 35 percent of the fixed cash monthly salary. Other senior executives are currently subject to an enhanced ITP plan and a premium-based pension reinforcement of a maximum of SEK 120,000 per year or 30 percent of the fixed cash annual salary exceeding 30 income base amounts. In the event another solution is selected, the pension benefits must be defined contribution — with pension premiums amounting to at the most 35 percent of the fixed cash salary — unless the executive is subject to a defined-benefit pension in accordance with the provisions of a collective agreement. Variable cash remuneration must be pensionable to the extent this applies under compulsory collective agreement provisions that are appropriate for the executive. The Board of Directors, based on a proposal from the CEO, may approve that retirement pension is offered to senior executives who have turned 62.

Other benefits may include life insurance, health insurance and a company car. Premiums and other costs related to such benefits may together total at the most 5 percent for the CEO and at the most 10 percent for the fixed average cash salary for other senior executives.

Additional cash variable remuneration may be paid in extraordinary situations, assuming that such extraordinary arrangements only are made at the individual level either with the aim of recruiting or keeping senior executives or as compensation for extraordinary tasks performed in addition to regular tasks. Such remuneration, for the person in question, together with the outcome of a short-term variable salary scheme, may not exceed an amount corresponding to the maximum possible payout for the short-term variable salary scheme for the payment year in question. Decisions on such remuneration must be made by the Board of Directors following a recommendation by the Compensation Committee.

Regarding employment conditions that are subject to rules other than those that apply in Sweden, for pension benefits and

other benefits, reasonable adjustments may be made to comply with such mandatory rules or established local practice, in which case the overarching objective of these guidelines should be fulfilled to the greatest extent possible.

In exceptional cases, Group management may temporarily be supplemented with a non-regular member who is engaged on a consultancy basis. If this occurs, the member will only receive contractual consultant fees. The size of the consultant fee may correspond to at the most the CEO's fixed cash salary for the same period, adjusted upward for an amount corresponding to social security expenses.

### Termination of employment

For the termination of employment, the notice period may be at the most twelve months. Fixed cash salary during the notice period and severance pay may together not exceed an amount corresponding to the fixed cash salary for two years for the CEO and one year for other senior executives. If notice of termination is given by the senior executive, the notice period may be at the most six months with no right to severance pay. In the event of an agreement between the Company and the executive on the termination of employment, the above wording means that the severance pay can be paid and/or the termination salary can be paid longer than when the notice of termination is given by the senior executive.

### Criteria for distribution of variable cash remuneration, etc.

In addition to the financial performance of the operations, which carries the greatest weight, the short-term variable cash remuneration should also be based on earnings per share and the outcome of customer surveys (Customer Satisfaction Index).

The long-term variable salary scheme is and will be based on the Group's performance targets three years forward in time and, where applicable, the performance of an individual unit.

The criteria that according to the above determine the outcome create incentives for employees to contribute to the realization of the Company's business strategy and thus long-term value creation. If the Board of Directors later were to assess that the business strategy and the Company's long-term interests, including its sustainability, would be better served if the criteria were amended or the targets otherwise modified, these guidelines allow for such changes.

When the measurement period to fulfill the criteria for the payment of variable cash remuneration has closed, the extent to which the criteria have been fulfilled must be determined. The Compensation Committee is responsible for the assessment of variable cash remuneration to the CEO. The CEO is responsible for the assessment of variable cash remuneration to other senior executives. For financial targets, the assessment should be based on the financial information the Company most recently made public.

### Salaries and terms of employment for employees

When preparing the Board's proposal for these remuneration guidelines, salaries and terms of employment for the Company's employees were considered in that information about employees' total remuneration, the remuneration components, the increase in the remuneration and the rate of the increase over time formed a part of the Compensation Committee's and the Board's decision basis for the evaluation of the reasonableness of the guidelines and

the limitations resulting from them. The remuneration report that is prepared for paid and outstanding remuneration covered by the guidelines reports on the change in the gap between the senior executives' remuneration and other employees' remuneration.

### Decision process to determine, review and implement the guidelines

The Board of Directors has established a Compensation Committee. The committee's tasks including preparing the Board's decisions on proposed guidelines for remuneration to senior executives. The Board must prepare a proposal for new guidelines at least every four years and present the proposal for resolution by the Annual General Meeting. The guidelines should apply until new guidelines are adopted by the General Meeting. The Compensation Committee should also monitor and evaluate the program for variable remuneration to senior executives, the application of guidelines for remuneration to senior executives and the applicable remuneration structures and levels in the Company. The members of the Compensation Committee are independent in relation to the Company and senior executives. When the Board of Directors discusses and decides on remuneration-related matters, the CEO and other members of executive management do not attend the meetings to the extent they are affected by the matters.

### Deviations from the guidelines

The Board of Directors may decide to temporarily deviate from the guidelines in full or in part if there are grounds for such a decision on a case-by-case basis and a deviation is necessary to ensure the Company's long-term interests, including its sustainability, or to ensure the Company's economic viability. As specified above, the Compensation Committee is tasked with preparing the Board's decisions on remuneration matters, which includes deviations from the guidelines.

### Description of significant changes to the guidelines

There have been no material changes to the guidelines. The Board's proposal on guidelines for remuneration to senior executives for the 2023 Annual General Meeting is in line with the guidelines adopted at the 2020 Annual General Meeting. As part of the maximum possible long-term variable cash remuneration, all employees, including senior executives, were offered participation in the performance share program introduced in 2022. We intend to offer this program to all employees on an annual basis. Under this program, the participants make an investment and receive a cash contribution corresponding to half of the invested amount distributed across three payment occasions during the three-year duration of the program. After tax deductions, the net amount is invested in new JM shares.

Because we no longer offer participation in convertible programs to senior executives, as of 2023 they will be offered expanded possibilities for making own investments and thus also possibilities for higher cash contributions in the performance share program. The President can make an investment of at the most SEK 600,000 and receive a maximum cash contribution of SEK 300,000 over three years. Other members of executive management are offered to invest a maximum of SEK 300,000 and receive a cash contribution of SEK 150,000. Even the Heads of Unit category will have a greater investment possibility of up to a maximum of SEK 75,000. Other employees are offered an investment of a maximum of SEK 20,000.

### More information

For more information about remuneration in JM, including, where relevant, decided remuneration that has not fallen due for payment, see Note 3 on pages 94–95.

### Parent Company

The Parent Company's core business is project development of residential properties and is conducted in the following business segments: JM Residential Stockholm, JM Residential Sweden and JM Property Development. Net sales for the Parent Company in 2022 were SEK 9,597m (9,710). The Parent Company's profit before appropriations and tax was SEK 1,847m (1,412). Investments in properties totaled SEK 434m (477). The average number of employees was 1,606 (1,628), including 1,172 men (1,205) and 434 women (423). Wages, salaries, and social security expenses totaled SEK 1,595m (1,399). An account of the number of employees and payroll expenses is provided in the Parent Company's notes, Note 2 on page 110.

### Accounting for housing development in Sweden

The annual reports for 2018–2021 have presented the housing development in Sweden. The reports for 2020 of 2021 included a description of Finansinspektionen's (FI) investigation and decision on May 20, 2020, according to which the tenant-owner associations that JM develops may not be considered independent from an IFRS perspective and therefore for accounting purposes must be consolidated in JM's consolidated financial statements.

JM does not share FI's assessment, and even if a change in the accounting will not affect JM's segment reporting, project governance or risk profile, JM considers it to be of principle importance for the matter to be further assessed by a court of law. JM therefore appealed FI's decision to the Administrative Court. JM's appeal was decided with a ruling by the court in JM's favor on October 26, 2021. The Administrative Court reached a different assessment than FI and therefore overruled FI's previous decision. FI appealed the ruling of the Administrative Court to the Administrative Court of Appeal. Its ruling, which was announced on November 9, 2022, entailed that JM must consolidate tenant-owner associations in its consolidated accounts during the production phase according to IFRS. JM considers it to be important for the matter to be tried at the highest court and thus appealed the ruling of the Administrative Court of Appeal to the Supreme Administrative Court in November 2022.

In the annual reports for 2018, 2019, 2020 and 2021, JM provided disclosures regarding effects on earnings, equity and the tenant-owners associations' liabilities in the event that the tenant-owners associations would be consolidated. Corresponding disclosures are also provided in the 2022 Annual Report on page 88. JM intends to continue to provide such disclosures in the annual report.

IFRS is a principle-based framework that often requires assessments. In complex matters like this, it is possible for different parties to make different assessments. An accounting revision in line with FI's preliminary assessment does not affect JM's segment reporting, project governance or business risk profile. JM considers segment reporting to most accurately reflect 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.

# Risks and risk management

Significant risks and uncertainty factors are listed below. JM's largest risks are attributable to changes in macroeconomic conditions.

| Risk                                              | Description of risk                                                                                                                                                                                                                | Management                                                                                                                                                                                                                                  | Comments/outcome 2022                                                                                                                                                                                                                                               |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>MACROECONOMIC RISKS</b>                        |                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                     |
| <b>Economic growth</b>                            | Demand for housing is influenced by economic growth and consumer buying power, as well as development in housing prices.                                                                                                           | Requirement of well-balanced level of sold/reserved residential units before housing start. Efficiency measures in order to reduce production costs.                                                                                        | Prices and demand for newly produced residential units decreased on all of JM's markets during the year due to the war in Ukraine, inflation and higher interest expenses. A well-balanced risk level has still been maintained in current production.              |
| <b>Demographics</b>                               | Population growth and migration flows influence demand for housing.                                                                                                                                                                | JM's strategy is to operate in cities and areas with the best demographic and economic prerequisites.                                                                                                                                       | The fundamental demographic trends are stable and positive in our main markets.                                                                                                                                                                                     |
| <b>Competition scenario</b>                       | The number of competitors impacts offering and pricing, and thus profitability.                                                                                                                                                    | The local competitive situation is continuously monitored. JM works to distinguish itself via its corporate culture, flexibility and acquisition expertise, and to distinguish its offer via customer focus, quality profile and marketing. | The supply of unsold newly produced residential units is historically low on all our markets at the same time as there continues to be many competitors in project development.                                                                                     |
| <b>Political risks</b>                            | Political decisions such as conditions for different forms of tenure, investments in infrastructure and municipal planning, etc., can change the prerequisites.                                                                    | Flexible local plans and decisions on form of tenure as late as possible.                                                                                                                                                                   | Political risks in our three countries were basically unchanged.                                                                                                                                                                                                    |
| <b>Acute macroeconomic changes</b>                | Severe shocks with widespread global impact. Potential impact on demand, supply and flows of goods and services within and between countries (for example: terrorism, conflicts, financial crisis, pandemic, natural catastrophe). | Ability to adapt quickly, follow guidelines from the government and authorities, crisis preparedness and ongoing scenario analyses.                                                                                                         | The war in the Ukraine initially impacted our delivery chains and disrupted production, but our ability to adapt minimized customer impact. Consumer confidence was impacted significantly by war, inflation and interest rates, which slowed demand substantially. |
| <b>OPERATIONAL RISKS</b>                          |                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                     |
| <b>Risks related to building rights portfolio</b> | The risk of there being too few or too many building rights, or that they are in the wrong areas. Risk of planning being delayed or local plans not being approved.                                                                | Ongoing market and customer surveys and close cooperation with potential home buyers to ensure understanding of customer needs. Reduce risks by acquisitions being on condition that the local plan gains final approval.                   | The number of housing starts during the year was limited by challenges in receiving permit decisions within a reasonable period of time.                                                                                                                            |
| <b>Implementation risk</b>                        | Lack of planning or analysis leads to delays, excessively high costs and insufficient customization.                                                                                                                               | Efficiency measures in order to reduce production costs. Required level of sold/reserved residential units before housing start. Stricter procedures for monitoring, oversight and control. Structured Project Development.                 | Favorable development of efficiency measures in the Group's processes. Prices on building material increased, but thanks to JM's long-term purchasing agreements this had a limited impact on implementation.                                                       |
| <b>Unsold units</b>                               | Unsold residential units result in lower profitability for the project and undesired tied-up capital in the balance sheet.                                                                                                         | Starting the project in phases, at the same rate that residential units are sold/reserved, means the risk of unsold residential units can be controlled. The goal is for all residential units to be sold by final inspection.              | At the end of the year, JM had purchased 63 (unsold) units with a carrying amount of SEK 308m in the balance sheet.                                                                                                                                                 |
| <b>Price development during production</b>        | A drop in housing prices during the project means the residential units will be difficult to sell or the project will be unprofitable.                                                                                             | Phased starts mean that JM can better match price to demand.                                                                                                                                                                                | A cautious market resulted in lower price levels for residential units.                                                                                                                                                                                             |

| Risk                                                                             | Description of risk                                                                                                                                                              | Management                                                                                                                                                                                                                      | Comments/outcome 2022                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>FINANCIAL RISKS</b> (see note 25, Financial risk management on pages 102–103) |                                                                                                                                                                                  |                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                             |
| <b>Interest rate risk</b>                                                        | Changes in market interest rates can negatively impact earnings and cash flow.                                                                                                   | The Board has adopted guidelines for fixed interest and maturities. Rules for managing interest rate risk in building loans.                                                                                                    | Interest rates increased sharply during the year and began to impact both the cost profile of our projects and demand for our residential units.                                                                                                                                            |
| <b>Financing risk</b>                                                            | Risk that loans that fall due could become more difficult and more expensive to refinance.                                                                                       | JM is attractive to lenders due to its good equity/assets ratio. JM's finance policy.                                                                                                                                           | Possibilities for financing JM's housing production have been good during the year, but interest rates and margins have increased.                                                                                                                                                          |
| <b>Liquidity risk</b>                                                            | Risk of being unable to fulfill payment obligations.                                                                                                                             | Good control over cash and cash equivalents, and surplus is only invested in local currency and with low credit risk. Payment readiness via overdraft facilities and committed credit lines.                                    | Strong liquidity situation.                                                                                                                                                                                                                                                                 |
| <b>Currency risk</b>                                                             | Fluctuations in exchange rates have a negative impact on the cash flow, income statement and balance sheet.                                                                      | Limited transaction volumes and selective hedging of balance sheet exposure.                                                                                                                                                    | Unchanged low currency exposure.                                                                                                                                                                                                                                                            |
| <b>SUSTAINABILITY RISKS</b>                                                      |                                                                                                                                                                                  |                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                             |
| <b>Climate</b>                                                                   | Increasing requirements on decreased environment footprint and energy consumption. Elevated water levels, recurring pelting rain and more humid climate.                         | JM builds low energy buildings. Local plans are adapted to higher water levels. Materials and technical solutions are selected for greater resistance to moisture. Description of moisture protection prepared in all projects. | JM's residential units use significantly less energy than what is required by the government authorities. In 2022, we continued to follow the recommendations of the TCFD framework, Task Force on Climate-related Financial Disclosures, which is described in more detail on pages 17–18. |
| <b>Human Resources</b>                                                           | Difficulties attracting, recruiting and keeping competent employees.                                                                                                             | Strong value-driven company culture, clear and committed leadership and an important contributor to sustainable urban development of the future.                                                                                | Ongoing efforts to strengthen our employer brand and an inclusive culture. Continuous development for managers in engaged and situation-specific leadership.                                                                                                                                |
| <b>Social conditions</b>                                                         | Risks for accidents, physical and psychological occupational injuries and discrimination in the workplace.                                                                       | Systematic environment work, wellness work, core values, Code of Conduct and incident reporting system.                                                                                                                         | Implementation of Safety Week, review of the Code of Conduct at yearly performance reviews. New procedures and training requirements for crane lifting.                                                                                                                                     |
| <b>Human rights</b>                                                              | Deficiencies in social responsibility and compliance with human rights, work environment, labor law, environmental consideration and work to combat corruption in supply chains. | JM performs sustainability assessments, sustainability analyses and audits of its supply chains. Code of Conduct for suppliers and contractors.                                                                                 | 90 conducted sustainability assessments of potential suppliers. Around 20 in-depth sustainability analyses of existing suppliers, which formed the basis for three on-site sustainability audits.                                                                                           |
| <b>Anti-corruption</b>                                                           | Risk of improper behavior during business deals.                                                                                                                                 | Clear governance, decision-making, transparency and follow-up of business arrangements. Code of Conduct and ethical guidelines.                                                                                                 | Review of the code of conduct during recruitment. Regular exercises for employees in handling ethical dilemmas.                                                                                                                                                                             |

## Consolidated income statement — IFRS

| SEK m                                                                                | NOTE    | 2022         | 2021         |
|--------------------------------------------------------------------------------------|---------|--------------|--------------|
| Revenue                                                                              | 1, 2    | 15,747       | 15,650       |
| Production and operating costs                                                       | 3,4,6   | -12,607      | -12,435      |
| <b>Gross profit</b>                                                                  |         | <b>3,140</b> | <b>3,215</b> |
| Selling and administrative expenses                                                  | 3,4,5,6 | -1,108       | -1,032       |
| Gains/losses on the sale of property, etc. <sup>1)</sup>                             | 7       | -11          | 45           |
| <b>Operating profit</b>                                                              |         | <b>2,021</b> | <b>2,227</b> |
| Financial income                                                                     | 8       | 19           | 4            |
| Financial expenses                                                                   | 8       | -108         | -85          |
| <b>Profit/loss before tax</b>                                                        |         | <b>1,933</b> | <b>2,147</b> |
| Taxes                                                                                | 9       | -404         | -343         |
| <b>Profit for the year</b>                                                           |         | <b>1,529</b> | <b>1,804</b> |
| <b>Other comprehensive income</b>                                                    |         |              |              |
| <i>Items that will be reclassified as income</i>                                     |         |              |              |
| Translation differences from the translation of foreign operations                   |         | 148          | 108          |
| <i>Items that will not be reclassified as income</i>                                 |         |              |              |
| Restatement of defined-benefit pensions                                              |         | 515          | 126          |
| Tax attributable to other comprehensive income                                       |         | -106         | -26          |
| <b>Total comprehensive income for the year</b>                                       |         | <b>2,085</b> | <b>2,012</b> |
| Net profit for the year attributable to shareholders of the Parent Company           |         | 1,529        | 1,804        |
| Comprehensive income for the year attributable to shareholders of the Parent Company |         | 2,085        | 2,012        |
| Earnings per share, basic, attributable to shareholders of the Parent Company, SEK   | 10      | 22.80        | 26.10        |
| Earnings per share, diluted, attributable to shareholders of the Parent Company, SEK | 10      | 22.70        | 26.00        |
| Proposed dividend per share (SEK)                                                    | 10      | 14.00        | 13.50        |
| <sup>1)</sup> Of which income from joint venture                                     |         | -11          | 40           |

# Consolidated balance sheet — IFRS

| SEK m                                                            | NOTE       | 12/31/2022    | 12/31/2021    |
|------------------------------------------------------------------|------------|---------------|---------------|
| <b>ASSETS</b>                                                    | 1, 2       |               |               |
| <b>Non-current assets</b>                                        |            |               |               |
| Goodwill                                                         | 11         | 219           | 180           |
| Machinery and equipment                                          | 12         | 8             | 8             |
| Rights-of-use offices and cars                                   | 13         | 214           | 255           |
| Participations in joint operations and joint venture             | 14, 15     | 102           | 118           |
| Deferred tax assets                                              | 28         | –             | 1             |
| Financial assets                                                 | 16, 25     | 22            | 23            |
| <b>Total non-current assets</b>                                  |            | <b>565</b>    | <b>584</b>    |
| <b>Current assets</b>                                            |            |               |               |
| Project properties                                               | 17         | 932           | 813           |
| Development properties                                           | 17         | 8,465         | 8,205         |
| Rights-of-use leasehold rights                                   | 13         | 513           | 456           |
| Participations in tenant-owners associations, etc.               | 18         | 308           | 377           |
| Work in progress                                                 | 19         | 5,095         | 4,073         |
| Accounts receivable                                              | 25         | 424           | 636           |
| Other current receivables                                        | 20         | 613           | 419           |
| Prepaid expenses and accrued income                              |            | 37            | 49            |
| Recognized revenue less progress billings                        | 21         | 5,591         | 4,798         |
| Cash and cash equivalents                                        | 22, 23     | 1,840         | 3,981         |
| <b>Total current assets</b>                                      |            | <b>23,818</b> | <b>23,807</b> |
| <b>TOTAL ASSETS</b>                                              |            | <b>24,383</b> | <b>24,391</b> |
| <b>EQUITY AND LIABILITIES</b>                                    |            |               |               |
| <b>Equity attributable to shareholders of the Parent Company</b> |            |               |               |
| Share capital                                                    |            | 68            | 70            |
| Other capital contributions                                      |            | 936           | 935           |
| Reserves                                                         |            | 59            | –89           |
| Undistributed earnings (including net profit for the year)       |            | 7,661         | 7,468         |
| <b>Total share-holders' equity</b>                               |            | <b>8,725</b>  | <b>8,385</b>  |
| <b>Liabilities</b>                                               |            |               |               |
| <b>Non-current liabilities</b>                                   |            |               |               |
| Non-current interest-bearing liabilities                         | 23, 24, 25 | 892           | 818           |
| Other non-current liabilities                                    | 23, 24, 25 | 414           | 373           |
| Provisions for pensions and similar obligations                  | 23, 26     | 1,404         | 1,761         |
| Other non-current provisions                                     | 27         | 458           | 678           |
| Deferred tax liabilities                                         | 28         | 784           | 584           |
| <b>Total non-current liabilities</b>                             |            | <b>3,952</b>  | <b>4,214</b>  |
| <b>Current liabilities</b>                                       |            |               |               |
| Accounts payable                                                 | 24, 25     | 963           | 780           |
| Current interest-bearing liabilities                             | 23, 24, 25 | 7,593         | 7,566         |
| Other current liabilities                                        | 24, 25     | 743           | 844           |
| Current tax liabilities                                          |            | 147           | 60            |
| Progress billings in excess of recognized revenue                | 29         | 857           | 967           |
| Accrued expenses and deferred income                             | 30         | 1,281         | 1,430         |
| Current provisions                                               | 27         | 122           | 145           |
| <b>Total current liabilities</b>                                 |            | <b>11,707</b> | <b>11,793</b> |
| <b>Total liabilities</b>                                         |            | <b>15,659</b> | <b>16,007</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |            | <b>24,383</b> | <b>24,391</b> |
| Pledged assets and contingent liabilities                        | 31         |               |               |

## Consolidated statement of changes in equity — IFRS

| SEK m                                                        | Attributable to shareholders of the Parent Company |                             |                      |                        |                            |
|--------------------------------------------------------------|----------------------------------------------------|-----------------------------|----------------------|------------------------|----------------------------|
|                                                              | Share capital                                      | Other capital contributions | Translation reserves | Undistributed earnings | Total shareholders' equity |
| <b>Opening balance, January 1, 2021</b>                      | <b>70</b>                                          | <b>898</b>                  | <b>-197</b>          | <b>6,827</b>           | <b>7,598</b>               |
| Total comprehensive income for the year                      |                                                    |                             | 108                  | 1,904                  | 2,012                      |
| Dividend to Parent Company shareholders, SEK 12.75 per share |                                                    |                             |                      | -887                   | -887                       |
| Repurchase of shares                                         |                                                    |                             |                      | -375                   | -375                       |
| Equity component of convertible debentures                   |                                                    | 38                          |                      |                        | 38                         |
| <b>Closing balance, December 31, 2021</b>                    | <b>70</b>                                          | <b>935</b>                  | <b>-89</b>           | <b>7,468</b>           | <b>8,385</b>               |
| <b>Opening balance, January 1, 2022</b>                      | <b>70</b>                                          | <b>935</b>                  | <b>-89</b>           | <b>7,468</b>           | <b>8,385</b>               |
| Total comprehensive income for the year                      |                                                    |                             | 148                  | 1,938                  | 2,085                      |
| Dividend to Parent Company shareholders, SEK 13.50 per share |                                                    |                             |                      | -922                   | -922                       |
| Repurchase of shares                                         |                                                    |                             |                      | -825                   | -825                       |
| Conversion of convertible loan                               |                                                    | 1                           |                      |                        | 1                          |
| Elimination of repurchased shares                            | -1                                                 |                             |                      | 1                      | -                          |
| <b>Closing balance, December 31, 2022</b>                    | <b>68</b>                                          | <b>936</b>                  | <b>59</b>            | <b>7,660</b>           | <b>8,725</b>               |

# Consolidated cash flow statement — IFRS

| SEK m                                                                       | NOTE  | 2022          | 2021          |
|-----------------------------------------------------------------------------|-------|---------------|---------------|
|                                                                             | 1, 23 |               |               |
| <b>OPERATING ACTIVITIES</b>                                                 |       |               |               |
| Operating profit                                                            |       | 2,021         | 2,227         |
| Depreciation and amortization                                               |       | 105           | 113           |
| Increase/decrease in residential units in the balance sheet <sup>1)</sup>   |       | 88            | 107           |
| Other non-cash items <sup>2)</sup>                                          |       | -2,566        | -3,318        |
| <b>Sub-total, cash flow from operating activities</b>                       |       | <b>-353</b>   | <b>-871</b>   |
| Interest received                                                           |       | 9             | 3             |
| Dividends received                                                          |       | 5             | —             |
| Interest paid and other financial expenses                                  |       | -61           | -59           |
| Paid tax                                                                    |       | -532          | -549          |
| <b>Cash flow from operating activities before change in working capital</b> |       | <b>-932</b>   | <b>-1,475</b> |
| Investment in development properties                                        |       | -1,871        | -1,539        |
| Payment on account for development properties <sup>2)</sup>                 |       | 649           | 485           |
| Increase/decrease in accounts receivable                                    |       | 1,493         | 706           |
| Increase/decrease in other current receivables, etc.                        |       | -1,668        | -198          |
| Increase/decrease in accounts payable                                       |       | 171           | -51           |
| Increase/decrease in other current operating liabilities                    |       | 238           | 217           |
| <b>Cash flow before investments and sales of project properties</b>         |       | <b>-1,919</b> | <b>-1,854</b> |
| Investment in project properties                                            |       | -795          | -447          |
| Sale of project properties                                                  |       | 79            | 1,340         |
| <b>Cash flow from operating activities <sup>2)</sup></b>                    |       | <b>-2,635</b> | <b>-961</b>   |
| <b>INVESTING ACTIVITIES</b>                                                 |       |               |               |
| Investment in property, plant, and equipment                                |       | -4            | -5            |
| Acquisitions of operations                                                  |       | -26           | —             |
| Change in financial assets                                                  |       | 2             | -13           |
| <b>Cash flow from investing activities</b>                                  |       | <b>-29</b>    | <b>-17</b>    |
| <b>FINANCING ACTIVITIES</b>                                                 |       |               |               |
| Loans raised                                                                |       | 538           | 664           |
| Amortization of debt                                                        |       | -661          | -738          |
| Amortization of debt, leasing                                               |       | -121          | -108          |
| Loans raised, project financing <sup>2)</sup>                               |       | 5,097         | 5,308         |
| Amortization of debt, project financing <sup>2)</sup>                       |       | -2,602        | -1,951        |
| Repurchase of shares                                                        |       | -825          | -375          |
| Dividend                                                                    |       | -922          | -887          |
| <b>Cash flow from financing activities</b>                                  |       | <b>504</b>    | <b>1,911</b>  |
| <b>Cash flow for the year</b>                                               |       | <b>-2,159</b> | <b>933</b>    |
| <b>Cash and cash equivalents, at beginning of the year</b>                  |       | <b>3,981</b>  | <b>3,037</b>  |
| Exchange rate difference in cash and cash equivalents                       |       | 18            | 11            |
| <b>Cash and cash equivalents, December 31</b>                               |       | <b>1,840</b>  | <b>3,981</b>  |

<sup>1)</sup> The increase/decrease in residential units in the balance sheet creates a cash flow and is included in the operations' net profit/loss.

<sup>2)</sup> JM sometimes recognizes initial project financing for Swedish residential projects where the financing in most cases is taken over by the customer at a later point in time. The take-over occurs without any incoming or outgoing payments, and when the debt is settled there is no impact on the cash flow statement; there is neither a negative item (amortization) in the financing activities nor a positive item in the operating activities.

# Notes to Financial Statements

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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 of figures in tables, total amounts may not correspond to the sum of the initial rounded whole numbers.

## note 1 Accounting and valuation principles

Amounts in SEK m unless otherwise stated.

### COMPANY INFORMATION

These annual accounts and consolidated accounts for JM AB were approved by the Board and the President on February 27, 2023, and will be presented for adoption at the 2023 Annual General Meeting. JM AB is a Swedish public limited company listed on Nasdaq Stockholm, Large Cap segment. The Company has its registered office in Stockholm, Sweden. The address of the head office is Gustav III:s boulevard 64 Solna, Sweden. 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.

### STATEMENT OF COMPLIANCE WITH APPLIED RULES

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. In addition, the consolidated accounts are prepared in compliance with Swedish law through the application of the Swedish Financial Reporting Board recommendation RFR 1 (Supplementary Accounting Regulations for Groups). The Parent Company's annual accounts have been prepared in compliance with Swedish law and with application of the Swedish Financial Reporting Board's recommendation RFR 2 (Reporting for Legal Entities). This means that the Group's accounting principles are applied with the deviations that can be seen in the section about the Parent Company's accounting policies.

### Basis for preparation of the accounts

The consolidated accounts are based on historical cost, with the exception of certain financial instruments. Unless stated otherwise, amounts are specified in millions of Swedish kronor (SEK m).

### BASIS FOR CONSOLIDATION

The consolidated accounts include the Parent Company and its subsidiaries. The financial statements for the Parent Company and the subsidiaries that are included in the consolidated accounts relate to the same period and have been prepared according to the accounting policies that apply for the Group. A subsidiary is included in the consolidated accounts from the date of acquisition, which is the date on which the Parent Company acquires a controlling influence over the company, normally when the Parent Company owns more than 50 percent of the votes, and is included in the consolidated accounts until the date on which the controlling influence in the company ceases. Internal balances and profits and losses from internal transactions are eliminated.

### CHANGES IN ACCOUNTING PRINCIPLES AND METHODS OF CALCULATION

The accounting principles and methods of calculation for the Group are the same as those applied to the previous year.

### NEW STANDARDS AS OF 2022

New standards, amendments and interpretive statements that entered into force as of January 1, 2022, are not judged to have had a material impact on JM's financial statements.

### NEW STANDARDS ENTERING INTO FORCE AS OF 2023

New standards, amendments and interpretive statements that have not yet entered into force have not been applied in advance to JM's financial statements. According to the amendments to IAS 1 Presentation of Financial Statements, which are to be applied 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 regarding disclosures of accounting principles has been analyzed and is not judged to have a material impact on JM's financial statements.

## IMPORTANT ESTIMATES AND ASSESSMENTS

The preparation of financial statements requires JM to make assessments, estimates and assumptions which affect the reported amounts of assets and liabilities, the reported amounts of revenue and expenses and other information disclosed. These estimates and assessments reflect what JM considers to be reasonable and legitimate at the time the annual report is presented. Other assessments, assumptions or estimates could lead to other results, and assessments made at a later point in time and/or the actual outcome may differ from the assessments made now, i.e. given events that occurred later or modified global factors. JM must also make assessments regarding the application of the Group's accounting principles.

### Important assessments when applying accounting principles

In Sweden, JM enters into agreements with tenant-owners associations to construct turn-key residential properties. JM does not consider itself to have control of these tenant-owners associations in accordance with IFRS 10 Consolidated Financial Statements, and they are therefore not consolidated. The associations are thus viewed as customers of JM.

The activities of a tenant-owners association can be divided into two different phases. The first, the production phase, consists of the phase during which the association is formed and purchases the property in which individual buyers acquire residential units made available as tenant-owned apartments. When the property is completed, the activity transitions into a management phase. During the production phase, relevant activities include signing an agreement with a firm for the production and provision of a turn-key residential property.

The tenant-owners associations are formed by JM-independent professionals within the property and tenant-owned apartment sector, and according to the association's statutes the majority of the board members must be appointed by a JM-independent party during the entire production phase. JM has no right to appoint the associations' boards of directors, and JM never has any representation on these boards.

The boards of the tenant-owners associations evaluate JM's offer and make the decision that is relevant and important for the activities of the production phase to enter into an agreement with JM for the production and provision of a turn-key residential property. The associations also enter into agreements with independent real estate agents, who sell the association's tenant-owned units.

Through the agreement, JM and the tenant-owners associations agree on what will be delivered by JM and when. In other words, JM is hired to deliver a turn-key residential property in exchange for compensation at market rates and cannot influence the relevant activities in the tenant-owners associations during the production phase.

JM also considered other contract terms that could be of significance for the assessment. For example, during the production phase, JM provides surety for the portion of the tenant-owners associations' building loans that exceed the value of the mortgage deed in the property the association pledges as collateral, and JM is obligated to acquire units that are not sold as tenant-owned apartments from the associations after a certain period of time following the final inspection, thus bearing the non-impactable risk that prices may fall (see Note 31). JM also undertakes according to the agreement, in exchange for compensation at market rates, economic management as well as other management during the production phase and compensate the associations for their day-to-day costs. The surety commitment is a temporary, partial credit enhancement that largely is pledged to reduce the cost of issuing the mortgage deed, which is advantageous for both parties. The commitments to acquire unsold apartments occur in several other industries, and the same applies to agreements where transaction prices vary depending on the market price on any given day. JM considers this commitment to have an impact on the assessment of revenue recognition and not the assessment of whether there is any control<sup>1)</sup>. The described additional services have been agreed purely for administrative reasons and are judged to be unimportant for the order placed with JM by the association for the total undertaking of providing a turn-key residential property.

Given an overall assessment of all the facts and circumstances, JM does not consider the above conditions, which are reported in accordance with

IFRS<sup>1)</sup>, to change JM's conclusion. JM cannot direct the relevant activities of the tenant-owners associations during the production phase, but rather is hired to deliver a turn-key residential property in exchange for compensation at market rates. JM therefore does not consider itself to have power over the associations in accordance with IFRS 10, and thus JM does not have control over the associations.

If JM instead had assessed that it has control, the tenant-owners associations would have been consolidated. JM's customers would then constitute individual buyers of tenant-owned apartments, which means that the revenue would not be reported over time (gradually) but rather at the point in time the buyers of the tenant-owned apartments take occupancy. Based on what JM considers to be reasonable assumptions, under such a scenario JM estimates that revenue and operating profit/loss for 2022 would have amounted to approximately SEK 16.0bn (compared to reported revenue of SEK 15.8bn) and approximately SEK 2.0bn (compared to reported operating profit/loss of SEK 2.0bn), respectively, and equity on December 31, 2022, would have amounted to approximately SEK 8.0bn (compared to reported equity of SEK 8.7bn). JM has no contractual or legal basis for taking part of the financial statements for the tenant-owners association with which JM has an ongoing construction agreement. However, JM has compiled data about these associations' utilized construction loans, which, as at December 31, 2022, amounted to approximately SEK 7.9bn (6.7).

<sup>1)</sup> The commitment to acquire unsold apartments is considered when determining the transaction price within the framework of IFRS 15's rules regarding variable remuneration. JM discloses the surety commitment in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, while, according to the same standard, the reporting of the income statement and balance sheet is first relevant in a situation where it is judged to be probable that the commitment will be met.

## IMPORTANT SOURCES OF UNCERTAINTY IN ESTIMATES

### Revenue recognition over time (percentage of completion method) in current residential and contracting projects

JM applies the percentage of completion method, where revenue and profit/loss are reported gradually over the term of the project based on the forecast completion and the project's actual rate of completion. This requires that income and expenses, and thus the margin, can be reliably estimated. This estimate is based on JM's system for calculations, reporting, follow-up and forecasts. It requires input data in the form of estimates and assessments that are dependent on the knowledge and experience of JM and its employees. However, the final project outcome can deviate from assessments made earlier. See Note 21 and Note 29 for more information.

### Provisions for pension commitments

The carrying amount of JM's commitments for defined-benefit pension plans are affected by actuarial assumptions such as the discount rate, inflation, mortality, future wage increases and staffturnover, and where the assumed discount rate normally has the greatest impact. See Note 26 and Note 27 for more information, and Note 26 also provides information about assumptions made and a sensitivity analysis for changes to the chosen discount rate.

### Provisions for warranty commitments

Most of JM's contracts with customers, in terms both of project development of residential units as well as contracting agreements in JM Construction, contain provisions for warranty commitments for JM from the obligation to rectify faults and deficiencies within a set period of time (in some cases up to ten years) after the completion of the project. The warranty commitments may also be stipulated by law or in some other way. The calculation of the warranty provisions is normally based on the estimated costs for the project concerned or for a group of similar projects and is determined according to a ratio that has historically provided a reliable estimate of these costs. The ratio can be, for example, a proportion of revenue or estimated cost per completed residential unit. The size of the provision is assessed regularly during the warranty period and adjusted as needed based on experience data in general and, where available, specific damages. Actual outcome may deviate from the provisions based on estimates made. See Note 27 for more information.

## Disputes, etc.

Within the framework of its ongoing business, JM is occasionally involved in disputes and legal proceedings. In these cases, JM's assumptions must be evaluated and the probability for various outcomes assessed. Actual outcomes in the future may deviate from the estimates made today. See Note 25 and Note 31 for more information.

## CURRENT AND NON-CURRENT LIABILITIES, CURRENT AND NON-CURRENT ASSETS

Liabilities and provisions are reported as either current or non-current. Current liabilities refer to liabilities that are expected to be settled within twelve months of the balance sheet date or when JM does not have an unconditional right to pay later than within twelve months. Current assets include assets that are expected to be realized during JM's normal business cycle or, in terms of claims, within twelve months.

## BUSINESS COMBINATIONS

The fair value of identifiable assets and liabilities of acquired operations is determined at the time of acquisition (and also includes, where relevant, assets, liabilities and provisions, including commitments and claims from outside parties, which are not recognized in the balance sheet of the acquired business). The difference between the cost of the acquisition and the acquired share of identifiable net assets in the acquired business constitutes goodwill and is recognized as an intangible asset in the balance sheet. Transaction costs are expensed directly in the profit/loss for the period.

## ASSOCIATED COMPANIES AND JOINT VENTURE

Holdings in associated companies are reported using the equity method and include companies in which the Group has a significant influence, which normally is assumed to be the case when the holding amounts to at least 20 percent but not exceeding 50 percent of the voting rights and the ownership is part of a long-term commitment. According to the equity method, holdings in associated companies and joint ventures are reported initially in the consolidated balance sheet at cost. The carrying amount is increased or decreased to take into account the Group's share of profit/loss and other comprehensive income from its associated companies and joint ventures after the date of acquisition. The Group's share of profit/loss is included in consolidated profit/loss, and the Group's share of other comprehensive income in other consolidated comprehensive income. Dividends from associated companies and joint ventures are reported as a decrease in the investment's carrying amount. When the Group's share of losses in an associated company or joint venture is as large as or exceeds the holding in this associated company or joint venture (including all non-current receivables that in reality constitute a part of the Group's net investment in this associated company or joint venture), the Group does not report any further losses unless it has taken on obligations or made payments on behalf of the associated company or the joint venture. Unrealized profits on transactions between the Group and its associated companies and joint ventures are eliminated to the extent of the Group's holdings in associated companies and joint ventures. Unrealized losses are also eliminated if the transaction does not constitute an indication of an impairment of the asset that is being transferred.

## JOINT ARRANGEMENTS

Joint arrangements are operations for which the Group, through cooperation agreements with one or more partners, shares the controlling influence. If the arrangements are joint operations, by which the partners are entitled to the assets and obliged by the liabilities of the arrangements, the partners report their assets, liabilities, income and expenses and their participations in joint assets, liabilities, income and expenses. If the partners are entitled to the arrangement's net assets, this is reported according to the equity method.

## TRANSLATION OF FOREIGN OPERATIONS

All foreign Group companies conduct their business activities in the local currency of each country, which is the functional currency of each company. Balance sheets and income statements are translated into the Group's reporting currency (SEK) using the current method. According to the

current method, all assets, provisions, and other liabilities are restated at the closing rate of exchange and all items in the income statement are restated using the exchange rate on the date of the transaction (approximated through the translation to the average exchange rate for the period). The translation difference thus arising is reported, as are any translation differences in the financial instruments held to hedge these net assets, in Other comprehensive income and accumulated in the translation reserve within Equity. In the event of a divestment of foreign operations, the accumulated translation difference is returned to the period's profit/loss.

Exchange rates used in the consolidated accounts are specified in the following table.

| Exchange rates<br>Country | Currency | Average exchange rate |         | Exchange rate, December 31 |         |
|---------------------------|----------|-----------------------|---------|----------------------------|---------|
|                           |          | 2022                  | 2021    | 2022                       | 2021    |
| Finland                   | EUR      | 10.6317               | 10.1449 | 11.1283                    | 10.2269 |
| Norway                    | NOK      | 1.0522                | 0.9980  | 1.0572                     | 1.0254  |

## RECEIVABLES AND LIABILITIES IN FOREIGN CURRENCY

Transactions in foreign currencies (currency other than each company's functional currency) are reported at the translation rate on the transaction date. Monetary receivables and liabilities in foreign currencies are translated at the exchange rate applied on the balance sheet date. Exchange rate differences are reported in profit/loss for the period.

## SEGMENT REPORTING

JM's segment reporting differs from IFRS in three aspects. In its segment reporting, revenue for JM International is recognized using the percentage of completion method. In addition, recognized project financing within JM International and parts of the project financing in JM Residential Stockholm and JM Residential Sweden 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 internal governance, which is based on consolidated cash flows, risk profile and capital allocation.

## REVENUE RECOGNITION

### Revenue and profit/loss from residential project development

JM's residential project development in Sweden is primarily conducted by JM entering a contract with a tenant-owners association as the orderer of a total commitment consisting of the transfer of land and the construction of a residential property. The contracts with the tenant-owners association are entered into simultaneously, priced as a single unit and assessed to constitute a performance obligation. Since JM is contractually obligated to deliver a specific property and during the course of the project is entitled to payment, the revenue is recognized over time, i.e. applying the percentage of completion method. Revenue and profit/loss in the projects are reported in pace with their recognition and sale, providing a direct link between financial reporting and the performance commitment met by JM during the period. Revenue and profit/loss are based on the stage of completion and calculated using the stage of completion taking into consideration the sales rate. The degree of completion is mainly determined by project costs incurred (including land and interest rate expenses) in relation to the total estimated project costs. The sales rate reflects JM's commitment to acquire from the association the residential units that were not sold as tenant-owned apartments within a certain period of time following the final inspection. This commitment introduces an element of variable remuneration which is based on experience data and considered when setting the transaction price. "Sales" refers to the number of residential units sold in the form of binding contracts between the tenant-owners association and the buyers of the residential unit. Revaluations (changes in forecasts) of anticipated project revenue lead to adjustment of

previously recognized revenue in the projects concerned and are included in the period's reported profit/loss. If, and thus up until such is no longer the case, a reliable estimate of the profit/loss of the projects cannot be made, revenue is recognized in level with costs incurred. Anticipated losses are expensed immediately and in their entirety against profit/loss for the period.

The difference between recognized revenue and amounts not yet invoiced is reported in the balance sheet as "Revenue less progress billings" (contract asset) or "Progress billing in excess of recognized revenue" (contract liability). Costs for warranty commitments are included in the project costs, and the estimated total warranty cost is included in the project's total expected costs.

In Norway and Finland there is no right to receive payment during the course of the project, which is why income (and cost) is reported at a single point in time, i.e. when the residential unit is completed and turned over to the customer. Until this point, costs incurred in the projects are reported in the balance sheet as "Work in progress."

### Revenue and profit/loss in JM Construction

JM Construction's revenue is generated primarily from work carried out under construction contracts with customers (orderers). Since the contracting work is carried out on land controlled by the customer, revenue is recognized over time, i.e. applying the percentage of completion method as the contracting project is completed. The stage of completion is mainly determined using project costs incurred in relation to total estimated project costs. Project revenue is recognized as the contractual original contract total and any additional work, claims for specific compensation and incentives to the extent these have been approved by the orderer. If the outcome of a project cannot be reliably estimated, revenue is recognized in level with costs incurred until the point in time this can occur. Anticipated losses are expensed immediately.

The difference between recognized revenue and amounts not yet invoiced is reported in the balance sheet as "Revenue less progress billings" or "Progress billing in excess of recognized revenue." Costs for warranty commitments are included in the project costs, and the estimated total warranty cost is included in the project's total expected costs.

### Gains/losses on the sale of property/commercial property development

Sales of project properties and development properties in existing conditions (normally only land) and that are thus not the object of project development are recognized in the income statement at the point in time when the customer receives control of the property.

During agreements for commercial property development, JM is invariably bound to deliver a specific property and thus never has an alternative use for the property. If JM is entitled to payment during the course of the project, the revenue is recognized over time (gradually). If this is not the case, the revenue is recognized at a single point in time, i.e. at completion. Whether JM is entitled to payment is dependent on the terms of the agreement and/or applicable legislation, and an assessment is made on an agreement-by-agreement basis.

## INCOME TAX

The income statement item, Taxes, includes current and deferred income tax. The companies in the Group are liable for tax according to existing legislation in each country. The state income tax rate in Sweden was 20.6 percent (20.6) during the year, 22.0 percent (22.0) in Norway, and 20.0 percent (20.0) in Finland. Current tax is based on reported profit/loss adjusted for so-called permanent differences such as additions for non-deductible items and deductions for non-taxable income and other deductions. Any tax adjustments for previous years are reported as current tax. The balance sheet method is applied to accounting for deferred tax. According to this method, recognition occurs for deferred tax liabilities and assets attributable to temporary differences between carrying amounts and fiscal values of assets and liabilities and, in terms of deferred tax assets, to fiscal deductions. Deferred tax assets are recognized net against deferred tax liabilities to the extent they can be used against deferred tax liabilities. Deferred tax liabilities

and tax assets are calculated on the basis of the applicable tax rate for the years during which the items are expected to be realized. The effects of changes in applicable tax rates are taken against income in the period the change becomes law. Deferred tax assets attributable to loss carry-forwards are reduced to the extent that it is not probable they will be realized.

Tax attributable to items reported as Other comprehensive income is also reported in Other comprehensive income.

## GOODWILL

Goodwill is the difference between the consideration for a business combination and the fair value of the acquired operations' net assets (see Business Combinations above). Goodwill is not subject to annual write-down but undergoes an impairment test when grounds for such arise or at least once a year. Goodwill is tested for impairment as follows: the goodwill at the time of acquisition is allocated to cash-generating units that correspond to the lowest level within the Group at which goodwill is monitored in JM's internal governance but that is not a larger unit than a reported segment. JM tests carrying amounts by comparing the estimated recoverable amount, normally by discounting estimated future cash flows, to the carrying amount. If the recoverable amount is less than the carrying amount, a write-down is reported within profit/loss for the period.

## PLANT, PROPERTY, AND EQUIPMENT

Property, plant and equipment are recognized at cost after deduction for accumulated depreciation and impairment losses, if any. Depreciation according to plan is applied on a straight-line basis and based on the cost and assessed useful life of the assets.

## PROJECT PROPERTIES AND DEVELOPMENT PROPERTIES, ETC.

Properties, undeveloped or developed, that are intended for production of tenant-owned apartments/freehold apartments or freehold single-family homes and land for project properties are classified as development properties. Project properties are other properties that are classified as neither development properties nor operational/management properties. Project properties and development properties as well as ongoing projects in JM International constitute current assets from an accounting perspective and are valued in accordance with IAS 2 Inventory, which means they are reported at the lowest of cost and net realizable value (see more under "Impairment Losses" below). The cost of JM's project properties and work in progress include both direct costs and a reasonable share of indirect costs. Interest rate expenses for production of project properties and work in progress are included as a part of cost (see more under "Borrowing Costs" below).

Project and development properties are usually recognized as assets from the time the parties enter into a binding acquisition agreement.

## BORROWING COSTS

Borrowing costs are included in the consolidated accounts in cost of build-ings in progress (project properties) and work in progress (JM International). Interest expenses are included in the cost until the date on which the building is complete. If special borrowing arrangements were made for the project, actual average borrowing cost is used. In other cases, borrowing cost is calculated based on the Group's actual average borrowing cost.

Interest rate expenses for project financing of residential projects are included under the project's other production costs.

## IMPAIRMENT LOSSES

If there is any indication of impairment of the value of property, plant and equipment or an intangible asset on the balance sheet date, a calculation is performed of the recoverable amount of the asset. The recoverable amount is the greater of net realizable value and value in use. If the estimated recoverable amount is lower than the carrying amount, an impairment loss is recognized to the asset's recoverable amount. With the exception of goodwill, an impairment loss is reversed when the basis for the impairment, wholly or partly, no longer exists.

The term impairment loss is also used in conjunction with revaluation of properties reported as current assets. Valuation of these properties is performed item by item (property by property) according to the lowest value principle; i.e. the lower of cost and net realizable value.

Net realizable value is the estimated sales price in the ordinary course of business, less estimated costs for completion and executing a sale.

Potential impairment of development properties is tested based on JM's annual market valuation or if there is any indication of impairment and, where necessary, supplemented with internal project assessments that contain assumptions about the project's anticipated income and expenses. The future cash flow of the project is discounted by a discount rate. Projects (development properties) having a discounted present value lower than their carrying amount, are subject to impairment. See also "Goodwill" above.

## LEASES

JM's leases consist primarily of properties in which JM conducts its operations, the rental of vehicles used in operations, and the rental of land (so-called site leasehold rights). The leases are reported as a right-of-use asset and as a corresponding liability on the date the asset is available for use. The fees for leases with a lease term of less than 12 months and leases for low-value assets are allocated on a straight-line basis and is recognized as an expense.

The asset and the liability are initially recognized at the present value of the discounted present value of the future lease payments. Any variable fees are not considered in the lease payments if they are not based on an index or interest rate. The latter are considered at the time they enter into force. The interest rate applied to the present value calculation is the implicit rate in the contract. If it is not known, the marginal borrowing rate is used.

The standard entails that JM reports depreciation (linear) and interest rates related to leases in the income statement, which also subsequently means that lease expenses attributable to Production and operating costs (cars, site leasehold fees) are moved to Selling and administrative expenses (cars) and Interest expenses (site leasehold fees). In the cash flow, payments are split into interest and amortization.

In the balance sheet, the assets are distributed between rights-of-use, while the liabilities are broken down into long-term and short-term.

The value of the rights-of-use for offices and vehicles is calculated using the present value method over the term of the contract, with deductions for linear depreciation. The liability is also calculated in accordance with the present value method and is reported net after deductions for paid amortization. The value of site leasehold rights is calculated up to the date when the payment obligation is expected to transfer to the customer. In the cases where JM acquired a site leasehold right without having agreed on a date the transfer to the customer, the value of the site leasehold right is calculated for infinity. Rights-of-use for site leasehold rights are not subject to depreciation and the debt is not amortized. All present value calculations are based on regular rental costs, the number of periods, and agreed/decided interest rates. Site leasehold fees are reported as an interest rate expense in the income statement.

According to active contracts, JM is entitled to end prematurely or extend rental periods for offices and cars and to sell acquired site leasehold rights. Changes in the contract give rise to changes in the measurement of assets/liabilities and variation in reported earnings from quarter to quarter.

IFRS 16 is not applied in the segment reporting.

## EMPLOYEE BENEFITS/PENSIONS

A distinction is made between defined-contribution pension plans and defined-benefit pension plans relating to post-employment benefits. Defined-contribution pension plans are defined as plans where the company pays contractual, fixed fees (premiums) to a separate legal entity and does not have any obligation to pay additional fees. Other pension plans are defined-benefit. Obligations and costs relating to defined-benefit pension plans are calculated according to the Projected Unit Credit Method. The intention is that anticipated future pension payments should be expensed evenly over the employee's period of service. The calculation is based on a

number of actuarial assumptions, including expected future wage increases, staff turnover, expected inflation and mortality. The present value of the obligations is discounted primarily based on a market return on first-class corporate bonds on the reporting date. In Sweden, the market return on mortgage bonds is used and a premium for a longer maturity is added based on the duration of the pension obligations.

Independent actuaries conduct annual calculations relating to the defined-benefit plans found at JM. Costs for service during the current or earlier periods and gains and losses from any settlements of pension plans are reported in profit/loss for the period. The effects of deviations in actuarial assumptions are reported under Other comprehensive income.

Taxes payable on pension costs, in JM's case the Swedish payroll tax on pension costs, are taken into account as the difference between a pension commitment calculated according to definition above and the pension commitment calculated in accordance with the Swedish Safeguarding of Pension Commitments Act. In the balance sheet, special payroll tax is reported under Other non-current provisions.

## FINANCIAL INSTRUMENTS

A financial asset or financial liability is recognized in the balance sheet when the instrument's contractual terms flow to the company. A financial asset should be removed from the balance sheet when the rights specified in the contract are either realized or past due. The same applies for parts of a financial asset. A financial liability is removed from the balance sheet when the obligation in the contract has been discharged or in some other way extinguished. Assets and liabilities are reported net when there is a legally enforceable right to offset and there is a right and intention to settle on a net basis.

### Classification

JM's financial assets are usually classified in the following measurement categories:

- those measured at amortized cost, which normally applies to JM's assets
- those measured at fair value (normally via the income statement, which applies to the derivatives that JM may occasionally enter into).

JM's financial liabilities are usually classified in the following measurement categories:

- those measured at amortized cost, which normally applies to JM's assets
- those measured at fair value (normally via the income statement, which applies to the derivatives that JM may occasionally enter into).

### Impairment loss

JM estimates the expected credit losses from financial assets and contractual assets that are reported at amortized cost and reports loss risk reserves for loss events that may occur within 12 months. If the credit risk of an asset has increased significantly since it was initially reported, a loss risk reserve is reported for the entire life of the asset. A loss risk reserve is always reported for the entire life of the asset for accounts receivable and contract assets with and without significant financing arrangements.

### Hedge accounting

JM does not apply hedge accounting.

## CONVERTIBLE DEBENTURES

Convertible debentures are reported as a compound financial instrument comprising a liability component and an equity component. The fair value of the liability at issuance is calculated by discounting future cash flows using the current market interest rate for an equivalent liability. The value of the equity instrument is calculated as the difference between the issue proceeds and the fair value of the financial liability. The equity instrument comprises an embedded option to convert the liability into shares.

## PROVISIONS AND CONTINGENT LIABILITIES

Provisions are reported when JM has a commitment as a result of events that have occurred, where it is likely that payments will be required in order to meet the commitment, and it is possible to reliably estimate the amount that will be paid. Estimated future expenditure for warranty commitments are reported as provisions. Most of JM's contracts with customers, in terms of both project development of residential units and contracting agreements in JM Construction, contain provisions for warranty commitments to rectify faults and deficiencies within a set period of time (in some cases up to ten years) after the completion of the project. The warranty commitments may also be stipulated by law or in some other way. This calculation is normally based on the estimated costs for the project concerned or for a group of similar projects, calculated according to a ratio that has historically provided a reliable estimate of these costs. The ratio can be, for example, a proportion of revenue or estimated cost per completed residential unit. The size of the warranty provision is tested regularly during the warranty period and adjusted when necessary. In the event of damages, and JM can estimate the size of the expense and the time of the rectification with reasonable assurance, the commitment can be classified as an accrued expense.

Contingent liabilities are possible commitments originating from events that have occurred and whose existence will be confirmed only by the occurrence or lack thereof of one or more uncertain future events, which are not completely in the company's control. Obligations that originate from events that have occurred, but that are not recognized as liabilities or provisions, because it is not probable that an outflow of resources will be required to settle the obligation and/or because the size of the obligations cannot be reliably estimated, are also recognized as contingent liabilities.

## CASH FLOW STATEMENT

The cash flow statement has been prepared according to the indirect method. The analysis has been adapted to JM's operations. Since the buying and selling of project and development properties within the framework of JM's development business are included in JM's ongoing operations, these are reported under the corresponding sections of the analysis. Payment on account for development properties refers, for example, to payment received for the part of the cost of a residential project that constitutes development property (land).

Buying and selling of plant, property and equipment are reported under "Investing activities, other". Cash and cash equivalents include cash and bank balances as well as current financial investments that mature less than three months from the due date and are in part traded on the open market at known amounts and in part associated with only marginal risk for value fluctuations. Taxes and interest paid for the year are reported in full under operating activities.

## PARENT COMPANY'S ACCOUNTING POLICIES

The Parent Company's accounting policies deviate from the Group's policies as follows: Defined-benefit pension plans are reported in accordance with the provisions of the Swedish Safeguarding of Pension Commitments Act. The Parent Company applies the exemption in RFR 2 for IFRS 16 Leases, and the expenses for all leases are recognized on a straight-line basis over the lease term. Untaxed reserves are reported in full, i.e. they are not broken down into equity and deferred tax. Participations in subsidiaries, associated companies and joint ventures are recognized at cost of acquisition less any impairment losses. Financial instruments reported in the consolidated financial statements at fair value are reported in the Parent Company using the lowest value principle. In the Parent Company, mergers of wholly owned Group companies are reported according to the consolidated value method. Group contributions both paid and received are reported as appropriations.

## note 2 Segment information

Amounts in SEK m unless otherwise stated.

- The JM Group's business is managed and reported per business segment in accordance with the following.
- The JM Residential Stockholm business segment develops residential projects in Greater Stockholm
- The JM Residential Sweden business segment develops residential projects in growth areas in Sweden, excluding Greater Stockholm.
- The JM International business segment develops residential projects primarily in Norway and Finland
- The JM Property Development business segment primarily develops rental, residential care and commercial properties in Greater Stockholm
- The JM Construction business segment carries out construction work for external and internal customers in the Greater Stockholm area

Identification of reportable segments is based on internal reporting to the chief operating decision maker, which in the JM Group is the President of the Parent Company (who is also the CEO). The reporting format for segment reporting is based on geographical segment and business concept.

The chief operating decision-maker primarily uses the business segments' income, operating profit and operating margin, as well as operating capital and operational cash flow, as a basis for resource allocation and assessment of the segment's profit or loss. The performance of the business segments is assessed and evaluated based on the indicators mentioned above.

Financial expenses, financial income and income tax are mainly handled at the Group level and not allocated to the segments.

Transactions between business segments are based on market conditions.

No segments have been aggregated to form the above reportable business segments.

### CONSOLIDATED INCOME STATEMENT BY BUSINESS SEGMENT

| Group 2022                                                                    | JM Residential Stockholm | JM Residential Sweden | JM International | JM Property Development | JM Construction | Other and elimination | Total according to segment reporting | Restatement JM International <sup>3)</sup> | Reclassification property sale <sup>4)</sup> | Leases IFRS 16 | Total Group, IFRS |
|-------------------------------------------------------------------------------|--------------------------|-----------------------|------------------|-------------------------|-----------------|-----------------------|--------------------------------------|--------------------------------------------|----------------------------------------------|----------------|-------------------|
| Revenue — external                                                            | 4,966                    | 4,500                 | 5,122            | 1,224                   | 572             | —                     | 16,385                               | -638                                       | —                                            | —              | 15,747            |
| Revenue — internal                                                            | —                        | —                     | —                | —                       | 505             | -505                  | —                                    | —                                          | —                                            | —              | —                 |
| <b>Total revenue</b>                                                          | <b>4,966</b>             | <b>4,500</b>          | <b>5,122</b>     | <b>1,224</b>            | <b>1,077</b>    | <b>-505</b>           | <b>16,385</b>                        | <b>-638</b>                                | <b>—</b>                                     | <b>—</b>       | <b>15,747</b>     |
| Production and operating costs <sup>1)</sup>                                  | -3,849                   | -3,520                | -4,471           | -869                    | -1,012          | 505                   | -13,216                              | 577                                        | —                                            | 31             | -12,607           |
| <b>Gross profit</b>                                                           | <b>1,117</b>             | <b>981</b>            | <b>651</b>       | <b>355</b>              | <b>65</b>       | <b>—</b>              | <b>3,169</b>                         | <b>-61</b>                                 | <b>—</b>                                     | <b>32</b>      | <b>3,140</b>      |
| Selling and administrative expenses <sup>1)</sup>                             | -397                     | -298                  | -256             | -37                     | -53             | -52                   | -1,094                               | —                                          | —                                            | -14            | -1,108            |
| Gains/losses on the sale of property, etc. <sup>2)</sup>                      | —                        | —                     | —                | -11                     | —               | —                     | -11                                  | —                                          | —                                            | —              | -11               |
| <b>Operating profit/loss</b>                                                  | <b>720</b>               | <b>682</b>            | <b>395</b>       | <b>306</b>              | <b>12</b>       | <b>-52</b>            | <b>2,064</b>                         | <b>-61</b>                                 | <b>—</b>                                     | <b>18</b>      | <b>2,021</b>      |
| Financial income and expenses                                                 | —                        | —                     | —                | —                       | —               | -70                   | -70                                  | —                                          | —                                            | -19            | -89               |
| <b>Profit/loss before tax</b>                                                 | <b>—</b>                 | <b>—</b>              | <b>—</b>         | <b>—</b>                | <b>—</b>        | <b>-122</b>           | <b>1,994</b>                         | <b>-61</b>                                 | <b>—</b>                                     | <b>—</b>       | <b>1,933</b>      |
| Taxes                                                                         | —                        | —                     | —                | —                       | —               | -419                  | -419                                 | 15                                         | —                                            | 1              | -404              |
| <b>Profit for the year</b>                                                    | <b>—</b>                 | <b>—</b>              | <b>—</b>         | <b>—</b>                | <b>—</b>        | <b>-542</b>           | <b>1,575</b>                         | <b>-46</b>                                 | <b>—</b>                                     | <b>—</b>       | <b>1,529</b>      |
| Operating margin, %                                                           | 14.5                     | 15.2                  | 7.7              | 25.0                    | 1.1             | —                     | 12.6                                 | —                                          | —                                            | —              | —                 |
| <sup>1)</sup> Of which depreciation of machinery, equipment and rights-of-use | —                        | —                     | -3               | —                       | —               | -1                    | -4                                   | —                                          | —                                            | -101           | -105              |
| <sup>2)</sup> Of which income from joint venture                              | —                        | —                     | —                | -11                     | —               | —                     | -11                                  | —                                          | —                                            | —              | -11               |
| <b>Group 2021</b>                                                             |                          |                       |                  |                         |                 |                       |                                      |                                            |                                              |                |                   |
| Revenue — external                                                            | 4,990                    | 4,317                 | 4,531            | 262                     | 509             | —                     | 14,608                               | -240                                       | 1,281                                        | —              | 15,650            |
| Revenue — internal                                                            | —                        | —                     | —                | —                       | 442             | -442                  | —                                    | —                                          | —                                            | —              | —                 |
| <b>Total revenue</b>                                                          | <b>4,990</b>             | <b>4,317</b>          | <b>4,531</b>     | <b>262</b>              | <b>951</b>      | <b>-442</b>           | <b>14,608</b>                        | <b>-240</b>                                | <b>1,281</b>                                 | <b>—</b>       | <b>15,650</b>     |
| Production and operating costs <sup>1)</sup>                                  | -3,834                   | -3,377                | -3,911           | -252                    | -882            | 442                   | -11,814                              | 230                                        | -890                                         | 38             | -12,435           |
| <b>Gross profit</b>                                                           | <b>1,155</b>             | <b>940</b>            | <b>621</b>       | <b>10</b>               | <b>69</b>       | <b>—</b>              | <b>2,795</b>                         | <b>-10</b>                                 | <b>391</b>                                   | <b>38</b>      | <b>3,215</b>      |
| Selling and administrative expenses <sup>1)</sup>                             | -392                     | -278                  | -210             | -35                     | -50             | -50                   | -1,015                               | —                                          | —                                            | -17            | -1,032            |
| Gains/losses on the sale of property, etc. <sup>2)</sup>                      | —                        | —                     | 4                | 431                     | —               | —                     | 436                                  | —                                          | -391                                         | —              | 45                |
| <b>Operating profit/loss</b>                                                  | <b>763</b>               | <b>662</b>            | <b>415</b>       | <b>407</b>              | <b>20</b>       | <b>-50</b>            | <b>2,216</b>                         | <b>-10</b>                                 | <b>—</b>                                     | <b>22</b>      | <b>2,227</b>      |
| Financial income and expenses                                                 | —                        | —                     | —                | —                       | —               | -58                   | -58                                  | —                                          | —                                            | -23            | -80               |
| <b>Profit/loss before tax</b>                                                 | <b>—</b>                 | <b>—</b>              | <b>—</b>         | <b>—</b>                | <b>—</b>        | <b>-108</b>           | <b>2,158</b>                         | <b>-10</b>                                 | <b>—</b>                                     | <b>-1</b>      | <b>2,147</b>      |
| Taxes                                                                         | —                        | —                     | —                | —                       | —               | -360                  | -360                                 | 17                                         | —                                            | —              | -343              |
| <b>Profit for the year</b>                                                    | <b>—</b>                 | <b>—</b>              | <b>—</b>         | <b>—</b>                | <b>—</b>        | <b>-468</b>           | <b>1,798</b>                         | <b>7</b>                                   | <b>—</b>                                     | <b>-1</b>      | <b>1,804</b>      |
| Operating margin, %                                                           | 15.3                     | 15.3                  | 9.2              | —                       | 2.1             | —                     | 15.2                                 | —                                          | —                                            | —              | —                 |
| <sup>1)</sup> Of which depreciation of machinery, equipment and rights-of-use | —                        | —                     | -3               | —                       | —               | -2                    | -5                                   | —                                          | —                                            | -107           | -112              |
| <sup>2)</sup> Of which income from joint venture                              | —                        | —                     | —                | 40                      | —               | —                     | 40                                   | —                                          | —                                            | —              | 40                |

<sup>3)</sup> Effect of restatement on revenue and profit and loss according to the completed contract method (IFRS) in relation to segment reporting.

<sup>4)</sup> Reclassification of gains/losses on sale of property (project properties) to income and expenses according to IFRS in relation to segment reporting.

**REVENUE**

| Revenue by country (segment reporting) |  | Sweden | Norway | Finland | Belgium | Total  |
|----------------------------------------|--|--------|--------|---------|---------|--------|
| 2022                                   |  | 11,263 | 3,392  | 1,729   | 2       | 16,385 |
| 2021                                   |  | 10,077 | 3,030  | 1,501   | –       | 14,608 |

| Revenue 2022                | JM Residential Stockholm | JM Residential Sweden | JM International | JM Property Development | JM Construction | Eliminations | Total Group |
|-----------------------------|--------------------------|-----------------------|------------------|-------------------------|-----------------|--------------|-------------|
| Revenue according to IFRS   | 4,966                    | 4,500                 | 4,484            | 1,224                   | 1,077           | –505         | 15,747      |
| Revenue (segment reporting) | 4,966                    | 4,500                 | 5,122            | 1,224                   | 1,077           | –505         | 16,385      |

| Revenue 2021                | JM Residential Stockholm | JM Residential Sweden | JM International | JM Property Development | JM Construction | Eliminations | Total Group |
|-----------------------------|--------------------------|-----------------------|------------------|-------------------------|-----------------|--------------|-------------|
| Revenue according to IFRS   | 4,990                    | 4,317                 | 4,291            | 1,543                   | 951             | –442         | 15,650      |
| Revenue (segment reporting) | 4,990                    | 4,317                 | 4,531            | 262                     | 951             | –442         | 14,608      |

| Point in time for revenue recognition (IFRS) |   | Sweden | Norway | Finland | Belgium | Total |
|----------------------------------------------|---|--------|--------|---------|---------|-------|
| Over time                                    | • | •      | •      | •       | •       | •     |
| At a specific point in time                  |   | •      | •      |         |         |       |

Revenue in JM Residential Stockholm, JM Residential Sweden and JM Construction are reported over time (gradually), which is reflected when the customer payments are made. They normally occur in the form of advance payment during the term of the agreement. JM International's revenue is reported at a specific point in time (at completion), which normally also coincides with the point in time for the primary payment from the customer.

On December 31, 2022, JM had entered into customer agreements where the performance commitment of approximately SEK 18bn had not yet been met. JM expects these performance commitments to be materially met, and revenue is thus recognized primarily in 2023 and 2024 with a smaller portion in 2025. Corresponding amount for the previous year was SEK 18bn for the period 2022–2023.

**CONSOLIDATED BALANCE SHEET BY BUSINESS SEGMENT**

| Group 12/31/2022                                   | JM Residential Stockholm | JM Residential Sweden | JM International | JM Property Development | JM Construction | Unallocated items, Group <sup>2) 3)</sup> | Total according to segment reporting | Reclassification project financing <sup>1)</sup> | Restatement JM International <sup>4)</sup> | Leases IFRS 16 | Total Group, IFRS |
|----------------------------------------------------|--------------------------|-----------------------|------------------|-------------------------|-----------------|-------------------------------------------|--------------------------------------|--------------------------------------------------|--------------------------------------------|----------------|-------------------|
| <b>ASSETS</b>                                      |                          |                       |                  |                         |                 |                                           |                                      |                                                  |                                            |                |                   |
| <b>Non-current assets</b>                          | –                        | –                     | 219              | 102                     | –               | 30                                        | 351                                  | –                                                | –                                          | 214            | 565               |
| Project properties                                 | –                        | –                     | 18               | 914                     | –               | –                                         | 932                                  |                                                  |                                            |                | 932               |
| Development properties                             | 4,033                    | 2,270                 | 2,150            | –                       | 10              | –                                         | 8,465                                |                                                  |                                            |                | 8,465             |
| Rights-of-use leasehold rights                     |                          |                       |                  |                         |                 |                                           | –                                    |                                                  |                                            | 513            | 513               |
| Participations in tenant-owners associations, etc. | 148                      | 99                    | 61               | –                       | –               | –                                         | 308                                  |                                                  |                                            | –              | 308               |
| Work in progress                                   | –                        | –                     |                  |                         |                 |                                           | –                                    | 4,043                                            | 1,053                                      | –              | 5,095             |
| Current receivables                                | 1,137                    | 585                   | 1,712            | 942                     | 299             | 550                                       | 5,225                                | 2,933                                            | –1,474                                     | –20            | 6,664             |
| Cash and cash equivalents                          |                          |                       |                  |                         |                 | 1,840                                     | 1,840                                | –                                                |                                            | –              | 1,840             |
| <b>Total current assets</b>                        | <b>5,319</b>             | <b>2,954</b>          | <b>3,919</b>     | <b>1,856</b>            | <b>309</b>      | <b>2,390</b>                              | <b>16,771</b>                        | <b>6,976</b>                                     | <b>–421</b>                                | <b>492</b>     | <b>23,818</b>     |
| <b>TOTAL ASSETS</b>                                | <b>5,319</b>             | <b>2,954</b>          | <b>4,138</b>     | <b>1,958</b>            | <b>309</b>      | <b>2,420</b>                              | <b>17,122</b>                        | <b>6,976</b>                                     | <b>–421</b>                                | <b>706</b>     | <b>24,383</b>     |
| <b>EQUITY AND LIABILITIES</b>                      |                          |                       |                  |                         |                 |                                           |                                      |                                                  |                                            |                |                   |
| Shareholders' equity                               |                          |                       |                  |                         |                 | 9,006                                     | 9,006                                | –                                                | –278                                       | –3             | 8,725             |
| Non-current liabilities                            |                          |                       |                  |                         |                 | 3,399                                     | 3,399                                | –                                                | –71                                        | 624            | 3,952             |
| Current liabilities                                | 651                      | 852                   | 485              | 50                      | 218             | 2,461                                     | 4,717                                | 6,976                                            | –71                                        | 85             | 11,707            |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>651</b>               | <b>852</b>            | <b>485</b>       | <b>50</b>               | <b>218</b>      | <b>14,866</b>                             | <b>17,122</b>                        | <b>6,976</b>                                     | <b>–421</b>                                | <b>706</b>     | <b>24,383</b>     |
| <b>Total operating capital by business segment</b> | <b>4,668</b>             | <b>2,102</b>          | <b>3,676</b>     | <b>1,908</b>            | <b>91</b>       |                                           |                                      |                                                  |                                            |                |                   |
| Investment in machinery and equipment              |                          |                       |                  |                         |                 | 4                                         | 4                                    |                                                  |                                            |                | 4                 |
| <b>Group 12/31/2021</b>                            |                          |                       |                  |                         |                 |                                           |                                      |                                                  |                                            |                |                   |
| <b>ASSETS</b>                                      |                          |                       |                  |                         |                 |                                           |                                      |                                                  |                                            |                |                   |
| <b>Non-current assets</b>                          | –                        | –                     | 180              | 118                     | –               | 32                                        | 330                                  | –                                                | –                                          | 255            | 584               |
| Project properties                                 | –                        | –                     | 17               | 795                     | –               | –                                         | 813                                  |                                                  |                                            |                | 813               |
| Development properties                             | 4,051                    | 1,669                 | 2,462            | 10                      | 13              | –                                         | 8,205                                |                                                  |                                            |                | 8,205             |
| Rights-of-use leasehold rights                     |                          |                       |                  |                         |                 |                                           | –                                    |                                                  |                                            | 456            | 456               |
| Participations in tenant-owners associations, etc. | 219                      | 93                    | 65               | –                       | –               | –                                         | 377                                  |                                                  |                                            | –              | 377               |
| Work in progress                                   | –                        | –                     | –                | –                       | –               | –                                         | –                                    | 3,123                                            | 951                                        | –              | 4,073             |
| Current receivables                                | 566                      | 633                   | 1,468            | 31                      | 442             | 388                                       | 3,528                                | 3,628                                            | –1,254                                     | –              | 5,902             |
| Cash and cash equivalents                          |                          |                       |                  |                         |                 | 3,981                                     | 3,981                                | –                                                |                                            | –              | 3,981             |
| <b>Total current assets</b>                        | <b>4,836</b>             | <b>2,395</b>          | <b>4,012</b>     | <b>836</b>              | <b>455</b>      | <b>4,369</b>                              | <b>16,903</b>                        | <b>6,751</b>                                     | <b>–303</b>                                | <b>456</b>     | <b>23,807</b>     |
| <b>TOTAL ASSETS</b>                                | <b>4,836</b>             | <b>2,395</b>          | <b>4,192</b>     | <b>954</b>              | <b>455</b>      | <b>4,401</b>                              | <b>17,233</b>                        | <b>6,751</b>                                     | <b>–303</b>                                | <b>711</b>     | <b>24,391</b>     |
| <b>EQUITY AND LIABILITIES</b>                      |                          |                       |                  |                         |                 |                                           |                                      |                                                  |                                            |                |                   |
| Shareholders' equity                               |                          |                       |                  |                         |                 | 8,608                                     | 8,608                                | –                                                | –221                                       | –3             | 8,385             |
| Non-current liabilities                            |                          |                       |                  |                         |                 | 3,641                                     | 3,641                                | –                                                | –54                                        | 628            | 4,214             |
| Current liabilities                                | 469                      | 882                   | 411              | 14                      | 330             | 2,878                                     | 4,984                                | 6,751                                            | –28                                        | 86             | 11,793            |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>469</b>               | <b>882</b>            | <b>411</b>       | <b>14</b>               | <b>330</b>      | <b>15,127</b>                             | <b>17,233</b>                        | <b>6,751</b>                                     | <b>–303</b>                                | <b>711</b>     | <b>24,391</b>     |
| <b>Total operating capital by business segment</b> | <b>4,367</b>             | <b>1,512</b>          | <b>3,782</b>     | <b>940</b>              | <b>125</b>      |                                           |                                      |                                                  |                                            |                |                   |
| Investment in machinery and equipment              |                          |                       |                  |                         |                 | 4                                         | 4                                    |                                                  |                                            |                | 4                 |

<sup>1)</sup> Reclassification of project financing within JM Residential Stockholm, JM Residential Sweden and JM International according to IFRS in relation to segment reporting.

<sup>2)</sup> The assets and liabilities and equity that are not included in JM's definition of operating capital are not allocated by business segment.

<sup>3)</sup> Property, plant and equipment are not included in JM's definition of operating capital and these investments are therefore reported as an unallocated item.

<sup>4)</sup> Effect of restatement of current projects according to the completed contract method (IFRS) in relation to segment reporting.

### note 3 Employees and personnel costs

| Average number of employees, by country | 2022         | Of which men, % | Of which women, % | 2021         | Of which men, % | Of which women, % |
|-----------------------------------------|--------------|-----------------|-------------------|--------------|-----------------|-------------------|
| Sweden                                  | 1,908        | 74              | 26                | 1,928        | 75              | 25                |
| Norway                                  | 374          | 74              | 26                | 387          | 74              | 26                |
| Finland                                 | 190          | 65              | 35                | 146          | 65              | 35                |
| <b>Total</b>                            | <b>2,472</b> | <b>73</b>       | <b>27</b>         | <b>2,461</b> | <b>75</b>       | <b>25</b>         |

|                                                                  | 2022                              |                          |              | 2021                              |                          |              |
|------------------------------------------------------------------|-----------------------------------|--------------------------|--------------|-----------------------------------|--------------------------|--------------|
| Wages, salaries, other remuneration and social security expenses | Wages, salaries and remunerations | Social security expenses | Total        | Wages, salaries and remunerations | Social security expenses | Total        |
| <b>Group</b>                                                     | <b>1,538</b>                      | <b>715</b>               | <b>2,253</b> | <b>1,478</b>                      | <b>704</b>               | <b>2,182</b> |
| (of which pension costs)                                         |                                   | (245)                    |              |                                   | (261)                    |              |

|                                                                                                                        | 2022                             |                 |              | 2021                             |                 |              |
|------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------|--------------|----------------------------------|-----------------|--------------|
| Wages, salaries and other remuneration by country and distribution between the Board and President and other employees | Board of Directors and President | Other employees | Total        | Board of Directors and President | Other employees | Total        |
| Sweden                                                                                                                 | 18                               | 1,110           | 1,128        | 18                               | 1,090           | 1,108        |
| (of which variable remuneration)                                                                                       | (6)                              | (58)            | (64)         | (4)                              | (51)            | (55)         |
| Norway                                                                                                                 | 4                                | 271             | 275          | 3                                | 260             | 263          |
| (of which variable remuneration)                                                                                       | (1)                              | (19)            | (20)         | (–)                              | (18)            | (18)         |
| Finland                                                                                                                | 3                                | 132             | 135          | 3                                | 104             | 107          |
| (of which variable remuneration)                                                                                       | (1)                              | (7)             | (8)          | (1)                              | (5)             | (6)          |
| <b>Total, Group</b>                                                                                                    | <b>25</b>                        | <b>1,513</b>    | <b>1,538</b> | <b>24</b>                        | <b>1,454</b>    | <b>1,478</b> |
| (of which variable remuneration)                                                                                       | (8)                              | (84)            | (92)         | (5)                              | (74)            | (79)         |

#### Remuneration to the Board of Directors

JM's Board of Directors consists of seven members elected by the Annual General Meeting. SEK 1,073,000 (1,030,000) was paid to the Chair of the Board of Directors for Board and Committee fees. The other AGM-elected Board members were paid SEK 3,010,000 (2,870,000). The employee organizations appointed two members and two deputies. No fees are paid to these members.

#### Compensation to the President and Executive Management

Remuneration to the President and other members of Executive Management comprises basic salary, variable remuneration, other benefits and pension provisions. Compensation to the President is drafted by the Compensation Committee and adopted by the Board. Remuneration for other members of Executive Management is decided by the Compensation Committee. Remuneration to the President and other members of Executive Management is based on the Annual General Meeting resolution on guidelines for salaries and other remuneration to senior executives. The combined remuneration must be competitive in the labor market in which the executive is active.

The short-term variable remuneration for the President for the 2022 financial year is built as follows: 60 percent on the financial result for the Group, 30 percent on earnings per share and 10 percent on JM's Customer Satisfaction Index (CSI). The short-term variable compensation for the President for 2023 may amount to a maximum of SEK 3,100,000. The outcome of the short-term variable remuneration for the 2022 financial year is SEK 2,710,000 (2,875,000) to be paid during the spring of 2023.

Short-term variable remuneration for other members of Executive Management is based, depending on position, on the financial performance of the Group and the business units, earnings per share and the CSI. Short-term variable remuneration varies between three and five monthly salaries, depending on position. The short-term variable compensation for other members of Executive Management for 2023 may amount to a maximum of SEK 8.4m. The outcome of the short-term variable remuneration for other members of Executive Management for the 2022 financial year totals SEK 5.4m (7.2), to be paid during the spring of 2023.

In addition, long-term variable salary programs have been offered to Executive Management (including the President).

The long-term variable salary program launched in 2019 amounted to a maximum of 42 percent of fixed salary and was based on the Group's financial performance in 2021. The outcome was 87 percent of the maximum amount. Payment was made in the spring of 2022 and amounted to SEK 1,808,000 to the President and SEK 3.3m to the other members of Executive Management.

The long-term variable salary program launched in 2020 amounts to a maximum of 42 percent of fixed salary for the President and 90 percent for a member of Executive Management and is based on the Group's financial performance in 2022. Payment will be made in the spring of 2023 and amounts to SEK 2,029,000 to the President and SEK 5.6m to the other members of Executive Management.

The long-term variable salary program launched in 2021 amounts to a maximum of 42 percent of fixed salary and is based on the Group's financial performance in 2023. Eventual payment will be made in the spring of 2024, amounting to a maximum of SEK 2,898,000 to the President and SEK 7.0m to the other members of Executive Management.

The long-term variable salary program launched in 2022 amounts to a maximum of 42 percent of fixed salary and is based on the Group's financial performance in 2024. Eventual payment will be made in the spring of 2025 and could amount to a maximum of SEK 3,024,000 to the President and SEK 8.1m to the other members of Executive Management.

#### Pensions

The President is entitled to an annual premium provision of 35 percent of basic salary. In addition, the Company pays for part of the President's health insurance premiums, with a salary ceiling of 50 times the income base amount. The Company has also pledged, as a possible supplement, to pay survivor's pension to the extent that survivor's pensions do not total 50 percent of basic salary. The Company would pay this supplement until such time that the President would have reached the age of 65. The outstanding pension obligation to the President amounts to SEK 1,345,000 (1,622,000).

The members of Executive Management, excluding the President, are covered by the ITP plan and, within its framework, by the company's offer of an alternative ITP plan and even an enhanced ITP plan. Executive Management is also covered by a premium-based supplementary plan with an annual premium provision of SEK 50,000–210,000. Retirement age is 65. Outstanding pension obligations to other members of Executive Management amount to SEK 16.1m (19.2).

### Notice periods/Severance pay

The period of notice for the President is 12 months in the event of termination by the Company. If no other employment has been secured by the end of the notice period, remuneration shall be paid for an additional twelve months. In the event of termination by the President, the notice period is six months. No additional remuneration will be paid after the six months.

For the other members of Executive Management, the following applies: A number of members are covered by the Employment Protection Act.

### Summary of basic and variable remuneration and pensions to the Board and Executive Management in 2022 and 2021

| SEK 000s                                 | 2022                                   |                                                |                                               |                |                 | Total         | 2021                                   |                                                |                                               |                |                 |               |
|------------------------------------------|----------------------------------------|------------------------------------------------|-----------------------------------------------|----------------|-----------------|---------------|----------------------------------------|------------------------------------------------|-----------------------------------------------|----------------|-----------------|---------------|
|                                          | Basic salary/ Board fees <sup>2)</sup> | Short-term variable remuneration <sup>3)</sup> | Long-term variable remuneration <sup>4)</sup> | Other benefits | Pension expense |               | Basic salary/ Board fees <sup>2)</sup> | Short-term variable remuneration <sup>3)</sup> | Long-term variable remuneration <sup>4)</sup> | Other benefits | Pension expense | Total         |
| <i>Chair of the Board<sup>1)</sup></i>   |                                        |                                                |                                               |                |                 |               |                                        |                                                |                                               |                |                 |               |
| Fredrik Persson                          | 1,073                                  |                                                |                                               |                |                 | 1,073         | 1,030                                  |                                                |                                               |                |                 | 1,030         |
| <i>Other Board members<sup>1)</sup></i>  |                                        |                                                |                                               |                |                 |               |                                        |                                                |                                               |                |                 |               |
| Kaj-Gustaf Bergh                         | 505                                    |                                                |                                               |                |                 | 505           | 450                                    |                                                |                                               |                |                 | 450           |
| Thomas Thuresson                         | 525                                    |                                                |                                               |                |                 | 525           | 490                                    |                                                |                                               |                |                 | 490           |
| Olav Line                                | 465                                    |                                                |                                               |                |                 | 465           | 448                                    |                                                |                                               |                |                 | 448           |
| Annica Ånäs (until 9/28/2022)            | 460                                    |                                                |                                               |                |                 | 460           | 443                                    |                                                |                                               |                |                 | 443           |
| Kerstin Gillsbro                         | 440                                    |                                                |                                               |                |                 | 440           | 422                                    |                                                |                                               |                |                 | 422           |
| Camilla Krogh                            | 430                                    |                                                |                                               |                |                 | 430           | 380                                    |                                                |                                               |                |                 | 380           |
| Jenny Larsson                            | 185                                    |                                                |                                               |                |                 | 185           | 237                                    |                                                |                                               |                |                 | 237           |
| President                                | 7,410                                  | 2,875                                          | 1,808                                         | 198            | 2,545           | 14,836        | 7,200                                  | 2,708                                          | 928                                           | 156            | 2,440           | 13,432        |
| Other Executive Management <sup>5)</sup> | 23,770                                 | 7,255                                          | 3,262                                         | 1,303          | 8,370           | 43,960        | 20,744                                 | 4,190                                          | 2,113                                         | 773            | 9,785           | 37,605        |
| <b>Total</b>                             | <b>35,263</b>                          | <b>10,130</b>                                  | <b>5,070</b>                                  | <b>1,501</b>   | <b>10,915</b>   | <b>62,879</b> | <b>31,844</b>                          | <b>6,898</b>                                   | <b>3,041</b>                                  | <b>929</b>     | <b>12,225</b>   | <b>54,937</b> |

<sup>1)</sup> The amounts refer to fees paid including committee work. The fee is paid on a semi-annual basis in arrears.

<sup>2)</sup> The amounts presented in the table do not include the change in the vacation pay liability. At the end of the year, the vacation pay liability for the President amounted to SEK 940,000 and in aggregate for the other members of Executive Management to SEK 5,343,000.

<sup>3)</sup> The short-term variable remuneration reported in the table refers to amounts paid in 2022. All payments in 2022 are attributable to the 2021 financial year. Amounts attributable to 2022 are presented on page 94 and will be paid in 2023.

<sup>4)</sup> The long-term variable remuneration reported in the table refers to amounts paid in 2022. All payments in 2022 are attributable to the 2019–2021 financial years. Amounts attributable to 2020–2022 are presented on page 94 and will be paid in 2023. Page 94 also contains information about the programs for the financial years 2021–2023 and 2022–2024.

<sup>5)</sup> JM's Executive Management, excluding the President, comprised a total of ten people: six men and four women.

All members have, where relevant within the framework of the Employment Protection Act, six to twelve months' termination period if the termination is initiated by JM and six to twelve months' termination period if the termination is initiated by the member. In addition, two members are entitled to six months' severance pay and one member is entitled to twelve months' severance pay if the termination is initiated by the company.

<sup>1)</sup> The amounts refer to fees paid including committee work. The fee is paid on a semi-annual basis in arrears.

<sup>2)</sup> The amounts presented in the table do not include the change in the vacation pay liability. At the end of the year, the vacation pay liability for the President amounted to SEK 1,231,000 and in aggregate for the other members of Executive Management to SEK 4,109,000.

<sup>3)</sup> The short-term variable remuneration reported in the table refers to amounts paid in 2021. All payments in 2021 are attributable to the 2020 financial year. Amounts attributable to 2021 are presented on page 94 and will be paid in 2022.

<sup>4)</sup> The long-term variable remuneration reported in the table refers to amounts paid in 2021. All payments in 2021 are attributable to the 2018–2020 financial years. Amounts attributable to 2019–2021 are presented on page 94 and will be paid in 2022. Page 94 also contains information about the programs for the financial years 2020–2022 and 2021–2023.

<sup>5)</sup> JM's Executive Management, excluding the President, comprised a total of nine people: six men and three women.

### Convertible debentures for personnel

No new convertible program was adopted in 2022. In the outstanding convertible programs, the employees paid market price for the convertibles received and the programs are not subject to any terms concerning continued employment or performance on the part of employees. They were offered external bank financing for the convertible debentures without any guarantees or undertakings on the part of JM.

| Year | Number of convertibles | Number of redeemed convertibles | Number of convertibles due | Total   | Strike price | Conversion period  |
|------|------------------------|---------------------------------|----------------------------|---------|--------------|--------------------|
| 2018 | 195,930                | –173,229                        | –22,701                    | –       | 229          | 6/1/2021–5/18/2022 |
| 2019 | 153,778                | –                               | –                          | 153,778 | 212          | 6/1/2022–4/21/2023 |
| 2020 | 157,067                | –                               | –                          | 157,067 | 217          | 6/1/2023–4/24/2024 |

## note 4 Depreciation according to plan

|                         | 2022      | 2021      |
|-------------------------|-----------|-----------|
| Machinery and equipment | -4        | -5        |
| <b>Total</b>            | <b>-4</b> | <b>-5</b> |

The following depreciation rates are applied:  
 Construction machinery 10 percent.  
 Computers and other equipment 20–33 percent.  
 Depreciation rights-of-use see Note 13.

## note 5 Fees and remuneration to auditors

| PwC                             | 2022       | 2021       |
|---------------------------------|------------|------------|
| Auditing services <sup>1)</sup> | 6.0        | 5.5        |
| Tax services                    | –          | 0.2        |
| Other services <sup>2)</sup>    | 1.2        | 0.5        |
| <b>Total</b>                    | <b>7.2</b> | <b>6.2</b> |

<sup>1)</sup> Auditing services include audits in addition to the assignment regarding review of interim report of SEK 0.2m (0.2).

<sup>2)</sup> Of these services, SEK 0.8m (0.3) were provided by PricewaterhouseCoopers AB, of which SEK 0.2m (0.1) pertains to statutory add-on services. This includes, for example, consulting services and financial reporting.

## note 6 Operating costs by cost type

| IFRS                                       | 2022          | 2021          |
|--------------------------------------------|---------------|---------------|
| Production costs                           | 11,182        | 11,022        |
| Personnel costs                            | 2,253         | 2,182         |
| Depreciation <sup>1)</sup>                 | 105           | 112           |
| Other operating costs (operating expenses) | 175           | 151           |
| <b>Total</b>                               | <b>13,715</b> | <b>13,467</b> |

<sup>1)</sup> Effects of new IFRS 16, Leases SEK 101m (107).

## note 7 Gains/losses on the sale of property, etc.

|                                       | IFRS       |            | Segment reporting |              |
|---------------------------------------|------------|------------|-------------------|--------------|
|                                       | 2022       | 2021       | 2022              | 2021         |
| <b>Sales values</b>                   |            |            |                   |              |
| Project properties                    | –          | 25         | –                 | 1,307        |
| Development properties                | –          | 1          | –                 | 1            |
| <b>Total</b>                          | <b>–</b>   | <b>26</b>  | <b>–</b>          | <b>1,308</b> |
| <b>Carrying amounts</b>               |            |            |                   |              |
| Project properties                    | –          | –22        | –                 | –912         |
| Development properties                | –          | –          | –                 | –            |
| <b>Total</b>                          | <b>–</b>   | <b>–22</b> | <b>–</b>          | <b>–912</b>  |
| <b>Results</b>                        |            |            |                   |              |
| Project properties                    | –          | 4          | –                 | 395          |
| Development properties                | –          | 1          | –                 | 1            |
| <b>Total</b>                          | <b>–</b>   | <b>5</b>   | <b>–</b>          | <b>396</b>   |
| <b>Profit/loss from joint venture</b> |            |            |                   |              |
| Profit/loss from joint venture        | –11        | 40         | –11               | 40           |
| <b>Total</b>                          | <b>–11</b> | <b>45</b>  | <b>–11</b>        | <b>436</b>   |

## note 8 Financial income and expenses

|                                                                 | Financial income |          |
|-----------------------------------------------------------------|------------------|----------|
|                                                                 | 2022             | 2021     |
| Interest income                                                 | 13               | 3        |
| Change in value revaluation of debt receivables and liabilities | 6                | 1        |
| <b>Total</b>                                                    | <b>19</b>        | <b>4</b> |

|                                               | Financial expenses |            |
|-----------------------------------------------|--------------------|------------|
| IFRS                                          | 2022               | 2021       |
| Interest expenses attributable to loans, etc. | –55                | –40        |
| Interest expenses, leasing                    | –19                | –23        |
| Interest portion in this year's pension costs | –34                | –23        |
| <b>Total</b>                                  | <b>–108</b>        | <b>–85</b> |

|                                               | Financial expenses |            |
|-----------------------------------------------|--------------------|------------|
| Segment reporting                             | 2022               | 2021       |
| Interest expenses attributable to loans, etc. | –55                | –40        |
| Interest portion in this year's pension costs | –34                | –23        |
| <b>Total</b>                                  | <b>–89</b>         | <b>–62</b> |

## note 9 Taxes

| IFRS                          | 2022         | 2021         |
|-------------------------------|--------------|--------------|
| <b>Profit/loss before tax</b> |              |              |
| Sweden                        | 1,620        | 1,780        |
| International                 | 313          | 367          |
| <b>Total</b>                  | <b>1,933</b> | <b>2,147</b> |
| <b>Current tax</b>            |              |              |
| Sweden                        | –434         | –315         |
| International                 | –37          | –68          |
| <b>Total</b>                  | <b>–472</b>  | <b>–383</b>  |
| <b>Deferred tax</b>           |              |              |
| Sweden                        | 95           | 41           |
| International                 | –27          | –1           |
| <b>Total</b>                  | <b>68</b>    | <b>40</b>    |
| <b>Total tax</b>              |              |              |
| Sweden                        | –339         | –274         |
| International                 | –65          | –69          |
| <b>Total</b>                  | <b>–404</b>  | <b>–343</b>  |

Difference between reported tax and nominal tax rate 20.6% (20.6 %)

|                                       | 2022        | 2021        |
|---------------------------------------|-------------|-------------|
| <b>Profit before tax x 20.6%</b>      | <b>–398</b> | <b>–442</b> |
| Adjustment of tax from previous years | 1           | 1           |
| Difference foreign tax                | –           | –2          |
| Non-taxable revenue                   | 5           | 93          |
| Non-deductible expenses               | –5          | –1          |
| Tax allocation reserve                | –3          | –3          |
| Revaluation deferred tax              | –4          | 11          |
| <b>Total</b>                          | <b>–404</b> | <b>–343</b> |

Non-taxable revenue in 2021 consists primarily of the sales of completed rental projects in Stockholm that were companies.

The effective tax rate according to IFRS is 20.9 percent (16.0).

## note 10 Earnings and dividend per share

| IFRS                    | Basic |       | Diluted |       |
|-------------------------|-------|-------|---------|-------|
|                         | 2022  | 2021  | 2022    | 2021  |
| Earnings per share, SEK | 22.80 | 26.10 | 22.70   | 26.00 |

Earnings per share was calculated as net profit for the year divided by the weighted average number of outstanding shares during the year.

### Basic earnings per share

The calculation of basic earnings per share before dilution for 2022 was based on the net profit for the year of SEK 1,529m (1,804) and on a weighted average of the number of outstanding ordinary shares during 2022 to 67,073,227 (69,220,764).

| Number of shares                                                | 2022              | 2021              |
|-----------------------------------------------------------------|-------------------|-------------------|
| Total number of outstanding shares, January 1                   | 68,648,746        | 69,583,262        |
| Conversion                                                      | 5,492             | 55,386            |
| Repurchase of shares                                            | -1,581,011        | -417,884          |
| <b>Weighted average number of shares during the year, basic</b> | <b>67,073,227</b> | <b>69,220,764</b> |

### Diluted earnings per share

The calculation of diluted earnings per share for 2022 was based on the net profit for the year, adjusted for the interest expense for convertible debentures after tax of SEK 1,531m (1,807), how to on a weighted average of the number of outstanding ordinary shares adjusted for dilution effects of all outstanding potential ordinary shares in 2022 totaling 67,384,072 (69,560,505). Profit for the year is attributable in its entirety to Parent Company shareholders.

| Profit for the year                                                                    | 2022              | 2021              |
|----------------------------------------------------------------------------------------|-------------------|-------------------|
| Profit for the year attributable to shareholders of the Parent Company                 | 1,529             | 1,804             |
| Adjustment of interest on convertible debentures (after tax)                           | 2                 | 3                 |
| <b>Profit for the year attributable to shareholders of the Parent Company, diluted</b> | <b>1,531</b>      | <b>1,807</b>      |
| Number of shares                                                                       | 2022              | 2021              |
| Weighted average number of shares during the year, basic                               | 67,073,227        | 69,220,764        |
| Estimated number of potential shares for the convertible debenture program             | 310,845           | 339,741           |
| <b>Weighted average of the number of shares during the year, diluted</b>               | <b>67,384,072</b> | <b>69,560,505</b> |

### Outstanding number of shares and instruments with potential dilutive effects

At the end of 2022, JM had 64,504,840 outstanding shares (68,648,746). JM holds a total of 3,774,001 repurchased shares (1,101,550). Instruments that may have a potentially dilutive effect in 2022 include JM's two convertible programs (2019 and 2020), where dilution may occur during the years 2023–2024. When calculating earnings per share, JM's convertible programs dilute the number of shares. However, the effect is limited. For the 2019 convertible program, the conversion rate is SEK 212 and for the 2020 program SEK 217. For more information about JM's convertible debenture program, see Note 1, Accounting and valuation principles, and Note 3, Employees and personnel costs.

| Cash dividend (proposed by the Board for 2022) | 2022  | 2021  |
|------------------------------------------------|-------|-------|
| – per share, SEK                               | 14.00 | 13.50 |
| – total, SEK m                                 | 903   | 922   |

Differences between IFRS and segment reporting occur in the following items:

| Segment reporting       | Basic |       | Diluted |       |
|-------------------------|-------|-------|---------|-------|
|                         | 2022  | 2021  | 2022    | 2021  |
| Earnings per share, SEK | 23.50 | 26.00 | 23.40   | 25.90 |
| Profit for the year     | 1,575 | 1,798 | 1,577   | 1,801 |

## note 11 Goodwill

|                               | 2022       | 2021       |
|-------------------------------|------------|------------|
| Accumulated acquisition value |            |            |
| Opening balance, January 1    | 180        | 168        |
| New purchases                 | 32         | –          |
| Translation differences       | 7          | 12         |
| <b>On December 31</b>         | <b>219</b> | <b>180</b> |

Reported goodwill refers to JM's operations in Norway and Finland. In July 2022, JM acquired Gradina Oy with operations in Tampere. As of the date of consolidation (October 1), Gradina Oy has contributed SEK 0m to net sales pursuant to IFRS 2022. Fair value of acquired assets and debt taken over amounts net to SEK 28m. Gradina Oy is included in the JM International segment. Goodwill will be tested for impairment according to IAS 36. JM does this at least annually, or more often if there is any indication of a need for impairment. As at December 31, 2022, the carrying amount of JM International was tested. The recoverable amount was found to exceed the carrying amount. Therefore, no impairment loss for goodwill was necessary.

The recoverable amount was determined by calculating the value in use of the cash-generating unit. Value in use for goodwill attributable to JM International was calculated based on discounted cash flows. Cash flow for the first two years, after 2022, is based on the strategic plan adopted by the management. Cash flow beyond the strategic two-year period is extrapolated based on the following assumptions:

- Estimated operating profit or loss based on the previous year's results and expectations of future market developments on the housing market
- Growth rate of 2 percent (2) in order to extrapolate cash flow beyond the strategic period. The growth rate is a conservative assumption of the operation's long-term growth, not exceeding growth for the industry as a whole
- Discount rate before tax is 8 percent (8), which is based on the JM Group's average cost of capital before tax, while taking operation-specific data into account.

### Sensitivity analysis

If the estimated operating profit after the end of the strategy period had been 5 percent lower than the management's assessment, the recoverable amount would decrease by 5 percent.

If the estimated growth rate used to extrapolate cash flows beyond the strategy period had been 50 percent lower than the basic assumption, the recoverable amount would decrease by 18 percent.

If the estimated average cost of capital applied for the discounted cash flow had been 3 percentage points greater than the basic assumption, the recoverable amount would decrease by 42 percent.

A sensitivity analysis of the discount rate shows that the discount rate would have to exceed about 16 percent (24) before the need for impairment would arise.

In all cases, the sensitivity analysis above shows a surplus (i.e. that the recoverable amount is higher than the carrying amount). None of the hypothetical cases above should lead to impairment of goodwill for the Norwegian business.

## note 12 Machinery and equipment

|                                               | 2022        | 2021        |
|-----------------------------------------------|-------------|-------------|
| Accumulated acquisition value                 |             |             |
| Opening balance, January 1                    | 126         | 119         |
| New purchases                                 | 4           | 4           |
| Translation differences                       | 3           | 3           |
| <b>On December 31</b>                         | <b>133</b>  | <b>126</b>  |
| Accumulated depreciation according to plan    |             |             |
| Opening balance, January 1                    | -119        | -111        |
| Depreciation for the year                     | -4          | -5          |
| Translation differences                       | -3          | -3          |
| <b>On December 31</b>                         | <b>-125</b> | <b>-119</b> |
| <b>Closing residual value, at end of year</b> | <b>8</b>    | <b>8</b>    |

## note 13 Rights-of-use

### IFRS

| Rights-of-use         | 12/31/2022 | 12/31/2021 |
|-----------------------|------------|------------|
| Offices               | 171        | 222        |
| Cars                  | 43         | 32         |
| Site leasehold rights | 513        | 456        |
| <b>On December 31</b> | <b>727</b> | <b>711</b> |

Additional rights-of-use in the 2022 financial year amounts to SEK 160m (95).

| Depreciation rights-of-use                                                             | 2022        | 2021        |
|----------------------------------------------------------------------------------------|-------------|-------------|
| Offices                                                                                | -66         | -73         |
| Cars                                                                                   | -34         | -35         |
| <b>Total</b>                                                                           | <b>-101</b> | <b>-107</b> |
| Interest expenses (including financial expenses) for lease liabilities.                | 19          | 23          |
| Costs for leases for short-term agreements and leases where the asset has a low value. | 339         | 304         |

Total cash flow for leases in the financial year amounts to SEK 457m

See Notes 23 and 24 regarding the lease's influence on liabilities.

## note 14 Participations in joint venture

|                                     | 2022       | 2021       |
|-------------------------------------|------------|------------|
| <b>Opening balance, January 1</b>   | <b>118</b> | <b>78</b>  |
| Profit/loss from joint venture      | -11        | 40         |
| Dividends received                  | -5         | -          |
| Reclassification                    | -          | -          |
| <b>On December 31 <sup>1)</sup></b> | <b>103</b> | <b>118</b> |

<sup>1)</sup> At the end of the year, ownership consists of the participations in the company JMJV Hyresbostäder Holding AB.

JM owns 20 percent. The company will own and manage rental housing units.

| JMJV Hyresbostäder Holding AB (559269-4318) | 2022         | 2021         |
|---------------------------------------------|--------------|--------------|
| Net sales                                   | 55           | 54           |
| Operating expenses                          | -15          | -16          |
| Change in value properties                  | -101         | 224          |
| Financial expenses                          | -9           | -9           |
| Tax                                         | 14           | -52          |
| <b>Profit for the period</b>                | <b>-56</b>   | <b>201</b>   |
| Non-current assets <sup>1)</sup>            | 1,295        | 1,396        |
| Current receivables                         | 5            | 4            |
| Cash and bank balances                      | 47           | 40           |
| <b>Total assets</b>                         | <b>1,346</b> | <b>1,440</b> |
| Shareholders' equity                        | 511          | 590          |
| Interest-bearing liabilities and provisions | 828          | 842          |
| Current liabilities                         | 8            | 9            |
| <b>Total equity and liabilities</b>         | <b>1,346</b> | <b>1,440</b> |

<sup>1)</sup> Refers to rental properties reported at market value.

## note 15 Participations in joint operations <sup>1)</sup>

### Specification of Parent Company's shares and participations in joint operations

| Company                                     | CIN         | Domicile  | Number of shares and participations | % of capital | Carrying amount, SEK 000's |                |
|---------------------------------------------|-------------|-----------|-------------------------------------|--------------|----------------------------|----------------|
|                                             |             |           |                                     |              | 2022                       | 2021           |
| Dockan Exploatering AB <sup>1)</sup>        | 556594-2645 | Malmö     | 50,000                              | 33           | 16,834                     | 16,834         |
| Kvarnholmen Utveckling AB <sup>1)</sup>     | 556710-5514 | Stockholm | 50,000                              | 50           | 165,886                    | 165,886        |
| Mälarstrandens Utvecklings AB <sup>1)</sup> | 556695-5414 | Västerås  | 44                                  | 44           | 2,200                      | 2,200          |
| Södra Centrum Krokslätt HB <sup>2)</sup>    | 969777-2144 | Stockholm | -                                   | -            | -                          | 5,200          |
| <b>Carrying amount, December 31</b>         |             |           |                                     |              | <b>184,920</b>             | <b>190,120</b> |

<sup>1)</sup> Joint operations

<sup>2)</sup> The company was liquidated during the year.

### Specification of the Group's other holdings of shares and participations in joint operations <sup>1)</sup>

| Company                                                                     | CIN         | Domicile   | Number of shares and participations | % of capital | Carrying amount, SEK 000's |                |
|-----------------------------------------------------------------------------|-------------|------------|-------------------------------------|--------------|----------------------------|----------------|
|                                                                             |             |            |                                     |              | 2022                       | 2021           |
| Fastighets AB Kranlyftet                                                    | 556829-3251 | Lidingö    | 250                                 | 50           | 135,226                    | 135,226        |
| Täby Park Exploatering AB                                                   | 556833-6555 | Stockholm  | 500                                 | 50           | 321,473                    | 291,473        |
| Grefsen Utvikling AS, Norway                                                | 982913209   | Oslo       | 500                                 | 50           | 26,305                     | 25,635         |
| Grefsen Utvikling Næring 1 AS, Norway                                       | 928160300   | Oslo       | 300                                 | 50           | 16                         | 15             |
| Grefsen Utvikling Næring 2 AS, Norway                                       | 828160672   | Oslo       | 300                                 | 50           | 16                         | 15             |
| Hans Nielsen Haugesgate 50 AS, Norway                                       | 987719427   | Oslo       | 60,000                              | 50           | 52,953                     | 51,398         |
| Husebyplataet AS, Norway                                                    | 913864948   | Oslo       | 5,000                               | 50           | 526                        | 513            |
| Larvik Saneringsselskap AS, Norway                                          | 918044051   | Larvik     | 100                                 | 50           | 255                        | 248            |
| Lillestrøm Kvarter 37 AS, Norway                                            | 935267269   | Lillestrøm | 75                                  | 50           | 7,892                      | 7,691          |
| Lyckebacken Utveckling AB                                                   | 559386-3466 | Stockholm  | 12,500                              | 50           | 363,274                    | -              |
| Merbraine, Belgium                                                          | 450160865   | Brussels   | 625                                 | 50           | 345                        | 317            |
| Noreveien 26 AS, Norway                                                     | 990351465   | Oslo       | 10                                  | 50           | 46                         | 45             |
| Son Utvikling AS, Norway                                                    | 990341419   | Oslo       | 23,050                              | 50           | 12,921                     | 12,592         |
| Torstvet Utvikling AS, Norway                                               | 959639159   | Larvik     | 5,000                               | 50           | 12,144                     | 11,835         |
| <b>Carrying amount, December 31</b>                                         |             |            |                                     |              | <b>933,392</b>             | <b>537,003</b> |
| Reclassification in the Group                                               |             |            |                                     |              | -933,392                   | -537,003       |
| <b>The participations' carrying amount in the Group, at end of the year</b> |             |            |                                     |              | <b>-</b>                   | <b>-</b>       |

<sup>1)</sup> Development properties SEK 1,045m (619).

The joint operations contain primarily properties for residential development.

## note 16 Financial assets

|                               | 2022 | 2021 |
|-------------------------------|------|------|
| Accumulated acquisition value |      |      |
| Opening balance, January 1    | 23   | 17   |
| Additional receivables        | 64   | 14   |
| Settled receivables           | -66  | -1   |
| Reclassification              | -    | -7   |
| Translation difference        | 1    | 1    |
| On December 31                | 22   | 23   |

Financial assets mainly relate to promissory notes.

## note 17 Project properties and development properties

| IFRS                                   | Project properties |                    | Development properties |        |
|----------------------------------------|--------------------|--------------------|------------------------|--------|
|                                        | 2022               | 2021               | 2022                   | 2021   |
| Accumulated acquisition value          |                    |                    |                        |        |
| Opening balance, January 1             | 813                | 1,246              | 8,212                  | 7,841  |
| New purchases                          | 795                | 447                | 1,700                  | 1,754  |
| Reclassifications                      | 27                 | -                  | -35                    | -111   |
| Translation differences                | 1                  | 2                  | 132                    | 119    |
| Transferred to production              | -703               | -84                | -1,538                 | -1,393 |
| Sales                                  | -                  | -798 <sup>1)</sup> | -                      | -      |
| On December 31                         | 932                | 813                | 8,470                  | 8,211  |
| Accumulated impairment losses          |                    |                    |                        |        |
| Opening balance, January 1             | -                  | -                  | -6                     | -10    |
| Transferred to production              | -                  | -                  | -                      | 5      |
| On December 31                         | -                  | -                  | -6                     | -6     |
| Closing residual value, at end of year | 932                | 813                | 8,465                  | 8,205  |
| Market value at end of the year        | 1,089              | 1,088              | 15,200                 | 15,400 |

<sup>1)</sup> Sales for the year include two completed rental properties that according to IFRS are included in consolidated revenue and production and operating expenses. In the segment reporting they are reported on separate lines in the income state as gains from the sale of property.  
See also Group Note 7.

| Segment reporting                      | Project properties |       | Development properties |        |
|----------------------------------------|--------------------|-------|------------------------|--------|
|                                        | 2022               | 2021  | 2022                   | 2021   |
| Accumulated acquisition value          |                    |       |                        |        |
| Opening balance, January 1             | 813                | 1,246 | 8,211                  | 7,842  |
| New purchases                          | 795                | 447   | 1,700                  | 1,754  |
| Reclassifications                      | 27                 | 114   | -35                    | -111   |
| Translation differences                | 1                  | 2     | 132                    | 119    |
| Transferred to production              | -703               | -84   | -1,538                 | -1,393 |
| Sales                                  | -                  | -912  | -                      | -      |
| On December 31                         | 932                | 813   | 8,470                  | 8,211  |
| Accumulated impairment losses          |                    |       |                        |        |
| Opening balance, January 1             | -                  | -     | -6                     | -10    |
| Transferred to production              | -                  | -     | -                      | 5      |
| On December 31                         | -                  | -     | -6                     | -6     |
| Closing residual value, at end of year | 932                | 813   | 8,465                  | 8,205  |
| Market value at end of the year        | 1,089              | 1,088 | 15,200                 | 15,400 |

Reported residual value for the part of project properties recognized at net realizable value amounts to SEK 0m (0) and for development properties SEK 84m (84). The market value for all properties was determined in cooperation with an external appraisal company. The appraisals for development properties are based on the location, attractiveness, scope and type of building planned, the stage in the planning process, extraordinary circumstances and the time remaining until production starts. The appraisals for project properties are based to a greater extent on a cash flow analysis from simulated future income and expenses based on common appraisal practice.

## note 18 Participations in tenant-owners associations, etc.

|                               | 2022 | 2021 |
|-------------------------------|------|------|
| Accumulated acquisition value |      |      |
| Opening balance, January 1    | 377  | 445  |
| New purchases                 | 269  | 664  |
| Reclassification              | -    | -1   |
| Translation difference        | 3    | 4    |
| Sales                         | -340 | -735 |
| On December 31                | 308  | 377  |

There are 63 (67) unsold residential units in the balance sheet. The item includes show apartments for coming residential phases measured at cost.

## note 19 Work in progress

|                  | 2022  | 2021  |
|------------------|-------|-------|
| Work in progress | 5,095 | 4,073 |
| Total            | 5,095 | 4,073 |

Work in progress only relates to projects within JM International.

## note 20 Other current receivables

|                                                                    | 2022 | 2021 |
|--------------------------------------------------------------------|------|------|
| Receivables from property sales                                    | 55   | 14   |
| Receivables from participations sold in tenant-owners associations | 65   | 66   |
| Deposit investment development properties                          | 188  | 175  |
| Other                                                              | 305  | 164  |
| Total                                                              | 613  | 419  |

## note 21 Recognized revenue less progress billings

| IFRS                                                | 2022   | 2021    |
|-----------------------------------------------------|--------|---------|
| Recognized revenue in work in progress              | 9,461  | 10,200  |
| Accumulated billing on account for work in progress | -3,870 | -5,402  |
| Total                                               | 5,591  | 4,798   |
| Segment reporting                                   | 2022   | 2021    |
| Recognized revenue in work in progress              | 12,450 | 12,471  |
| Accumulated billing on account for work in progress | -8,319 | -10,047 |
| Total                                               | 4,131  | 2,424   |

For additional disclosures on JM's revenue, see Note 29.

## note 22 Cash and cash equivalents

|                        | 2022  | 2021  |
|------------------------|-------|-------|
| Cash and bank balances | 1,840 | 3,981 |
| Total                  | 1,840 | 3,981 |

## note 23 Cash flow and interest-bearing net liabilities

| IFRS                                      | Cash and cash equivalents/<br>Bank overdraft facility | Current loans | Non-current loans <sup>1)</sup> | Current liabilities, project financing <sup>2)</sup> | Current lease liabilities | Non-current lease liabilities | Total         |
|-------------------------------------------|-------------------------------------------------------|---------------|---------------------------------|------------------------------------------------------|---------------------------|-------------------------------|---------------|
| <b>Net liabilities, December 31, 2021</b> | <b>3,981</b>                                          | <b>-667</b>   | <b>-190</b>                     | <b>-6,813</b>                                        | <b>-86</b>                | <b>-628</b>                   | <b>-4,403</b> |
| Cash flow                                 | -2,159                                                | 154           | -30                             | -2,495                                               | 15                        | 107                           | -4,408        |
| Currency differences                      | 18                                                    | -40           | -3                              | -160                                                 | -1                        | -24                           | -209          |
| Other non-cash items                      |                                                       | 46            | -45                             | 2,466                                                | -13                       | -79                           | 2,375         |
| <b>Net liabilities, December 31, 2022</b> | <b>1,840</b>                                          | <b>-507</b>   | <b>-268</b>                     | <b>-7,001</b>                                        | <b>-85</b>                | <b>-624</b>                   | <b>-6,645</b> |
| <b>Net liabilities, December 31, 2020</b> | <b>3,037</b>                                          | <b>-580</b>   | <b>-512</b>                     | <b>-5,850</b>                                        | <b>-50</b>                | <b>-667</b>                   | <b>-4,622</b> |
| Cash flow                                 | 933                                                   | 31            | 44                              | -3,356                                               | 43                        | 65                            | -2,240        |
| Currency differences                      | 11                                                    | -24           | -11                             | -163                                                 | -                         | -8                            | -195          |
| Other non-cash items                      | -                                                     | -94           | 289                             | 2,556                                                | -79                       | -18                           | 2,654         |
| <b>Net liabilities, December 31, 2021</b> | <b>3,981</b>                                          | <b>-667</b>   | <b>-190</b>                     | <b>-6,813</b>                                        | <b>-86</b>                | <b>-628</b>                   | <b>-4,403</b> |

<sup>1)</sup> Of which SEK 0m (0) refers to promissory notes and is reported as Investment in development properties.

<sup>2)</sup> JM sometimes recognizes initial project financing for Swedish residential projects where the financing in most cases is taken over by the customer at a later point in time. The take-over occurs without any incoming or outgoing payments, and when the debt is settled there is no impact on the cash flow statement in the financing activities.

| Interest-bearing net liabilities/receivables                | 2022          | 2021          |
|-------------------------------------------------------------|---------------|---------------|
| Cash and cash equivalents and short-term investments        | 1,840         | 3,981         |
| Gross liabilities, fixed interest rate                      | -54           | -54           |
| Gross liabilities, variable interest rate                   | -8,431        | -8,329        |
| <b>Liability/receivable</b>                                 | <b>-6,645</b> | <b>-4,402</b> |
| Cash and cash equivalents                                   | 1,840         | 3,981         |
| Current interest-bearing liabilities                        | -7,508        | -7,480        |
| Non-current interest-bearing liabilities                    | -268          | -190          |
| Current lease liabilities                                   | -85           | -86           |
| Non-current lease liabilities                               | -624          | -628          |
| <b>Liability/receivable</b>                                 | <b>-6,645</b> | <b>-4,402</b> |
| Transferred to pensions                                     | -1,404        | -1,761        |
| Long-term interest-bearing receivables                      | 5             | -             |
| <b>Interest-bearing net liabilities (-)/receivables (+)</b> | <b>-8,044</b> | <b>-6,163</b> |

### Accounting of IFRS 16 Leases

| According to IFRS, SEK m            | 2022      | 2021      |
|-------------------------------------|-----------|-----------|
| Production and operating costs      | 31        | 38        |
| Selling and administrative expenses | -14       | -17       |
| <b>Operating profit/loss</b>        | <b>18</b> | <b>22</b> |
| Financial expenses                  | -19       | -23       |
| <b>Profit/loss before tax</b>       | <b>-1</b> | <b>-1</b> |
| Taxes                               | 1         | -         |
| <b>Profit for the year</b>          | <b>-</b>  | <b>-1</b> |

| According to IFRS, SEK m                 | 12/31/2022 | 12/31/2021 |
|------------------------------------------|------------|------------|
| Rights-of-use non-current assets         | 193        | 255        |
| Rights-of-use current assets             | 513        | 456        |
| <b>Total assets</b>                      | <b>706</b> | <b>711</b> |
| Shareholders' equity                     | -3         | -3         |
| Non-current interest-bearing liabilities | 624        | 628        |
| Current interest-bearing liabilities     | 85         | 86         |
| <b>Total equity and liabilities</b>      | <b>706</b> | <b>711</b> |

### Cash flow according to IFRS page 85 of specification

| Increase/decrease in residential units in the balance sheet | NOTE | 2022      | 2021       |
|-------------------------------------------------------------|------|-----------|------------|
| Acquisition of participations in tenant-owners associations | 18   | -269      | -664       |
| Sale of participations in tenant-owners associations        | 18   | 340       | 735        |
| Change in promissory notes                                  |      | 17        | 36         |
| <b>Total</b>                                                |      | <b>88</b> | <b>107</b> |

| Other non-cash items                                                                      | NOTE | 2022          | 2021          |
|-------------------------------------------------------------------------------------------|------|---------------|---------------|
| Gains/losses on the sale of property                                                      | 7    | -             | -5            |
| Changes in pension liability                                                              |      | -357          | -43           |
| Project financing within JM Residential Stockholm and JM Residential Sweden <sup>1)</sup> |      | -1,989        | -2,673        |
| Other provisions, etc.                                                                    |      | -221          | -598          |
| <b>Total</b>                                                                              |      | <b>-2,566</b> | <b>-3,318</b> |

| Investment in development properties | NOTE | 2022          | 2021          |
|--------------------------------------|------|---------------|---------------|
| Investment in development properties | 17   | -1,692        | -1,754        |
| Change in promissory notes           |      | -178          | 216           |
| <b>Total</b>                         |      | <b>-1,871</b> | <b>-1,539</b> |

| Payment on account for development properties      | NOTE | 2022       | 2021       |
|----------------------------------------------------|------|------------|------------|
| Payment on account for development properties      | 17   | 649        | 497        |
| Sale of development properties                     |      | -          | 1          |
| Change in receivables, development properties sold |      | -          | -13        |
| <b>Total</b>                                       |      | <b>649</b> | <b>485</b> |

<sup>1)</sup> JM sometimes recognizes initial project financing for Swedish residential projects where the financing in most cases is taken over by the customer at a later point in time. The take-over occurs without any incoming or outgoing payments, and when the debt is settled there is no impact on the cash flow statement; there is neither a negative item (amortization) in the financing activities nor a positive item in the operating activities.

## note 24 Financial liabilities

### IFRS

| Non-current interest-bearing liabilities                                    | 2022       | 2021       |
|-----------------------------------------------------------------------------|------------|------------|
| Liabilities to credit institutions maturity date 1–5 years from closing day | 210        | 100        |
| Non-current promissory notes, development properties 1–5 years              | 24         | 24         |
| Convertible loans 1–5 years <sup>1)</sup>                                   | 34         | 66         |
| Non-current lease liabilities                                               | 624        | 628        |
| <b>Total</b>                                                                | <b>892</b> | <b>818</b> |

| Current interest-bearing liabilities                         | 2022         | 2021         |
|--------------------------------------------------------------|--------------|--------------|
| Liabilities to credit institutions, interest-bearing –1 year | 7,476        | 7,473        |
| Convertible loans –1 year <sup>1)</sup>                      | 32           | 7            |
| Current lease liabilities                                    | 85           | 86           |
| <b>Total</b>                                                 | <b>7,593</b> | <b>7,566</b> |

| Interest-bearing net liabilities/receivables                             | 2022         | Change       | 2021         |
|--------------------------------------------------------------------------|--------------|--------------|--------------|
| Non-current interest-bearing liabilities                                 | 268          | 78           | 190          |
| Current interest-bearing liabilities                                     | 7,508        | 28           | 7,480        |
| Non-current lease liabilities                                            | 624          | –4           | 628          |
| Current lease liabilities                                                | 85           | –1           | 86           |
| Transferred to pensions                                                  | 1,404        | –357         | 1,761        |
| Less cash and cash equivalents and interest-bearing receivables          | –1,845       | 2,136        | –3,981       |
| <b>Interest-bearing net liabilities (+)/receivables (–), December 31</b> | <b>8,044</b> | <b>1,881</b> | <b>6,163</b> |

| Other financial liabilities                                            | 2022         | 2021         |
|------------------------------------------------------------------------|--------------|--------------|
| Other non-current liabilities 1–5 years from closing day <sup>2)</sup> | 414          | 373          |
| Accounts payable                                                       | 963          | 780          |
| Short-term promissory notes, development properties                    | 78           | 278          |
| Other current liabilities                                              | 665          | 566          |
| <b>Total</b>                                                           | <b>2,120</b> | <b>1,998</b> |

| Maturity financial liabilities |       |      |      |       |        |
|--------------------------------|-------|------|------|-------|--------|
| 2022                           | 2023  | 2024 | 2025 | 2026– | Total  |
| Financial liabilities          | 9,549 | 560  | 138  | –     | 10,247 |
| Lease liabilities              | 84    | 64   | 30   | 531   | 709    |
| Total                          | 9,633 | 624  | 168  | 531   | 10,956 |
|                                |       |      |      |       |        |
| 2021                           | 2022  | 2023 | 2024 | 2025– | Total  |
| Financial liabilities          | 9,246 | 454  | 61   | 56    | 9,818  |
| Lease liabilities              | 20    | 28   | 117  | 549   | 714    |
| Total                          | 9,266 | 482  | 178  | 605   | 10,532 |

<sup>1)</sup> Refer to Note 3, Employees and personnel costs, for more information about the convertible loans.

<sup>2)</sup> Refers primarily to promissory notes for completed property acquisitions.

### Segment reporting

| Non-current interest-bearing notes payable                                  | 2022       | 2021       |
|-----------------------------------------------------------------------------|------------|------------|
| Liabilities to credit institutions maturity date 1–5 years from closing day | 210        | 100        |
| Non-current promissory notes, development properties 1–5 years              | 24         | 24         |
| Convertible loans 1–5 years <sup>1)</sup>                                   | 34         | 66         |
| <b>Total</b>                                                                | <b>268</b> | <b>190</b> |

| Current interest-bearing liabilities                         | 2022       | 2021       |
|--------------------------------------------------------------|------------|------------|
| Liabilities to credit institutions, interest-bearing –1 year | 475        | 660        |
| Convertible loans –1 year <sup>1)</sup>                      | 32         | 7          |
| <b>Total</b>                                                 | <b>507</b> | <b>667</b> |

| Interest-bearing net liabilities/receivables                             | 2022       | Change       | 2021          |
|--------------------------------------------------------------------------|------------|--------------|---------------|
| Non-current interest-bearing liabilities                                 | 268        | 78           | 190           |
| Current interest-bearing liabilities                                     | 507        | –160         | 667           |
| Transferred to pensions                                                  | 1,404      | –357         | 1,761         |
| Less cash and cash equivalents and interest-bearing receivables          | –1,845     | 2,136        | –3,981        |
| <b>Interest-bearing net liabilities (+)/receivables (–), December 31</b> | <b>334</b> | <b>1,697</b> | <b>–1,363</b> |

| Maturity financial liabilities | 2022         | 2021         |
|--------------------------------|--------------|--------------|
| 2022                           | –            | 2,017        |
| 2023                           | 1,889        | 454          |
| 2024                           | 560          | 61           |
| 2025                           | 138          | 56           |
| <b>Total</b>                   | <b>2,587</b> | <b>2,589</b> |

<sup>1)</sup> Refer to Note 3, Employees and personnel costs, for more information about the convertible loans.

The information in the above tables shows financial liabilities as they are presented in the balance sheet prepared in accordance with segment reporting.

Financial liabilities are divided into non-current and current liabilities, where current liabilities are due in 1 year: Other non-current liabilities relate to notes payable for property acquisitions that become payable when various terms and conditions are met. See Note 25, Financial risk management and financial derivative instruments.

## note 25 Financial risk management and financial derivative instruments

The JM Group is exposed to different types of financial risks which may influence profit, cash flow and equity. These risks mainly comprise:

- Interest risks for borrowing and cash and cash equivalents
- Financing and liquidity risks pertaining to the Group's capital requirements
- Currency risks pertaining to profit and net investments in foreign subsidiaries
- Credit risks attributable to financial and commercial activities.

JM's Board of Directors has adopted a policy for how to handle and control these risks within the Group. Financial risk management is largely concentrated to Finance and Treasury, which is also mandated to support operational activities. At the same time, the international companies are responsible for local activities in accordance with financial policy guidelines.

The accounting principles are described in Note 1 in the "Risk and risk management" section, on pages 14–18 and pages 80–81 describe the Group's risk management and financial policy.

### Interest rate risk

Interest risk refers to the risk that changes in the market rate would have a negative effect on the Group's net interest and cash flow. One of the biggest risk factors involves choosing the interest rate period for the Group's loan portfolio. JM chooses its fixed-interest period based on the tied up capital and cash flows of ongoing projects, the volume of long-term borrowing, as well as the current market situation for interest rates with different maturities. To achieve the desired fixed-interest period, the Group primarily works with interest rate derivatives, mainly interest rate swaps, if the volume of long-term financing is judged to be significant.

Since the volume of long-term borrowing in 2022 was relatively limited, the Group mainly worked with short time to maturity. The average term for fixed-rate loans excluding pension liabilities on December 31, 2022, was 0.2 years (0.3) according to IFRS and 0.3 years (0.4) according to segment reporting.

Fair value on interest-bearing loans, excluding lease liabilities, was SEK 7,776m (7,670) according to IFRS and SEK 775m (857) according to segment reporting. The fair value of interest-bearing liabilities to credit institutions is assumed to correspond to the carrying amount since they mainly have a short, fixed term of less than three months. The JM Group has no outstanding interest rate derivatives as of 12/31/2022.

### Interest risk exposure, including derivatives

| Year for interest conversion    | 2022               |                          | 2021               |                          |
|---------------------------------|--------------------|--------------------------|--------------------|--------------------------|
|                                 | Loan amount, SEK m | Average interest rate, % | Loan amount, SEK m | Average interest rate, % |
| 2022                            | –                  | –                        | 7,615              | 1.9                      |
| 2023                            | 7,722              | 4.3                      | –                  | –                        |
| 2025                            | 54                 | 2.7                      | 54                 | 2.9                      |
| Pension liability <sup>1)</sup> | 1,404              | 3.6                      | 1,761              | 1.9                      |
| <b>Total</b>                    | <b>9,180</b>       | <b>4.2</b>               | <b>9,430</b>       | <b>1.9</b>               |

<sup>1)</sup> The discount rate for pension obligations is adjusted annually.

### Segment reporting

| Year for interest conversion    | 2022               |                          | 2021               |                          |
|---------------------------------|--------------------|--------------------------|--------------------|--------------------------|
|                                 | Loan amount, SEK m | Average interest rate, % | Loan amount, SEK m | Average interest rate, % |
| 2022                            | –                  | –                        | 802                | 2.1                      |
| 2023                            | 721                | 4.3                      | –                  | –                        |
| 2025                            | 54                 | 2.7                      | 54                 | 2.9                      |
| Pension liability <sup>1)</sup> | 1,404              | 3.6                      | 1,761              | 1.9                      |
| <b>Total</b>                    | <b>2,179</b>       | <b>3.8</b>               | <b>2,617</b>       | <b>2.0</b>               |

<sup>1)</sup> The discount rate for pension obligations is adjusted annually.

The average interest rate on interest-bearing liabilities as at 12/31/2022 including pension liabilities and excluding lease liabilities is 4.2 percent (1.9) according to IFRS and 3.8 percent (2.0) according to segment reporting. A one percent change in the market rate corresponds to an effect on earnings of about SEK 58m according to IFRS and approximately SEK 6m according to segment reporting for the part of the loan portfolio traded in 2022. The calculation is an approximation and is based on the assumption of a simultaneous change in all interest rate curves.

### Cash and cash equivalents

Cash and cash equivalents, where applicable, consist of cash and short-term investments. According to JM's financial policy, the company may only invest excess liquidity in liquid instruments issued by issuers with a credit rating of at least A- according to Standard & Poor's or a similar credit rating agency. The investments are short-term with a term of between one day and three months. See Note 22, Cash and cash equivalents.

### Financing and liquidity risk

Financing and liquidity risk refers to the risk that loans could become more difficult and more expensive to refinance and that the Group cannot fulfill its current payment obligations due to inadequate liquidity. The Group manages its financing risk by signing long-term binding credit agreements with different maturities with several different institutions. According to the policy, the average term of framework agreements should be 1.5 to 2.5 years.

### Binding loan commitments

#### IFRS

| Year due                | Total  | Over-draft | 2023  | 2024  | 2025  | 2026  |
|-------------------------|--------|------------|-------|-------|-------|-------|
|                         |        | facilities |       |       |       |       |
| Loan commitments, SEK m | 14,497 | 501        | 4,813 | 4,310 | 3,123 | 1,750 |

### Binding loan commitments excluding project financing

| Year due                | Total | Over-draft | 2023 | 2024 | 2025 | 2026  |
|-------------------------|-------|------------|------|------|------|-------|
|                         |       | facilities |      |      |      |       |
| Loan commitments, SEK m | 2,800 | 400        | –    | 150  | 500  | 1,750 |

The Group has unutilized approved credit lines according to IFRS of SEK 6,811m. The average maturity for these credit lines excluding the overdraft facility is 1.8 years. Unutilized credit lines, excluding project financing, amount to SEK 2,800m, where credit agreements for SEK 2,400m had an average maturity of 3.5 years.

The Group should maintain cash and cash equivalents, together with approved, unutilized credit lines, of at least 15 percent of JM's revenue according to segment reporting in order for the Group to handle investments and current payments. The outcome in 2022 is 28 percent (46).

### Currency risk

The transaction volumes in foreign currency are very limited and only selectively to handle individual large transactions.

All loans are reported in the functional value of each respective country.

### Credit risk

#### Credit risk associated with financial operations

Credit risk exposure in the form of counterparty risk arises with investment of cash and cash equivalents and during derivative trading. In order to limit credit risks the Group has prepared a counterparty list that sets a maximum exposure in relation to each approved party. ISDA agreements (International Swaps and Derivatives Association) or equivalent Swedish bank agreements have been prepared with those counterparties that are used for transactions with derivative instruments. No financial assets and liabilities have been offset.

#### Credit risks associated with accounts receivable

The JM Group's customers are mainly tenant-owners associations and future owners of private homes. The Group also works with contracting operations. Group also has tenants in both residential and commercial premises. Credit risk exposure relating to tenant-owners associations has historically been very limited since financing of production takes place through the association's bank loan. The JM Group works on an ongoing basis with the evaluation of its customers, who have excellent creditworthiness, which results in a low degree of credit risk in accounts receivable. A similar arrangement applies for customers who buy their own homes. To ensure the customer's ability to pay, a credit check is always carried out. Accounts receivable for the production of residential units amounts to SEK 201m (347). JM Group considers provisions for accounts receivable for the production of residential units to be negligible.

Credit risk exposure to customers in the contracting operations and for rentals of residential and commercial premises has a somewhat different nature. Accounts receivable for the contracting operations amount to SEK 213m (279).

Provisions for doubtful receivables amount to SEK 1.7m (2.1) and are primarily attributable to accounts receivable from the rental operations. During the year, the Group utilized SEK 0.0m (0.0) of earlier provisions. Receivables older than 60 days amount to SEK 142m (304). As at 12/31/2022, receivables older than 90 days amounted to SEK 141m (295) and are primarily attributable to a few ongoing discussions/ disputes with customers and are not related to the orderer's creditworthiness. Like in previous years, the outstanding accounts receivables do not constitute a credit risk.

Provision and utilization of the provision for doubtful accounts receivable were recognized in the income statement. The accounting principles are described in Note 1, Financial instruments on page 91.

Note 25 continued

**Aged accounts receivable**

| 12/31/2022<br>SEK m     | Nomi-<br>nal | Not<br>past<br>due | ≤ 30<br>days | 31–60<br>days | 61–90<br>days | > 90<br>days |
|-------------------------|--------------|--------------------|--------------|---------------|---------------|--------------|
| Residential development | 201          | 153                | 11           | 11            | 1             | 25           |
| Contracting             | 213          | 91                 | 6            |               |               | 116          |
| Other                   | 10           | 10                 |              |               |               |              |
| <b>Total</b>            | <b>424</b>   | <b>254</b>         | <b>17</b>    | <b>11</b>     | <b>1</b>      | <b>141</b>   |
| Number of invoices      | 912          | 627                | 44           | 29            | 4             | 208          |

| 12/31/2021<br>SEK m     | Nomi-<br>nal | Not<br>past<br>due | ≤ 30<br>days | 31–60<br>days | 61–90<br>days | > 90<br>days |
|-------------------------|--------------|--------------------|--------------|---------------|---------------|--------------|
| Residential development | 347          | 220                | 19           | 13            | 7             | 88           |
| Contracting             | 279          | 48                 | 10           | 12            | 2             | 207          |
| Other                   | 10           | 10                 |              |               |               |              |
| <b>Total</b>            | <b>636</b>   | <b>278</b>         | <b>29</b>    | <b>25</b>     | <b>9</b>      | <b>295</b>   |
| Number of invoices      | 952          | 521                | 97           | 46            | 35            | 253          |

**Credit risk analysis customers**

| 12/31/2022<br>Interval     | Number of<br>customers | % of<br>number | % of the<br>portfolio |
|----------------------------|------------------------|----------------|-----------------------|
| Exposure interval < SEK 1m | 622                    | 94             | 21                    |
| Exposure interval SEK 1–5m | 26                     | 4              | 16                    |
| Exposure interval > SEK 5m | 13                     | 2              | 63                    |
| <b>Total</b>               | <b>661</b>             | <b>100</b>     | <b>100</b>            |

| 12/31/2021<br>Interval     | Number of<br>customers | % of<br>number | % of the<br>portfolio |
|----------------------------|------------------------|----------------|-----------------------|
| Exposure interval < SEK 1m | 552                    | 89             | 8                     |
| Exposure interval SEK 1–5m | 34                     | 6              | 13                    |
| Exposure interval > SEK 5m | 29                     | 5              | 79                    |
| <b>Total</b>               | <b>615</b>             | <b>100</b>     | <b>100</b>            |

**Valuation of financial assets and liabilities**

JM used generally accepted methods for calculating the fair value of the Group's financial instruments as of December 31, 2022 and 2021. The fair value of interest-bearing liabilities to credit institutions is assumed to correspond to the carrying amount since they mainly have a short, fixed term of less than three months. Notes payable for property acquisitions become payable in conjunction with fulfillment of various conditions, such as approval of local plans or when the project begins. The fair value of notes payable for property acquisitions is therefore assumed to be equal to the carrying amount since the liabilities are payable on demand. For all other financial assets and liabilities, such as cash and cash equivalents, accounts receivable, and accounts payable, the carrying amount is assumed to provide a good approximation of fair value/cost. The Group applies trade date accounting.

The table in the right column shows the carrying amount and information about the category which the JM Group's financial instruments belong in accordance with IFRS 9 Financial Instruments.

**IFRS**

| Financial Instruments                             | Category<br>according<br>to<br>IFRS 9 <sup>2)</sup> | 12/31/2022<br>Carrying<br>amount <sup>1)</sup> | 12/31/2021<br>Carrying<br>amount <sup>1)</sup> |
|---------------------------------------------------|-----------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>Assets</b>                                     |                                                     |                                                |                                                |
| Financial assets                                  | FAAC                                                | 22                                             | 23                                             |
| Of which other non-current receivables            | FAAC                                                | 17                                             | 18                                             |
| Of which other non-current securities             | FAAC                                                | 5                                              | 5                                              |
| Accounts receivable                               | FAAC                                                | 424                                            | 636                                            |
| Other current receivables                         | FAAC/n/a                                            | 613                                            | 419                                            |
| Of which derivative instruments <sup>3)</sup>     | FAD                                                 | 7                                              | 1                                              |
| Of which receivables from property sales          | FAAC                                                | 55                                             | 14                                             |
| Of which other                                    | n/a                                                 | 551                                            | 403                                            |
| Cash and cash equivalents                         | FAAC                                                | 1,840                                          | 3,981                                          |
| <b>Liabilities</b>                                |                                                     |                                                |                                                |
| Non-current interest-bearing liabilities          | FLAC                                                | 892                                            | 818                                            |
| Of which convertible loan                         | FLAC                                                | 34                                             | 66                                             |
| Of which lease liabilities                        | FLAC                                                | 624                                            | 628                                            |
| Of which other non-current interest-bearing loans | FLAC                                                | 234                                            | 124                                            |
| Other non-current liabilities                     | FLAC                                                | 414                                            | 373                                            |
| Accounts payable                                  | FLAC                                                | 963                                            | 780                                            |
| Current interest-bearing liabilities              | FLAC                                                | 7,593                                          | 7,566                                          |
| Other current liabilities                         | FLAC                                                | 743                                            | 844                                            |
| Of which derivative instruments <sup>3)</sup>     | FLvPL                                               | –                                              | –                                              |
| Of which other current liabilities                | FLAC                                                | 743                                            | 844                                            |

**Segment reporting**

Differences between IFRS and segment reporting occur in the following items.

|                                          |      |     |     |
|------------------------------------------|------|-----|-----|
| <b>Liabilities</b>                       |      |     |     |
| Non-current interest-bearing liabilities | FLAC | 268 | 190 |
| Current interest-bearing liabilities     | FLAC | 507 | 667 |
| Other current liabilities                | FLAC | 388 | 552 |

<sup>1)</sup> JM considers there to be no significant difference between the carrying amount and fair value.

<sup>2)</sup> Classification in accordance with IFRS 9, explanation of abbreviations:

|       |                                                             |
|-------|-------------------------------------------------------------|
| FAAC  | Financial assets measured at amortized cost                 |
| FAD   | Derivative instruments at fair value through profit or loss |
| FLAC  | Financial liabilities at amortized cost                     |
| FLvPL | Financial liabilities at fair value through profit or loss  |
| n/a   | IFRS 9 is not applicable                                    |

<sup>3)</sup> Fair value for all assets and liabilities reported at fair value has been calculated based on directly or indirectly observed prices, which corresponds to Level 2 in IFRS 13.

**Financial derivative instruments**

JM uses financial derivative instruments to manage interest risks and on a selective basis, occasional currency risks. Derivative instruments may only be used to minimize risks. All gains and losses that arise in market valuations of instruments are recognized directly in profit and loss, since the JM Group does not apply hedge accounting for existing derivatives.

The JM Group has no outstanding interest rate derivatives as of 12/31/2022. Outstanding currency derivatives amount to SEK 7m (1) on 12/31/2022.

**Asset Management**

JM manages capital, which comprises the consolidated equity, with the purpose of providing JM shareholders with a higher total return than shareholders in companies with similar operations and risk profile.

JM's ambition is to maintain an optimal composition of assets and capital structure over time, suitable for the Company's project development activities. According to the stated objectives for capital structure, the equity ratio shall be at least 35 percent. The equity ratio target is a simplified consequence of a more extensive analysis where shareholders' equity has been allocated to the different asset classes and types of operations in the balance sheet, taking assessed operating risk into account.

## note 26 Provisions for pensions and similar obligations

### Defined-benefit plans

JM has a defined-benefit plan for pensions, the ITP 2 plan in Sweden, which is financed in-house. The plan encompasses 2,800 people, of which 551 are active.

### Defined-contribution plans

These plans mainly comprise retirement pension and survivor's pension. Premiums are paid regularly during the year by the Group company concerned to separate legal entities. The pension cost for the period is recognized in the income statement.

### Obligations regarding employee benefits, defined-benefit plans

The following provisions for pension obligations have been made in the balance sheet:

| Group                               | 2022  | 2021  |
|-------------------------------------|-------|-------|
| Pension obligations, unfunded plans | 1,404 | 1,761 |

Pension obligations and provisions for pension obligations as well as actuarial gains/losses for the defined-benefit pension plans have developed as follows:

| Total pension commitments       | 2022  | 2021  |
|---------------------------------|-------|-------|
| Opening balance, January 1      | 1,761 | 1,804 |
| Benefits earned during the year | 64    | 76    |
| Interest expenses               | 34    | 22    |
| Benefits paid                   | -41   | -40   |
| Actuarial gains (-)/losses (+)  | -414  | -101  |
| On December 31                  | 1,404 | 1,761 |

The actuarial gain for JM in 2021 is primarily attributable to a change in the discount rate.

| Actuarial gains (+)/losses (-)                                            | 2022  | 2021  | 2020  | 2019  | 2018  |
|---------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| Total pension commitments                                                 | 1,404 | 1,761 | 1,804 | 1,702 | 1,388 |
| Experience adjustments of this year's actuarial gains (+) and losses (-): |       |       |       |       |       |
| Pension obligations, SEK m                                                | -111  | 8     | 3     | 17    | 30    |
| Proportion of total value of the pension commitments, %                   | 7.9   | 0.5   | 0.2   | 1.0   | 2.2   |

| Pension costs                                                            | 2022 | 2021 |
|--------------------------------------------------------------------------|------|------|
| Benefits earned during the year                                          | 64   | 76   |
| Interest on obligations                                                  | 34   | 23   |
| Pension costs, defined-benefit plans                                     | 98   | 99   |
| Pension costs, defined-contribution plans                                | 131  | 132  |
| Social security expenses, defined-benefit and defined-contribution plans | 50   | 53   |
| Total                                                                    | 279  | 284  |

Of the above pension costs, SEK 34m (23) is recognized as a financial cost, corresponding to the interest on the obligation.

### Future assessment of cash flow for the pension provision

|                 | 2023 | 2024 | 2025 | 2026 | 2027 |
|-----------------|------|------|------|------|------|
| Pension payouts | -41  | -41  | -41  | -43  | -43  |

### Actuarial assumptions

The most important actuarial assumptions as per closing day can be seen in the following table.

|                           | Sweden |      |
|---------------------------|--------|------|
| %                         | 2022   | 2021 |
| Discount rate             | 3.60   | 1.90 |
| Expected salary increases | 3.50   | 3.50 |
| Inflation                 | 2.00   | 2.00 |
| Income base amount        | 3.00   | 3.00 |
| Attrition rate            | 6.00   | 6.00 |

The determined discount rate takes into consideration the market return on mortgage bonds and swap interest rates and a premium of a longer maturity was added based on the duration of the pension obligations. The duration of the obligation is 18 years.

The anticipated salary increase factor corresponds to anticipated future salary increases as a composite effect of inflation, period of service, and promotion.

The inflation factor corresponds to the anticipated pension upward adjustment (or indexing). In this section, JM has opted to balance the inflation goal, which is set by Sveriges Riksbank, against the outcome of inflation in Sweden over the most recent 10-year period.

JM in Sweden has the DUS21 life expectancy table to calculate its pension liability, which in practical terms means that JM assumes that a man in Sweden who is currently 65 will live for 22 years after retirement and a woman for 24 years.

### Pension obligation's sensitivity to a change in the discount rate

|                                        | 2022  | 2021  |
|----------------------------------------|-------|-------|
| Pension obligations at per December 31 | 1,404 | 1,761 |
| The discount rate increases by 0.25 %  | 1,346 | 1,677 |
| The discount rate decreases by 0.25 %  | 1,465 | 1,851 |

## note 27 Other provisions

|                                                               | Warranty provisions |      | Special payroll tax on pension liability |      |
|---------------------------------------------------------------|---------------------|------|------------------------------------------|------|
|                                                               | 2022                | 2021 | 2022                                     | 2021 |
| Opening balance, January 1                                    | 616                 | 755  | 208                                      | 226  |
| Provisions                                                    | 276                 | 275  | -133                                     | -18  |
| Reclassification                                              | 95                  | -8   | -                                        | -    |
| Utilized during the year                                      | -465                | -372 | -                                        | -    |
| Reversed provisions                                           | -22                 | -40  | -                                        | -    |
| Translation difference                                        | 5                   | 5    | -                                        | -    |
| On December 31 <sup>1)</sup>                                  | 505                 | 616  | 75                                       | 208  |
| <sup>1)</sup> Of which short-term part of warranty provisions | 122                 | 145  | -                                        | -    |

Provisions for guarantee commitments relate to costs that could arise during the guarantee period and that are reported as non-current and current liabilities in the balance sheet. The amount of the provision is primarily based on the number of residential units per project and is charged to the project upon conclusion. The majority of the warranty provisions have a duration of around two to three years after the project is completed.

Since the effect of when in time payment occurs is immaterial, expected future payments are not calculated at present value. Special payroll tax on the pension liability is calculated in full as 24.26 percent of the difference between the pension liability measured in accordance with IAS 19 and the reported pension liability in the legal person.

## note 28 Deferred tax assets and tax liabilities

|                                                                | 2022  | 2021 |
|----------------------------------------------------------------|-------|------|
| Deferred tax liability on tax allocation reserves              | 493   | 516  |
| Other deferred tax liabilities <sup>1)</sup>                   | 603   | 345  |
| Subtotal                                                       | 1,096 | 861  |
| Less deferred tax receivables                                  | -312  | -277 |
| Net deferred tax liabilities                                   | 784   | 584  |
| Deferred tax assets                                            | -     | 1    |
| <sup>1)</sup> Other deferred tax liabilities are allocated to: |       |      |
| Development properties <sup>2)</sup>                           | 394   | 281  |
| Provision for taxation not yet approved                        | 28    | 28   |
| Other current assets                                           | 180   | 36   |
| Total                                                          | 603   | 345  |

<sup>2)</sup> Fiscal difference and carrying amount.

Deferred tax assets are attributable primarily to the pension liability, other personnel-related items and warranty risk reserves.

## note 29 Progress billings in excess of recognized revenue

| IFRS                                                | 2022         | 2021         |
|-----------------------------------------------------|--------------|--------------|
| Accumulated billing on account for work in progress | 15,366       | 18,290       |
| Recognized revenue in work in progress              | -14,509      | -17,322      |
| <b>Total</b>                                        | <b>857</b>   | <b>967</b>   |
| <b>Segment reporting</b>                            | <b>2022</b>  | <b>2021</b>  |
| Accumulated billing on account for work in progress | 18,273       | 20,749       |
| Recognized revenue in work in progress              | -16,965      | -19,399      |
| <b>Total</b>                                        | <b>1,309</b> | <b>1,350</b> |

The closing balance for full-year 2021 has been closed and recognized as revenue in 2022.

During 2022, JM recognized revenue of around SEK 1.5bn (1.2) attributable to performance commitments met during previous years.

## note 30 Accrued expenses and deferred income

|                              | 2022         | 2021         |
|------------------------------|--------------|--------------|
| Personnel-related items      | 539          | 528          |
| Prepaid rental income        | 16           | 12           |
| Other accruals <sup>1)</sup> | 726          | 890          |
| <b>Total</b>                 | <b>1,281</b> | <b>1,430</b> |

<sup>1)</sup> Refers mainly to accrued project costs.

## note 31 Pledged assets and contingent liabilities

|                                                                | 2022         | 2021         |
|----------------------------------------------------------------|--------------|--------------|
| <b>Assets pledged to secure own provisions and liabilities</b> |              |              |
| Corporate mortgages                                            | 100          | 100          |
| Property mortgages                                             | 363          | 376          |
| <b>Total</b>                                                   | <b>463</b>   | <b>476</b>   |
| <b>Contingent liabilities</b>                                  |              |              |
| Guarantee commitments, other                                   | 6,731        | 6,114        |
| Guarantees in connection with assignments                      | 1,968        | 1,626        |
| Payment and rental guarantees                                  | 66           | 68           |
| Other contingent liabilities                                   | 22           | 19           |
| <b>Total</b>                                                   | <b>8,787</b> | <b>7,827</b> |

The corporate mortgage relates to the pension liability that JM Sweden has with PRI. Property mortgages are only granted to a limited extent for financing with credit institutions.

During a tenant-owners association's production period, the JM Group provides guarantees for the part of the short-term financing in a bank that exceeds an association's future long-term loans. Guarantee commitments, other relates entirely to the short-term financing. The long-term loans are secured by the mortgage deeds taken out by the association.

The Group is obligated to acquire from tenant-owners associations in Sweden, with which JM has signed turnkey contracts, residential units that have not been sold as tenant-owned apartments at the end of the most recent quarter following an approved final inspection.

Guarantees in connection with assignments largely relate to performance guarantees for contract work with municipalities and municipality-owned companies. These guarantees are in effect during production and for 2–5 years after completion. The commitment normally amounts to 10 percent of the contract price until completion of the work, after which it drops to 5 percent of the contract sum. To the extent that it is considered likely that JM will be held accountable, the commitment is recognized as a liability in the statement of financial position.

In its ongoing business, JM occasionally is involved in disputes and legal proceedings. These disputes and legal proceedings are not expected, individually or as a whole, to have a significant negative effect on JM's financial performance or position.

## note 32 Related party disclosures

Related party disclosures are presented in Note 3, Employees and personnel costs. The Group's related party transactions, in addition to that set out in Note 3, refers only to joint operations and joint venture. They are limited in scope and were subject to market conditions.

## note 33 Events after the end of the reporting period

Starting January 1, 2023, JM International will be broken down into two new reporting segments: JM Norway and JM Finland. This decision is in line with JM's strategy to be one of the leading residential project developer in the Nordics. 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.

# Parent Company Income Statement

| SEK m                                                            | NOTE    | 2022         | 2021         |
|------------------------------------------------------------------|---------|--------------|--------------|
| Net sales                                                        | 1       | 9,597        | 9,710        |
| Production and operating costs                                   | 2       | -7,629       | -7,609       |
| <b>Gross profit</b>                                              |         | <b>1,968</b> | <b>2,100</b> |
| Selling and administrative expenses                              | 2, 3, 4 | -828         | -712         |
| Gains/losses on the sale of property                             | 5       | —            | —            |
| <b>Operating profit</b>                                          |         | <b>1,140</b> | <b>1,388</b> |
| <b>Profit/loss from financial items</b>                          | 6       |              |              |
| Profit/loss from Group companies                                 |         | 758          | 77           |
| Profit/loss from other financial assets                          |         | 1            | 1            |
| Profit/loss from financial current assets                        |         | 17           | 5            |
| Interest expenses and similar income statement items             |         | -69          | -59          |
| <b>Profit before appropriations and tax</b>                      |         | <b>1,847</b> | <b>1,412</b> |
| Appropriations                                                   | 7       | 34           | -16          |
| <b>Profit/loss before tax</b>                                    |         | <b>1,881</b> | <b>1,397</b> |
| Taxes                                                            | 8       | -243         | -279         |
| <b>Profit for the year</b>                                       |         | <b>1,638</b> | <b>1,118</b> |
| <b>STATEMENT OF COMPREHENSIVE INCOME — PARENT COMPANY, SEK m</b> |         | <b>2022</b>  | <b>2021</b>  |
| Profit for the year                                              |         | 1,638        | 1,118        |
| Other comprehensive income                                       |         | —            | —            |
| <b>Total comprehensive income for the year</b>                   |         | <b>1,638</b> | <b>1,118</b> |

# Parent Company Balance Sheet

| SEK m                                                       | NOTE | 12/31/2022    | 12/31/2021    |
|-------------------------------------------------------------|------|---------------|---------------|
| <b>ASSETS</b>                                               | 1    |               |               |
| <b>Non-current assets</b>                                   |      |               |               |
| <b>Plant, property, and equipment</b>                       |      |               |               |
| Equipment and other tools                                   | 9    | 2             | 2             |
| <b>Financial assets</b>                                     |      |               |               |
| Participations in Group companies                           | 10   | 2,720         | 1,997         |
| Participations in joint operations and associated companies | 10   | 185           | 190           |
| Non-current receivables in associated companies             |      | 17            | 17            |
| Other non-current receivables                               |      | 8             | 8             |
| <b>Total non-current financial assets</b>                   |      | <b>2,930</b>  | <b>2,212</b>  |
| <b>TOTAL NON-CURRENT ASSETS</b>                             |      | <b>2,932</b>  | <b>2,214</b>  |
| <b>Current assets</b>                                       |      |               |               |
| Project properties                                          | 11   | 171           | 300           |
| Development properties                                      | 11   | 3,785         | 3,925         |
| Participations in tenant-owners associations, etc.          | 12   | 247           | 312           |
| Accounts receivable                                         |      | 81            | 167           |
| Other current receivables                                   |      | 203           | 204           |
| Current interest-bearing receivables in Group companies     |      | 2,383         | 1,579         |
| Recognized revenue less progress billings                   | 13   | 3,767         | 3,870         |
| Prepaid expenses and accrued income                         |      | 23            | 25            |
| Cash and cash equivalents                                   | 14   | 1,294         | 3,479         |
| <b>Total current assets</b>                                 |      | <b>11,955</b> | <b>13,862</b> |
| <b>TOTAL ASSETS</b>                                         |      | <b>14,887</b> | <b>16,076</b> |
| <b>EQUITY AND LIABILITIES</b>                               |      |               |               |
| <b>Shareholders' equity</b>                                 | 25   |               |               |
| Share capital                                               |      | 68            | 70            |
| <b>Restricted equity</b>                                    |      | <b>68</b>     | <b>70</b>     |
| Share premium reserve                                       |      | 187           | 186           |
| Undistributed earnings                                      |      | 2,417         | 3,043         |
| Net profit for the year                                     |      | 1,638         | 1,118         |
| <b>Unrestricted equity</b>                                  | 25   | <b>4,242</b>  | <b>4,347</b>  |
| <b>Total share-holders' equity</b>                          |      | <b>4,310</b>  | <b>4,417</b>  |
| <b>Untaxed reserves</b>                                     | 15   | <b>2,300</b>  | <b>2,390</b>  |
| <b>Provisions</b>                                           |      |               |               |
| Provisions for pensions and similar obligations             | 16   | 972           | 809           |
| Deferred tax liabilities                                    | 8    | 8             | 2             |
| Warranty provisions and other provisions                    | 17   | 376           | 493           |
| <b>Total provisions</b>                                     |      | <b>1,356</b>  | <b>1,304</b>  |
| <b>Liabilities</b>                                          |      |               |               |
| Non-current interest-bearing liabilities                    | 18   | 34            | 66            |
| Other non-current liabilities                               |      | 392           | 352           |
| <b>Total non-current liabilities</b>                        |      | <b>426</b>    | <b>417</b>    |
| <b>Current liabilities</b>                                  |      |               |               |
| Accounts payable                                            |      | 570           | 425           |
| Current interest-bearing liabilities                        | 18   | 2,790         | 3,368         |
| Other current liabilities                                   | 19   | 311           | 321           |
| Current interest-bearing liabilities to Group companies     | 18   | 1,426         | 1,810         |
| Current tax liabilities                                     |      | –             | –             |
| Progress billings in excess of recognized revenue           | 20   | 476           | 557           |
| Accrued expenses and deferred income                        | 21   | 923           | 1,066         |
| <b>Total current liabilities</b>                            |      | <b>6,495</b>  | <b>7,548</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         |      | <b>14,887</b> | <b>16,076</b> |
| Pledged assets and contingent liabilities                   | 22   |               |               |

# Parent Company Statement of Changes in Equity

| SEK m                                     | Share capital | Share premium reserve | Undistributed earnings | Total share-holders' equity |
|-------------------------------------------|---------------|-----------------------|------------------------|-----------------------------|
| <b>Opening balance, January 1, 2021</b>   | <b>70</b>     | <b>148</b>            | <b>4,283</b>           | <b>4,501</b>                |
| Total comprehensive income for the year   |               |                       | 1,118                  | 1,118                       |
| Dividend                                  |               |                       | -887                   | -887                        |
| Conversion of convertible loan            |               | 38                    |                        | 38                          |
| Repurchase of shares                      |               |                       | -375                   | -375                        |
| Merger Group companies                    |               |                       | 23                     | 23                          |
| <b>Closing balance, December 31, 2021</b> | <b>70</b>     | <b>186</b>            | <b>4,161</b>           | <b>4,417</b>                |
| <b>Opening balance, January 1, 2022</b>   | <b>70</b>     | <b>186</b>            | <b>4,161</b>           | <b>4,417</b>                |
| Total comprehensive income for the year   |               |                       | 1,638                  | 1,638                       |
| Dividend                                  |               |                       | -922                   | -922                        |
| Conversion of convertible loan            |               | 1                     |                        | 1                           |
| Repurchase of shares                      |               |                       | -825                   | -825                        |
| Elimination of repurchased shares         | -1            |                       | 1                      | -                           |
| <b>Closing balance, December 31, 2022</b> | <b>68</b>     | <b>187</b>            | <b>4,055</b>           | <b>4,310</b>                |

Number of shares (1 vote/share) as of December 31, 2022, amounts to 68,278,841 (69,750,296), of which JM AB repurchased 3,774,001 shares (1,101,550) that do not participate in dividends. Par value per share is SEK 1.

The proposed dividend for 2022 is SEK 14.00 per share (13.50).

# Parent Company Cash Flow Statement

| SEK m                                                                       | NOTE | 2022          | 2021          |
|-----------------------------------------------------------------------------|------|---------------|---------------|
|                                                                             | 1    |               |               |
| <b>OPERATING ACTIVITIES</b>                                                 |      |               |               |
| Operating profit                                                            |      | 1,140         | 1,388         |
| Depreciation and amortization                                               |      | 1             | 2             |
| Increase/decrease in residential units in the balance sheet                 |      | 88            | 92            |
| Other non-cash items <sup>1)</sup>                                          |      | -2,408        | -2,912        |
| <b>Sub-total, cash flow from operating activities</b>                       |      | <b>-1,179</b> | <b>-1,429</b> |
| Interest received                                                           |      | 9             | 4             |
| Dividends received                                                          |      | 170           | 78            |
| Interest paid and other financial expenses                                  |      | -37           | -26           |
| Paid tax                                                                    |      | -412          | -484          |
| <b>Cash flow from operating activities before change in working capital</b> |      | <b>-1,449</b> | <b>-1,857</b> |
| Investment in development properties                                        |      | -354          | -527          |
| Payment on account for development properties <sup>1)</sup>                 |      | -             | -             |
| Increase/decrease in other current receivables, etc.                        |      | 441           | 947           |
| Increase/decrease in other current operating liabilities                    |      | -224          | 1,003         |
| <b>Cash flow before investments and sales of project properties</b>         |      | <b>-1,586</b> | <b>-434</b>   |
| Investment in project properties                                            |      | -18           | -             |
| Sale of project properties                                                  |      | -             | 36            |
| <b>Cash flow from operating activities<sup>1)</sup></b>                     |      | <b>-1,604</b> | <b>-398</b>   |
| <b>INVESTING ACTIVITIES</b>                                                 |      |               |               |
| Change property, plant, and equipment                                       |      | -1            | -1            |
| Investment in Group companies and associated companies, etc.                |      | -693          | -547          |
| Change in financial assets                                                  |      | 5             | 7             |
| <b>Cash flow from investing activities</b>                                  |      | <b>-689</b>   | <b>-541</b>   |
| <b>FINANCING ACTIVITIES</b>                                                 |      |               |               |
| Loans raised                                                                |      | 1             | -             |
| Amortization of debt                                                        |      | -8            | -15           |
| Loans raised, project financing <sup>1)</sup>                               |      | 2,706         | 3,288         |
| Amortization of debt, project financing <sup>1)</sup>                       |      | -845          | -415          |
| Repurchase of shares                                                        |      | -825          | -375          |
| Dividend                                                                    |      | -922          | -887          |
| <b>Cash flow from financing activities</b>                                  |      | <b>108</b>    | <b>1,596</b>  |
| <b>Cash flow for the year</b>                                               |      | <b>-2,185</b> | <b>657</b>    |
| <b>Cash and cash equivalents, at beginning of the year</b>                  |      | <b>3,479</b>  | <b>2,822</b>  |
| <b>Cash and cash equivalents at end of the period</b>                       |      | <b>1,294</b>  | <b>3,479</b>  |

<sup>1)</sup> JM sometimes recognizes initial project financing for Swedish residential projects where the financing in most cases is taken over by the customer at a later point in time. The take-over occurs without any incoming or outgoing payments, and when the debt is settled there is no impact on the cash flow statement; there is neither a negative item (amortization) in the financing activities nor a positive item in the operating activities.

**note 1** Accounting and valuation principles

Amounts in SEK m unless otherwise stated.

For the Parent Company's accounting policies, please refer to the Group's accounting and valuation principles on pages 87–91.

**note 2** Employees and personnel costs

|                                                                                  | 2022                 | 2021                 |
|----------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Average number of employees (all in Sweden)</b><br>(of which men, %)          | <b>1,606</b><br>(73) | <b>1,628</b><br>(74) |
| <b>Wages, salaries, other remuneration and social security expenses</b>          |                      |                      |
| <b>Board of Directors and President</b><br>(of which variable remuneration)      | <b>15</b><br>(5)     | <b>14</b><br>(4)     |
| <b>Other employees</b><br>(of which variable remuneration)                       | <b>949</b><br>(54)   | <b>931</b><br>(48)   |
| <b>Total salaries and other remuneration</b><br>(of which variable remuneration) | <b>964</b><br>(59)   | <b>945</b><br>(51)   |
| <b>Social security expenses</b><br>(of which pension costs)                      | <b>631</b><br>(319)  | <b>454</b><br>(153)  |
| <b>Total Parent Company</b>                                                      | <b>1,595</b>         | <b>1,399</b>         |

<sup>1)</sup> Of the Parent Company's pension costs, SEK 3.2m (3) pertain to the President. The Company's outstanding pension obligations to the President amount to SEK 1.0m (0.8). The Company has no pension costs or pension commitments to the rest of the Board.

For information about benefits to JM AB senior executives, please see Group Note 3.

**note 3** Depreciation according to plan

|                           | 2022      | 2021      |
|---------------------------|-----------|-----------|
| Equipment and other tools | –1        | –2        |
| <b>Total</b>              | <b>–1</b> | <b>–2</b> |

The following depreciation rates are applied:  
Computers and other equipment 20–33 percent.

**note 6** Profit/loss from financial items

|                                               | Profit/loss from Group companies |           | Profit/loss from other financial assets |          | Profit/loss from financial current assets |          | Interest expenses and similar income statement items |            | Total      |           |
|-----------------------------------------------|----------------------------------|-----------|-----------------------------------------|----------|-------------------------------------------|----------|------------------------------------------------------|------------|------------|-----------|
|                                               | 2022                             | 2021      | 2022                                    | 2021     | 2022                                      | 2021     | 2022                                                 | 2021       | 2022       | 2021      |
| Dividend                                      | 1,086                            | 78        | –                                       | –        | –                                         | –        | –                                                    | –          | 1,086      | 78        |
| Capital gains/losses                          | –                                | 7         | –                                       | –        | 3                                         | –        | –                                                    | –          | 3          | 7         |
| Share in profits                              | 3                                | 32        | –                                       | –        | –                                         | –        | –                                                    | –          | 3          | 32        |
| Impairment loss                               | –331                             | –40       | –                                       | –        | –                                         | –        | –                                                    | –          | –331       | –40       |
| Interest income                               | –                                | –         | –                                       | –        | 11                                        | 1        | –                                                    | –          | 11         | 1         |
| Interest income, Group companies              | –                                | –         | 1                                       | 1        | 3                                         | 4        | –                                                    | –          | 4          | 5         |
| Interest expenses                             | –                                | –         | –                                       | –        | –                                         | –        | –42                                                  | –27        | –42        | –27       |
| Interest portion in this year's pension costs | –                                | –         | –                                       | –        | –                                         | –        | –27                                                  | –32        | –27        | –32       |
| <b>Total</b>                                  | <b>758</b>                       | <b>77</b> | <b>1</b>                                | <b>1</b> | <b>17</b>                                 | <b>5</b> | <b>–69</b>                                           | <b>–59</b> | <b>707</b> | <b>24</b> |

**note 4** Fees and remuneration to auditors

| PwC                          | 2022       | 2021       |
|------------------------------|------------|------------|
| Auditing services            | 3.3        | 3.5        |
| Other services <sup>1)</sup> | 0.8        | 0.3        |
| <b>Total</b>                 | <b>4.1</b> | <b>3.9</b> |

<sup>1)</sup> See Group Note 5.

**note 5** Gains/losses on the sale of property

|                         | 2022        | 2021     |
|-------------------------|-------------|----------|
| <b>Sales values</b>     |             |          |
| Development properties  | –           | –        |
| Project properties      | 114         | –        |
| <b>Total</b>            | <b>114</b>  | <b>–</b> |
| <b>Carrying amounts</b> |             |          |
| Development properties  | –           | –        |
| Project properties      | –114        | –        |
| <b>Total</b>            | <b>–114</b> | <b>–</b> |
| <b>Results</b>          |             |          |
| Development properties  | –           | –        |
| Project properties      | –           | –        |
| <b>Total</b>            | <b>–</b>    | <b>–</b> |

## note 7 Appropriations

|                                                                  | 2022      | 2021       |
|------------------------------------------------------------------|-----------|------------|
| Provision to tax allocation reserve                              | -260      | -360       |
| Reversal of previous years' provisions to tax allocation reserve | 350       | 380        |
| Group contribution received                                      | 8         | 8          |
| Group contribution paid                                          | -64       | -44        |
| <b>Total</b>                                                     | <b>34</b> | <b>-16</b> |

## note 8 Taxes

|                               | 2022         | 2021         |
|-------------------------------|--------------|--------------|
| <b>Profit/loss before tax</b> | <b>1,881</b> | <b>1,397</b> |
| Current tax                   | -238         | -303         |
| Deferred tax                  | -5           | 25           |
| <b>Total tax</b>              | <b>-243</b>  | <b>-279</b>  |

Difference between reported tax and nominal tax rate of 20.6 percent (20.6)

|                                              |             |             |
|----------------------------------------------|-------------|-------------|
| <b>Profit before tax x 20.6 %</b>            | <b>387</b>  | <b>-288</b> |
| Adjustment of tax from previous years        | -           | 1           |
| Non-taxable revenue                          | 224         | 25          |
| Non-deductible expenses                      | -73         | -10         |
| Tax untaxed reserve (tax allocation reserve) | -7          | -7          |
| <b>Total</b>                                 | <b>-243</b> | <b>-279</b> |

| <b>Deferred tax assets and tax liabilities</b>                                                                | 2022      | 2021      |
|---------------------------------------------------------------------------------------------------------------|-----------|-----------|
| Deferred taxes attributable to personnel-related provisions and warranty provisions                           | 39        | 52        |
| Deferred tax liability attributable to temporary differences in project properties and development properties | -47       | -54       |
| <b>Net deferred tax liabilities</b>                                                                           | <b>-8</b> | <b>-2</b> |

See Group Note 9.

## note 9 Equipment and other tools

|                                                   | 2022       | 2021       |
|---------------------------------------------------|------------|------------|
| <i>Accumulated acquisition value</i>              |            |            |
| <b>Opening balance, January 1</b>                 | <b>51</b>  | <b>50</b>  |
| New purchases                                     | 1          | 1          |
| Sales                                             | -          | -          |
| <b>On December 31</b>                             | <b>52</b>  | <b>51</b>  |
| <i>Accumulated depreciation according to plan</i> |            |            |
| <b>Opening balance, January 1</b>                 | <b>-49</b> | <b>-48</b> |
| Depreciation for the year                         | -1         | -2         |
| Sales                                             | -          | -          |
| <b>On December 31</b>                             | <b>-50</b> | <b>-49</b> |
| <b>Closing residual value, at end of year</b>     | <b>2</b>   | <b>2</b>   |

## note 10 Financial assets

|                                      | Participations in Group companies |              | Participations in joint operations |            | Non-current receivables in joint operations |           | Other non-current receivables |          | Total        |              |
|--------------------------------------|-----------------------------------|--------------|------------------------------------|------------|---------------------------------------------|-----------|-------------------------------|----------|--------------|--------------|
|                                      | 2022                              | 2021         | 2022                               | 2021       | 2022                                        | 2021      | 2022                          | 2021     | 2022         | 2021         |
| <i>Accumulated acquisition value</i> |                                   |              |                                    |            |                                             |           |                               |          |              |              |
| <b>Opening balance, January 1</b>    | <b>1,997</b>                      | <b>1,559</b> | <b>190</b>                         | <b>190</b> | <b>17</b>                                   | <b>17</b> | <b>8</b>                      | <b>8</b> | <b>2,212</b> | <b>1,774</b> |
| New purchases                        | 1,053                             | 547          | -                                  | -          | -                                           | -         | -                             | -        | 1,053        | 547          |
| Additional receivables               | -                                 | -            | -                                  | -          | -                                           | -         | -                             | -        | -            | -            |
| Merger                               | -                                 | -69          | -                                  | -          | -                                           | -         | -                             | -        | -            | -69          |
| Sales                                | -                                 | -            | -5                                 | -          | -                                           | -         | -                             | -        | -5           | -            |
| Impairment losses for the year       | -331                              | -40          | -                                  | -          | -                                           | -         | -                             | -        | -331         | -40          |
| <b>On December 31</b>                | <b>2,720</b>                      | <b>1,997</b> | <b>185</b>                         | <b>190</b> | <b>17</b>                                   | <b>17</b> | <b>8</b>                      | <b>8</b> | <b>2,930</b> | <b>2,212</b> |

For specification of the Parent Company's and the Group's participations in joint operations and associated companies, see Group Note 15.

Note 10 continued

Specification of Parent Company's shares and participation in wholly owned Group companies, SEK 000s

| Company                                      | CIN         | Domicile   | Number of shares and participations | Carrying amount |           |
|----------------------------------------------|-------------|------------|-------------------------------------|-----------------|-----------|
|                                              |             |            |                                     | 2022            | 2021      |
| AB Borätt                                    | 556257-9275 | Stockholm  | 500                                 | 1,978           | 1,978     |
| AB Garantihus                                | 556073-0524 | Stockholm  | 5,000                               | 1,000           | 1,000     |
| AB IG 1&3                                    | 559147-3698 | Gothenburg | 500                                 | 20,788          | 20,788    |
| AB Konvertibelhus                            | 559001-7025 | Stockholm  | 500                                 | 50              | 50        |
| Bergshamra Bro AB                            | 559066-5666 | Stockholm  | 50,000                              | 61,425          | 61,425    |
| BRO Haifa 1 AB                               | 556821-1949 | Stockholm  | 500                                 | 45,476          | 45,476    |
| Bruket i Kallhäll Exploaterings AB           | 556561-0184 | Stockholm  | 1,000                               | 100             | 100       |
| Bruket i Kallhäll Exploaterings KB           | 969653-9122 | Stockholm  | –                                   | 10              | 10        |
| Fastighetsbolaget Metallfabriken i Örebro AB | 559077-9582 | Stockholm  | 500                                 | 27,562          | 27,562    |
| Fastighetsbolaget Mossen 3 AB                | 559291-5655 | Stockholm  | 500                                 | 33,440          | 33,440    |
| Fastighetsbolaget 33:21 AB                   | 559381-2778 | Stockholm  | 500                                 | 27,567          | –         |
| Förvaltningsbolaget Isotolv AB               | 559277-3229 | Stockholm  | 25,000                              | 25              | –         |
| JM Bostad Stockholm Holding AB               | 559278-9449 | Stockholm  | 2,000                               | 200             | 200       |
| JM Byrån Holding AB                          | 556752-9630 | Stockholm  | 1,000                               | 100             | 100       |
| JM Construction S.A., Belgium                | 413662141   | Brussels   | 10,000                              | 51,906          | 51,906    |
| JM Entreprenad AB                            | 556060-8837 | Stockholm  | 200,000                             | 107,750         | 107,750   |
| JM Fastighetsutveckling Holding AB           | 556847-3259 | Stockholm  | 500                                 | 50              | 50        |
| JM Fastighetsutveckling 2 Holding AB         | 559034-9089 | Stockholm  | 500                                 | 50              | 50        |
| JM Fastighetsutveckling 3 Holding AB         | 559109-6960 | Stockholm  | 500                                 | 50              | 300,050   |
| JM Fastighetsutveckling 4 Holding AB         | 559315-1037 | Stockholm  | 1,000                               | 100             | 100       |
| JM Fastighetsutveckling 5 Holding AB         | 559398-1979 | Stockholm  | 1,000                               | 100             | –         |
| JM Hyresbostäder Holding AB                  | 556977-0471 | Stockholm  | 500                                 | 360,130         | 130       |
| JM Hyresbost Holding AB                      | 559213-7029 | Stockholm  | 500                                 | 44,007          | 72,007    |
| JM Kamarsadeln Holding AB                    | 556853-8465 | Stockholm  | 500                                 | 50              | 50        |
| JM Klostergården Holding AB                  | 559369-7195 | Stockholm  | 2000                                | 363,461         | –         |
| JM Lomma Borgeby AB                          | 559373-0905 | Stockholm  | 250                                 | 29,973          | –         |
| JM Norge AS, Norway                          | 829350122   | Oslo       | 20,000                              | 120,243         | 120,243   |
| JM Olskroken AB                              | 559256-2176 | Stockholm  | 1,000                               | 124,116         | –         |
| JM Riks Holding AB                           | 559327-9796 | Stockholm  | 2,000                               | 84,248          | 200       |
| JM Suomi OY, Finland                         | 1974161-8   | Helsinki   | 1,000                               | 844,879         | 783,585   |
| JM Supply AB                                 | 559126-3644 | Stockholm  | 500                                 | 50              | 50        |
| JM Tegelbruket Ekerö Strand AB               | 559124-0147 | Stockholm  | 500                                 | 52,432          | 52,432    |
| JM Värmdöstrand AB                           | 556001-6213 | Värmdö     | 4,400                               | 158,000         | 158,000   |
| JM@Home AB                                   | 559091-8289 | Stockholm  | 1,000                               | 100             | 100       |
| Klippljuset Holding AB                       | 556872-0527 | Stockholm  | 500                                 | 50              | 50        |
| Minimalen Bostad AB                          | 556754-2138 | Stockholm  | 1,000                               | 11,550          | 11,550    |
| Seniorgården AB                              | 556359-9082 | Stockholm  | 1,000                               | 100             | 100       |
| Stockholm Pundet 1 AB                        | 556852-1297 | Stockholm  | 500                                 | 74,722          | 74,722    |
| Trollhagen Fastighets AB                     | 559082-6235 | Uppsala    | 1,000                               | 71,982          | 71,982    |
| Carrying amount, December 31                 |             |            |                                     | 2,719,820       | 1,997,236 |

## note 11 Project properties and development properties

|                                        | Project properties |      | Development properties |       |
|----------------------------------------|--------------------|------|------------------------|-------|
|                                        | 2022               | 2021 | 2022                   | 2021  |
| Accumulated acquisition value          |                    |      |                        |       |
| Opening balance, January 1             | 300                | 223  | 3,931                  | 4,266 |
| New purchases                          | 18                 | –36  | 416                    | 513   |
| Merger                                 | –                  | –    | –                      | 161   |
| Reclassifications                      | –33                | 114  | –17                    | –114  |
| Transferred to production              | –                  | –    | –539                   | –896  |
| Sales                                  | –114               | –    | –                      | –     |
| On December 31                         | 171                | 300  | 3,791                  | 3,931 |
| Accumulated impairment losses          |                    |      |                        |       |
| Opening balance, January 1             | –                  | –    | –6                     | –10   |
| Transferred to production              | –                  | –    | –                      | 5     |
| On December 31                         | –                  | –    | –6                     | –6    |
| Closing residual value, at end of year | 171                | 300  | 3,785                  | 3,925 |

Reported residual value for the part of project properties recognized at net realizable value amounts to SEK 0m (0) and for development properties SEK 84m (84).

## note 12 Participations in tenant-owners associations, etc.

|                               | 2022 | 2021 |
|-------------------------------|------|------|
| Accumulated acquisition value |      |      |
| Opening balance, January 1    | 312  | 367  |
| New purchases                 | 221  | 590  |
| Sales                         | –286 | –645 |
| On December 31                | 247  | 312  |

## note 13 Recognized revenue less progress billings

|                                                     | 2022   | 2021   |
|-----------------------------------------------------|--------|--------|
| Recognized revenue in work in progress              | 7,927  | 7,385  |
| Accumulated billing on account for work in progress | –4,160 | –3,514 |
| Total                                               | 3,767  | 3,870  |

## note 14 Cash and cash equivalents

|                        | 2022  | 2021  |
|------------------------|-------|-------|
| Cash and bank balances | 1,294 | 3,479 |
| Total                  | 1,294 | 3,479 |

## note 15 Untaxed reserves

|                                          | 2022  | 2021  |
|------------------------------------------|-------|-------|
| Tax allocation reserve for 2017 taxation | –     | 350   |
| Tax allocation reserve for 2018 taxation | 530   | 530   |
| Tax allocation reserve for 2019 taxation | 380   | 380   |
| Tax allocation reserve for 2020 taxation | 360   | 360   |
| Tax allocation reserve for 2021 taxation | 410   | 410   |
| Tax allocation reserve for 2022 taxation | 360   | 360   |
| Tax allocation reserve for 2023 taxation | 260   | –     |
| Total                                    | 2,300 | 2,390 |

**note 16** Provisions for pensions and similar obligations

|                                   | 2022       | 2021       |
|-----------------------------------|------------|------------|
| <b>Opening balance, January 1</b> | <b>809</b> | <b>783</b> |
| Benefits earned during the period | 33         | 28         |
| Interest expenses                 | 27         | 29         |
| Pensions paid                     | -39        | -38        |
| Other                             | 142        | 7          |
| <b>On December 31</b>             | <b>972</b> | <b>809</b> |

In the Parent Company, the ITP plan is posted as a liability under pension provisions.

**note 17** Warranty provisions and other provisions

|                                     | <b>Provisions</b> |            |
|-------------------------------------|-------------------|------------|
|                                     | 2022              | 2021       |
| <b>Opening balance, January 1</b>   | <b>493</b>        | <b>636</b> |
| Provisions                          | 246               | 222        |
| Reclassification                    | 89                | -8         |
| Utilized during the year            | -433              | -329       |
| Reversed provisions during the year | -18               | -29        |
| <b>On December 31</b>               | <b>376</b>        | <b>493</b> |

**note 18** Interest-bearing liabilities

|                                                              |              |              |
|--------------------------------------------------------------|--------------|--------------|
| <b>Non-current interest-bearing liabilities</b>              | <b>2022</b>  | <b>2021</b>  |
| Other liabilities 1–5 years from the closing date            | –            | –            |
| Convertible loans 1–5 years                                  | 34           | 66           |
| <b>Total</b>                                                 | <b>34</b>    | <b>66</b>    |
| <b>Current interest-bearing liabilities</b>                  | <b>2022</b>  | <b>2021</b>  |
| Convertible loans 1 year                                     | 32           | 6            |
| Other liabilities 1 year                                     | 2,757        | 3,362        |
| Liabilities to Group companies                               | 1,426        | 1,810        |
| <b>Total</b>                                                 | <b>4,215</b> | <b>5,178</b> |
| <b>Liabilities to credit institutions, confirmed credits</b> | <b>2022</b>  | <b>2021</b>  |
| <b>Credit agreements</b>                                     | <b>2022</b>  | <b>2021</b>  |
| Bank overdraft facility                                      | 400          | 400          |
| Granted credit agreement due date within one year            | –            | –            |
| Granted credit agreement due date greater than one year      | 2,400        | 2,400        |
| Unutilized portion                                           | -2,800       | -2,800       |
| <b>Utilized credit agreement</b>                             | <b>–</b>     | <b>–</b>     |

Credit agreements carry fixed interest. See Group Note 25 for comments.

**note 19** Other current liabilities

|                                                     | 2022       | 2021       |
|-----------------------------------------------------|------------|------------|
| Short-term promissory notes, development properties | 40         | 20         |
| Other current liabilities                           | 271        | 301        |
| <b>Total</b>                                        | <b>311</b> | <b>321</b> |

**note 20** Progress billings in excess of recognized revenue

|                                                     | 2022       | 2021       |
|-----------------------------------------------------|------------|------------|
| Accumulated billing on account for work in progress | 12,025     | 15,388     |
| Recognized revenue in work in progress              | -11,549    | -14,831    |
| <b>Total</b>                                        | <b>476</b> | <b>557</b> |

**note 21** Accrued expenses and deferred income

|                              | 2022       | 2021         |
|------------------------------|------------|--------------|
| Personnel-related items      | 356        | 354          |
| Prepaid rental income        | 8          | 5            |
| Other accruals <sup>1)</sup> | 559        | 707          |
| <b>Total</b>                 | <b>923</b> | <b>1,066</b> |

<sup>1)</sup> Refers mainly to accrued project costs.

**note 22** Pledged assets and contingent liabilities

|                                                                | 2022          | 2021         |
|----------------------------------------------------------------|---------------|--------------|
| <b>Assets pledged to secure own provisions and liabilities</b> |               |              |
| Corporate mortgages <sup>1)</sup>                              | 100           | 100          |
| Property mortgages                                             | –             | –            |
| <b>Total</b>                                                   | <b>100</b>    | <b>100</b>   |
| <b>Contingent liabilities</b>                                  |               |              |
| Guarantee commitments, other <sup>2)</sup>                     | 6,731         | 6,114        |
| Guarantees on behalf of Group companies <sup>3)</sup>          | 4,858         | 3,217        |
| Guarantees in connection with assignments                      | 185           | 119          |
| Payment and rental guarantees                                  | 2             | 3            |
| Other contingent liabilities                                   | 22            | 19           |
| <b>Total</b>                                                   | <b>11,798</b> | <b>9,471</b> |

<sup>1,2)</sup> See Group Note 31 for comments.

<sup>3)</sup> Guarantees on behalf of Group companies mainly relate to commitments for the international companies and JM Entreprenad AB.

**note 23** Related party disclosures

The Parent Company has a related party relationship with its subsidiaries and joint operations; see Group Note 15.

|                                                         | 2022  | 2021  |
|---------------------------------------------------------|-------|-------|
| Purchase of goods and services from Group companies     | 505   | 442   |
| Interest income from Group companies                    | 1     | 1     |
| Dividend from Group companies                           | 1,086 | 78    |
| Share in profits from Group companies                   | 3     | 32    |
| Dividend from associated companies                      | 0     | –     |
| Non-current receivables in associated companies         | 17    | 17    |
| Current interest-bearing receivables in Group companies | 2,383 | 1,579 |
| Current interest-bearing liabilities to Group companies | 1,426 | 1,810 |
| Guarantees on behalf of Group companies                 | 4,858 | 3,217 |

Transactions with key individuals in leading positions can be found in Group Note 3, Employees and personnel costs. All transactions with related parties and companies were conducted on market-based terms.

**note 24** Events after the end of the reporting period

No significant events that impact the financial statements occurred during the period between the balance sheet date and the date on which this report was issued.

## note 25 Proposed disposition of earnings

Unrestricted equity in the Parent Company is:

|                                             |                          |
|---------------------------------------------|--------------------------|
| Retained earnings and share premium reserve | SEK 2,603,923,760        |
| Net profit for the year                     | SEK 1,637,896,349        |
| <b>Total</b>                                | <b>SEK 4,241,820,109</b> |

The Board of Directors and the CEO propose:  
that SEK 14.00 per share be paid to shareholders<sup>1)</sup>  
and that the remaining amount be carried forward

|              |                          |
|--------------|--------------------------|
|              | SEK 903,067,760          |
|              | SEK 3,338,752,349        |
| <b>Total</b> | <b>SEK 4,241,820,109</b> |

<sup>1)</sup> There are 68,278,841 registered shares in the Parent Company on January 31, 2023, of which the number of dividend-bearing shares amounts to 64,504,840.

Stockholm, February 28, 2023

The undersigned certify that the consolidated accounts and the annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted for use in the European Union, and generally accepted accounting principles and give a fair presentation of the Group's and the Company's position and financial performance, and that the Board of Director's Reports for the Group and the Company provide a fair presentation of the development of the Group's and the Company's operations, position and financial performance and describes the significant risks and uncertainty factors facing the companies that belong to the Group.

Fredrik Persson  
*Chair of Board*

Kaj-Gustaf Bergh  
*Member*

Kerstin Gillsbro  
*Member*

Camilla Krogh  
*Member*

Jenny Larsson  
*Member*

Olav Line  
*Member*

Thomas Thuresson  
*Member*

Peter Olsson  
*Member, employee-appointed*

Jan Strömberg  
*Member, employee-appointed*

Johan Skoglund  
*President and Chief Executive Officer*

Our Auditor's Report was submitted on March 7, 2023  
PricewaterhouseCoopers AB

Ann-Christine Hägglund  
*Authorized Public Accountant  
Auditor-in-charge*

Fredrik Kroon  
*Authorized Public Accountant*

# Auditor's report

Unofficial translation

To the general meeting of shareholders of JM AB (publ), corporate identity number 556045-2103

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of JM AB (publ) for the year 2022. The annual accounts and consolidated accounts of the company are included on pages 74–114 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and the balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and the consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

### Our audit approach

#### *Audit scope*

We designed our audit by determining materiality and assessing the risk of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and concerning future

events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented risk of material misstatement due to fraud.

We tailored our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the JM group, the accounting processes and controls, and the industry in which JM operates.

In a business such as JMs, our risk assessment is particularly influenced by the impact of the Board of Directors' and management's estimates and judgements on the financial statements. We have assessed the highest risk for misstatements in the financial statements to be the percentage-of-completion revenue recognition in the ongoing projects – in both the residential development business and the construction business. In addition, we have identified a number of other risks that also reflect components of estimates and judgements. Amongst those are warranty provisions, valuation of development and project properties and disputes. As in all of our audits, we also addressed the risk of the Board of Directors' and management overriding internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Based on the risk assessment the central audit team developed an audit strategy according to which the group audit has focused on the large components JM Residential Stockholm, JM Residential Sweden, JM Construction and the Norwegian operations within JM International which all have been subject to a so-called full audit. For the Finnish operation within JM International, specific procedures have been performed primarily for ongoing projects. With respect to JM Property Development and the building rights in Belgium, the examination has focused on the book values of project and development properties as well as property transactions during the year.

The central audit team performs the audit of the Swedish components and issues, based on the audit strategy, instructions to the Norwegian and Finnish audit teams. The central team also audits relevant aspects of and controls over the JM group's common information systems, including SAP ECC. The results of this examination are shared with local teams.

#### *Materiality*

The scope of our audit is influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

### Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and the consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and the consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

#### Key audit matter

#### How our audit addressed the key audit matter

##### *Recognition of revenue and profits in Swedish residential development projects*

JM's revenue in the Swedish residential development operations are recognised over time i.e. applying percentage-of-completion taking into account also so called sales ratio. This means that revenue and profits recognised in ongoing projects are dependent on assumptions and judgements of items included in the forecasts of total revenue and costs. Those forecasts include judgements of costs for, e.g., labour, material, subcontractors and warranty obligations. The latter may from time to time require updated assessments also for projects already completed. Revenue and profit recognition therefore requires sufficient processes for calculations, reporting, analysis and forecasts.

The amounts involved combined with the high impact of estimates and judgements make this a key audit matter. We have paid special attention to the methodology and the judgments forming the basis for determining the margin used in the percentage-of-completion profit recognition, as well as to the principles, methods and assumptions forming the basis for the assessment of warranty obligations recognised.

See e.g. the sections "Important sources of uncertainty in estimates", "Revenue and profit/loss from residential project development" and "Provisions for warranty commitments" in note 1 Accounting and valuation principles as well as note 21 "Recognized revenue less progress billings", note 27 "Other provisions" and note 29 "Progress billings in excess of recognized revenue".

We have evaluated and on a sample basis tested selected controls in JM's project development process, from land purchase to completion. We have also evaluated processes, routines and methodology for calculations and project forecasts.

We have performed analytical review procedures of revenue and margins reported, and examined management's routines for follow-up of the projects' financial results. For a selection of projects we have performed simulations of outcome based on different assumptions and we have discussed selected judgment with JM. On a sample basis, we have examined revenue, sales ratio and the recognised project costs forming the basis for the determination of completion ratio.

We have also tested the mathematical accuracy in the calculation of percentage-of-completion. We have also taken part in several project audits performed by JM's Operational audit.

We have evaluated principles, processes and routines for determining recognised warranty obligations and the assumption on which those are based. On a sample basis, we have examined calculations made and in one case made our own calculations based on data provided by JM.

We have discussed, with management and the audit committee, those methods, estimates and assumptions on which JM's judgments are based.

## Key audit matter

## How our audit addressed the key audit matter

*Accounting for the Swedish residential project development operations*

During 2018 Nasdaq Stockholm AB (the Stock Exchange) asked JM about the basis for the assessment of the tenant-owners associations' independence from an IFRS perspective. The Stock Exchange's final decision stated that there are differences between various companies' business and contract structures that have bearing on the matter, and that there is room to reach different conclusions. The Stock Exchange noted that the basis for the assessment not to consolidate the tenant-owners associations were not clear enough and thus that there was no clear description of the facts and circumstances that formed the basis for that conclusion. The Stock Exchange therefore criticised JM and as from the 2018 Annual Report JM therefore provides expanded and clearer disclosures on these bases and on the effects on earnings, equity and liabilities in the event that the tenant-owners associations would be consolidated.

JM also communicated that in January 2019, Finansinspektionen ("FI") informed JM that FI will investigate the matter and an exchange of letters has subsequently taken place during 2019 and 2020 between JM and FI in this matter.

On 20 May 2020, JM received a decision from FI stating that the tenant owners associations cannot be considered to be independent and thus should be consolidated. As a consequence, revenue should not be recognised over time (percentage-of completion) but instead upon delivery to individual buyer of a tenant-owned apartment. The decision from FI stated that JM was prescribed to make a correction in the financial reports.

JM continues to hold the view, as communicated in the response letter submitted to FI in 2019 and 2020, that JM's tenant-owners associations are independent and should not be consolidated. On 9 June 2020 JM appealed FI's decision of 20 May 2020 to the Administrative Court.

JM's appeal to the Administrative Court was decided in JM's favor on October 26, 2021. FI then appealed the Administrative Court's decision to the Court of Appeals, which issued a judgment on November 9, 2022, which meant that during the production phase, JM must consolidate tenant-owner associations in its consolidated accounts according to IFRS. In January 2023, JM subsequently submitted an appeal to the Supreme Administrative Court regarding the Court of Appeal's judgment from 9 November 2022.

We consider this kind of communication to be, by its nature, a key audit matter.

See the statutory administration report (page 79) and the section "Important judgments when applying accounting principles" in note 1 Accounting and valuation principles.

We have e.g. read and evaluated the reasoning that forms the basis of FI's preliminary view and thereafter decision, that the tenant-owners associations should be consolidated, as well as the response provided by JM. We have also taken note of the Administrative Court's judgment in October 2021, FI's appeal to the Court of Appeal, the Court of Appeal's decision to grant FI leave to appeal in the matter, as well as JM's response to the Court of Appeal on FI's leave to appeal. During 2022, the process continued and there we took note of FI's appeal to the Court of Appeal and the Court of Appeal's judgment on November 9, 2022. The Court of Appeal's judgment means that JM must consolidate tenant-owners associations during the production period in its consolidated accounts according to IFRS. In January 2023, we also took note of JM's appeal to the Supreme Administrative Court regarding the Court of Appeal's judgment.

We have also examined the disclosure JM has provided in the statutory administration report as well as that in note 1 on the basis of its assessment that the tenant-owners associations are independent and therefore should not be consolidated. The latter has also been evaluated as to whether it is appropriate and in accordance with IAS 1 Presentation of financial statements.

We have kept a dialogue with management and the audit committee and as a part of that communicated our observations, reflections and their implications. In connection therewith, we have discussed, e.g. the fact that IFRS is a principles-based framework that often requires judgment. As JM states in the Annual Report, in complex matters like this, it is possible for different parties to make different assessments. As IFRS is a principle based framework it is not remarkable that different, acceptable judgements can be made.

### Other information than the annual accounts and the consolidated accounts

This document also contains other information than the annual accounts and the consolidated accounts and is found on pages 1–73 and pages 119–141. The other information also includes the remuneration report prepared by JM, which we obtained before the date of this audit report. The Board of Directors and the President are responsible for this other information. Our opinion on the annual accounts and the consolidated accounts does not cover this other information and we do not express any form of assurance conclusion on this other information.

In connection with our audit of the annual accounts and the consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and the consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the President

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The audit committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

### Report on other legal and regulatory requirements

#### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of JM AB for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

#### Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

### Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

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

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

## The auditor's examination of the Esef report

### Opinion

In addition to our audit of the annual accounts[and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for JM AB (publ) for the financial year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### Basis for Opinions

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of JM AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

### Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for ensuring that the Esef report has been prepared in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to form an opinion with reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The reasonable assurance engagement involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the group's consolidated statement of financial performance, statement of financial position, statement of changes in equity, statement of cash flow and notes in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of JM AB by the general meeting of shareholders on 31 March 2022 and has been the company's auditor since 27 April 2017.

Stockholm 7 March 2023  
PricewaterhouseCoopers AB

Ann-Christine Hägglund  
Authorized Public Accountant  
Auditor-in-charge

Fredrik Kroon  
Authorized Public Accountant

# Corporate governance report for the 2022 financial year

## ■ Corporate governance report

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## Corporate governance principles

In addition to the rules laid down by law or regulation, JM applies the Swedish Code of Corporate Governance (the Code). JM complies with the Code without exception.

Through detailed and transparent accounting, JM will increase the knowledge of shareholders and other stakeholders about how the Board of Directors and the Executive Management operate in order to ensure that shareholders' demands for return on invested capital are met. Priority areas for long-term value creation include high ethical standards, JM's core values and code of conduct, professionalism, transparency and JM's contribution to social development.

JM has pursued for many years a long-term and systematic project to continuously develop its internal governance and control. This project has resulted in, for example, additional enhancements to the company's governance and control with regard to investment, selling and production decisions as well as governance and control during the project implementation phase. Internal governance and control are also exercised through the systematic committee work of the Board. In order to promote the development of the Board, an annual assessment of the Board's work is conducted.

## Shareholders and Annual General Meeting

The General Meeting, which is the Company's highest decision-making body, gives all shareholders the possibility to participate and exercise their influence. The Annual General Meeting (the general meeting at which the Annual Report and the auditors' report on the consolidated accounts are presented) addresses the Company's development, and decisions are made on several key issues, such as adoption of the annual report, dividends, discharge of liability for the Board, election of auditors, remuneration for the Board and auditors, and election of new Board members for the period extending to the next Annual General Meeting.

The Company publishes notification of the Annual General Meeting no earlier than six weeks and no later than four weeks before the meeting. The Company announces the time and place of the Annual General Meeting no later than in conjunction with the Q3 report. The possibility of foreign shareholders following or participating in the Annual General Meeting through simultaneous interpretation or translation of presented material into other languages has not been considered necessary since, to date, such shareholders have had Swedish representation.

## Annual General Meeting

The 2022 Annual General Meeting was held on March 31 by absentee ballot. A total of 193 shareholders were represented, representing about 46 percent of the total votes. One of the resolutions made by the 2022 Annual General Meeting was to authorize the Board to make decisions on the acquisition of own shares. Minutes from the Annual General Meeting can be found on JM's website (jm.se). The 2023 Annual General Meeting will be held on March 30.

## Board Meetings in 2022



Fixed items on the agenda of ordinary Board meetings include a status report from the President and updates from the Committees.

### Major shareholders

Two shareholders, Samhällsbyggnadsbolaget i Norden AB and AMF Pension, have a shareholding in the Company representing at least one-tenth of the voting rights for all shares in the Company. Their holdings amount to 30.6 percent and 11.4 percent, respectively, on January 31, 2023. JM's Articles of Association do not limit shareholders' voting rights for any owned or represented shares. The Articles of Association do not contain any provisions on the appointment and dismissal of Board members or on amendments to the articles.

JM does not apply any special arrangements relating to the function of the general meeting of shareholders, either due to provisions in the Articles of Association or, as far as is known to the Company, shareholder agreements.

### Nomination Committee

The Nomination Committee is a body elected by the Company's Annual General Meeting that is tasked with nominating Board members, a Chair of the Board, and an auditing company as well as proposing fees for the Board, the committees of the Board, and auditors. The work of the Nomination Committee is governed by the instructions for the Nomination Committee as adopted by the Annual General Meeting. This committee consists of representatives for the four largest shareholders in the Company that wish to participate. The Chair of the Board is the fifth member and convenes the meeting.

The Chair of the Board convened the Nomination Committee for the 2023 Annual General Meeting in August 2022, and the Committee consists of the following people:

Ilija Batljan, Samhällsbyggnadsbolaget i Norden AB  
Anders Oscarsson, AMF Pension  
Marianne Nilsson, Swedbank Robur Fonder  
Johannes Wingborg, Länsförsäkringar Fondförvaltning AB  
Fredrik Persson, Chair of the Board of JM.

The Nomination Committee represents approximately 50 percent of the total number of JM shares. Ilija Batljan is chair of the Nomination Committee. The Nomination Committee held four minuted meetings and also corresponded by email and telephone. Members of the Nomination Committee have not received any compensation from JM.

### Auditors

Following a proposal by the Nomination Committee, the 2022 Annual General Meeting elected PricewaterhouseCoopers AB (PwC) to be the auditor. The election covers the period up until the end of the 2023 Annual General Meeting. Auditor-in-charge is Ann-Christine Hägglund, and the auditor's report is also signed by Fredrik Kroon. They have no other assignments that affect their independence as an auditor for JM.

| Fees and remuneration to PwC | 2022       | 2021       |
|------------------------------|------------|------------|
| Auditing services            | 6.0        | 5.5        |
| Tax services                 | 0.0        | 0.2        |
| Other services               | 1.2        | 0.5        |
| <b>Total</b>                 | <b>7.2</b> | <b>6.2</b> |

Information about the auditing company's services to JM in addition to auditing is provided in Note 5 on page 96.

### Board of Directors

#### Composition

According to the Articles of Association, JM's Board of Directors shall consist of a minimum of five and a maximum of nine members. No deputies shall be appointed. The members of the Board of Directors are elected by the Annual General Meeting for one year at a time. In addition, the employee organizations are legally entitled to appoint two ordinary members as well as two deputies.

The Nomination Committee has applied Code Rule 4.1 as its diversity policy for the Board. The Nomination Committee determined the following in its reasoned statement prior to the 2022 Annual General Meeting: The Nomination Committee considers JM to have a well-functioning Board of Directors and that the current composition of the Board, given the Company's operations, development stage and circumstances in general, is appropriate and features diversity and breadth with regard to the members' competence, experience and background. The Nomination Committee also considers it to be valuable to have a balance of both continuity and renewal within the Board. The Nomination Committee's proposal to the Board includes the new-election of one member, Jenny Larsson, who has industrial, energy and project-based experience that is relevant for JM.

The proposed Board has broad experience and skills, including for relevant sustainability aspects, within areas that are important for JM,

such as housing and property development, project development and construction activities, consumer markets, finance, industry and good knowledge of geographic markets that are relevant for the Company. The Nomination Committee has applied Code Rule 4.1 as its diversity policy. It can be noted that JM has had an even gender distribution in its Board of Directors for many years, and the Members proposed to the Annual General Meeting include four women and four men. The proposal thus fulfills the requirements of the Code for an even gender distribution. All of the proposed Members are considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

The 2022 Annual General Meeting resolved to elect the eight members proposed by the Nomination Committee.

The employee organizations appointed two members and two deputies. The composition of the Board of Directors is presented on pages 124–125, as is participation by the members elected by the Annual General Meeting in committees (A = Audit Committee, C = Compensation Committee, I = Investment Committee).

Attendance during the 2022 calendar year is also presented.

The Board of Directors held twelve meetings. The Audit Committee held six meetings. The Compensation Committee held four meetings. The Investment Committee held seven meetings.

## Independence

All Board members elected at the Annual General Meeting are considered independent in relation to the Company and all are independent in relation to the shareholders.

### DUTIES/RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board's duties concern strategic issues such as JM's business concept, key policies, market, finance and financial position, internal control and risk management, personnel, leadership and decisions concerning housing starts of projects, acquisition and sale of development properties and project properties.

New-elects to the Board of Directors are introduced to the company's operations and the work of the Board as required and according to that below.

## Duties/Responsibilities

The most important governing documents are:

- Strategic focus
- Articles of Association
- Rules of Procedure for the Board of Directors, Instructions for the Allocation of Duties between the Board and the President, and Instructions for Financial Reporting
- JM's policies (Sustainability Policy, Integrity Protection Policy, Information Security Policy, Employee Policy, Work Environment Policy, Communication Policy, Financial Policy, Tax Policy and Purchasing Policy)
- JM's ethical guidelines, JM's Code of Conduct, guidelines to prevent victimization, sexual harassment and discrimination, guidelines for communication, and guidelines for purchasing.

## Duties of the Chair of the Board of Directors

The Chair of JM's Board of Directors has ultimate responsibility for the Company complying with the established strategic focus. In this context, the Chair has regular contact with the Company's President and serves as a discussion partner to the President. The work of the Chairperson otherwise complies with the requirements of the Code.

## Secretary to the Board

The Company's General Counsel is the Secretary to the Board. The General Counsel is not a member of the Board of Directors.

## Evaluation by the Board of its own work

The performance of the Board of Directors is evaluated every fall. In 2022, the evaluation consisted of a paper survey that was sent to all Board members. The results of the evaluation were discussed and presented to the Board and the Nomination Committee.

## Board's evaluation of the President

The Board of Directors evaluates the President's performance annually. In 2022, the evaluation consisted of a paper survey that was sent to all Board members. The results of the evaluation of the President were discussed and presented to the Board.

## Important matters during 2022

The Board of Directors made the following decisions and others in 2022:

- The Board of Directors held a separate strategy meeting, at which it, among other things, adopted the strategic plan for the Company
- The Board of Directors decided on housing starts for five residential projects and one project property, which have an estimated total project expense exceeding the maximum level delegated to the President of either SEK 400m in the total project expense or SEK 400m in project expense per phase
- The Board of Directors decided on ten acquisitions of development properties, one sale of a development property, and one acquisition of a project property, which have a purchase sum exceeding the maximum level delegated to the President of SEK 100m
- The Board of Directors decided on the sale of two project properties
- The Board of Directors decided to propose that the Annual General Meeting authorize the Board to decide on the acquisition of own shares for the period up to the next Annual General Meeting and on a reduction in the share capital. Following a resolution by the Annual General Meeting to grant the Board authorization, a decision was made to acquire own shares
- The Board of Directors decided on short-term and long-term variable remuneration programs
- The Board of Directors decided on JM's existing policies and guidelines.

## Duties of the Committees

The committees usually meet in conjunction with Board meetings or when necessary. Minutes are kept and shared with the Board of Directors and the auditors. Verbal accounts are provided at Board meetings about the topics discussed at committee meetings. There is no delegated right of decision with the exception of:

- The Compensation Committee, which approves salaries and other terms and conditions for Executive Management, excluding the President
- The Audit Committee approves fees and compensation to the external auditors for auditing work as well as the external auditor's provision of services other than auditing. The Audit Committee starts more in-depth initiatives in selected areas or projects.

Members elected by the Annual General Meeting are members of the committees. The Chairperson of the Board chairs the Compensation Committee. The Chairperson of the Audit Committee is Thomas Thuresson, and the Chairperson of the Investment Committee is Olav Line.

The Director of Human Resources reports for the Compensation Committee. Each business unit manager reports for the Investment Committee. The Chief Financial Officer reports for the Audit Committee. The President attends the meetings of the Compensation Committee and the Investment Committee.

## Audit Committee

The Audit Committee has two members: Thomas Thuresson (chair) and Fredrik Persson. The committee held six meetings during the calendar year.

The work of the Audit Committee during the year was primarily focused on:

- Review and analysis of financial statements, interim reports and Annual Report
- Quality assessment of internal control systems, control procedures, the Internal Audit and risk management
- Review of the audit plan of the external auditors and other internal planning for internal audits and risk management
- Preparation of the Corporate Governance Report
- Recommendation for the election of external auditors in consultation with Executive Management, the Board of Directors and the Nomination Committee prior to the Committee's recommendation for the Annual General Meeting
- Review and monitoring of the auditor's impartiality and independence regarding approval of fees and compensation to the auditors for auditing work as well as advance approval of the auditor's provision of services other than auditing
- Monitored the statutory audit
- Initiation of in-depth initiatives within select areas
- Progress reporting and review of areas or projects of special interest
- Reporting and presentation to the Board of Directors of observations noted during review sessions with auditors and management
- Otherwise completed the tasks placed on the Audit Committee according to applicable laws, ordinances and the Swedish Code of Corporate Governance.

#### Compensation Committee

The Compensation Committee has three members: Fredrik Persson (chair), Camilla Krogh and Kaj-Gustaf Bergh.

The Committee held four meetings during the calendar year.

The Compensation Committee's tasks during the year were to:

- Prepare recommendations for salary, pension benefits and other terms and conditions for the President of the Company
- Prepare recommendations relating to general principles for remuneration to all other employees, especially in terms of variable compensation
- Draft proposal on incentive programs
- Approve salary and other terms and conditions for the Executive Management (excluding the President), based on Board-approved general principles
- Evaluate current programs for variable compensation for Executive Management.
- Draft proposal on guidelines for remuneration to senior executives
- Follow and evaluate the application of the guidelines for remuneration to senior executive resolved by the Annual General Meeting and applicable remuneration structures and remuneration levels in the Company.

#### Investment Committee

The Investment Committee has three members: Olav Line (chair), Kaj-Gustaf Bergh and Kerstin Gillsbro.

The committee held seven meetings during the calendar year.

The Investment Committee's duties during the year, within the framework of JM's order of delegation, have been to:

- Evaluate that the strategy for scope and focus pertaining to development properties and project properties is followed
- Prepare recommendations to purchase or sell development properties and project properties or shares and participations in companies as owner of such properties
- Prepare recommendations relating to investments in existing project properties
- Prepare recommendations relating to housing starts
- Prepare recommendations relating to external contract work.

## Management and company structure

### Executive Management

JM's business is operationally divided into six business units. Each business unit manager reports directly to the President. In the financial reporting, JM Norway and JM Finland form the JM International business segment.

Executive Management comprises the President, all heads of business units and heads of group staffs, in total eleven people, and meets at least once a month. Management responsibility includes always working to ensure compliance with guidelines issued by the Board and the President.

The report structure is presented on page 126.

### Governance and report structure

At JM, a large number of projects are in production at any given time. It is not unusual for a project to involve more than 100 people and have estimated volumes of more than SEK 100m.

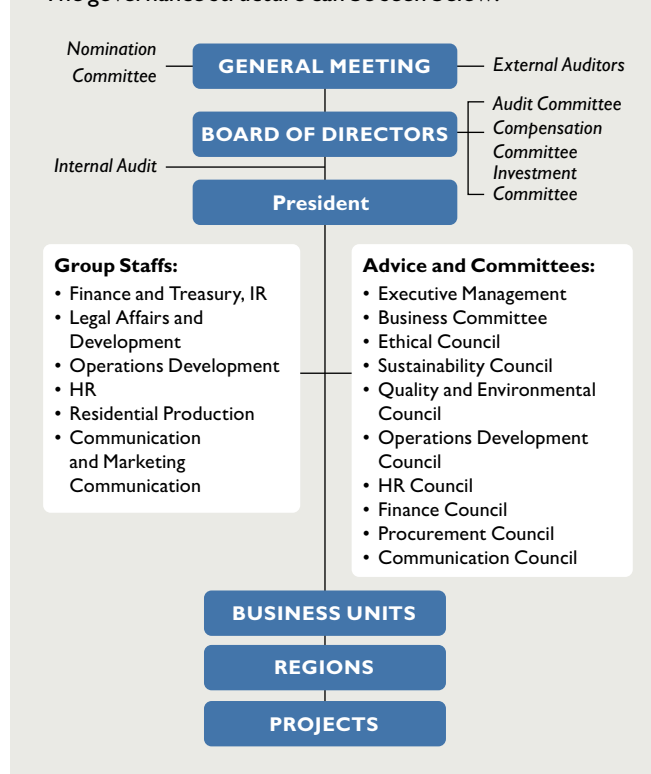
Every project is run by a project manager who is responsible for the project's revenue and expenses. The project manager reports to the regional manager, who is directly subordinate to the business unit manager. All these people have profit responsibility. The business unit manager is responsible for deciding the revenue level in the projects.

Decisions to begin work on a project are made by the business unit management or Executive Management; for major projects such decisions are made by the Board. Follow-up of sold and reserved residential units occurs on a weekly basis, with reporting to the regional manager, business unit manager and President. Complete analyses and reconciliation of each project's revenue and expenses are performed every quarter.

More intense monitoring routines have been introduced for large projects. The business unit manager and the regional manager/head of subsidiary present quarterly reports to the President, the CFO and the person responsible for JM's Internal Audit function. Assessment data include the financial history of the project, future anticipated revenue and expenses and the current sales and reservations level.

The largest projects have special steering groups and are audited by JM's Internal Audit function and presented in the Audit Committee.

The governance structure can be seen below:



# Board of Directors, CEO and Auditors



**Fredrik Persson**

**Chair**

Born in 1968. Swedish. Elected to the Board in 2017. Compensation Committee, chair; Audit Committee, member.

**Education:** MSc Econ., Stockholm School of Economics, Stockholm, Sweden.

**Work experience:** Long career at Axel Johnson AB, including as CFO and then as President and CEO. Previously at Aros Securities and ABB Financial Services.

**Other significant assignments:** Chairman of the Board of Ellevio AB. Board member of AB Electrolux, Hufvudstaden AB, Holmen AB, Interogo Holding AG, ICA Gruppen AB and Ahlström Capital OY.

**Member's independence:** The Board member is considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

**Total annual fees:** SEK 1,085,000  
**Shares in JM:** 4,000



**Kaj-Gustaf Bergh**

Born in 1955. Finnish. Elected to the Board in 2013. Board of Directors, member; Compensation Committee, member; Investment Committee, member.

**Education:** LL.M. and B.Sc. Econ.

**Work experience:** 15 years at Gyllenberg and SEB. 12 years as CEO of Föreningen Konstsamfundet in Finland.

**Other significant assignments:** Chairman of the Board of Ab Tallberg Oy. and of Pensionsförsäkringsaktiebolaget Veritas.

**Member's independence:** The Board member is considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

**Total annual fees:** SEK 500,000  
**Shares in JM:** 15,800



**Kerstin Gillsbro**

Born in 1961. Swedish. Elected to the Board in 2019. Board of Directors, member; Investment Committee, member.

**Education:** MSc. Eng.

**Work experience:** Previously at NCC, most recently as the CEO of NCC Boende AB.

**Other significant assignments:** CEO of Jernhusen AB since 2011. Board Member at Christian Berner Tech Trade AB. Member at Förtroenderådet SNS and Sweden Green Building Council.

**Member's independence:** The Board member is considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

**Total annual fees:** SEK 445,000  
**Shares in JM:** 1,250



**Camilla Krogh**

Born in 1977. Norwegian. Executive MBA. Elected to the Board in 2020. Board of Directors, member; Compensation Committee, member.

**Education:** MSc. Eng. Executive MBA, Norwegian School of Economics.

**Work experience:** The OBOS Group 2018–2020, most recently as CEO of Construction City Eiendom and Ulven AS.. Previously at Skanska Norway.

**Other significant assignments:** CEO of Ferd Eiendom AS.

**Member's independence:** The Board member is considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

**Total annual fees:** SEK 435,000  
**Shares in JM:** 0

## Employee representatives



**Jan Strömberg**

Employee representative. Born: 1959. MSc. Eng. Deputy since 2011, member since 2015.

**Shares in JM:** 3,000  
**Convertibles:** SEK 562,074



**Peter Olsson**

Employee representative. Born in 1977. Carpenter. Deputy since 2014, member since 2018.

**Shares in JM:** 100  
**Convertibles:** SEK 0



**Jonny Änges**

Employee representative. Born in 1962. Construction engineer. Deputy since 2015.

**Shares in JM:** 100  
**Convertibles:** SEK 0



**Per Petersén**

Employee representative. Born in 1970. Bricklayer. Deputy since 2018.

**Shares in JM:** 0  
**Convertibles:** SEK 0

<sup>1)</sup> Shareholdings pertain to personal holdings or a related natural or legal person's holdings of JM AB shares and other financial instruments as at 12/31/2022.



Jenny Larsson

Born in 1973. Swedish.  
Elected to the Board in 2022. Board of Directors, member.

**Education:** MSc. Eng., Environmental and Water Engineering, Uppsala University.

**Work experience:** 25 years of experience from the energy industry, including as CEO of Hitachi Energy Sweden AB (formerly ABB) and 20 years in senior positions within Vattenfall.

**Other significant assignments:** CEO of Schneider Electric Sweden AB. Board member of Nibe Industrier AB. Member of The Energy Development Board and member of Royal Swedish Academy of Engineering Sciences (IVA).

**Member's independence:** The Board member is considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

**Total annual fees:** SEK 370,000  
**Shares in JM:** 0



Olav Line

Born in 1958. Norwegian.  
Elected to the Board in 2017. Board of Directors, member; Investment Committee, chair.

**Education:** MSc. Eng., NTH (NTNU), Trondheim.

**Work experience:** 30 years of experience from the property industry in Norway and Scandinavia, such as CEO of Rom Eiendom AS, Steen & Strøm AS and Norwegian Property AS.

**Other significant assignments:** CEO of Mustad Eiendom AS.

**Member's independence:** The Board member is considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

**Total annual fees:** SEK 470,000  
**Shares in JM:** 1,500



Thomas Thuresson

Born in 1957. Swedish.  
Elected to the Board in 2016. Board of Directors, member; Audit Committee, chair.

**Education:** MSc. Econ., Lund University. IMD (BPSE).

**Work experience:** 29 years in different positions within the Alfa Laval Group, CFO for 26 years.

**Other significant assignments:** President of Tetra Laval Real Estate AB. Chairperson of Terratech Group AB. Member of the Board of Proact IT Group AB (publ) and Skiold A/S. Member of the Advisory Board of Solix Group AB.

**Member's independence:** The Board member is considered to be independent in relation to the Company and its management as well as major shareholders in the Company.

**Total annual fees:** SEK 530,000  
**Shares in JM:** 2,500



Johan Skoglund

**President and CEO of JM AB**

Born in 1962. Swedish.

**Education:** MSc. Eng., KTH Royal Institute of Technology, Stockholm, MSc. Program, Stockholm School of Economics.

**Work experience:** 36 years at JM in various positions, such as site engineer, project manager, regional manager and business unit manager. President and CEO since 2002.

**Other significant assignments:** Board Member of Mentor Sverige. Chair of the Board of Polhem Infra AB and Vectura Fastigheter AB.

**Shares in JM:** 50,100  
**Convertibles in JM:** SEK 4,526,078

## Secretary to the Board

### Maria Bäckman

Chief Legal Counsel at JM AB. Born in 1973.  
Secretary to the Board of Directors since 2012.  
**Shares in JM:** 700  
**Convertibles:** SEK 109,802

## Auditors

### Ann-Christine Hägglund

PricewaterhouseCoopers AB  
Authorized Public Accountant, Auditor-in-charge. Born in 1966. Other assignments: Auditor-in-charge at NCC, Scandi Standard, Atrium Ljungberg and Business Sweden.

### Fredrik Kroon

PricewaterhouseCoopers AB Authorized Public Accountant. Born in 1985. Other assignments: Auditor-in-charge at, for example, Nordr Sverige and audit leader NCC within the business area Infrastructure and Building Sweden.

### Board attendance

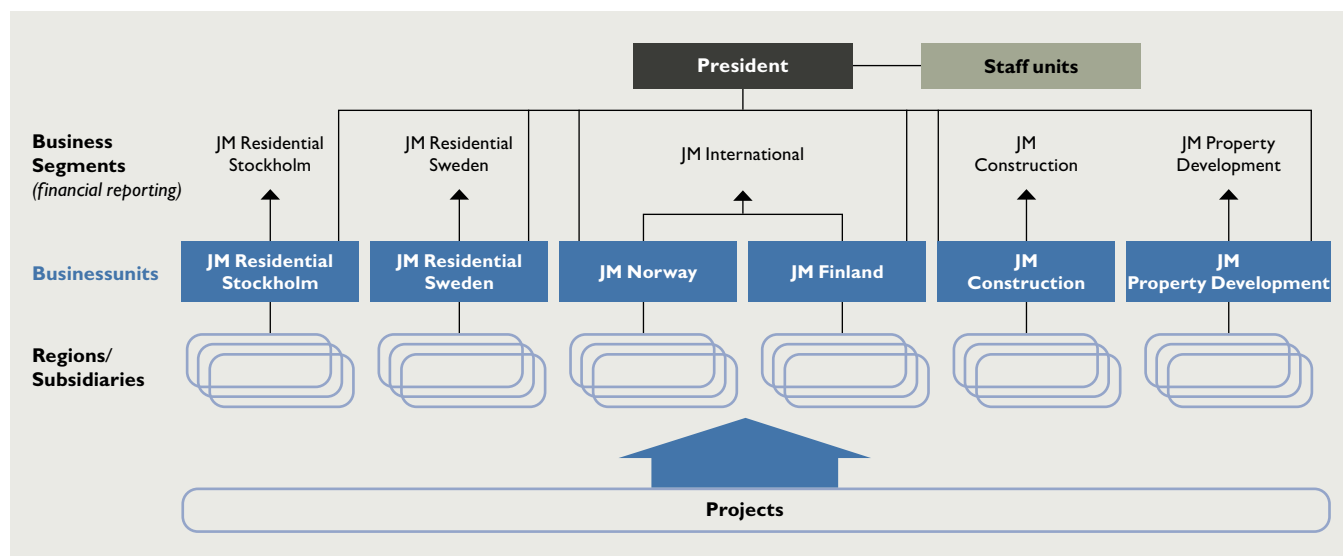
| Members                     | Function in the Board | Committee <sup>1)</sup> | Board meetings | Committee meetings |        |        |
|-----------------------------|-----------------------|-------------------------|----------------|--------------------|--------|--------|
|                             |                       |                         |                | AC                 | CC     | IC     |
| Fredrik Persson             | Chair                 | AC, CC (chair)          | 12 of 12       | 6 of 6             | 4 of 4 |        |
| Kaj-Gustaf Bergh            | Member                | CC, IC                  | 11 of 12       |                    | 4 of 4 | 7 of 7 |
| Kerstin Gillsbro            | Member                | IC                      | 11 of 12       |                    |        | 7 of 7 |
| Camilla Krogh               | Member                | CC                      | 11 of 12       |                    | 4 of 4 |        |
| Jenny Larsson <sup>2)</sup> | Member                |                         | 10 of 12       |                    |        |        |
| Olav Line                   | Member                | IC (chair)              | 12 of 12       |                    |        | 6 of 7 |
| Thomas Thuresson            | Member                | AC (chair)              | 12 of 12       | 6 of 6             |        |        |
| Annica Ånäs <sup>3)</sup>   | Member                | AC                      | 7 of 12        | 4 of 6             |        |        |
| Peter Olsson                | Empl. rep.            |                         | 11 of 12       |                    |        |        |
| Jan Strömberg               | Empl. rep.            |                         | 12 of 12       |                    |        |        |
| Per Petersén                | Dep. empl. rep.       |                         | 10 of 12       |                    |        |        |
| Jonny Ånges                 | Dep. empl. rep.       |                         | 9 of 12        |                    |        |        |

<sup>1)</sup> Board=B, Audit Committee=AC, Compensation Committee=CC, Investment Committee=IC

<sup>2)</sup> Jenny Larsson was elected at the Annual General Meeting in March 2022

<sup>3)</sup> Annica Ånäs was a member of the Board and member of the Audit Committee until September 28, 2022

## Reporting structure:

**Order of Delegation – President’s right of decision**

The Board has delegated to the President the right of decision for:

- Purchases and sales of development and project properties up to SEK 100m
- Investments in existing project property up to SEK 400m for implementation of housing projects, or SEK 200m for implementation of office projects
- Housing starts for residential projects, up to a total project expense of SEK 400m excluding the purchase price for the property and housing starts of individual stages up to SEK 400m
- Submission of tenders and if won signing external contracting contracts up to SEK 400m
- Raising of new loans that are not linked to acquisition of a property, up to a total of SEK 400m per year for loans with a maturity shorter than one year, up to a total of SEK 250m per year for loans with maturities between one and ten years.

The Board makes the decision in other cases. These amounts are chosen to meet the Board’s needs to exercise control and management’s need for freedom of action. The President has the right to further delegate some of the above decision rights. Matters requiring decisions are prepared in part by the Business Committee, consisting of business unit and regional managers from the entire Group, and by the Executive Management. JM’s operations as well as its governance and report structure are presented above.

**Control framework****Financial reporting**

The President shall ensure that the Board receives progress reports on JM’s operations, including JM’s financial performance, financial position and liquidity as well as information about the status of larger projects and other significant events. These reports shall be of such a nature that the Board can make a well-informed evaluation. The financial reports the Board receives are presented in the Communication and follow-up section on page 127.

**The Board of Directors’ description of internal control and risk management of financial reporting****Governance structure**

The Board has ultimate responsibility for establishing an effective internal control and risk management system. The responsibility for maintaining an effective control environment and regular work with internal control and risk management is delegated to the President. Risk management is an integrated part of decision-making at all levels within JM and incorporated as a natural element in JM’s business processes.

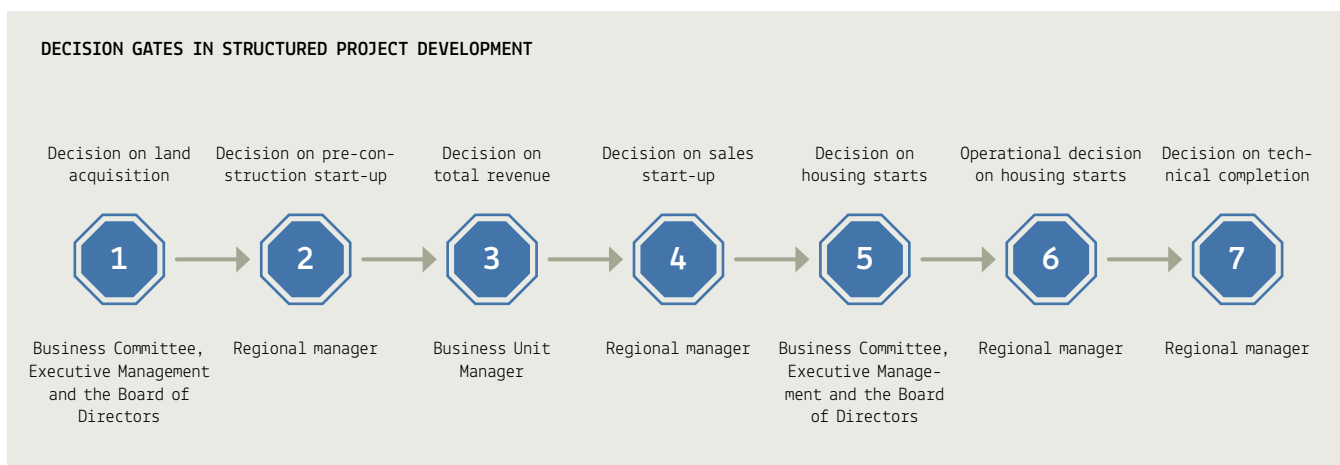
For a detailed description of JM’s risk management procedures please refer to pages 14–18 and 80–81.

The Board has placed particular focus on effective control structures. The quality of JM’s processes and systems for ensuring good internal control is based on the control environment, which includes the Board’s adopted rules of procedure and instructions for financial reporting. The Audit Committee facilitates closer contact between the Board and the external auditors and Internal Audit, enabling the Board and its committees to learn about the Company’s financial position in different ways. The Audit Committee meets four to five times a year. The external auditors also participate in Board meetings twice a year.

The main task of JM’s Internal Audit function is to examine the suitability and efficiency of the operations by verifying compliance with business-critical requirements in JM’s Operations System. JM’s Operations System is a comprehensive process-oriented work structure with the purpose of ensuring the efficiency of JM’s business processes. The Internal Audit has the special task of examining the financial risks associated with larger projects. The Board ensures that JM has solid project and financial management through the work of Audit Committee.

As part of its objective to develop standardized working methods and processes within the Group, JM continues to work with Structured Project Development (see page 13). JM’s management and support processes are regularly reviewed as a means to further systematize JM’s structural capital in the form of processes, documentation and systems, thus facilitating the work of all employees.

The decision process can be seen below:



A Code of Conduct has been implemented for JM employees. Its objective is to clarify and provide guidance for the values that should be followed at JM. The Whistleblower Function ensures the reporting of suspected irregularities, and the Ethical Council provides guidance in the event of difficulties interpreting the ethical guidelines and JM's Code of Conduct.

A plan was implemented earlier for the follow-up of compliance with JM's Code of Conduct for suppliers.

#### *Control environment*

JM's core values and corporate culture comprise the basis of internal controls with respect to financial reporting. Control environment refers to both the infrastructure with system support that was built for internal control as well as JM's core values. The control environment consists, for example, of the organization, channels for decisions, authorities and responsibilities documented and communicated in normative documents such as internal policies, guidelines, manuals and codes. Examples include the allocation of duties between the Board and the President and other bodies the Board establishes, the order of delegation and authorization regulations, instructions for approval powers and accounting and reporting instructions.

#### *Risk assessment*

The Company applies a method or process for risk assessment and risk management to ensure that those risks to which the Company is exposed are managed within the established frames and that the risks are handled within the framework of existing processes/systems. JM's Operations System, which describes JM's business from a process perspective with established business-critical requirements, along with procedures for control, monitoring and follow-up of projects, comprises an important element of risk management.

#### *Control activities*

The risks identified with respect to financial reporting are managed via the Company's control activities, which are documented in process and procedure descriptions. These are in JM's Operations System, which governs a unified process and the use of a common business system. The purpose of control activities is to continually improve while preventing, detecting and correcting errors and deviations.

Examples of control activities in which risk assessments are managed:

- The Operations System that documents the operation's processes and established business-critical demands
- Project reviews before initiating acquisitions, pre-construction, production and sales starts
- Business committee meetings and Group Executive Management meetings preparing for investments in properties and initiation of residential production projects. Business unit managers, heads of corporate staff units and regional managers/subsidiary managers participate at these meetings (monthly)
- Forecast reviews with business unit managers (quarterly)
- Close monitoring of large projects at which the President, CFO, head of the Internal Audit, business unit managers and regional managers/subsidiary managers participate (quarterly)
- Group management meetings in larger projects (quarterly)
- Board meetings at subsidiaries
- The Internal Audit's review and control of the business-critical requirements and review of the economic risks in the larger projects (ongoing)
- Special review of compliance with JM's Code of Conduct for suppliers through, for example, on-site visits
- The Whistleblower Function ensures systematic and professional management of reported irregularities
- Ethical Council, which provides guidance in the event of difficulties interpreting the ethical guidelines and JM's Code of Conduct.

#### *Communication and follow-up*

The Company has implemented information and communication channels to encourage completeness and accuracy in financial reporting; for example, by notifying concerned personnel about normative documents such as internal policies, guidelines, manuals and codes for financial reporting through JM's Intranet and Operations System.

The external auditors report their audit of internal control to the Board once a year in connection with the reporting of the third quarter.

JM's principal normative documents are the Rules of Procedure for the Board of Directors, Instructions for the Allocation of Duties between the Board and the President, Instructions for Financial Reporting and JM's Authorization Regulations.

Other normative documents such as policies, guidelines, instructions and manuals for financial reporting are available on JM's Intranet as well as in the Operations System.

The most important documents for financial reporting are:

- JM's Authorization Regulations
- Schedule and instructions for forecasts and financial statements
- Financial statement and forecast processes
- Instructions for purchases and sales
- Treasury Policy
- Controlling within JM
- Accounting principles
- Procedure descriptions.

The Board of Directors receives financial reports in conjunction with the interim reports.

In addition to the outcome and forecast reports, the Audit Committee receives financial audit reports for larger projects. In connection with the delegation rules, the Board of Directors/Investment Committee receive regular estimates regarding acquisition and project investments and purchases/sales of properties. In addition, the Board of Directors' various Committees serve an important function in follow-up of activities.

The Board follows up and continuously reviews internal control to ensure that it works satisfactorily through the Company's central Internal Audit function. The results of the conducted audits and proposals for any measures that need to be taken are regularly reported to the Audit Committee. The Board of Directors also receives the opinions from the Company's external auditors.

## Remuneration principles

### *Remuneration to the Board of Directors and Executive Management*

Following a proposal from the Nomination Committee, the 2022 Annual General Meeting decided on fees to the Board Members who are not employed by the Company as follows:

- Remuneration will be SEK 925,000 to the Chairperson of the Board of Directors and SEK 370,000 to regular Board members who are not employed by the Company;
- Remuneration for work in the Audit Committee will be SEK 160,000 to the Chairperson and SEK 95,000 to the members;
- Remuneration for work in the Investment Committee will be SEK 100,000 to the Chairperson and SEK 75,000 to the members;
- Remuneration for work in the Compensation Committee will be SEK 65,000 to the Chairperson and each member.

The Annual General Meeting 2022 resolved on guidelines for remuneration to the senior executives that should apply until the Annual General Meeting 2026 unless circumstances arise that require an earlier revision. The Board of Directors will decide on salary, pension benefits and other remuneration for the President, and the Compensation Committee decides on such matters for the Executive Management excluding the President. Information about remuneration guidelines for JM's Executive Management can be found in the Board of Directors' Report on pages 77–79. Information about remuneration to the President and Executive Management can be found in Note 3 on page 94 of the Group Notes.

About 500 of JM's managers and leaders, including the President and Executive Management, are covered by a performance-based part of the salary system. The total salary comprises a basic and a variable component with a maximum result for the short-term variable component that, depending on position, varies between one and five monthly salaries. In addition to the financial result of the operations, which carries the greatest weight, the variable salary component is also based on individual target fulfillment, work environment targets, recycling goals, and the Customer Satisfaction Index. The principle is that the basic salary combined with a normal result for the variable component should result in a competitive salary. A long-term variable remuneration program is available to 20 to 30 key staff members in addition to the Executive Management. Following a decision by the Board of Directors, all probationary and permanent employees in the Group were offered the possibility of participating in a performance share program that, in brief, entailed that employees invested in JM shares. The maximum possible investment was SEK 20,000. The participants then receive a subsidy from JM that before the tax deduction corresponds to half of the invested amount. The net subsidy is used to buy new JM shares that are put into the participants' accounts. The subsidy is portioned out on three occasions during the program's three-year duration. All dividends paid during the program are also reinvested into shares. Around 25 percent of JM's employees participated in the 2022 program.

Stockholm, February 28, 2023  
Board of Directors

## Auditor's statement on the Corporate Governance Statement

To the annual meeting of the shareholders of JM AB, corporate identity number 556045-2103.

### *Engagement and responsibility*

The Board of Directors is responsible for the Corporate Governance Report for the year 2022 on pages 120–128 and that it has been prepared in accordance with the Annual Accounts Act.

### *Scope of the examination*

Our examination has been conducted in accordance with FAR's standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that our review provides a reasonable basis for our opinion set out below.

### *Opinion*

A corporate governance statement has been prepared. Disclosures in accordance with Chapter 6, section 6, second paragraph, points 2–6 of the Annual Accounts Act and Chapter 7, section 31, second paragraph of the same Act are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

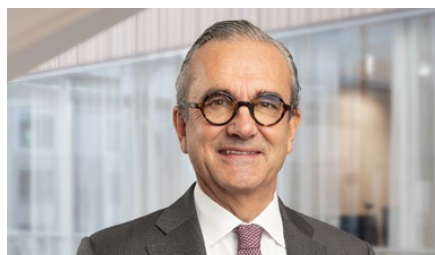
Stockholm, March 7, 2023

PricewaterhouseCoopers AB

Ann-Christine Hägglund  
Authorized public accountant  
Auditor-in-charge

Fredrik Kroon  
Authorized public accountant

# Executive Management



**Johan Skoglund**

**President and  
Chief Executive Officer**

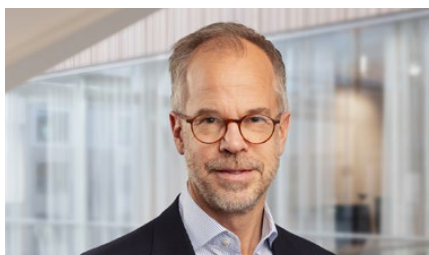
Born in 1962. MSc. Eng., KTH Royal Institute of Technology, Stockholm, 1986; MSc. Program, Stockholm School of Economics, 1998.

**Employed:** 1986. President and CEO since 2002.  
**Joined executive management:** 2000

**Previous positions:** 36 years at JM in various positions, such as site engineer, project manager, regional manager and business unit manager.

**Other significant assignments:** Board member of Mentor Sverige, Chair of the Board of Polhem Infra AB and Vectura Fastigheter AB.

**Shares in JM:** 50,100  
**Convertibles in JM:** SEK 4,526,078



**Carl Bandhold**

**Chief Financial Officer and  
Head of Investor Relations**

Born in 1974. MSc. Eng., Chalmers University of Technology, Chemical Engineering, 1998. Master of Business Administration, INSEAD, France, 2004.

**Employed:** 2021  
**Joined executive management:** 2021

**Previous positions:** CFO Permobil Group 2011–2021. Management consultant at The Boston Consulting Group and Accenture.

**Other significant assignments:** Board Member of TobiiDynavox.

**Shares in JM:** 18,100  
**Convertibles in JM:** 0



**Maria Bäckman**

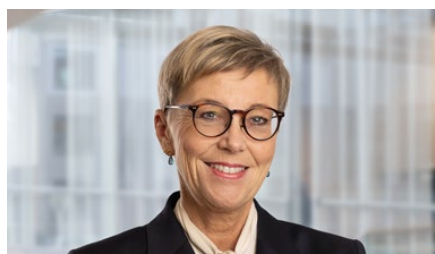
**Chief Legal Counsel, Legal Affairs and Development**

Born in 1973. LL. B. Stockholm University, 1997.

**Employed:** 2000  
**Joined executive management:** 2012

**Previous positions:** Trainee Lawyer, Advokatfirman Lindahl. Clerk, District Court of Uppsala.

**Shares in JM:** 700  
**Convertibles in JM:** SEK 109,802



**Susanne Persson**

**Business Unit Manager  
JM Residential Sweden**

Born in 1969. MSc Eng., Faculty of Engineering LTH at Lund University, 1992. Bachelor of Science Ecole National de Ponts et Chaussées Paris.

**Employed:** 2013  
**Joined executive management:** 2018

**Previous positions:** Skanska Group as a trainee, project engineer, business manager and regional manager; PEAB Sweden as Regional Manager. Regional Manager, South Region, JM Residential Sweden, 2013–2017.

**Other significant assignments:** Chair of the Board of JM Norway AS. Board member of Borätt AB, Seniorsgården AB and Midway Holding AB, and member of the Swedish Construction Federation Board.

**Shares in JM:** 1,957  
**Convertibles in JM:** SEK 299,460



**Hilde Vatne**

**President JM Norge AS**

Born in 1965. Master of Business Administration, BI/ESCP Business School, Norway and France 2006, Business Administration, Handelsakademiet 1989.

**Employed:** 2011  
**Joined executive management:** 2022

**Previous positions:** CFO of Coor Service Management Norge AS and Selvaagbygg AS. CFO of The Norwegian Olympic. Group Controller of the Selvaag Group, Head of Marketing and Sales of Norwegian Insurance Computer Environment AS. Regional Manager JM Norge AS 2011–2021.

**Other significant assignments:** Board member of Norgesgruppen ASA, Pareto Bank ASA, DnB Næringsseidom AS, JM Suomi Oy and JM@home.

**Shares in JM:** 2,600  
**Convertibles in JM:** 0



**Pär Vennerström**

**Business Unit Manager  
JM Residential Stockholm**

Born in 1974. MSc. Eng., KTH Royal Institute of Technology, Roads and Water, 1999. Executive Management Program, Stockholm School of Economics, 2015.

**Employed:** 2001  
**Joined executive management:** 2014

**Previous positions:** Project Manager JM, Regional Manager JM Stockholm Northwest 2008–2009, Regional Manager JM Stockholm South 2009–2014.

**Other significant assignments:** Chair of the Board of JM Entreprenad AB and Board member of JM@Home AB, Borätt AB and Seniorsgården AB.

**Shares in JM:** 4,550  
**Convertibles in JM:** 0



### Markus Heino

#### President JM Suomi Oy

Born in 1965. LL. B. Helsinki University, 1991.

**Employed:** 2013

**Joined executive management:** 2022

**Previous positions:** Skanska Finland 1998–2012 as lawyer, regional manager of housing development and country manager of housing development.

**Shares in JM:** 100

**Convertibles in JM:** 0



### Malin Lundgren

#### Director Human Resources

Born in 1978. BA Uppsala University, 2005. Executive Management Program, Stockholm School of Economics, 2019.

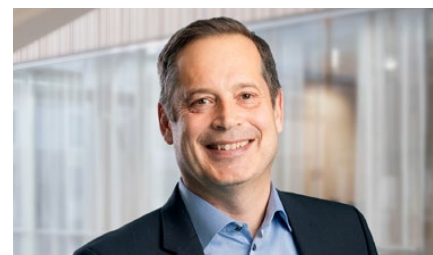
**Employed:** 2020

**Joined executive management:** 2020

**Previous positions:** Various HR positions within NCC Group 1999–2016, Head of HR at Bonava Sverige 2016–2018, Head of HR at Klövern 2018–2020.

**Shares in JM:** 658

**Convertibles in JM:** 0



### Per Lundquist

#### Director of Operations Development (Product, Sustainability, Process and IT)

Born in 1967. MSc. Eng., Institute of Technology at Linköping University, Applied Physics and Electrical Engineering, 1993.

**Employed:** 2016

**Joined executive management:** 2016

**Previous positions:** Senior Vice President Operations at Cramo AB. Toyota Material Handling Europe and Toyota Industries and Cap Gemini.

**Other significant assignments:** Board member of JM Norge AS and JM Suomi Oy.

**Shares in JM:** 100

**Convertibles in JM:** SEK 2,599,690



### Anders Wimmerstedt

#### Production Director and Business Unit Manager, JM Construction

Born in 1964. Construction engineer. Executive Management Program, Stockholm School of Economics, 2017.

**Employed:** 1984

**Joined executive management:** 2018

**Previous positions:** Project manager, work supervisor and production manager at JM. Since 2011 the Head of Stockholm Production with overall responsibility for the development of production operations in JM Residential.

**Other significant assignments:** Board member of JM Norway AS, JM Suomi Oy and JM Entreprenad AB.

**Shares in JM:** 100

**Convertibles in JM:** 0



### Mikael Åslund

#### Business Unit Manager JM Property Development

Born in 1972. MSc. Eng., LTU, Roads and Water, 1997. MSc. Program, Stockholm School of Economics, 2005. Executive Management Program, Stockholm School of Economics, 2017.

**Employed:** 2000

**Joined executive management:** 2020

**Previous positions:** Quality Manager, Pre-construction Manager and Project Manager at JM, Regional Manager JM Stockholm City Region 2009–2020.

**Other significant assignments:** Chair of the Board of Seniorgården AB and Borätt AB, Board member of JM@Home AB.

**Shares in JM:** 2,400

**Convertibles in JM:** SEK 1,439,662

Stated shareholdings are as at 12/31/2022.

# Gradually raised dividend to shareholders

## Share capital

The JM share is listed on Nasdaq Stockholm, Large Cap segment. The share capital amounts to SEK 68.3m, represented by 68.3 million shares, each with a par value of SEK 1 and equal voting rights.

## Goal for shareholder value

JM's shareholders will receive a higher total return, the total of the dividend and increased value, than shareholders in companies with a similar risk profile and business activities.

## Share price trend and return

The JM share is included in the "SX351010 Real Estate Investment & Services" Index of Nasdaq Stockholm. During 2022, the JM share price decreased by -58 percent compared to a decrease of -45 percent for SX351010. The general index on the Nasdaq Stockholm, OMX Stockholm\_PI, decreased 25 percent in 2022. The highest listed price for the JM share during the year was SEK 421.10 on January 3, and the lowest was SEK 146.50 on October 10. Dividend yield (proposed dividend in relation to the market price at the end of the year) was 8.1 percent (3.3). Total return in 2022 was -55 percent (45).

## Trading and market capitalization

JM shares were traded for a value of SEK 14.3bn (22.6) in 2022. Average daily trading was about SEK 57m (89). The turnover rate, i.e., the liquidity of the share, was 101 percent (102). The Company's market capitalization amounted to SEK 11.1bn (28.0) at the end of the year.

## Ownership structure

The number of shareholders as of December 31, 2022, was 30,937 (23,904). The ten largest shareholders accounted for 69.8 percent (64.1) of capital. Foreign shareholders represented 15.4 percent (22.1) and Swedish shareholders 84.6 percent (77.9) of the capital.

## Dividend policy

Over time, the dividend should reflect the earnings trend in total operating activities. The average dividend over a business cycle should correspond to 50 percent of consolidated profit after tax. Capital gains from property sales are a natural part of JM's project development operations and are therefore included in the calculation of the dividend. The proposed dividend for 2022 amounts to SEK 14.00 (13.50) per share.

## Repurchase and elimination of treasury shares

The Board of Directors intends to propose to the Annual General Meeting that all the holdings of treasury shares be eliminated

through a decrease in the share capital for appropriations to unrestricted equity. The Board of Directors' complete proposal for a resolution regarding the elimination of shares will be available on March 1, 2023, at the latest in conjunction with the notice of the Annual General Meeting. The strong balance sheet and cash flow enable capital transfer to shareholders in addition to the regular dividend. In light of this, the Board of Directors will propose that the Annual General Meeting resolve to renew the authorization for 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 such that the Company's holdings do not at any point in time exceed 10 percent of all the shares in the Company. The acquisition must take place on Nasdaq Stockholm at a price within the current spread.

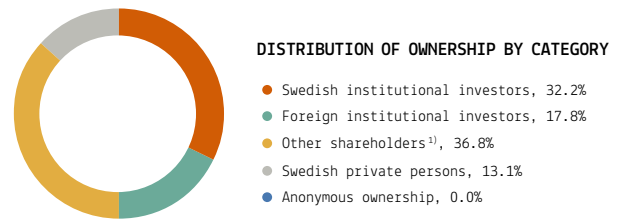
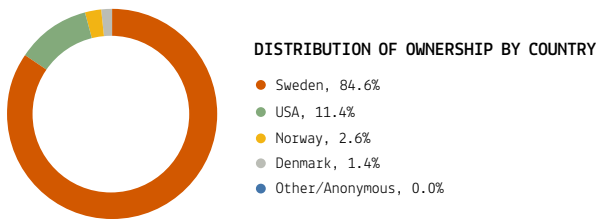
| Transfer to shareholders, SEK m | Dividend     | Buy-back     | Total         |
|---------------------------------|--------------|--------------|---------------|
| 2013                            | 537          | 517          | 1,054         |
| 2014                            | 558          | 500          | 1,058         |
| 2015                            | 600          | 500          | 1,100         |
| 2016                            | 602          | 500          | 1,102         |
| 2017                            | 675          | 500          | 1,175         |
| 2018                            | 765          | —            | 765           |
| 2019                            | 835          | —            | 835           |
| 2020                            | 870          | —            | 870           |
| 2021                            | 887          | 375          | 1,262         |
| 2022                            | 922          | 825          | 1,747         |
| <b>Total</b>                    | <b>7,251</b> | <b>3,717</b> | <b>10,968</b> |

| Total return, %  | 2022 | Average per year<br>2018–2022 | Average per year<br>2013–2022 |
|------------------|------|-------------------------------|-------------------------------|
| JM               | -55  | 4                             | 9                             |
| Nasdaq Stockholm | -22  | 8                             | 11                            |

| Total return JM, 2013–2022 | %   | Index |
|----------------------------|-----|-------|
| 2022                       | -55 | 228   |
| 2021                       | 45  | 502   |
| 2020                       | 9   | 346   |
| 2019                       | 67  | 317   |
| 2018                       | -2  | 189   |
| 2017                       | -25 | 192   |
| 2016                       | 7   | 258   |
| 2015                       | 5   | 240   |
| 2014                       | 41  | 229   |
| 2013                       | 62  | 162   |
| 1/1/2013                   | —   | 100   |
| Average, 5 years           |     | 4     |
| Average, 10 years          |     | 10    |

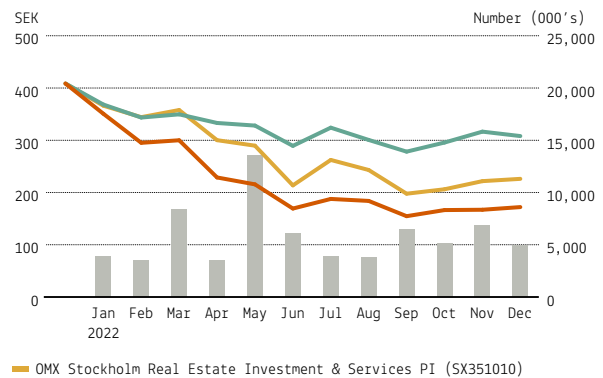
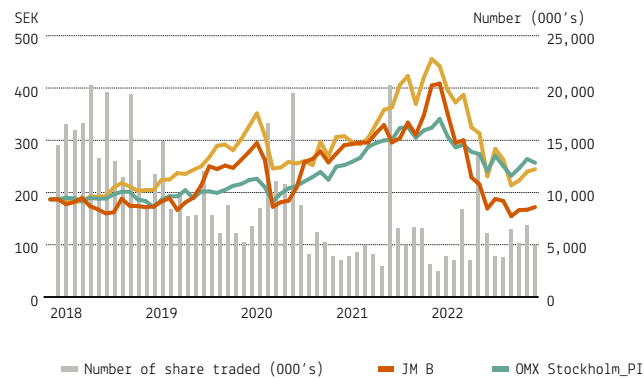
## CHANGE IN SHARE CAPITAL 2018–2022

| Year | Redemption<br>repurchased<br>shares, SEK m | Utilization<br>convertible<br>program, SEK m | Number of<br>shares | Par value/<br>share | Share<br>capital,<br>SEK m |
|------|--------------------------------------------|----------------------------------------------|---------------------|---------------------|----------------------------|
| 2018 | -2.4                                       | 0.0                                          | 69,583,262          | SEK 1               | 69.6                       |
| 2019 | 0.0                                        | 0.0                                          | 69,583,262          | SEK 1               | 69.6                       |
| 2020 | 0.0                                        | 0.0                                          | 69,583,262          | SEK 1               | 69.6                       |
| 2021 | 0.0                                        | 0.2                                          | 69,750,296          | SEK 1               | 69.8                       |
| 2022 | -1.5                                       | 0.0                                          | 68,278,841          | SEK 1               | 68.3                       |



<sup>1)</sup> Of which approximately 2.8% foreign ownership

#### SHARE PRICE DEVELOPMENT



#### SHARE DATA – SEGMENT REPORTING

##### SEK per share

|                                            | 2022                     | 2021                     | 2020          | 2019          | 2018          |
|--------------------------------------------|--------------------------|--------------------------|---------------|---------------|---------------|
| Share price as of Dec 31                   | 172.10                   | 408.60                   | 290.60        | 277.40        | 173.00        |
| Highest/lowest price paid during the year  | 421.10/146.50            | 419.50/284.80            | 313.30/153.50 | 282.90/162.35 | 212.60/144.55 |
| Dividend yield as at Dec 31 (%)            | 8.1                      | 3.3                      | 4.4           | 4.5           | 6.9           |
| Market capitalization as at Dec 31 (SEK m) | 11,101                   | 28,049                   | 20,221        | 19,302        | 12,038        |
| Diluted earnings per share                 | 23.40                    | 25.90                    | 22.50         | 22.50         | 20.60         |
| Development properties                     |                          |                          |               |               |               |
| Market value                               | 235                      | 224                      | 206           | 224           | 220           |
| Carrying amount                            | 131                      | 120                      | 113           | 128           | 119           |
| Project properties                         |                          |                          |               |               |               |
| Market value                               | 17                       | 16                       | 24            | 25            | 29            |
| Carrying amount                            | 14                       | 12                       | 18            | 20            | 23            |
| Interest-bearing net liabilities           | 5                        | -20                      | -4            | 6             | 8             |
| Shareholders' equity (reported)            | 140                      | 125                      | 112           | 105           | 98            |
| Dividend                                   | 14.00 <sup>1)</sup>      | 13.50                    | 12.75         | 12.50         | 12.00         |
| Dividend in % of earnings per share        | 60                       | 52                       | 57            | 56            | 58            |
| P/E ratio as at Dec 31                     | 7                        | 16                       | 13            | 12            | 8             |
| Number of shares as at Dec 31              | 64,504,840 <sup>2)</sup> | 68,648,746 <sup>2)</sup> | 69,583,262    | 69,583,262    | 69,583,262    |
| Average number of shares, basic            | 67,073,227               | 69,220,764               | 69,583,262    | 69,583,262    | 69,583,262    |
| Average number of shares, diluted          | 67,384,072               | 69,560,505               | 70,061,421    | 69,595,557    | 69,836,391    |

<sup>1)</sup> Proposed by the Board of Directors.

<sup>2)</sup> 3,774,001 respective 1,101,550 repurchased shares not included.

| OWNERSHIP STRUCTURE AS AT 12/31/2022 |                         |                        |                              |                    |
|--------------------------------------|-------------------------|------------------------|------------------------------|--------------------|
| Size of holding                      | Number of share-holders | % of all share-holders | Total number of shares owned | % of share capital |
| 1–500                                | 27,415                  | 88.6                   | 2,534,442                    | 3.7                |
| 501–1,000                            | 1,834                   | 5.9                    | 1,471,250                    | 2.2                |
| 1,001–5,000                          | 1,372                   | 4.4                    | 3,047,640                    | 4.5                |
| 5,001–20,000                         | 218                     | 0.7                    | 2,121,777                    | 3.1                |
| 20,001–100,000                       | 57                      | 0.2                    | 2,889,533                    | 4.2                |
| 100,001–                             | 41                      | 0.1                    | 56,214,199                   | 82.3               |
| <b>Total</b>                         | <b>30,937</b>           | <b>100.0</b>           | <b>68,278,841</b>            | <b>100.0</b>       |

#### LARGEST SHAREHOLDERS

| Share capital, %                    |              |
|-------------------------------------|--------------|
| As per December 31, 2022:           |              |
| Samhällsbyggnadsbolaget i Norden AB | 30.6         |
| AMF Pension & Fonder                | 11.4         |
| Swedbank Robur Fonder               | 6.0          |
| JM AB                               | 5.5          |
| Handelsbanken Fonder                | 3.7          |
| Vanguard                            | 3.6          |
| Dimensional Fund Advisors           | 2.9          |
| Norges Bank                         | 2.3          |
| AFA Försäkring                      | 2.0          |
| Länsförsäkringar Fonder             | 1.9          |
| Other shareholders                  | 30.2         |
| <b>Total</b>                        | <b>100.0</b> |

As per December 31, 2022:  
Number of shareholders 30,937.  
Number of shares 68,278,841.  
As per December 31, 2022 approximately 15.4 percent of the total share capital was owned by foreign investors.

Source: Monitor by Modular Finance AB.  
Compiled and processed data from various sources including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen) as at December 31, 2022. The numbers have been rounded.

## Group — five-year overview — segment reporting

Amounts in SEK m unless otherwise stated.

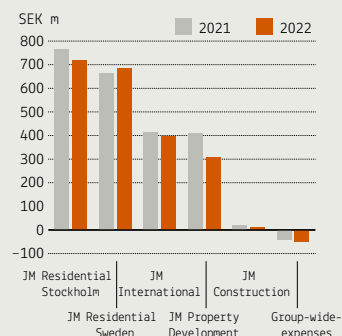
| <b>INCOME STATEMENT</b>                                     | <b>2022</b>                   | <b>2021</b>       | <b>2020</b>       | <b>2019</b>       | <b>2018</b>       |
|-------------------------------------------------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue                                                     | 16,385                        | 14,608            | 15,388            | 15,692            | 16,161            |
| Production and operating costs                              | -13,216                       | -11,814           | -12,607           | -12,994           | -13,247           |
| <b>Gross profit</b>                                         | <b>3,169</b>                  | <b>2,795</b>      | <b>2,781</b>      | <b>2,698</b>      | <b>2,914</b>      |
| Selling and administrative expenses                         | -1,094                        | -1,015            | -944              | -966              | -1,041            |
| Gains/losses on the sale of property, etc.                  | -11                           | 436               | 191               | 276               | 13                |
| <b>Operating profit</b>                                     | <b>2,064</b>                  | <b>2,216</b>      | <b>2,028</b>      | <b>2,008</b>      | <b>1,886</b>      |
| Financial income and expenses                               | -70                           | -58               | -73               | -80               | -69               |
| <b>Profit/loss before tax</b>                               | <b>1,994</b>                  | <b>2,158</b>      | <b>1,955</b>      | <b>1,928</b>      | <b>1,817</b>      |
| Taxes                                                       | -419                          | -360              | -380              | -358              | -379              |
| <b>Profit for the year</b>                                  | <b>1,575</b>                  | <b>1,798</b>      | <b>1,575</b>      | <b>1,570</b>      | <b>1,438</b>      |
| <b>INCOME STATEMENT BY FUNCTION</b>                         |                               |                   |                   |                   |                   |
| <b>Production</b>                                           |                               |                   |                   |                   |                   |
| Recognized revenue                                          | 16,172                        | 14,422            | 15,157            | 15,439            | 15,935            |
| Production costs                                            | -13,041                       | -11,663           | -12,457           | -12,834           | -13,109           |
| <b>Profit from production operations</b>                    | <b>3,131</b>                  | <b>2,759</b>      | <b>2,700</b>      | <b>2,605</b>      | <b>2,826</b>      |
| <b>Development properties</b>                               |                               |                   |                   |                   |                   |
| Rental revenue                                              | 178                           | 145               | 151               | 167               | 160               |
| Operating expenses                                          | -105                          | -91               | -83               | -95               | -88               |
| Property tax                                                | -47                           | -37               | -44               | -37               | -26               |
| <b>Profit from development properties</b>                   | <b>27</b>                     | <b>18</b>         | <b>24</b>         | <b>35</b>         | <b>46</b>         |
| <b>Project properties</b>                                   |                               |                   |                   |                   |                   |
| Rental revenue                                              | 35                            | 41                | 80                | 86                | 66                |
| Operating expenses                                          | -21                           | -21               | -22               | -26               | -22               |
| Property tax                                                | -2                            | -2                | -1                | -2                | -2                |
| <b>Profit from project properties</b>                       | <b>22</b>                     | <b>18</b>         | <b>57</b>         | <b>58</b>         | <b>42</b>         |
| <b>Gross profit</b>                                         | <b>3,169</b>                  | <b>2,795</b>      | <b>2,781</b>      | <b>2,698</b>      | <b>2,914</b>      |
| <b>Selling and administrative expenses</b>                  | <b>-1,042</b>                 | <b>-965</b>       | <b>-904</b>       | <b>-931</b>       | <b>-1,002</b>     |
| <b>Property sales, etc.</b>                                 |                               |                   |                   |                   |                   |
| Sales values                                                | 0                             | 1,308             | 1,078             | 923               | 116               |
| Carrying amounts                                            | -11                           | -872              | -887              | -647              | -103              |
| <b>Gains/losses on the sale of property, etc.</b>           | <b>-11</b>                    | <b>436</b>        | <b>191</b>        | <b>276</b>        | <b>13</b>         |
| Group-wide expenses                                         | -52                           | -50               | -40               | -35               | -39               |
| <b>Operating profit</b>                                     | <b>2,064</b>                  | <b>2,216</b>      | <b>2,028</b>      | <b>2,008</b>      | <b>1,886</b>      |
| <b>BALANCE SHEET</b>                                        |                               |                   |                   |                   |                   |
|                                                             | <b>12/31/2022<sup>1</sup></b> | <b>12/31/2021</b> | <b>12/31/2020</b> | <b>12/31/2019</b> | <b>12/31/2018</b> |
| <b>ASSETS</b>                                               |                               |                   |                   |                   |                   |
| <b>Non-current assets</b>                                   | <b>351</b>                    | <b>330</b>        | <b>278</b>        | <b>219</b>        | <b>214</b>        |
| Project properties                                          | 932                           | 813               | 1,246             | 1,399             | 1,635             |
| Development properties                                      | 8,465                         | 8,205             | 7,831             | 8,938             | 8,306             |
| Participations in tenant-owners associations, etc.          | 308                           | 377               | 445               | 366               | 567               |
| Current receivables <sup>1)</sup>                           | 5,225                         | 3,528             | 3,828             | 4,274             | 4,083             |
| Cash and cash equivalents                                   | 1,840                         | 3,981             | 3,037             | 2,397             | 1,682             |
| <b>Total current assets</b>                                 | <b>16,771</b>                 | <b>16,903</b>     | <b>16,387</b>     | <b>17,374</b>     | <b>16,273</b>     |
| <b>TOTAL ASSETS</b>                                         | <b>17,122</b>                 | <b>17,233</b>     | <b>16,665</b>     | <b>17,593</b>     | <b>16,487</b>     |
| <b>EQUITY AND LIABILITIES<sup>2)</sup></b>                  |                               |                   |                   |                   |                   |
| <b>Shareholders' equity</b>                                 | <b>9,006</b>                  | <b>8,608</b>      | <b>7,817</b>      | <b>7,326</b>      | <b>6,798</b>      |
| Non-current interest-bearing liabilities                    | 268                           | 190               | 354               | 425               | 146               |
| Other non-current liabilities                               | 414                           | 373               | 372               | 765               | 696               |
| Non-current provisions                                      | 2,717                         | 3,078             | 3,290             | 3,223             | 3,037             |
| <b>Total non-current liabilities</b>                        | <b>3,399</b>                  | <b>3,641</b>      | <b>4,016</b>      | <b>4,413</b>      | <b>3,879</b>      |
| Current interest-bearing liabilities                        | 507                           | 667               | 579               | 690               | 694               |
| Other current liabilities                                   | 4,088                         | 4,172             | 4,120             | 5,030             | 4,994             |
| Current provisions                                          | 122                           | 145               | 133               | 134               | 122               |
| <b>Total current liabilities</b>                            | <b>4,717</b>                  | <b>4,984</b>      | <b>4,832</b>      | <b>5,854</b>      | <b>5,810</b>      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <b>17,122</b>                 | <b>17,233</b>     | <b>16,665</b>     | <b>17,593</b>     | <b>16,487</b>     |
| <sup>1)</sup> Of which receivables from property sales      | 55                            | 14                | 1                 | 76                | 53                |
| <sup>2)</sup> Of which liabilities for property acquisition | 516                           | 675               | 459               | 949               | 1,040             |

| <b>CASH FLOW STATEMENT</b>                                               | <b>2022</b>   | <b>2021</b>   | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  |
|--------------------------------------------------------------------------|---------------|---------------|--------------|--------------|--------------|
| From operating activities                                                | -261          | 2,287         | 1,715        | 1,291        | -473         |
| From investing activities                                                | -29           | -17           | -79          | -7           | -8           |
| From financing activities                                                | -1,869        | -1,338        | -988         | -576         | -412         |
| <b>Total cash flow for the year</b>                                      | <b>-2,159</b> | <b>933</b>    | <b>648</b>   | <b>708</b>   | <b>-893</b>  |
| <b>Cash and cash equivalents, December 31</b>                            | <b>1,840</b>  | <b>3,981</b>  | <b>3,037</b> | <b>2,397</b> | <b>1,682</b> |
| <b>INTEREST-BEARING NET LIABILITIES/RECEIVABLES</b>                      |               |               |              |              |              |
| Interest-bearing net liabilities (+)/receivables (-), January 1          | -1,363        | -300          | 420          | 546          | -790         |
| Change in interest-bearing net liabilities/receivables                   | 1,697         | -1,063        | -720         | -126         | 1,336        |
| <b>Interest-bearing net liabilities (+)/receivables (-), December 31</b> | <b>334</b>    | <b>-1,363</b> | <b>-300</b>  | <b>420</b>   | <b>546</b>   |
| <b>DEVELOPMENT PROPERTIES</b>                                            |               |               |              |              |              |
| Carrying amount, January 1                                               | 8,205         | 7,831         | 8,938        | 8,306        | 7,543        |
| New purchases                                                            | 1,700         | 1,754         | 1,022        | 1,745        | 2,402        |
| Transferred to production                                                | -1,538        | -1,388        | -1,888       | -1,068       | -1,517       |
| Other                                                                    | 97            | 8             | -241         | -45          | -122         |
| <b>Carrying amount, December 31</b>                                      | <b>8,465</b>  | <b>8,205</b>  | <b>7,831</b> | <b>8,938</b> | <b>8,306</b> |
| <b>DEVELOPMENT PROPERTIES</b>                                            |               |               |              |              |              |
| Market values                                                            | 15,200        | 15,400        | 14,300       | 15,600       | 15,300       |
| Carrying amounts                                                         | 8,500         | 8,200         | 7,800        | 8,900        | 8,300        |
| Surplus values                                                           | 6,700         | 7,200         | 6,500        | 6,700        | 7,000        |
| <b>HOUSING PRODUCTION</b>                                                |               |               |              |              |              |
| Number of available building rights                                      | 39,500        | 35,600        | 37,800       | 35,900       | 35,900       |
| – of which recognized in the balance sheet                               | 22,000        | 20,000        | 20,400       | 21,100       | 20,700       |
| Number of residential units sold                                         | 2,659         | 4,248         | 4,026        | 3,595        | 2,463        |
| Number of housing starts                                                 | 3,113         | 3,972         | 3,199        | 3,269        | 3,135        |
| Number of residential units in current production                        | 8,078         | 8,094         | 7,976        | 7,813        | 7,835        |
| Sold residential units in current production, %                          | 59            | 64            | 60           | 53           | 51           |
| Reserved residential units in current production, %                      | 3             | 13            | 14           | 12           | 6            |
| Sold/reserved residential units in current production, %                 | 62            | 76            | 74           | 65           | 57           |
| <b>PROJECT PROPERTIES</b>                                                |               |               |              |              |              |
| Market values                                                            | 1,089         | 1,088         | 1,651        | 1,769        | 2,002        |
| Carrying amounts                                                         | 932           | 813           | 1,246        | 1,399        | 1,635        |
| Surplus values                                                           | 1,557         | 275           | 405          | 370          | 367          |
| <b>PERSONNEL</b>                                                         |               |               |              |              |              |
| Average number of employees                                              | 2,472         | 2,461         | 2,600        | 2,598        | 2,562        |
| – of which abroad                                                        | 564           | 533           | 543          | 545          | 492          |
| Wages, salaries and remunerations                                        | 1,538         | 1,478         | 1,474        | 1,516        | 1,482        |
| <b>KEY RATIOS</b>                                                        |               |               |              |              |              |
| Operating margin, %                                                      | 12.6          | 15.2          | 13.2         | 12.8         | 11.7         |
| Return on equity after tax, %                                            | 17.9          | 21.9          | 20.8         | 22.2         | 22.2         |
| Pre-tax return on capital employed, %                                    | 18.6          | 20.4          | 19.7         | 21.0         | 22.3         |
| Pre-tax return on total capital, %                                       | 12.1          | 13.1          | 11.9         | 11.8         | 11.9         |
| Equity/assets ratio, %                                                   | 53            | 50            | 47           | 42           | 41           |
| Interest-bearing loan, SEK m                                             | 2,179         | 2,618         | 2,737        | 2,817        | 2,228        |
| Debt/equity ratio, multiple                                              | –             | –             | –            | 0.1          | 0.1          |
| Interest coverage ratio, multiple                                        | 23.4          | 35.8          | 25.7         | 23.4         | 24.0         |
| Interest-bearing liabilities/total assets, %                             | 13            | 15            | 16           | 16           | 14           |
| Asset turnover rate, multiple                                            | 0.95          | 0.86          | 0.90         | 0.92         | 1.01         |

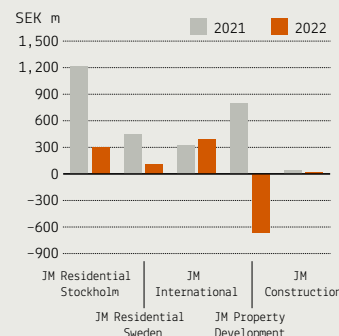
## REVENUE



## OPERATING PROFIT



## OPERATING CASH FLOW



# Definitions and glossary

## Description of key financial figures in JM's annual report that are not included in the IFRS regulations

Segment reporting reflects the economic significance of JM's business. It also correlates well to the Group's internal governance, which is based on cash flow, risk profile and capital allocation. Use of key figures according to segment reporting helps investors and management analyze the trends in and performance of JM.

Amounts in SEK m unless otherwise stated.

### FIVE-YEAR OVERVIEW

#### Interest-bearing net liabilities (+)/receivables (-) according to segment reporting

|                                                            | 2022   | 2021   | 2020   | 2019   | 2018   |
|------------------------------------------------------------|--------|--------|--------|--------|--------|
| Interest-bearing liabilities (segment reporting)           |        |        |        |        |        |
| Pension provisions                                         | 1,404  | 1,761  | 1,804  | 1,702  | 1,388  |
| Non-current interest-bearing liabilities                   | 268    | 190    | 354    | 425    | 146    |
| Current interest-bearing liabilities                       | 507    | 667    | 579    | 690    | 694    |
| Cash and cash equivalents and interest-bearing receivables | -1,845 | -3,981 | -3,037 | -2,397 | -1,682 |

#### Interest-bearing net liabilities (+)/receivables (-) according to segment reporting

|  |     |        |      |     |     |
|--|-----|--------|------|-----|-----|
|  | 334 | -1,363 | -300 | 420 | 546 |
|--|-----|--------|------|-----|-----|

#### Definition

Interest-bearing liabilities (segment reporting) less cash and cash equivalents and interest-bearing receivables.

#### Reason to use the measure

Measures external financing compared to own cash and cash equivalents.

#### Operating margin (segment reporting)

|                                      | 2022   | 2021   | 2020   | 2019   | 2018   |
|--------------------------------------|--------|--------|--------|--------|--------|
| Operating profit (segment reporting) | 2,064  | 2,216  | 2,028  | 2,008  | 1,886  |
| Revenue (segment reporting)          | 16,385 | 14,608 | 15,388 | 15,692 | 16,161 |

#### Operating margin (segment reporting), %

|  |      |      |      |      |      |
|--|------|------|------|------|------|
|  | 12.6 | 15.2 | 13.2 | 12.8 | 11.7 |
|--|------|------|------|------|------|

#### Definition

Operating profit (segment reporting) divided by revenue (segment reporting).

#### Reason to use the measure

Measures profitability of the business given the current market conditions.

#### Return on equity after tax

|                                                | 2022  | 2021  | 2020  | 2019  | 2018  |
|------------------------------------------------|-------|-------|-------|-------|-------|
| Profit/loss for the period (segment reporting) | 1,575 | 1,798 | 1,575 | 1,570 | 1,438 |
| Average equity (segment reporting)             | 8,807 | 8,213 | 7,572 | 7,062 | 6,488 |
| Equity at beginning of the year                | 8,608 | 7,817 | 7,326 | 6,798 | 6,178 |
| Equity at end of the year                      | 9,006 | 8,608 | 7,817 | 7,326 | 6,798 |

#### Return on equity after tax, %

|  |      |      |      |      |      |
|--|------|------|------|------|------|
|  | 17.9 | 21.9 | 20.8 | 22.2 | 22.2 |
|--|------|------|------|------|------|

#### Definition

Profit/loss for the period (segment reporting) divided by average equity (segment reporting).

#### Reason to use the measure

Measures profitability and financial position.

#### Pre-tax return on capital employed

|                                                | 2022   | 2021   | 2020   | 2019   | 2018  |
|------------------------------------------------|--------|--------|--------|--------|-------|
| Profit/loss before tax plus financial expenses | 2,083  | 2,220  | 2,034  | 2,014  | 1,896 |
| Average capital employed                       | 11,205 | 10,890 | 10,349 | 9,585  | 8,495 |
| Capital employed, at beginning of the year     | 11,226 | 10,555 | 10,143 | 9,026  | 7,964 |
| Capital employed, at end of the year           | 11,185 | 11,226 | 10,554 | 10,143 | 9,026 |

#### Pre-tax return on capital employed, %

|  |      |      |      |      |      |
|--|------|------|------|------|------|
|  | 18.6 | 20.4 | 19.7 | 21.0 | 22.3 |
|--|------|------|------|------|------|

#### Definition

Profit/loss before tax (segment reporting) plus financial expenses divided by average capital employed (segment reporting).

#### Reason to use the measure

Measures profitability and capital efficiency.

#### Capital employed

|                                            | 2022  | 2021  | 2020  | 2019  | 2018  |
|--------------------------------------------|-------|-------|-------|-------|-------|
| Equity (segment reporting)                 | 9,006 | 8,608 | 7,817 | 7,326 | 6,798 |
| Interest-bearing loans (segment reporting) |       |       |       |       |       |
| Transferred to pensions                    | 1,404 | 1,761 | 1,804 | 1,702 | 1,388 |
| Non-current interest-bearing liabilities   | 268   | 190   | 354   | 425   | 146   |
| Current interest-bearing liabilities       | 507   | 667   | 579   | 690   | 694   |

#### Capital employed

|  |        |        |        |        |       |
|--|--------|--------|--------|--------|-------|
|  | 11,185 | 11,226 | 10,554 | 10,143 | 9,026 |
|--|--------|--------|--------|--------|-------|

#### Definition

Equity (segment reporting) plus interest-bearing loans (segment reporting).

#### Reason to use the measure

Measures capital utilization.

#### Pre-tax return on total capital

|                                                 | 2022   | 2021   | 2020   | 2019   | 2018   |
|-------------------------------------------------|--------|--------|--------|--------|--------|
| Profit/loss before tax plus financial expenses  | 2,083  | 2,220  | 2,034  | 2,014  | 1,896  |
| Average balance sheet total (segment reporting) | 17,178 | 16,949 | 17,129 | 17,040 | 15,946 |
| Balance sheet total, at beginning of the year   | 17,233 | 16,665 | 17,593 | 16,487 | 15,405 |
| Balance sheet total, at end of the year         | 17,122 | 17,233 | 16,665 | 17,593 | 16,487 |

#### Pre-tax return on total capital, %

|  |      |      |      |      |      |
|--|------|------|------|------|------|
|  | 12.1 | 13.1 | 11.9 | 11.8 | 11.9 |
|--|------|------|------|------|------|

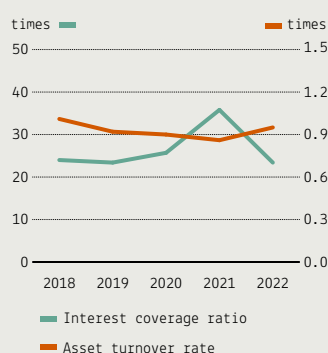
#### Definition

Profit/loss before tax (segment reporting) plus financial expenses divided by average balance sheet total (segment reporting).

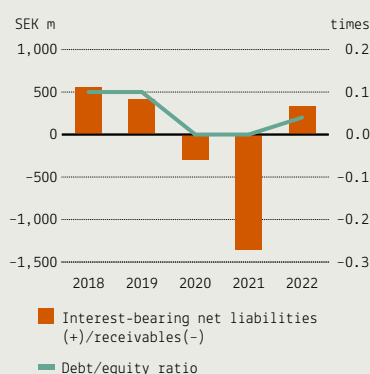
#### Reason to use the measure

Measures profitability and capital efficiency.

INTEREST COVERAGE RATIO AND ASSET TURNOVER RATE



INTEREST-BEARING NET LIABILITIES/RECEIVABLES AND DEBT/EQUITY RATIO



Amounts in SEK m unless otherwise stated.

| <b>Equity/assets ratio (segment reporting)</b>          | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>Definition</b>                                                                                 |
|---------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|---------------------------------------------------------------------------------------------------|
| Equity (segment reporting)                              | 9,006       | 8,608       | 7,817       | 7,326       | 6,798       | Equity (segment reporting) divided by the balance sheet total (segment reporting).                |
| Balance sheet total (segment reporting)                 | 17,122      | 17,233      | 16,665      | 17,593      | 16,487      |                                                                                                   |
| <b>Equity/assets ratio (segment reporting), %</b>       | <b>53</b>   | <b>50</b>   | <b>47</b>   | <b>42</b>   | <b>41</b>   | <b>Reason to use the measure</b><br>Measures financial position.                                  |
|                                                         |             |             |             |             |             |                                                                                                   |
| <b>Debt/equity ratio</b>                                | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>Definition</b>                                                                                 |
| Interest-bearing net liabilities (segment reporting)    | 334         | -1,363      | -300        | 420         | 546         | Interest-bearing net liabilities (segment reporting) divided by equity (segment reporting).       |
| Equity (segment reporting)                              | 9,006       | 8,608       | 7,817       | 7,326       | 6,798       |                                                                                                   |
| <b>Debt/equity ratio, multiple</b>                      | <b>-</b>    | <b>-</b>    | <b>-</b>    | <b>0.1</b>  | <b>0.1</b>  | <b>Reason to use the measure</b><br>Measures financial position.                                  |
|                                                         |             |             |             |             |             |                                                                                                   |
| <b>Interest coverage ratio</b>                          | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>Definition</b>                                                                                 |
| Profit/loss before tax (segment reporting)              | 1,994       | 2,158       | 1,955       | 1,928       | 1,817       | Profit/loss before tax (segment reporting) plus financial expenses divided by financial expenses. |
| Financial expenses                                      | 89          | 62          | 79          | 86          | 79          |                                                                                                   |
| <b>Interest coverage ratio, multiple</b>                | <b>23.4</b> | <b>35.8</b> | <b>25.7</b> | <b>23.4</b> | <b>24.0</b> | <b>Reason to use the measure</b><br>Measures financial position.                                  |
|                                                         |             |             |             |             |             |                                                                                                   |
| <b>Interest-bearing liabilities/balance sheet total</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>Definition</b>                                                                                 |
| Interest-bearing loans (segment reporting)              | 2,179       | 2,618       | 2,737       | 2,817       | 2,228       | Interest-bearing loans (segment reporting) divided by balance sheet total (segment reporting).    |
| Balance sheet total (segment reporting)                 | 17,122      | 17,233      | 16,665      | 17,593      | 16,487      |                                                                                                   |
| <b>Interest-bearing liabilities/total assets, %</b>     | <b>13</b>   | <b>15</b>   | <b>16</b>   | <b>16</b>   | <b>14</b>   | <b>Reason to use the measure</b><br>Measures financial position.                                  |
|                                                         |             |             |             |             |             |                                                                                                   |
| <b>Asset turnover rate</b>                              | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>2018</b> | <b>Definition</b>                                                                                 |
| Revenue (segment reporting)                             | 16,385      | 14,608      | 15,388      | 15,692      | 16,161      | Revenue (segment reporting) divided by average balance sheet total (segment reporting).           |
| Average balance sheet total (segment reporting)         | 17,178      | 16,949      | 17,129      | 17,040      | 15,946      |                                                                                                   |
| Balance sheet total, at beginning of the year           | 17,233      | 16,665      | 17,593      | 16,487      | 15,405      | <b>Reason to use the measure</b><br>Measures financial position.                                  |
| Balance sheet total, at end of the year                 | 17,122      | 17,233      | 16,665      | 17,593      | 16,487      |                                                                                                   |
| <b>Asset turnover rate, multiple</b>                    | <b>0.95</b> | <b>0.86</b> | <b>0.90</b> | <b>0.92</b> | <b>1.01</b> |                                                                                                   |

Amounts in SEK m unless otherwise stated.

#### DEFINITIONS KEY FINANCIAL FIGURES — IFRS

| <b>Interest-bearing net liabilities (+)/receivables (-)</b> | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019 <sup>1)</sup></b> | <b>2018</b>  | <b>Definition</b>                                                                                                                        |
|-------------------------------------------------------------|--------------|--------------|--------------|---------------------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Interest-bearing liabilities                                |              |              |              |                           |              | Interest-bearing liabilities less cash and cash equivalents and interest-bearing receivables.                                            |
| Pension provisions                                          | 1,404        | 1,761        | 1,804        | 1,702                     | 1,388        |                                                                                                                                          |
| Non-current interest-bearing liabilities                    | 892          | 818          | 1,179        | 1,359                     | 146          | <b>Reason to use the measure</b><br>Measures external financing compared to own cash and cash equivalents.                               |
| Current interest-bearing liabilities                        | 7,593        | 7,566        | 6,480        | 5,320                     | 4,968        |                                                                                                                                          |
| Cash and cash equivalents and interest-bearing receivables  | -1,845       | -3,981       | -3,037       | -2,397                    | -1,682       |                                                                                                                                          |
|                                                             | <b>8,044</b> | <b>6,163</b> | <b>6,426</b> | <b>5,984</b>              | <b>4,820</b> |                                                                                                                                          |
|                                                             |              |              |              |                           |              |                                                                                                                                          |
| <b>Equity/assets ratio</b>                                  | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019 <sup>1)</sup></b> | <b>2018</b>  | <b>Definition</b>                                                                                                                        |
| Equity                                                      | 8,725        | 8,385        | 7,598        | 7,126                     | 6,644        | Shareholders' equity divided by balance sheet total.                                                                                     |
| Balance sheet total                                         | 24,383       | 24,391       | 23,088       | 22,972                    | 20,648       |                                                                                                                                          |
| <b>Equity/assets ratio, %</b>                               | <b>36</b>    | <b>34</b>    | <b>33</b>    | <b>31</b>                 | <b>32</b>    | <b>Reason to use the measure</b><br>Measures financial position.                                                                         |
|                                                             |              |              |              |                           |              |                                                                                                                                          |
| <b>Debt/equity ratio</b>                                    | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019 <sup>1)</sup></b> | <b>2018</b>  | <b>Definition</b>                                                                                                                        |
| Interest-bearing net liabilities                            | 8,044        | 6,163        | 6,426        | 5,984                     | 4,820        | Interest-bearing net liabilities divided by equity.                                                                                      |
| Equity                                                      | 8,725        | 8,385        | 7,598        | 7,126                     | 6,644        |                                                                                                                                          |
| <b>Debt/equity ratio, multiple</b>                          | <b>0.9</b>   | <b>0.7</b>   | <b>0.8</b>   | <b>0.8</b>                | <b>0.7</b>   | <b>Reason to use the measure</b><br>Measures financial position.                                                                         |
|                                                             |              |              |              |                           |              |                                                                                                                                          |
| <b>Interest coverage ratio</b>                              | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019 <sup>1)</sup></b> | <b>2018</b>  | <b>Definition</b>                                                                                                                        |
| Profit/loss before tax                                      | 1,933        | 2,147        | 1,917        | 1,882                     | 1,807        | Profit/loss before tax plus financial expenses divided by financial expenses.                                                            |
| Financial expenses                                          | 108          | 85           | 107          | 106                       | 79           |                                                                                                                                          |
| <b>Interest coverage ratio, multiple</b>                    | <b>18.9</b>  | <b>26.4</b>  | <b>18.9</b>  | <b>18.8</b>               | <b>23.9</b>  | <b>Reason to use the measure</b><br>Measures financial position.                                                                         |
|                                                             |              |              |              |                           |              |                                                                                                                                          |
| <b>Earnings per share, diluted</b>                          | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019 <sup>1)</sup></b> | <b>2018</b>  | <b>Definition</b>                                                                                                                        |
| Profit/loss for the period after dilution                   | 1,531        | 1,807        | 1,543        | 1,529                     | 1,427        | Profit/loss for the year after dilution attributable to shareholders of the Parent Company divided by weighted average number of shares. |
| Average number of shares                                    | 67,384,072   | 69,560,505   | 70,061,421   | 69,985,557                | 69,865,418   |                                                                                                                                          |
| <b>Earnings per share, diluted, SEK</b>                     | <b>22.70</b> | <b>26.00</b> | <b>22.00</b> | <b>21.90</b>              | <b>20.40</b> | <b>Reason to use the measure</b><br>Measures profit per share.                                                                           |

<sup>1)</sup> IFRS 16 Leasing affects the key figures for the current year. Comparative figures have not been restated.

Amounts in SEK m unless otherwise stated.

## JM SHARE

| <b>Total return <sup>1)</sup></b>                                      | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
|------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Change in share price, SEK                                             | -236.50      | 118.00       | 13.20        | 104.40       | -13.90       | The sum of change in share price during the year and dividend paid divided by share price at beginning of the year.                                                           |
| Dividend paid, SEK                                                     | 13.50        | 12.75        | 12.50        | 12.00        | 11.00        |                                                                                                                                                                               |
| Share price, at beginning of the year, SEK                             | 408.60       | 290.60       | 277.40       | 173.00       | 186.90       |                                                                                                                                                                               |
| <b>Total return, %</b>                                                 | <b>-55</b>   | <b>45</b>    | <b>9</b>     | <b>67</b>    | <b>-2</b>    | <b>Reason to use the measure</b><br>Measures total return for the shareholder during a specific period.                                                                       |
| <b>Dividend yield <sup>1)</sup></b>                                    | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Proposed dividend, SEK                                                 | 14.00        | 13.50        | 12.75        | 12.50        | 12.00        | Proposed dividend divided by share price as at end of the period.                                                                                                             |
| Share price, at end of the year, SEK                                   | 172.10       | 408.60       | 290.60       | 277.40       | 173.00       |                                                                                                                                                                               |
| <b>Dividend yield, %</b>                                               | <b>8.1</b>   | <b>3.3</b>   | <b>4.4</b>   | <b>4.5</b>   | <b>6.9</b>   | <b>Reason to use the measure</b><br>Measures return liquidity for the shareholder.                                                                                            |
| <b>Earnings per share, (diluted) segment reporting</b>                 | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Profit/loss for the period after dilution                              | 1,577        | 1,801        | 1,575        | 1,573        | 1,441        | Profit/loss for the period according to income statement (segment reporting) attributable to shareholders of the Parent Company divided by weighted average number of shares. |
| Average number of shares                                               | 67,384,072   | 69,560,505   | 70,061,421   | 69,985,557   | 69,865,418   |                                                                                                                                                                               |
| <b>Earnings per share, (diluted) segment reporting, SEK</b>            | <b>23.40</b> | <b>25.90</b> | <b>22.50</b> | <b>22.50</b> | <b>20.60</b> |                                                                                                                                                                               |
| <b>Reason to use the measure</b>                                       |              |              |              |              |              | Measures profit per share.                                                                                                                                                    |
| <b>Development properties per share, market value <sup>1)</sup></b>    | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Development properties, market value                                   | 15,200       | 15,400       | 14,300       | 15,600       | 15,300       | Development properties' market value at the end of the period divided by number of shares at end of the period.                                                               |
| Number of shares at end of period                                      | 64,504,840   | 68,648,746   | 69,583,262   | 69,583,262   | 69,583,262   |                                                                                                                                                                               |
| <b>Development properties per share, market value, SEK</b>             | <b>236</b>   | <b>224</b>   | <b>206</b>   | <b>224</b>   | <b>220</b>   | <b>Reason to use the measure</b><br>Measures market value of development properties per share disregarding financing.                                                         |
| <b>Development properties per share, carrying amount <sup>1)</sup></b> | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Development properties, carrying amount                                | 8,465        | 8,205        | 7,831        | 8,938        | 8,306        | Development properties' carrying amount at end of the period divided by number of shares at end of the period.                                                                |
| Number of shares at end of period                                      | 64,504,840   | 68,648,746   | 69,583,262   | 69,583,262   | 69,583,262   |                                                                                                                                                                               |
| <b>Development properties per share, carrying amount, SEK</b>          | <b>131</b>   | <b>120</b>   | <b>113</b>   | <b>128</b>   | <b>119</b>   | <b>Reason to use the measure</b><br>Measures carrying amount of development properties per share disregarding financing.                                                      |
| <b>Project properties per share, market value <sup>1)</sup></b>        | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Project properties, market value                                       | 1,089        | 1,088        | 1,651        | 1,769        | 2,002        | Project properties' market value at the end of the period in relation to the number of shares at the end of the period.                                                       |
| Number of shares at end of period                                      | 64,504,840   | 68,648,746   | 69,583,262   | 69,583,262   | 69,583,262   |                                                                                                                                                                               |
| <b>Project properties per share, market value, SEK</b>                 | <b>17</b>    | <b>16</b>    | <b>24</b>    | <b>25</b>    | <b>29</b>    | <b>Reason to use the measure</b><br>Measures the market value of project properties per share disregarding financing.                                                         |
| <b>Project properties per share, carrying amount <sup>1)</sup></b>     | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Project properties, carrying amount                                    | 932          | 813          | 1,246        | 1,399        | 1,635        | Project properties' carrying amount at the end of the period in relation to the number of shares at the end of the period.                                                    |
| Number of shares at end of period                                      | 64,504,840   | 68,648,746   | 69,583,262   | 69,583,262   | 69,583,262   |                                                                                                                                                                               |
| <b>Project properties per share, carrying amount, SEK</b>              | <b>14</b>    | <b>12</b>    | <b>18</b>    | <b>20</b>    | <b>23</b>    | <b>Reason to use the measure</b><br>Measures the carrying amount of project properties per share disregarding financing.                                                      |
| <b>Equity per share</b>                                                | <b>2022</b>  | <b>2020</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Equity (segment reporting)                                             | 9,006        | 8,608        | 7,817        | 7,326        | 6,798        | Equity (segment reporting) at the end of the period divided by number of shares at end of the period.                                                                         |
| Number of shares at end of period                                      | 64,504,840   | 68,648,746   | 69,583,262   | 69,583,262   | 69,583,262   |                                                                                                                                                                               |
| <b>Equity per share, SEK</b>                                           | <b>140</b>   | <b>125</b>   | <b>112</b>   | <b>105</b>   | <b>98</b>    | <b>Reason to use the measure</b><br>Measures the value of equity per share, net worth.                                                                                        |
| <b>Interest-bearing net liabilities per share</b>                      | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>2018</b>  | <b>Definition</b>                                                                                                                                                             |
| Interest-bearing net liabilities (segment reporting)                   | 334          | -1,363       | -300         | 420          | 546          | Interest-bearing net liabilities (segment reporting) at end of the period divided by number of shares at end of the period.                                                   |
| Number of shares at end of period                                      | 64,504,840   | 68,648,746   | 69,583,262   | 69,583,262   | 69,583,262   |                                                                                                                                                                               |
| <b>Interest-bearing net liabilities per share</b>                      | <b>5</b>     | <b>-20</b>   | <b>-4</b>    | <b>6</b>     | <b>8</b>     | <b>Reason to use the measure</b><br>Measures the value of interest-bearing net liabilities per share.                                                                         |

<sup>1)</sup> The key figure is the same according to both segment reporting and IFRS reporting.

## Other definitions

|                                                    | Definition                                                                                                                                                                                                                                                                                                                                                                                                                | Reason to use the measure                                                         |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>Revenue (segment reporting)</b>                 | Revenue and profit in the projects are reported period-by-period, in pace with recognition of sales, providing a direct link between financial reporting and operations conducted during the period.                                                                                                                                                                                                                      | Measures revenue given completion and current market conditions.                  |
| <b>Operating profit (segment reporting)</b>        | Revenue (segment reporting) less production and operating expenses less selling and administrative expenses plus gains from property sales and joint venture and impairment.                                                                                                                                                                                                                                              | Measures profit/loss given completion and current market conditions.              |
| <b>Equity (balance sheet, segment reporting)</b>   | Equity (IFRS) adjusted for historic profit recognition according to percentage of completion method for JM International and adjusted for leases.                                                                                                                                                                                                                                                                         | Measures equity (segment reporting).                                              |
| <b>Liabilities (segment reporting)</b>             | Liabilities (IFRS) adjusted with recognized revenue according to percentage of completion method for ongoing projects JM International reported net to project financing and adjusted for leases. Projects under liabilities exceed project financing recognized revenue.                                                                                                                                                 | Measures liabilities (segment reporting).                                         |
| <b>Assets (segment reporting)</b>                  | Assets (IFRS) adjusted with recognized revenue according to percentage of completion method for ongoing projects JM International instead of capitalized cost (work in progress) reported net to project financing and adjusted for leases. Projects under assets exceed project financing recognized revenue.                                                                                                            | Measures assets (segment reporting).                                              |
| <b>Development properties</b>                      | Refers mainly to land that can be developed for future projects; classified as current assets. <ul style="list-style-type: none"> <li>• Land with residential building rights</li> <li>• Land with commercial building rights</li> <li>• Land developed for residential projects or further development for project properties.</li> </ul>                                                                                | Measures assets that may be reclassified to project expense in the future.        |
| <b>Project properties</b>                          | Classified as current assets and comprise large property portfolios for further development and commercial properties. <ul style="list-style-type: none"> <li>• Properties under development</li> <li>• Completed rental and residential care units</li> <li>• Completed commercial properties.</li> </ul>                                                                                                                | Measures assets that are for sale or can be exchanged for development properties. |
| <b>Operating cash flow (only business segment)</b> | Change in operating capital plus profit for the period adjusted for non-cash items.                                                                                                                                                                                                                                                                                                                                       | Measures cash flow per business segment                                           |
| <b>Return on operating capital</b>                 | Operating profit (segment reporting) divided by average (five measurement points in the past five quarters) operating capital.                                                                                                                                                                                                                                                                                            | Measures profitability and capital efficiency by business segment.                |
| <b>Operating capital</b>                           | Total goodwill, project properties, development properties, participations in tenant-owners associations and joint venture etc., receivables from property sales, receivables from sold participations in tenant-owners associations, and accounts receivable and revenue less progress billings minus accounts payable, liabilities to tenant-owners associations and progress billings in excess of recognized revenue. | Measures capital utilization per business segment.                                |

## Definitions according to the EU Taxonomy

|                  | Definition                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Net sales</b> | Net sales include revenue as reported in accordance with IAS 1.82a.                                                                                                                                                                                                                                                                                                                                                                              |
| <b>CAPEX</b>     | Total capital expenses include acquisitions of tangible and intangible fixed assets made during the 2021 financial year and the right-of-use assets for the year.                                                                                                                                                                                                                                                                                |
| <b>OPEX</b>      | Total operating expenses (OPEX) consist of expenses for research and development (R&D) expensed during the period, renovation of buildings (owned or rented), expenses for repairs on and maintenance of tangible fixed assets (owned or rented), other direct expenses such as service for ongoing maintenance of tangible fixed assets required to secure the ongoing function of these assets, and expensed lease fees for short-term leases. |
| <b>Eligible</b>  | The activity is subject to the EU Taxonomy Regulation.                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Aligned</b>   | The activity complies with the requirements of the EU Taxonomy.                                                                                                                                                                                                                                                                                                                                                                                  |

# JM's Annual General Meeting

JM AB's Annual General Meeting will be held at 4 p.m. on Thursday, March 30, 2023, at JM's head office, Gustav III:s boulevard 64 in Solna, Sweden.

The doors will open at 3 p.m. Light refreshments will be offered before the meeting.

## Right to participate in the annual general meeting and intention to attend

### *Participation at the AGM premises*

A shareholder who would like to be present at the AGM premises in person or via proxy must (i) be entered in the register of shareholders maintained by Euroclear Sweden AB by Wednesday, March 22, 2023, and (ii) announce their intention to attend the general meeting no later than Friday, March 24, 2023, on the Company's website [jm.se/bolagsstyrning](http://jm.se/bolagsstyrning) (only for private individuals), by mail to Computershare AB, "JM AB's Annual General Meeting", Box 5267, 102 46 Stockholm, Sweden, by email to [proxy@computershare.se](mailto:proxy@computershare.se) or by telephone at +46 (0)771-24 64 00 (weekdays between 9:00 am and 4:00 pm). The shareholder must provide their name, personal ID or corporate ID number, address, telephone number, the number of any representatives (maximum of two), and where relevant information regarding proxies.

If a shareholder is represented by proxy, a written and dated power of attorney must be issued for the proxy. The power of attorney form is available at the Company's website, [jm.se/bolagsstyrning](http://jm.se/bolagsstyrning). If the power of attorney is issued by a legal person, a certificate of registration or corresponding authorization document must be attached to the form. To facilitate registration at the Meeting, the Company should have received the power of attorney, certificate of registration and other authorization documents at the above address no later than Wednesday, March 29, 2023.

### *Participation by absentee ballot*

A shareholder who would like to participate in the Annual General Meeting via absentee ballot must (i) be entered in the register of shareholders maintained by Euroclear Sweden AB by Wednesday, March 22, 2023, and (ii) announce their intention to attend the general meeting no later than Friday, March 24, 2023, by having submitted an absentee ballot in accordance with the instructions below such that Computershare AB has received the absentee ballot no later than this date.

A shareholder who would like to be present at the AGM premises in person or via proxy must announce this intention in accordance with the instructions set out under Participation at the AGM premises above. This means that merely submitting an absentee ballot is not enough for a shareholder who would like to be present at the AGM premises.

A special form must be used for the absentee ballot. The absentee ballot form is available at the Company's website, [jm.se/bolagsstyrning](http://jm.se/bolagsstyrning). The absentee ballot form must be completed, signed and sent by mail to Computershare AB, "JM AB's Annual General Meeting," Box 5267, 102 46 Stockholm, Sweden, or by email to [info@computershare.se](mailto:info@computershare.se).

[computershare.se](http://computershare.se). Computershare AB must have received the completed form no later than Friday, March 24, 2023. Shareholders who are natural persons may also submit their absentee ballot electronically via JM AB's website, [jm.se/bolagsstyrning](http://jm.se/bolagsstyrning), with verification through BankID. The shareholder may not add special instructions or conditions to the absentee ballot. If this occurs, the absentee ballot in its entirety will be invalid. Additional instructions and conditions are presented on the absentee ballot form.

If a shareholder submits an absentee ballot via proxy, a written and dated power of attorney must be attached to the absentee ballot form. The power of attorney form is available on the Company's website, [www.jm.se](http://www.jm.se). If the shareholder is a legal person, a certificate of registration or corresponding authorization document must be attached to the form. If a shareholder has submitted an absentee ballot and then participates at the Annual General Meeting in person or via proxy, the absentee ballot is still valid to the extent the shareholder does not participate in a vote during the Meeting or otherwise withdraw their submitted absentee ballot. If the shareholder chooses to participate in a vote during the Meeting, the cast vote will replace the previously submitted absentee vote for the point in question.

## Nominee-registered holdings

In order to be entitled to participate in the general meeting, a shareholder who has registered their shares in the name of a nominee, in addition to announcing their intention to participate in the general meeting, must request that their shares be registered in their own name so the shareholder is entered into the register of shareholders by March 22, 2023. This registration may be temporary (so-called voting right registration) and is requested with the nominee in accordance with the nominee's procedures and in advance as determined by the nominee. The voting right registration, which the nominee must have completed no later than March 24, 2023, will be considered when preparing the shareholder register.

## Dividend

The Board of Directors proposes that a dividend of SEK 14.00 (13.50) per share be paid to shareholders. The proposed record date for the dividend is Monday, April 3, 2023. If the Annual General Meeting resolves to adopt the proposal, the dividend will be sent by Euroclear Sweden AB on Thursday, April 6, 2023.

## Financial calendar

|            |                                       |
|------------|---------------------------------------|
| April 27   | Interim report January–March 2023     |
| July 12    | Interim report January–June 2023      |
| October 26 | Interim report January–September 2023 |

The reports are available in Swedish and English at [www.jm.se/en/about-us/investors](http://www.jm.se/en/about-us/investors)

JM AB (publ), CIN 556045-2103, domiciled in Stockholm.

# Addresses

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### JM Entreprenad AB

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