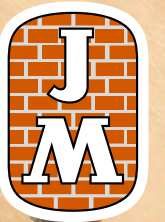
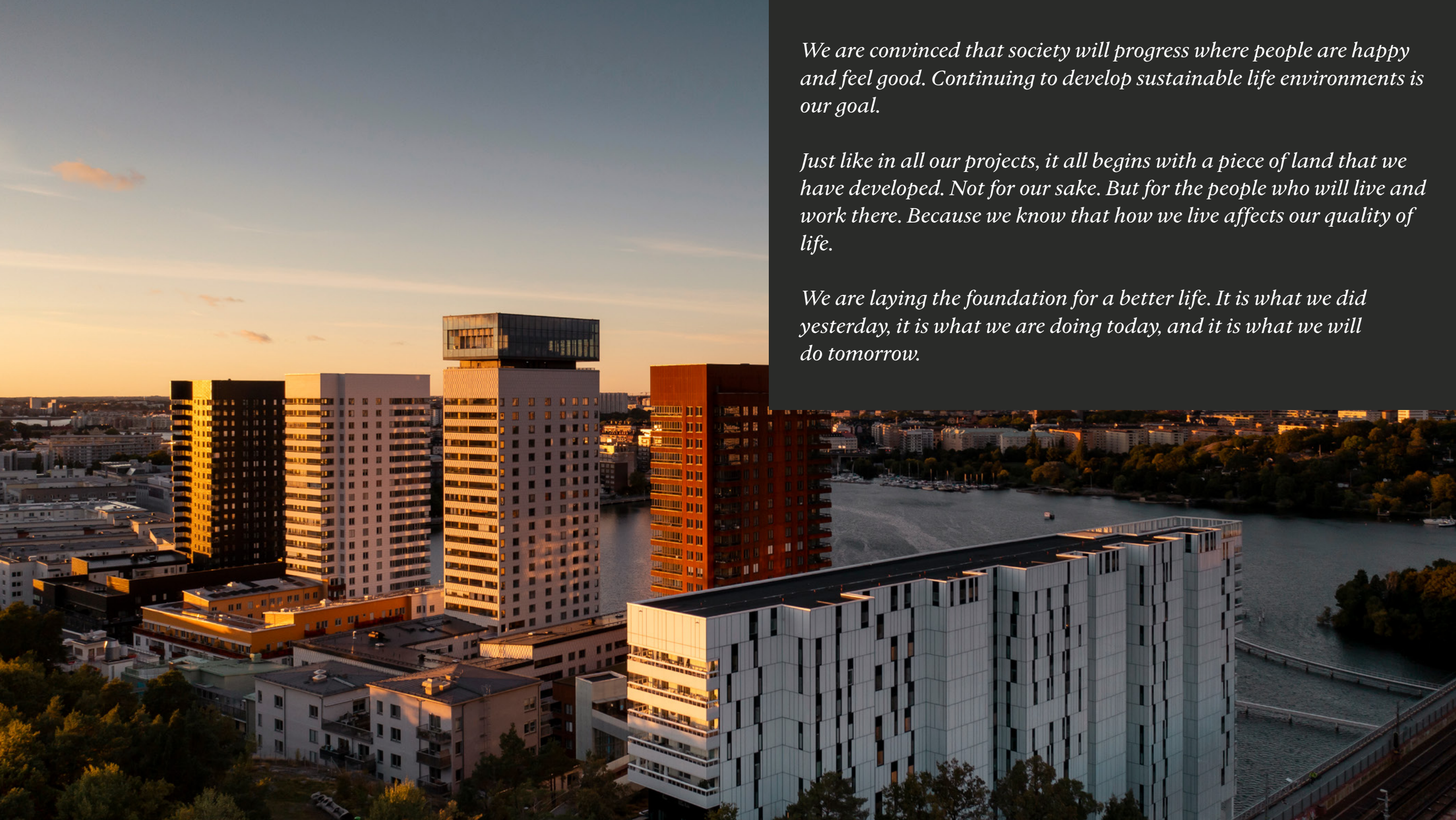


# *Annual and Sustainability Report* **2023**





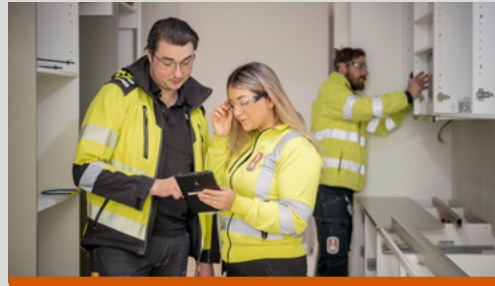
*We are convinced that society will progress where people are happy and feel good. Continuing to develop sustainable life environments is our goal.*

*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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## JM IN BRIEF

# One of the Nordic region's leading developers of housing and more sustainable living environments

JM was founded in 1945 by John Mattson. Today the Group has around 2,200 employees in three countries. In 2023, JM had a turnover of around SEK 14 billion.

JM's goal is to establish a solid basis for good quality of life and a more sustainable life through homes that have a sound indoor climate. 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. In addition, JM conducts commercial property development and contracting work in the greater Stockholm area. The company also offers economic and technical management to tenant-owners associations.

For more than five years, all housing starts have been certified in accordance with Nordic Swan Ecolabel. JM is thus first in the Nordic region to certify its entire residential production in accordance with Nordic Swan Ecolabel.

Since 1982, JM AB has been a public limited company listed on Nasdaq Stockholm, Large Cap segment.

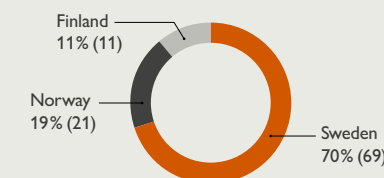


## 35

In 2023, 35 residential projects in the JM Group were Nordic Swan Ecolabelled.

## 22%

Decrease in emissions for JM in Sweden in 2023 (Scopes 1, 2 and 3).



Geographic distribution of revenue 2023.

## 40%

Decrease in estimated energy consumption in JM's Swedish residential units since 2008.

## 1945

Housing experts for almost 80 years.



Top 3 in customer satisfaction for JM Sweden, which earns highest score in the Warranty category.



Double first place in customer satisfaction for JM Norway for best company and best project.



## THE YEAR IN BRIEF

# Good liquidity and significant surplus values in a weak market

**Revenue** amounted to SEK 13,851m (16,385).

**Operating profit** decreased to SEK 732m (2,064) and was burdened by impairment in development and project properties of SEK –258m (–). The operating margin decreased to 5.3 percent (12.6).

**Profit before tax** decreased to SEK 632m (1,994), and profit after tax decreased to SEK 433m (1,575).

**Consolidated cash flow** including net investment in properties amounted to SEK –48m (–261).

**The number of residential units** sold decreased to 1,901 (2,659), and housing starts decreased to 1,609 (3,113).

*Starting on January 1, 2023, JM applies a new accounting principle for projects with Swedish tenant-owners associations; see Note 1 Accounting principles. Comparative figures in this report have been restated according to the new accounting principle. For the Group's income statement and balance sheet in accordance with IFRS, IFRS 15 Revenue from Contracts with Customers is applied, which means that revenue and profit/loss from JM's housing development are reported according to the completed contract method, see Note 1 for further information. Segment reporting and project management are reported according to the percentage of completion method.*

*The 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 4–5, 8, 11, 14, 52–60 are based on JM's segment reporting. For an overview of the difference between segment reporting and IFRS, see Segment reporting on page 74. For definitions, see pages 111–114. This Annual Report is a translation of the original text in Swedish, which is the official version.*

**Return on equity** for the past twelve months amounted to 5.0 percent (17.9). Earnings per share during the year amounted to SEK 6.70 (23.40).

**According to IFRS**, revenue amounted to SEK 15,969m (14,577) and earnings per share to SEK 16.00 (22.00).

**Surplus value of development properties** amounted to SEK 5.6bn (6.7).

**The Board of Directors** proposes SEK 3.00 (14.00) in dividend for 2023 with the intention of an extraordinary general meeting in the fourth quarter of 2024 to propose resolution on an additional dividend of SEK 3.00.

# 2,193

Employees at JM.

# 39,100

Residential building rights.



## CEO'S COMMENTS

# Good long-term conditions

*After 38 years at JM, of which 22 years as the CEO, Johan Skoglund has announced that he will retire in 2024. He makes this decision in the wake of one of the most challenging years. Read more about Johan Skoglund's comments about the year and his thoughts about JM's future.*

### Extra challenging year

The past year has seen geopolitical uncertainty, a war in Europe, cost inflation, higher interest rates, and a rare general level of caution throughout the market. We have to go back to the beginning of the 1990s to find comparable challenges.

In this situation, we focus on finding ways to reduce the number of unsold units, and in some cases JM has adapted prices to the current market conditions to reduce capital tie-up.

During the year, JM sold more than 1,900 residential units, started production on just over 1,600 residential units, and has more than 6,000 residential units in current production. Considering the market, I am satisfied with our ability to maintain our production and start new projects. In the last quarter, we increased the number of residential units sold.

### Possibility to increase the tempo

The strategy for handling economic downturns is to secure capacity to be able to start projects even in a weaker market, and to the greatest extent possible avoid measures that would lead to a reduction in staff. In line with this, housing starts increased in the last quarter. We are broadening the forms of tenure to include rental units and freehold apartments, and our housing starts have smaller phase sizes. Maintaining capacity to start new projects also means that we will be ready when the market bounces back.

A condition for being able to start new projects is to consistently acquire good land over time. JM enters 2024 with 39,100 building rights in attractive locations. The portfolio has breadth, which allows us to choose where and when production will start to give the best margin.

Assuming a good market, the building rights portfolio gives us the possibility to start production annually on 4,000 residential units in a couple years. It is crucial that we continue to acquire good land. This is where JM has its future.

### Milestones for structure capital

Twenty years ago, we implemented JM's pre-construction instructions, which laid the groundwork for the company's structure capital and made possible a rational scale that set the standard for, for example, the height of a floor and a reduced number of components. Production thus gradually became more cost efficient with improved quality.

To further strengthen competence, and continue to expand on the structure capital, pre-construction is also now being introduced in-house. Pre-construction is a key prerequisite in JM's business and housing development, and during the year we started work to establish an organization with in-house competence in not only building information modeling but also construction and heating, water and sanitation pre-construction. By owning the entire value chain, combined with well-established standardized working methods, in-house pre-construction makes it possible to strengthen competitiveness that can contribute to shorter lead times and more efficient production.

I am convinced that this will make JM even more resilient in challenging times and better equipped during periods when the rate of change is increasing in terms of global requirements but also technical development and customer needs.

*“Despite the weak market, JM increased its sales of residential units in the last quarter”*

38 years at JM





*“Without talented and committed employees,  
JM would not be where it is”*

### Taking long-term responsibility

A greater challenge facing the world is the global temperature increase and its potentially disastrous impact. As a big actor in the industry, JM has set the goal of climate-impacting emissions of close to zero by 2030. This requires cooperation with both the transport sector and suppliers and industries to develop products with a lower climate impact, electrified transports and fossil-free manufacturing of cement and steel.

It is rewarding to see that JM's sustainability work is generating results, with both carbon emissions and waste volumes decreasing during the year. I am also proud that JM was first on our market to introduce Swan Ecolabel certification of all new production of residential units.

Sustainability is also largely about employees' safety. JM has been working actively for a long time to improve safety culture, where we focus on how we succeed with safety work as well as conduct root cause analyses following incidents to find the underlying cause.

Since 2016, JM has had the goal of women representing at least 20 percent of its wage-earners. It is more difficult to achieve an even gender distribution in the production branch of our industry, in part because the conditions are still not in place for working hours to be as flexible as they are for salaried employees. At JM, women currently represent in total 7 percent of the wage-earners, and we are continuing to offer internships and free training in order to come closer to our goal in the long run.

### JM – a strong brand

Many employees stay at JM for a long time, which is one of the reasons why JM has a strong brand. Personnel turnover is low, and those who want to work with housing seek out JM.

JM's strong brand is rooted in our commitment to putting the customer first. Over the 15 years the industry survey for the satisfied customer index has been conducted, JM has been the housing developer that with high scores has been in first place most often. This is possible because we maintain a high level of

quality in both our housing and our interaction with customers – JM delivers fantastic and very popular projects.

A clear customer focus has always permeated throughout all of JM. The site manager at my very first construction site at JM was incredibly skilled and quality aware. One of the things I took to heart, was doing it right the first time. Already then, JM had good, sound values and focused on quality and environmental issues. It has been an exciting journey spanning almost four decades.

### Pent-up need going forward

There is a significant shortage of housing on all of our submarkets, and as interest rates are lowered in the future and unemployment decreases, the situation may slowly improve. Assuming increased global stability, we will see a gradually improving housing market.

Finally, I would like to say that it is all about people. Everything revolves around relationships, and I am proud and pleased that there are so many talented and committed employees at JM. It is thanks to you that JM is where it is today. A big Thank You to everyone who has shaped JM through the years!

**Johan Skoglund**  
President and CEO

## JM AS AN INVESTMENT

# Long-term value growth

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

This return will come from risk-balanced growth with optimized utilization of risk capital over the business cycle and increasing value transfers to shareholders. Focus is on earnings per share and dividend per share. This is achieved through high operational capacity, good risk control, financial strength and a building rights portfolio that has great value potential and is continuously refined and updated.

### BENCHMARK FOR CAPITAL STRUCTURE AND DIVIDEND POLICY

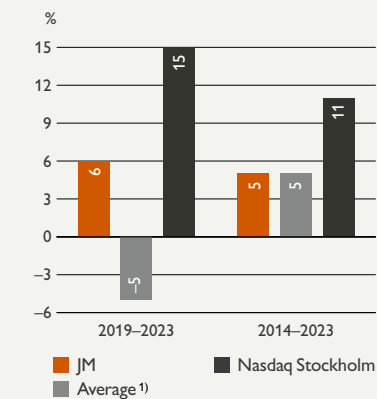
Benchmark for capital structure where a visible equity/assets ratio should amount to at least 35 percent over a business cycle. Dividend policy where the average dividend should be 50 percent of the Group's profit after tax over a business cycle. JM's benchmark for capital structures and dividend policy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

## Good long-term total return

Over the past five years, JM has had an average total return of 6 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 5 percent, which is on par with the average for comparable companies.

<sup>1)</sup> Besqab\*, Bonava\*, NCC, PEAB, Selvaag\*, Skanska, Veidekke, YIT  
\* not 2014–2023

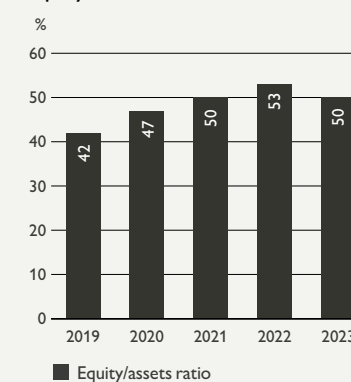
Average total return



## 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.

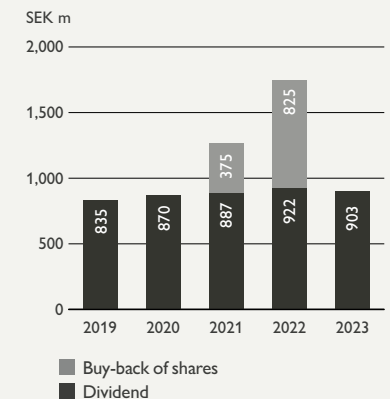
Equity/assets ratio



## Dividend over time

JM has for a long time delivered well in line with the dividend policy, combined with multiple capital distributions. Value transfers to the shareholders amounted over the past five years to SEK 5.5bn, of which SEK 4.3bn through dividends and SEK 1.2bn through acquisition and elimination of own shares (buy-back).

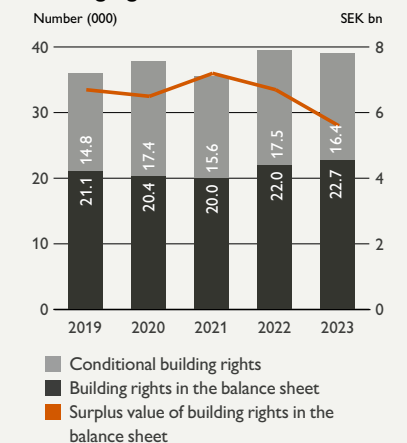
Distribution to shareholders



## Building rights portfolio with great value potential

JM has 39,100 building rights for future project development, of which 22,700 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 5.6bn based on external assessment. The surplus value is part of JM's risk capital and indicates future profit potential.

Building rights



## BUSINESS INTELLIGENCE

# Global turbulence

*For JM, it is essential to understand and try to predict how the global forces are changing the market's conditions. Five mega trends are of particular importance for the business.*

Similar to recent years, 2023 has been characterized by an uncertain environment with ongoing wars, escalated conflicts, financial cut-backs and extreme weather events. In many respects, resilience and security have become increasingly central. At the same time, new paths forward are emerging, not least through a high rate of technological development.

To be able to be the customer's firsthand choice when purchasing a new home, JM needs to be constantly aware of how global forces are influencing peoples' decisions and the market's conditions. Both now and in the future. Five mega trends have been identified as particularly important for JM's business. Mega trends are global developments that are shaping our world. They span multiple areas, can vary across the world in how they are expressed, and they frequently overlap one another. The more interconnected we become, the more far-reaching the effects.

Given the current uncertain conditions – a weak market and cautious customers – it is key that JM continue to maintain good liquidity. This creates an enduring ability to adapt and develop the business and JM's offer.

| Mega trend                                                                                        | Current status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Potential impact/challenges                                                                                                                                                                                                                                                                                                                                                                                                                | JM's response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>01.</b><br><b>Global economy affects the housing market</b>                                    | <p>High inflation and the central banks' continued interest rate increases have led to a contracting economy. The inflation development can be linked to several factors, including the aftereffects of the pandemic, high energy prices and the war in Ukraine. Global value chains are suffering from major disruptions. The new, significantly tougher cost levels are leading to noticeable transitions for both households and industry. There is also an uncertainty about further economic strains. Together with lower real wages, uncertainty about interest rate levels and the future state of the labor market is creating uncertainty on the housing market. At the same time, expected future interest rate cuts could lead to improved market conditions.</p>                                                                        | <ul style="list-style-type: none"> <li>• Raised entry barriers to the housing market</li> <li>• Pent-up relocation needs and expanded disruptions in relocation chains</li> <li>• Increased demand for, and relocation to, housing with lower fixed costs</li> <li>• Increased poverty and economic divides</li> <li>• Actors with lower financial resistance are forced out.</li> </ul>                                                   | <ul style="list-style-type: none"> <li>• Adapting the scope of the housing starts, and starts of fewer residential units per started stage</li> <li>• Ongoing dialogue with banks to maintain construction credit financing and close contact with existing and potential housing customers</li> <li>• Pre-construction of more space-efficient residential units and JM's Smarta Kvadrat concept with flexible residential units offering good value for money that reach a broader customer group</li> <li>• Through the Deläga financing model, more customers have the opportunity to buy their home. As they can, the customer purchases JM's shares and gradually increases their ownership from the initial 50 percent</li> <li>• Selectivity with regard to land and property acquisitions to safeguard liquidity.</li> </ul>                          |
| <b>02.</b><br><b>Climate challenges place higher demands on resilience and innovation ability</b> | <p>Sustainability remains a critical topic with multiple layers: ecological, financial and social. Global warming, climate changes, loss of biodiversity, weakened ecosystems, air pollution, waste, chemicals harmful to health, and a lack of natural resources are some of the environmental aspects that require persistent responsible monitoring and regulation. Extreme weather events have increased, which has created disruptions to, for example, buildings, infrastructure and food production, that are difficult to manage. At the same time, regulations have been tightened, consumer demand has increased, corporate sustainability work has intensified and society is facing an elevated need for resilience. In order to facilitate this, the requirements are also raised on alternative solutions and innovation ability.</p> | <ul style="list-style-type: none"> <li>• Rising costs for society related to climate adaptation and climate impact</li> <li>• Migration from affected areas or areas found in risk zones</li> <li>• Greater demand for climate-smart, energy-efficient and resilient housing</li> <li>• Increasing competition for decreasing resources</li> <li>• Greater demand for cross-border legislation, collaboration and coordination.</li> </ul> | <ul style="list-style-type: none"> <li>• Nordic Swan Ecolabel certification of residential units provides third-party review and verification of, for example, chemical content, low energy consumption, and good indoor environment</li> <li>• Climate risk analyses in early stages allow JM to plan for greater consideration for extreme weather and adapt the construction to the onsite conditions</li> <li>• Waste work with ambitious goals, follow-up and incentives has contributed to reducing waste volume from housing production</li> <li>• Climate-improved concrete in all projects in Sweden contributes to reduced carbon emissions</li> <li>• JM has developed a concept for fossil-free workplaces that was introduced in the Swedish, Norwegian and Finnish production. It reduces carbon emissions at the construction sites.</li> </ul> |
| <b>03.</b><br><b>Demographic change affects society and relocation chains</b>                     | <p>Due to a general increase in the average age combined with lower birth rates, the percentage of elderly is increasing. This requires noticeable transitions in several societal sectors in order to maintain a solid welfare level and offset an impaired dependency ratio over time. Society also needs to handle increased demand for healthcare and elderly care. Another aspect is considerable geographical variations, both within and between countries, for example that some areas are affected to a greater extent by net emigration of working-age residents.</p>                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>• Labor migration and increased retirement ages</li> <li>• Rising demand for activities, services, residential units and residential environments that meet seniors' needs and preferences</li> <li>• Bottleneck in relocation chains when the elderly stay longer in large homes.</li> </ul>                                                                                                       | <ul style="list-style-type: none"> <li>• Continue to promote establishment of incentives that give individuals the right conditions to demand different housing tenures, for example through adapted rent-setting models, a change in capital gains tax and amortization requirements in the Swedish market</li> <li>• Highlight causes to the long lead times in planning processes in Sweden and continue to push a reform agenda with measures for shorter lead times, which enables more housing</li> <li>• JM is building for the future with well-planned homes that will meet the demands on both today's and tomorrow's residential environments</li> <li>• Acquisitions and housing development in areas with good accessibility in locations close to public transportation and local services.</li> </ul>                                           |



## Mega trend

## Current status

Potential impact/  
challenges

## JM's response

## 04.

Greater need for collaborative spaces for joint security and social sustainability

Polarization risks creating conflict areas and uncertainty throughout the world. This can be rooted in inequalities related to economic assets or natural resources. It can also relate to less distinct factors, such as urbanization, a change in population pyramids, large differences in income or capital, and a fragmented information landscape. This development leads to variations in conditions, needs, values and preferences, which in turn can create homogenous but between themselves polarized groups. The changes drive the need for stability and permanency over time. This raises the requirements on responsiveness, consideration, communication and cooperation to counteract potential conflict areas.

- Differences in housing situations and housing preferences
- Increased need for areas for trust, understanding and cooperation
- Rising requirements on inclusion, integration and safety creation
- Multilateral business collaboration become more difficult to navigate.

- JM offers multiple tenure forms and varying sizes of homes in a given area. This creates conditions for attracting diverse target groups with different housing preferences and creates conditions for an inclusive environment
- JM has developed a definition of what social sustainability means in its project development. By starting with the following five areas, JM contributes to the creation of social value in societal development: sustainable architecture, security and community, equality and diversity, availability and inclusion, and health
- Through its Deläga financing model, JM gives more customers the opportunity to buy their home. As the customer can, they purchase JM's shares and gradually increase their ownership.

## 05.

Accelerated technological development can offer considerable advantages

Technology and digitalization are advancing at a breathtaking speed. The fourth industrial revolution features, among other things, the Internet of Things, automation, robotics, and artificial intelligence (AI), which entail large competitive advantages. AI in particular is in focus right now, having rapidly shifted from relatively limited specialist areas to broadened application and access for regular people. The most meaningful example could be the breakthrough of generative AI at offices around the world, which in part has been facilitated by actors such as Microsoft and Google integrating it into various standard products. In parallel with expectations on increased capacity, precision and automation, there is uncertainty surrounding ethics, reliability and copyrighting.

- Accelerated rate of innovation and areas of application
- New business models and changed descriptions of professions
- Gap between those who apply new technology and those who do not
- Risk for decline in integrity and cyber security
- Need for joint regulations and ethical guidelines.

- The technological development makes even greater benefits for new production compared to older homes, with regard to energy, sustainability, comfort and security. JM's production promotes shorter lead times and a higher degree of automation and prefabrication, but also more tailored housing
- An important part of the AI development is driven by startups that introduce new technological solutions. JM cooperates with innovative startups along the value chain and implements pilot projects with new products and services, for example energy solutions
- JM is active in standardization work within smart buildings in Europe and is following the development of forthcoming cyber security regulations, which is central as smart blocks and cities emerge
- JM places security-related requirements on suppliers of connected systems and also requires that they must be able to communicate with other systems to enable future services and avoid lock-in.

## JM's FINANCIAL TARGETS

# Three clear target areas

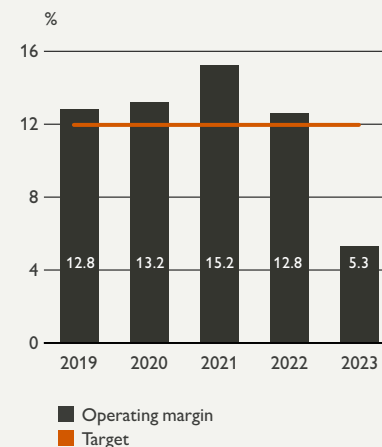
*The financial targets aim to provide support for the long-term financial development within the Group and at the same time be adapted to the cyclical nature of the business.*

## Operating margin

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

**Outcome:** 5.3 percent in 2023.  
During the five-year period 2019–2023, the average operating margin was 11.8 percent.

OPERATING MARGIN

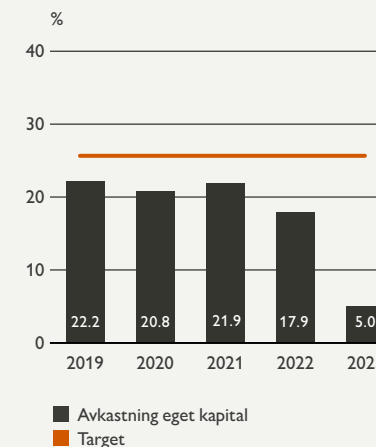


## Return on equity

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

**Outcome:** 5.0 percent during 2023.  
During the 5-year period 2019–2023, the average annual return on equity amounted to 17.6 percent.

RETURN ON EQUITY

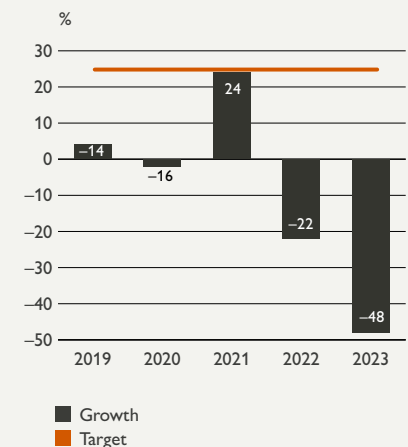


## Growth

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

**Outcome:** In 2023, housing starts decreased by –48 percent. During the period 2019–2023, the annual growth rate in housing starts was –13 percent.

GROWTH



JM's financial targets are defined based on segment reporting.

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

## JM's NON-FINANCIAL TARGETS

# Raises value creation

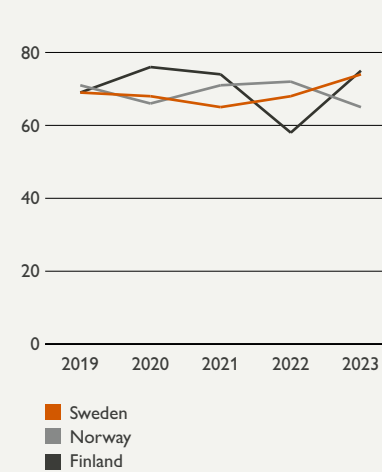
*The non-financial targets aim to promote key areas for long-term value creation and supplement the financial targets.*

## 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 74, Norway 65, Finland 75 in 2023.

CSI LONG-TERM

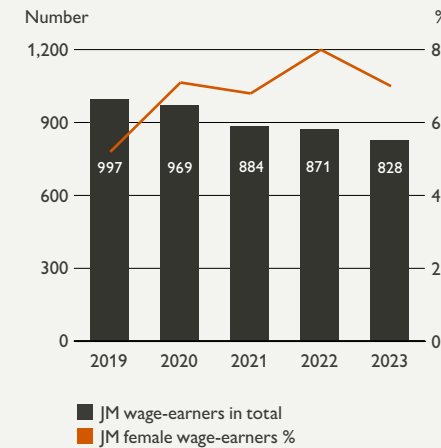


## Employees

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

**Outcome:** 7.0 percent in 2023.

NUMBER OF WAGE-EARNERS

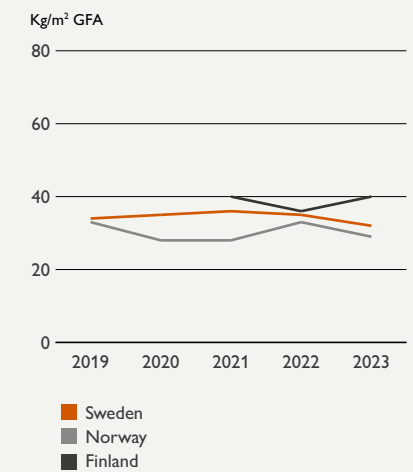


## Environment

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

**Outcome:** Sweden 32, Norway 29 and Finland 40 in 2023.

TOTAL AMOUNT OF CONSTRUCTION WASTE



## FOUR STRATEGY AREAS

# Strategy for sustainable value creation

*Using the business concept as a starting point and the vision as a guide, four strategy areas shape JM's path forward, with the corporate culture enabling the journey.*

JM generates value through project development - by optimizing customer value, revenues and costs through the acquisition of land on which to develop attractive residential areas and commercial premises.

The following pages describe the four strategy areas. The *financial* strategy covers both the asset and capital structure aspects. The *operational* strategy is key for JM's value creation,

while the strategy for *customer satisfaction* revolves around the customer experience. Finally, the *building rights* strategy covers JM's future operations.

Together with risk management, the focus on a long-term approach and sustainable value creation, which are inherent in JM's business concept and strategy, helps keep risk-taking in the business at a balanced level. Risk management is thus an integral part of the decision-making, and it is subject to strategic initiatives by the Board of Directors and executive management. Significant business and project decisions are analyzed with regard to both risks and opportunities.

### BUSINESS CONCEPT

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

### VISION

*We are laying the foundation for a better life.*

### COMPANY CULTURE

*The culture is characterized by good values, responsibility, a long-term approach, sustainability orientation and respect for individuals.*

### FINANCIAL STRATEGY

*Covers both the asset and capital structure aspects.*

### OPERATIONAL STRATEGY

*Key for JM's value creation.*

### STRATEGY FOR CUSTOMER SATISFACTION

*Places the customer experience at the center.*

### BUILDING RIGHTS STRATEGY

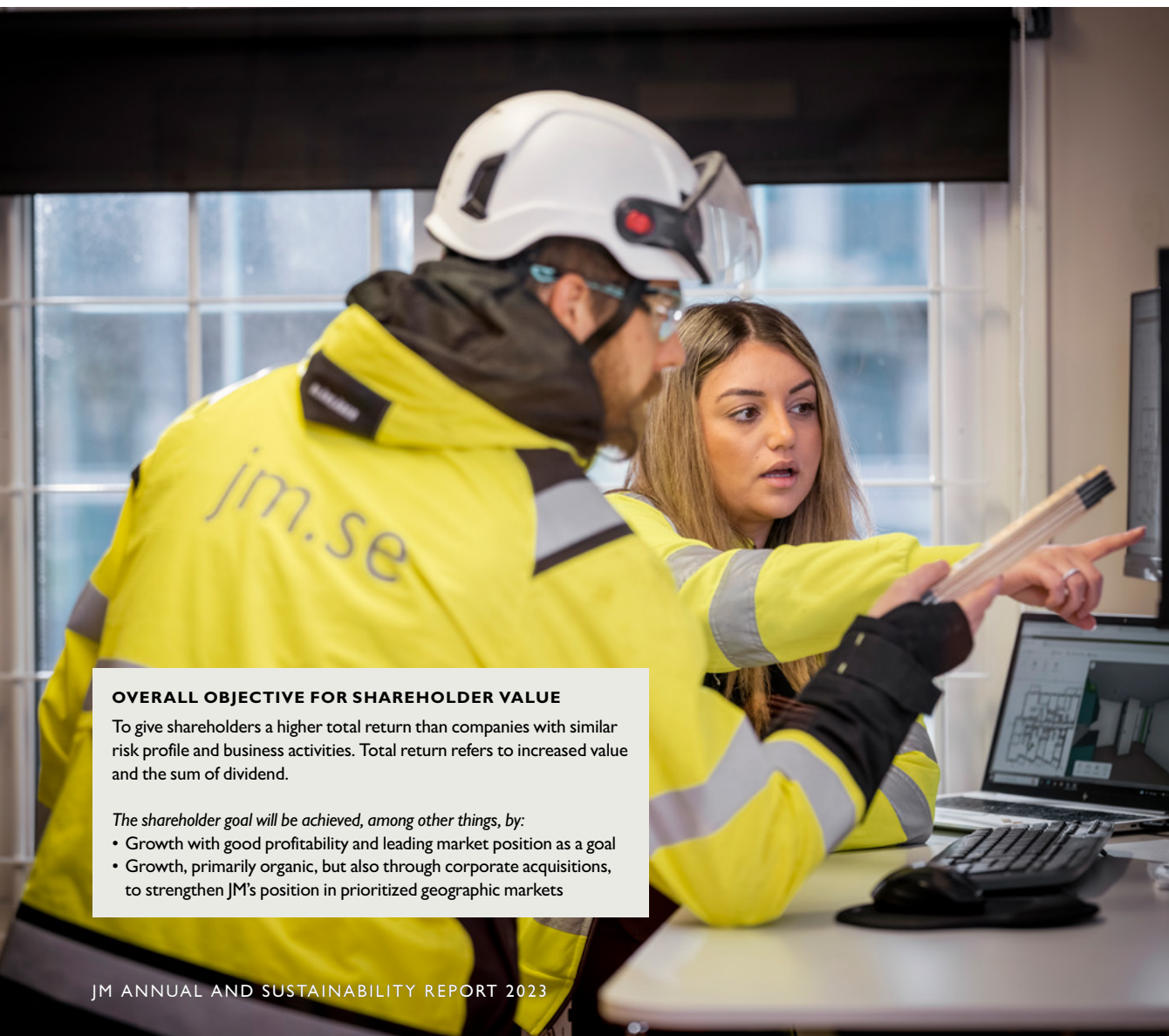
*Covers JM's future operations.*

## SAMPLE OF RISKS AND OPPORTUNITIES IN THE DIFFERENT PHASES OF PROJECT DEVELOPMENT

| Decision situation        | Risks                                                                                  | Opportunities                                                                                        |
|---------------------------|----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Land acquisition          | Customer demand<br>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                                                                                       |

## FINANCIAL STRATEGY

# Strong financial position



### OVERALL OBJECTIVE FOR SHAREHOLDER VALUE

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

*The shareholder goal will be achieved, among other things, by:*

- Growth with good profitability and leading market position as a goal
- Growth, primarily organic, but also through corporate acquisitions, to strengthen JM's position in prioritized geographic markets

*The strategy is based on capital efficiency as a fundamental starting point for long-term value creation.*

JM has good long-term conditions through a strong financial position that creates freedom of action. The goal for the return on equity is 25 percent over a business cycle. A clear focus lies on cash flow and effective utilization of the balance sheet as well as good risk control.

Cash flow from current projects and project properties is linked to the Group's lending and interest rate risk management, where credit agreements are secured by JM's good credit worthiness, meaning that no mortgage deeds are issued.

To maximize value creation, the capital structure considers that the business areas have different capital needs to meet specific risks. The risk capital needed given the liquidity aspects of different asset classes is analyzed on an ongoing basis. The capitalization model is based on assessed market values and

quantifies access to and need for venture capital in each of JM's operational areas.

Executive management and the Board of Directors uses the review of assessed capital needs and allocated risk capital to analyze JM's total capital need on an ongoing basis. This analysis, together with other qualitative aspects, serves as the basis for the Board of Director's decisions on an appropriate capital structure at any given time.

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 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.

To evaluate both each specific project's profitability and which projects should be prioritized, JM works with a number of investment analysis methods and criteria:

The weighted cost of capital (WACC) after tax for new projects amounts to 6.5–8.0 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 2-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 2 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 in both the evaluation criteria CAPM (Capital Asset Pricing Model) and IRR (Internal Rate of Return), amounts to around 8–10 percent.

**The return on shareholders' equity** for the 10-year period 2014–2023 was on average 23.1 percent, and for the 5-year period 2019–2023 on average 17.6 percent

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



## OPERATIONAL STRATEGY

# Efficient project development

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

JM has developed efficient processes for housing production and has experience in complex projects. Continuous analysis work prepares scenarios for how housing production best can be adapted to new needs and conditions.

JM should be the leading project developer of housing in the Nordic region – in terms of market position, product quality, and sustainability. Homes and neighborhoods should stand for at least 100 years. Every link in the value chain is

covered in JM's project development, from acquisition of land to the sale of the new home. In many cases, new city districts are created.

The skills to manage the links of the value chain are an important competitive advantage and crucial for successful value creation. Value grows as the 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 more than five years – and the project has been sold to buyers.

In order to be competitive across business cycles, the residential units must be attractive and of high quality and

produced cost efficiently. Processes and tools for this are compiled and governed within *structured project development*, JM's initiative for industrializing project development.

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 are the basis for product governance. Essential tools for JM's production employees are installation instructions and method descriptions that specify how the components are joined to create complete buildings and homes. Manufacturing and

delivery of components for JM's projects are guaranteed through long-term framework agreements with suppliers, and governance documents enable efficient and sustainable logistics flows.

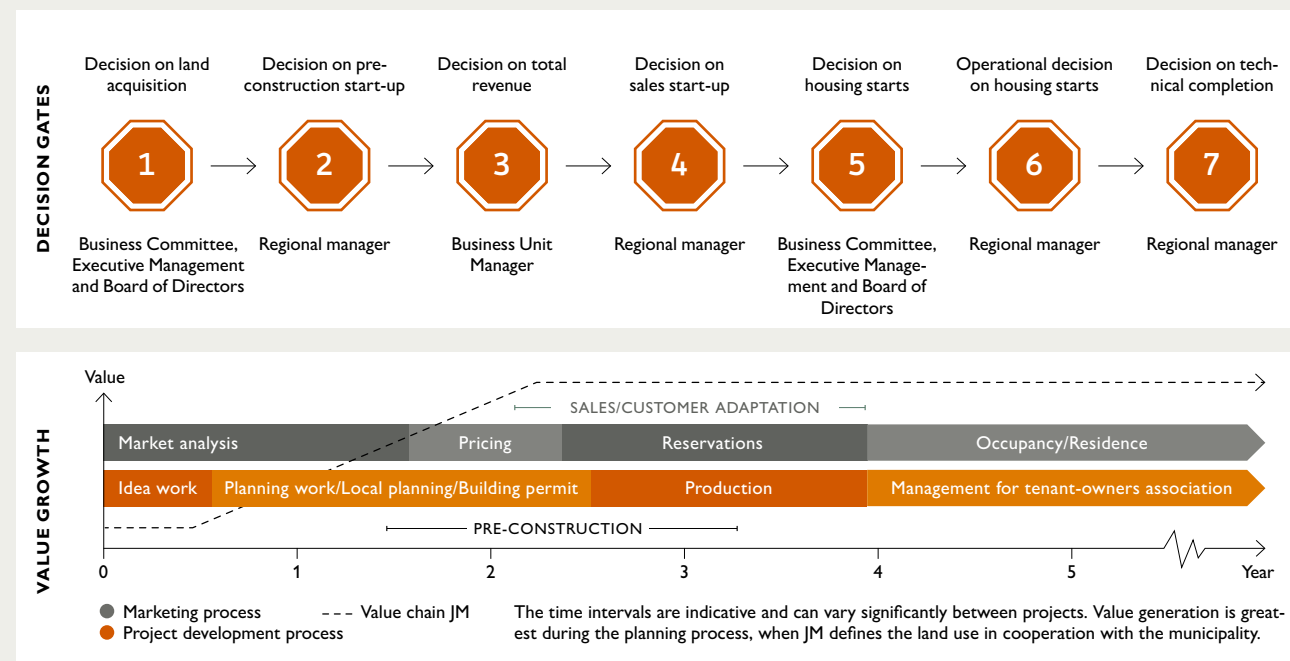
From the customer's initial contact with JM to occupancy, everything should work in a uniform manner, regardless where the residential unit is located. JM's residential business is described through continuously documented processes in the Group's business management system, which follows the international standard APQC (American Productivity & Quality Center).

JM works actively with its business and product development, presenting proposals based on studies or actual pilots at least four times a year. Employees also submit improvement suggestions that can lead to changes, either immediately or in the long term.

The focus of the development work in recent years has been on digitalization and sustainability. A, for JM, well-implemented method is Building Information Modeling (BIM). BIM and other systems have been developed to support pre-construction and strengthen information flows with drawings, working proce-

dures, checklists, etc. For customers there is a digital portal, My JM, that aims to provide access to all information related to the purchase of the home.

Within sustainability, development projects have resulted in, for example, climate-improved concrete in JM's standardized product, a new type of wooden outlet and that vehicles and machinery at construction sites are operated using renewable fuel and/or electricity. In addition, climate calculations must be carried out for all projects.



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 homebuyers 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 as follows:

- 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.
- 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 credit, in part using 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 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 process, from the agreement with the tenant-owners associations 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 fundamental issue of independence also serves as a basis for the tenant-owners associations, from both a legal perspective and an accounting perspective, being viewed as independent and thus a customer of JM. JM's business model is reflected in the Group's segment reporting, which JM considers to best reflect the nature of the business.

## STRATEGY FOR CUSTOMER SATISFACTION

# Customer as the guide

*The strategy is based on JM's business concept with people in focus and the vision to lay the foundation for a better life.*

Year after year, customers give JM high scores on housing quality, service and reliability. The key is responsiveness, and JM strives to understand how driving forces and global factors influence customers and which requirements and needs are important. JM regularly conducts customer surveys and invites customers to have a significant influence on their home, for example in the design or requests for services in the immediate area.

Newly produced homes from JM are adapted to how people live today and tomorrow. Since 2018, all new JM residential units are built in accordance with the requirements for Nordic Swan Ecolabel certification. JM has a clear focus on high quality and eco-compliant homes and workplaces, with high customer value in attractive locations.

Through JM's Customer School, all employees gain an understanding of how they can contribute to satisfied customers. The goal is a customer experience in a class of its own where JM will be the first choice for housing customers, both today and tomorrow.

An important aspect of the customer experience is showings and customer meetings. JM also offers showings, meetings and other services digitally. From the customer's initial contact with JM to occupancy, everything should work in a uniform manner, regardless where the residential unit is located. The same applies to the handling of fault reports and service and warranty activities after occupancy. The digital customer portal My JM gives customers access to all information related to the purchase of their home.

Customers can use JM's digital interior selection tool to browse the options available for their particular home. Customers who

would prefer not to make their own choices can use either in full or in part JM's specially prepared design lines.

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.

From a health perspective, the offer includes 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 technology in the home are fall sensors and heart monitoring.

Through the Deläga financing model, more customers have the opportunity to buy their home. As they can, the customer purchases JM's shares and gradually increases their ownership from an initial minimum of 50 percent.

**The trend is moving toward homes that are increasingly adapted to individual needs and where people find themselves in life. Therefore, JM offers three different housing concepts with the same high quality:**

1. 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.
2. Original is JM's classic concept that fits a broad customer group. The concept offers functional and comfortable housing with high quality and the possibility of choosing options.
3. Premium is for those who want to have a tailored home that features exclusive design, materials and equipment. Increased service is included for help with interior design and advice on legal and financial matters.



**It is important that JM, as one of the Nordic region's leading housing developers, offers a range of tenures:**

1. A tenant-owned unit means membership and ownership in a tenant-owner association, which owns the property and the land.
2. The freehold unit is a common tenure for single-family homes that JM has offered for a long time. There are also freehold apartments, which means the buyer becomes the legal owner of the apartment, with full freedom to rent it out. Parts of the building are owned jointly by the residents and managed by a joint ownership association.
3. A rental unit means there are no requirements on cash deposits or financial risk. This also means limited possibilities for renovation and no right to any increases in value.

## BUILDING RIGHTS STRATEGY

# Foundation of JM's business

*The strategy is based on the concept that acquisition of developable land, and thus the possibility for building rights, is the basis for long-term profitability.*

Building rights are foundation of JM's business. JM is continuously acquiring land, with or without building rights, to enable refinement into attractive homes or commercial premises. The strategy is that land is acquired at the same rate as land is taken up for production.

Land that comes with building rights is recognized as development properties in the balance sheet when JM takes over control of the land. The benchmark for the number of building rights in the balance sheet is five years of production based on current production rate calculated on a rolling twelve-month basis.

At the start of production for each phase, the land with building rights is transferred with its carrying amount to the project and included in the project's costs. The projects have a high launch rate, implementation and sales, with efficient project financing along the way. The projects should consist of primarily residential units and commercial premises developed in-house, or existing ones that can be developed through conversion or concentration. The value is realized through sales or, in some cases, exchange transactions.

A great deal of insight into customers, and their needs and demand, is required in order to make appropriate investments in land and building rights. JM is well-positioned with a building rights and project portfolio that is refined on an ongoing basis, and building rights are available in both the traditional strong housing markets and in new emerging ones.

### CONTENTS OF THE BUILDING RIGHTS PORTFOLIO

- Building rights in the balance sheet, 22,700 (22,000), corresponding to approximately seven years of production at the current rate of production
- Building rights available through conditional acquisitions or cooperation agreements, 16,400 (17,500). In most cases, JM has the opportunity to decide both whether and when to acquire land.

Mellsteninheimi, Espoo

## PRODUCT PORTFOLIO

# From building right to project development

*JM acquires vacant or built land that is developed into attractive residential units or commercial premises, which also means creating new districts.*

JM's operations primarily focus on new production of homes, with the main focus on expanding metropolitan areas and university towns. Acquired building rights in Sweden, Norway and Finland enable project development – improvement of land. In total, JM started production on 1,609 residential units in 2023. The following pages describe each market.

### MAJOR COMPETITORS, PRIVATE HOUSING MARKET

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

<sup>1)</sup> Capital region

### Project development

Project development primarily targets continuous and long-term residential production (with rental, tenant-owned, or freehold tenure), including housing for students, young adults and seniors. Property management activities are performed within JM@home, primarily for tenant-owners associations, and meet customers' needs for both technical and financial management. 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.

Project development also includes commercial properties, such as residential care and office premises. JM's residential properties often have shops and restaurants on the ground floor, which helps create vibrant environments and residential blocks.

The production of both residential units and commercial properties in the greater Stockholm area utilizes JM's contracting operations for groundworks and civil engineering work.

| RESIDENTIAL CONSTRUCTION – NUMBER OF HOUSING STARTS |        |        |        |
|-----------------------------------------------------|--------|--------|--------|
| Country                                             | 2023   | 2022   | 2021   |
| Sweden                                              | 24,100 | 56,700 | 67,600 |
| Norway                                              | 22,800 | 29,900 | 30,100 |
| Finland                                             | 24,500 | 38,000 | 47,300 |

Source: The statistics agency in each country, compiled by WSP Advisory. Figures for 2023 are preliminary and will be finalized during the spring of 2024.

### JM's SOLD RESIDENTIAL UNITS

| Country      | 2023         | 2022         | 2021         |
|--------------|--------------|--------------|--------------|
| Sweden       | 1,067        | 1,673        | 2,747        |
| Norway       | 488          | 527          | 674          |
| Finland      | 346          | 459          | 827          |
| <b>Total</b> | <b>1,901</b> | <b>2,659</b> | <b>4,248</b> |

### JM's HOUSING STARTS

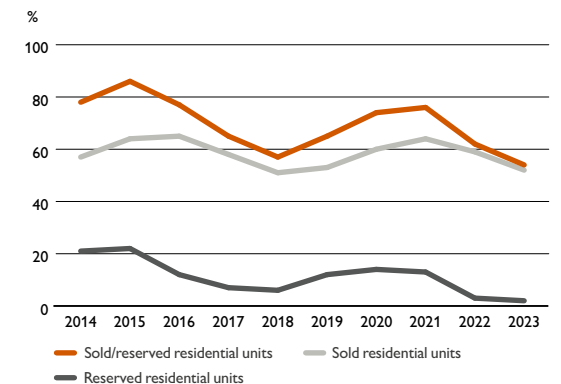
| Country      | 2023         | 2022         | 2021         |
|--------------|--------------|--------------|--------------|
| Sweden       | 829          | 1,909        | 2,671        |
| Norway       | 405          | 605          | 636          |
| Finland      | 375          | 599          | 665          |
| <b>Total</b> | <b>1,609</b> | <b>3,113</b> | <b>3,972</b> |

### JM's RESIDENTIAL UNITS IN CURRENT PRODUCTION

|                                                                                                                                                                                                                                     | 12/31/2023 | 12/31/2022 | 2021-12-31 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|
| Number of residential units in current production <sup>1)2)</sup>                                                                                                                                                                   | 6,033      | 8,078      | 8,094      |
| Percentage of sold residential units in current production, % <sup>3)</sup>                                                                                                                                                         | 52         | 59         | 64         |
| Reserved residential units in current production, %                                                                                                                                                                                 | 2          | 3          | 13         |
| Sold/reserved residential units in current production, %                                                                                                                                                                            | 54         | 62         | 76         |
| <sup>1)</sup> Of which rental units and residential care units in current production in JM Property Development                                                                                                                     | 662        | 507        | 484        |
| <sup>2)</sup> Of which rental units and residential care units not intended for sale in current production in JM Property Development – not included in the percentage of sold and reserved residential units in current production | 444        | –          | –          |

<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



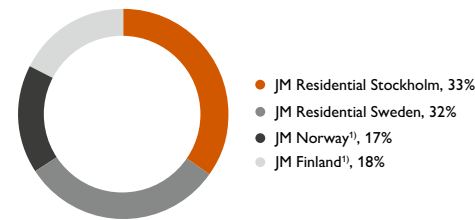
## Building rights

Building rights are a prerequisite for being able to start project management. Developable land with buildings rights for future production is reported in the consolidated balance sheet as development property. Planned residential units are located in both traditionally strong housing markets and new emerging markets.

## Valuation

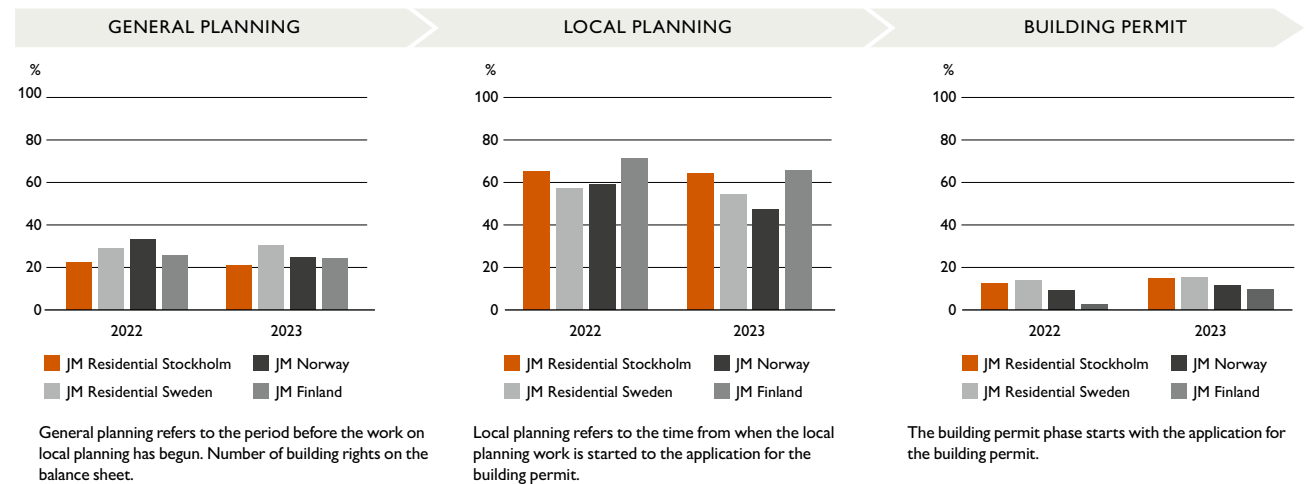
Based on an assumed sales price for actual cash values, the value of JM's building rights and project properties were appraised at the end of the year in collaboration with an external appraisal company. The appraisal of project properties is based on cash flow analyses from simulated future income and expenses using common appraisal practice. The appraisal of building rights is based on location, attractiveness, scope and type of building planned, the stage in the planning process, and the time remaining until the housing start. The appraisal of building rights with older existing buildings that generate net rental income is based on current rental revenue and future use, taking costs for possible demolition into account. Conditional building rights are not included.

GEOGRAPHIC DISTRIBUTION OF BUILDING RIGHTS



<sup>1)</sup> Majority are in each capital region

BREAKDOWN OF JM's BUILDING RIGHTS INTO DIFFERENT PHASES OF THE PLANNING PROCESS

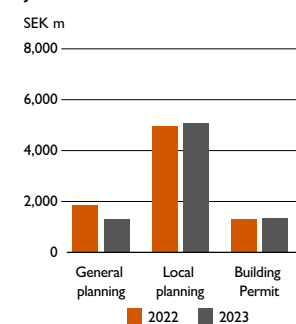


## DEVELOPMENT PROPERTIES (HOUSING)

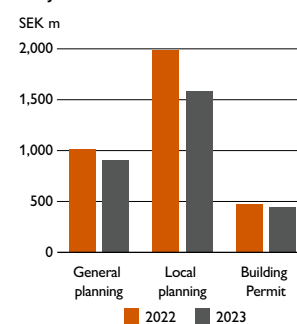
| SEK bn                   | 12/31/2023   |                 |               | 12/31/2022   |                 |               |
|--------------------------|--------------|-----------------|---------------|--------------|-----------------|---------------|
|                          | Market value | Carrying amount | Surplus value | Market value | Carrying amount | Surplus value |
| JM Residential Stockholm | 7.8          | 4.1             | 3.7           | 8.2          | 4.0             | 4.1           |
| JM Residential Sweden    | 2.9          | 1.9             | 1.0           | 3.5          | 2.3             | 1.2           |
| JM Norway                | 1.9          | 1.3             | 0.5           | 1.9          | 1.1             | 0.9           |
| JM Finland               | 1.5          | 1.1             | 0.4           | 1.6          | 1.1             | 0.5           |
| <b>Total</b>             | <b>14.1</b>  | <b>8.5</b>      | <b>5.6</b>    | <b>15.2</b>  | <b>8.5</b>      | <b>6.7</b>    |

| PROJECT PROPERTIES               | 12/31/2023          |                        |                           | 12/31/2022                    |                        |  |
|----------------------------------|---------------------|------------------------|---------------------------|-------------------------------|------------------------|--|
|                                  | 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     | 1,055               | 1,024                  | 27                        | 91                            | 908                    |  |
| Completed rental unit properties | –                   | –                      | –                         | –                             | –                      |  |
| Completed commercial properties  | 14                  | 6                      | 1                         | 100                           | 24                     |  |
| <b>Total</b>                     | <b>1,069</b>        | <b>1,030</b>           | <b>28</b>                 | <b>91</b>                     | <b>932</b>             |  |

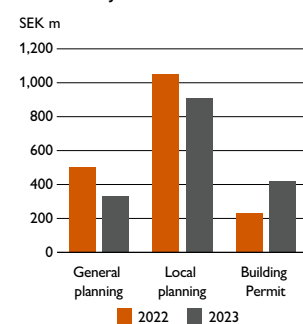
MARKET VALUE RESIDENTIAL BUILDING RIGHTS JM RESIDENTIAL STOCKHOLM



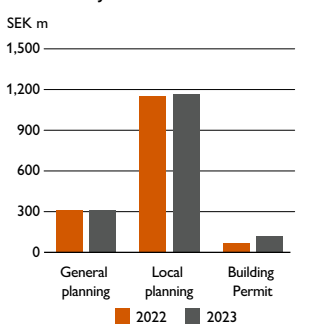
MARKET VALUE RESIDENTIAL BUILDING RIGHTS JM RESIDENTIAL SWEDEN



MARKET VALUE RESIDENTIAL BUILDING RIGHTS JM NORWAY



MARKET VALUE RESIDENTIAL BUILDING RIGHTS JM FINLAND



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 the building permit.

### Sensitivity analysis of the building right portfolio

In a sensitivity analysis of JM's 22,700 building rights recognized in the balance sheet, the present value of future expected cash flows from building rights is calculated using various average revenue and expense assumptions. The calculations are not a forecast.

The building rights (not including conditional building rights) are assumed to be evenly distributed over ten years of production time. A residential unit is assumed to be 75 square meters, the assumed tax expense is 21.0 percent, and the discount rate after tax is 7.8 percent. Inflation has not been considered. The calculation includes both the tax charged and the deduction effect from historic land investment of SEK 8,496m.

The tables show assumed revenue, including loans in tenant-owners associations, and cost per square meter of apartment area. The leverage effect in value creation depending on the ability to manage both revenue and expenses effectively is evident, as is the impact of the general trend on housing prices.

#### SENSITIVITY ANALYSIS, PRESENT VALUE IN SEK m FOR JM's BUILDING RIGHTS PORTFOLIO FOR HOUSING

| Revenue/m <sup>2</sup> , SEK <sup>1)</sup>      | 55,000 | 56,000 | 57,000 | 58,000 | 59,000 |
|-------------------------------------------------|--------|--------|--------|--------|--------|
| <b>Cost/m<sup>2</sup>, SEK <sup>1) 2)</sup></b> |        |        |        |        |        |
| <b>40,000</b>                                   | 14,400 | 15,300 | 16,200 | 17,100 | 18,000 |
| <b>41,000</b>                                   | 13,500 | 14,400 | 15,300 | 16,200 | 17,100 |
| <b>42,000</b>                                   | 12,600 | 13,500 | 14,400 | 15,300 | 16,200 |
| <b>43,000</b>                                   | 11,700 | 12,600 | 13,500 | 14,400 | 15,300 |
| <b>44,000</b>                                   | 10,800 | 11,700 | 12,600 | 13,500 | 14,400 |

<sup>1)</sup> Excluding VAT

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

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

| Revenue/m <sup>2</sup> , SEK <sup>1)</sup>      | 55,000 | 56,000 | 57,000 | 58,000 | 59,000 |
|-------------------------------------------------|--------|--------|--------|--------|--------|
| <b>Cost/m<sup>2</sup>, SEK <sup>1) 2)</sup></b> |        |        |        |        |        |
| <b>40,000</b>                                   | 223    | 237    | 251    | 265    | 279    |
| <b>41,000</b>                                   | 209    | 223    | 237    | 251    | 265    |
| <b>42,000</b>                                   | 195    | 209    | 223    | 237    | 251    |
| <b>43,000</b>                                   | 181    | 195    | 209    | 223    | 237    |
| <b>44,000</b>                                   | 167    | 181    | 195    | 209    | 223    |

<sup>1)</sup> Excluding VAT

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

### Conditional building rights

It is normally not possible to sell the 16,400 conditional building rights, and the agreements have different periods of validity depending on the pre-conditions and agreement structure. Despite this, they constitute secured continuation for JM's ongoing addition of building rights to be taken into production. With the conditional agreements as a basis, an implicit net present value can be calculated for future cash flows in the conditional part of the building rights portfolio.

Normally, JM pays for conditional building rights in conjunction with the local planning gaining final approval. They are then recognized as building rights for development properties in the balance sheet. The acquisition price is based on the market value at the time the terms of the agreement are met and the transfer occurs.

The net present value after tax for the conditional building rights portfolio amounts to SEK 4.3bn (4.5) at a discount rate of 7.8 percent. This is based on assumptions that it is taken into production over a period of ten years, meets the target requirement of 12 percent operating margin, and that the acquisition value for the building rights approximately corresponds to the current average market value in the balance sheet. This is an

implicit market value assuming that the projects can be implemented operationally.

### Sensitivity analysis of costs for project development

In order to reflect the Group's propensity for change in total cost for a project, a sensitivity analysis was prepared that shows an effect on earnings per cost category given a change of +/- 10%.

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 that costs for subcontracts is the single largest expense item where a change has the largest effect on earnings.



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

| Category          | 2023                           |           |               | 2022             |
|-------------------|--------------------------------|-----------|---------------|------------------|
|                   | Share of cost, % <sup>1)</sup> | Change, % | Effect, SEK m | Share of cost, % |
| Salaries/wages    | 16                             | +/-10     | +/-157        | 14               |
| Materials         | 17                             | +/-10     | +/-174        | 17               |
| Land              | 13                             | +/-10     | +/-128        | 10               |
| Developer's costs | 7                              | +/-10     | +/-71         | 9                |
| Pre-construction  | 4                              | +/-10     | +/-44         | 4                |
| Overhead          | 7                              | +/-10     | +/-74         | 8                |
| Subcontracting    | 36                             | +/-10     | +/-368        | 38               |

<sup>1)</sup> Share of cost base for residential project development, SEK 10.2bn.

## SWEDISH MARKET

# Weak economy with negative growth

*JM has been active on the Swedish market since 1945. In 2023, JM sold 1,067 residential units in Sweden, which corresponded to approximately 56 percent of the Group's total number of sold residential units.*

The Swedish economy was characterized by a downturn in 2023 at the same time as the Riksbank increased the interest rate due to high inflation.

GDP fell by around 0.5 percent due to a fall in household consumption, decreased investments, and a large reduction in inventory, primarily within retail. Housing investments, which began to fall in 2022, continued to fall rapidly in 2023. However, strong growth in service exports helped offset the fall in GDP.

Despite the weak economy, inflation has been high, which led the Riksbank to continue to raise the key rate in 2023 and implement a total of four increases during the year. At the start of the year, the interest rate was 2.5 percent, and at the end of the year 4.0 percent.

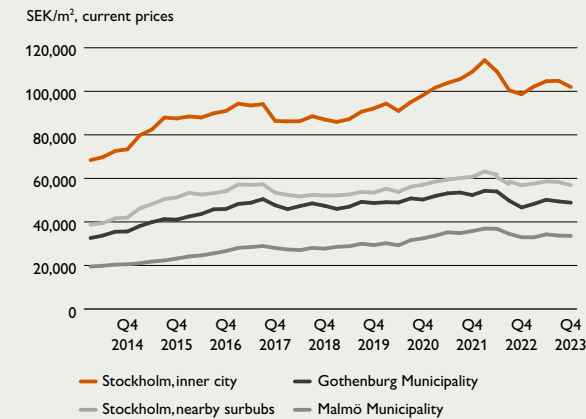
The labor market resisted the weak demand for a long time, but in the fall employment finally started to fall.

The construction industry was hit particularly hard in 2023 due to high interest rates, high construction costs, and weak development in housing prices. Housing demand and production fell sharply, and the number of housing starts is estimated to have fallen by more than 50 percent in 2023 compared to in 2022.

After the sharp drop in 2022, housing prices moved laterally in 2023. This applied primarily to prices for tenant-owned units. Prices of single-family homes continued to fall at the beginning of 2023 but stabilized at the end of the year.

Net sales of newly produced tenant-owned units fell to very low levels in 2023. Newly produced units sold in Sweden in 2023 corresponded to 40 percent of net sales in 2022.

**Prices of tenant-owned units in Sweden's metropolitan areas over the past 10 years**



Source: Mäklarstatistik. Compiled by WSP Advisory.

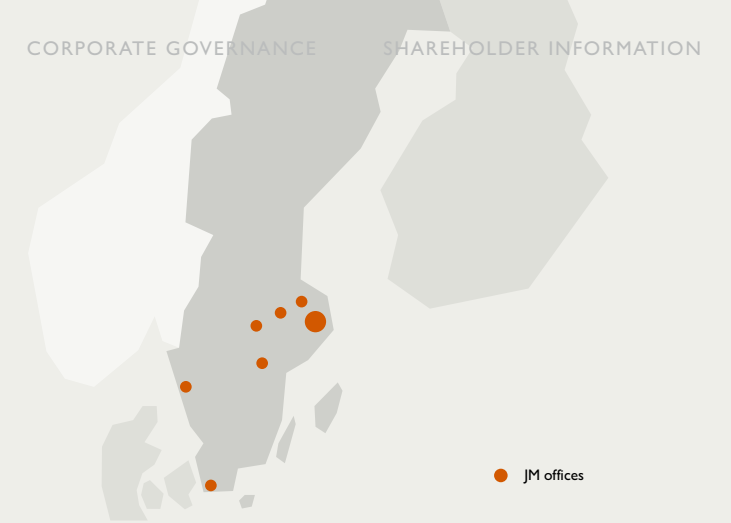
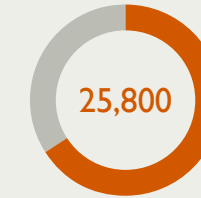
| Sweden                                    | 2023   | 2022   | 2021   |
|-------------------------------------------|--------|--------|--------|
| Number of housing starts <sup>1)</sup>    | 24,100 | 56,700 | 67,600 |
| JM's sold residential units               | 1,067  | 1,673  | 2,747  |
| JM's housing starts                       | 829    | 1,909  | 2,671  |
| Number of employees, share of Group       | 78%    | 77%    | 78%    |
| Number of building rights, share of Group | 66%    | 65%    | 64%    |

<sup>1)</sup> Source: National bureau of statistics in each country, compiled by WSP Advisory. Figures for 2023 are preliminary and will be finalized during spring of 2024.

REVENUE  
Share of Group



BUILDING RIGHTS  
Share of Group



● JM offices



### Kvarnholmens Udde

On the south side of Kvarnholmen, next to the entrance to Stockholm's harbor and with a view of Svindersviken bay, JM is building approximately 430 residential units next to the water and close to the archipelago.



### Lomma Strandstad

At Lomma Strandstad, next to Öresund bay and close to a sand beach, restaurants and a marina, JM is developing the blocks Rigen and Flaggspellet, consisting of approximately 125 residential units.

## NORWEGIAN MARKET

# Some growth despite economic slowdown

*JM has been active on the Norwegian market since 1998. In 2023, JM sold 488 residential units in Norway, which corresponded to approximately 26 percent of the Group's total number of sold residential units.*

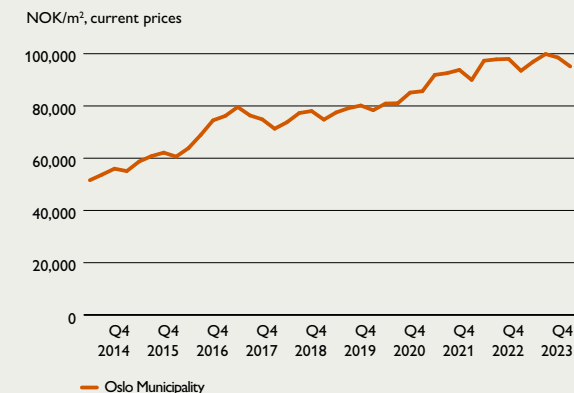
Norway showed more resilience than Sweden in 2023. The economy in Norway slowed, but growth was still positive with strong demand in the oil sector holding up economic growth. GDP for the country as a whole increased by 1.5 percent, and mainland GDP by approximately 1 percent. However, growth was dampened, primarily due to decreased housing investments and lower consumption by households, which were affected by weakened buying power as a result of higher interest rates and rising prices.

The labor market weakened marginally during the year as unemployment rose slightly. However, a clear downturn was observed primarily within the construction sector, but the level at the end of 2023 was still low at the same time as the employment rate was very high. A high employment rate and low unemployment rate meant that the total number of employed in 2023 was the highest ever recorded in Norway.

Inflation measured as KPI was high in the first half of 2023 but fell in the second half. However, underlying inflation was at a high level throughout the year. Norway's central bank, unlike the Swedish central bank, chose to raise the key rate at the end of the year with the motivation that, despite a cool-down in the economy, inflation was still high and another increase would reduce the risk that high inflation would persist. At the start of the year, the key rate was 2.75 percent, and at the end of the year 4.50 percent.

Prices on the existing home market stood basically still in most markets in Norway. Residential construction has fallen sharply, though, for both the number of completed residential units and the number of housing starts.

## Apartment prices in Oslo over the past 10 years



Source: National bureau of statistics. Compiled by WSP Advisory.

| Norway                                    | 2023   | 2022   | 2021   |
|-------------------------------------------|--------|--------|--------|
| Number of housing starts <sup>1)</sup>    | 22,800 | 29,900 | 30,100 |
| JM's sold residential units               | 488    | 527    | 674    |
| JM's housing starts                       | 405    | 605    | 636    |
| Number of employees, share of Group       | 14%    | 15%    | 15%    |
| Number of building rights, share of Group | 16%    | 18%    | 22%    |

<sup>1)</sup> Source: National bureau of statistics in each country, compiled by WSP Advisory. Figures for 2023 are preliminary and will be finalized during spring of 2024.

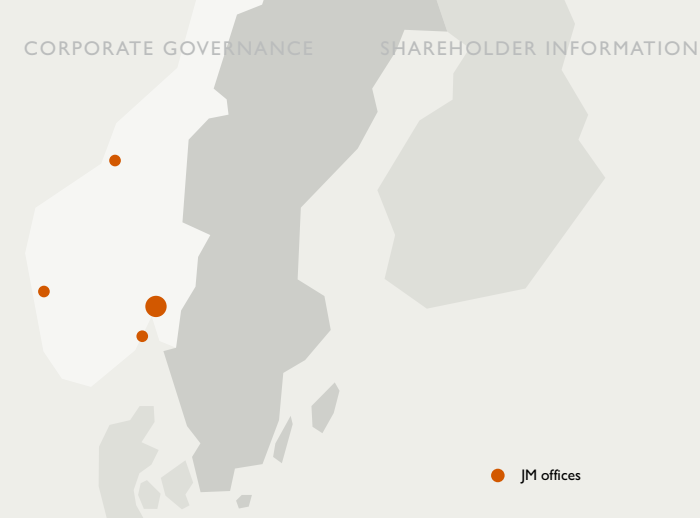
## REVENUE

Share of Group



## BUILDING RIGHTS

Share of Group



## Skogsåsen, Myrvoll Stasjon

Skogsåsen offers 146 townhouses and 46 apartments in a family-friendly area surrounded by lush greenery 20 km outside of Oslo. The area is part of JM's Myrvoll Stasjon project with a total of 680 JM residential units.



## Utfarten

Utfarten sits on a sunny plot with a view less than 10 minutes by car from downtown Lillestrøm just outside of Oslo at Fjerdingby in Rælingen. Here, JM is building 142 residential units next to the ski resort Marikollen.

## FINNISH MARKET

# Negative growth and rising unemployment

*JM has been active on the Finnish market since 2006. In 2023, JM sold 346 residential units in Finland, which corresponded to approximately 18 percent of the Group's total number of sold residential units.*

The Finnish economy was subject to multiple disruptions in the past few years, and in 2023 it once again sank into a recession. The high level of interest rates due to the European central bank's efforts to fight inflation hit Finland hard at the same time as weak global demand had a negative impact on exports. GDP decreased by around 0.5 percent in 2023, primarily due to decreased demand from households and lower private investments.

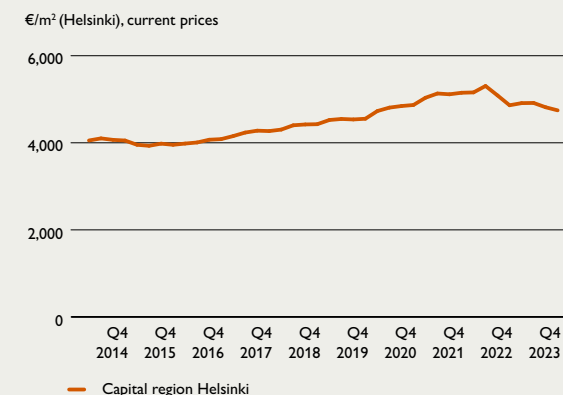
In the second half of 2022, private investments decreased sharply due to high inflation, rising interest rates, and greater economic uncertainty. Primarily, the outlook for housing construction declined rapidly. This development continued in 2023.

Due to the weak economy, the labor market weakened in 2023, which resulted in higher unemployment. Despite this, the labor market was relatively strong due to a labor shortage in many areas. In addition, the number of worked hours per employee has fallen for several years, which has meant higher demand for labor.

Households' buying power weakened in 2023 as result of falling real wages, high inflation and high interest rates. This led to weak demand for housing and a significant decrease in housing construction during the year. The same applied to building permission and housing starts. Higher interest rates on mortgages meant that demand for new mortgages decreased sharply, and households were significantly less willing to take out loans.

After the sharp drop in 2022, housing prices in Finland moved mostly laterally in 2023. The number of sold new residential units was at a record-low level, as was households' confidence in their own finances and the Finnish economy.

## Apartment prices in Helsinki over the past 10 years



Source: National bureau of statistics. Compiled by WSP Advisory.

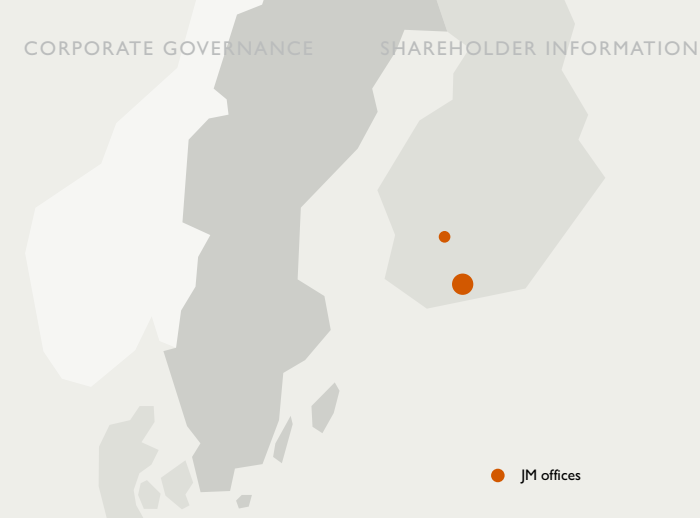
| Finland                                   | 2023   | 2022   | 2021   |
|-------------------------------------------|--------|--------|--------|
| Number of housing starts <sup>1)</sup>    | 24,500 | 38,000 | 47,300 |
| JM's sold residential units               | 346    | 459    | 827    |
| JM's housing starts                       | 375    | 599    | 665    |
| Number of employees, share of Group       | 8%     | 8%     | 7%     |
| Number of building rights, share of Group | 18%    | 17%    | 14%    |

<sup>1)</sup> Source: National bureau of statistics in each country, compiled by WSP Advisory. Figures for 2023 are preliminary and will be finalized during spring of 2024.

REVENUE  
Share of Group



BUILDING RIGHTS  
Share of Group



● JM offices



### Mäntylänhuippu

Mäntylänhuippu consists of 130 residential units distributed across 16 floors and is one of the 13 buildings JM will build on the site that forms a new residential area in Puustellinhuippu, which is in Läppävaara, Espoo.



### Paviljonki

Paviljonki's 34 residential units are distributed between two apartment buildings, with an attractive location in the established residential area Södra Haaga in Helsinki, where the production of new homes is rare.



# Sustainability Report

*JM's role in society is important and self-evident – housing contribute to fulfilling one of humankind's most fundamental needs. Through the urban districts it develops, JM can create more sustainable living environments and provide conditions for living more sustainably. It is the employees who make this possible, and for them JM should be an attractive and responsible employer.*

The construction and engineering industry represents a significant share of carbon emissions. As a leading housing developer in the Nordic region with the ambition to be a leader also in sustainability, JM bears a great responsibility. Not just to reduce its own emissions, but also to require and inspire suppliers to reduce emissions and to be a responsible employer for their employees.

Environmental, social and economic sustainability are integral parts of JM's housing and urban development operations. JM considers sustainability throughout its entire project development value chain – from the acquisition of land to customers moving in to their Nordic Swan Ecolabelled homes.

The sustainability report for 2023 describes JM's sustainability goals, how these goals will be achieved, and some of the key initiatives during the year.

# Sustainability strategy

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

JM's sustainability policy describes the company's views on economic responsibility, social responsibility, quality and the environment. The CEO, along with the head of sustainability, is responsible for preparing the sustainability policy, which is available on the intranet for all employees. JM describes on its website what the company is doing in the area of sustainability.

JM's strategy focuses on the areas where the largest difference can be made at the same time as work is planned in all areas that will be key for achieving the goals. A large portion of JM's carbon emissions comes from the construction process and the materials, which is why initiatives to reduce these emissions are key. JM is also working actively with how to create conditions for living more sustainably in the buildings and residential units the company builds. This provides customers with the possibility of contributing 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, the code of conduct, the employee policy, the equality plan and skills development procedures. All significant policies are adopted annually by the Board of Directors. The policies are implemented in JM's business management 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 follow-up of compliance with policies, guidelines and instructions.

JM also performs systematic HR work, which entails annual performance reviews. These are supplemented with employee surveys, which provide overall assessments at the group level of how people perceive various aspects, for example governance, management and the work environment.

Truly successful sustainability work also requires collaboration between a number of different actors. JM therefore participates actively in different initiatives, both within and outside of the construction sector. For example, JM has signed the Construction and Engineering Sector's roadmap for a climate-neutral value chain in the construction and engineering sector in Sweden. In addition, JM is involved in different organizations and associations, such as

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

# 7%

Decrease in CO<sub>2</sub> emissions per m<sup>2</sup> built in JM Sweden in 2023.



# 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. Selection of target areas has been based on the results from a materiality analysis; see page 37. Each target area has long-term and short-term goals for the years 2021–2023.

| Target area                  | JM's contribution to society                                                                                                                              | Long-term goal 2030                                                                                                                                                                | Operational goal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Performance 2023                                                                                                              | Performance 2024                                                                                                              | UN sustainability goals |
|------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Climate                      | <p>Contribute to a society with a small climate impact.</p> <p>Contribute to greater resource efficiency and reduced environmental impact in society.</p> | <p>JM should have climate-affecting emissions close to zero.</p> <p>JM should reduce its total amount of construction waste to max 15 kg/GFA by 2030.</p>                          | <p>Reduce total amount of construction waste to 25 kg/GFA by 2023. Sweden (S), Norway (N), Finland (F).</p> <p>Increase the percentage of construction waste that is sorted into fractions for recycling to 80% by 2023. Sweden (S), Norway (N), Finland (F).</p> <p>Reduce greenhouse gas emissions from JM's own operations by 20% in 2023 compared to 2020. <sup>1) 2)</sup></p> <p>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).</p> | <p>32 (S)<br/>29 (N)<br/>40 (F)</p> <p>82% (S)<br/>89% (N)<br/>83% (F)</p> <p>–16%</p> <p>27% (S)<br/>31% (N)<br/>17% (F)</p> | <p>35 (S)<br/>33 (N)<br/>36 (F)</p> <p>76% (S)<br/>83% (N)<br/>83% (F)</p> <p>–14%</p> <p>19% (S)<br/>34% (N)<br/>15% (F)</p> | <br><br>                |
| Employees                    | <p>Develop a workplace with an inclusive, good and safe work environment.</p> <p>Develop a workplace characterized by equality and diversity.</p>         | <p>JM should have the industry's best work environment and no workplace accidents.</p> <p>JM should work toward an even gender distribution and diversity among its employees.</p> | <p>No serious (according to the definition by national work environment authority) accidents with either own staff or subcontractors.</p> <p>Even gender distribution among salaried employees (at least 40/60 women/men) by 2030.</p> <p>20% women among wage-earners by 2030.</p>                                                                                                                                                                                                                                                                        | <p>11</p> <p>38/62</p> <p>7%</p>                                                                                              | <p>11</p> <p>39/61</p> <p>8%</p>                                                                                              | <br><br><br>            |
| Suppliers                    | <p>Work to strengthen labor law, human rights, anti-corruption efforts and environment responsibility in society.</p>                                     | <p>JM promotes social responsibility in its operations and supply chain.</p>                                                                                                       | <p>Conduct at least four sustainability audits at our construction sites and in the supplier chain.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>4</p>                                                                                                                      | <p>4</p>                                                                                                                      |                         |
| Customers                    | <p>JM has the industry's most satisfied customers.</p>                                                                                                    | <p>JM has the industry's most satisfied residential customers.</p>                                                                                                                 | <p>The industry's most satisfied customers according to CSI Occupancy: <sup>3)</sup> Index/placement, Sweden (S), Norway (N), Finland (F).</p> <p>CSI Long-term: Index Sweden (S), Norway (N), Finland (F).</p>                                                                                                                                                                                                                                                                                                                                            | <p>78 / 3rd (S)<br/>79 / 1st (N)<br/>71<sup>4)</sup> (F)</p> <p>74 (S)<br/>65 (N)<br/>75 (F)</p>                              | <p>79 / 2nd (S)<br/>77 / 3rd (N)<br/>77<sup>4)</sup> (F)</p> <p>68 (S)<br/>72 (N)<br/>58 (F)</p>                              | <br>                    |
| Long-term sustainable growth | <p>Conduct long-term responsible and stable housing development.</p>                                                                                      | <p>JM has long-term and ethically sound financial growth that contributes to the increased welfare of society.</p>                                                                 | <p>Operating margin should amount to least 12%, including gains/losses from property sales.</p> <p>Long-term growth in number of housing starts.</p> <p>JM's building rights portfolio has at least five years of production.</p>                                                                                                                                                                                                                                                                                                                          | <p>5.3%</p> <p>–48%</p> <p>7</p>                                                                                              | <p>12.6%</p> <p>–22%</p> <p>7</p>                                                                                             | <br>                    |

In addition to the Group goals in the table to the right, there are sub-goals and other detailed targets related to productivity, innovation, quality and processes for internal control. Sverige (S) Norge (N) Finland (F). See pages 41–43 for additional KPIs and information about calculation methods.

<sup>1)</sup> JM's base year is 2020, hence the change from the previous year.

<sup>2)</sup> Own operations refer to scope 1 and 2, which is why emissions from scope 3 have been excluded in this year's report.

<sup>3)</sup> Customer Satisfaction Index (CSI). The survey is conducted by Prognoscentret, an independent market analysis company that focuses on the construction industry in the Nordic region.

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

## TARGET AREA

# Climate



*Sustainability is a natural part of both structured project management – JM's initiative to industrialize project development – and JM's standardized components. JM consistently conducts pilot projects and implements improvement measures in the operations.*

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

*Reduce emissions by 85 percent from 2022 to 2030*

JM's goal is to reduce emissions to close to zero by 2030, which is estimated to be an emissions level of around 15 percent. It is therefore JM's ambition to reduce climate-affecting emissions by as much as 85 percent in only a few years. The focus is on

decreasing own emissions along the entire value chain. For example, the energy use in Swedish JM-homes has been reduced by around 40 percent since 2008.

All of the solutions that are needed to be able to go all the way down to 15 percent are not yet in place. JM is therefore actively participating in research and development in the area. One thing that gives 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, the assessment is that it will be possible to reduce emissions at an increasing rate through 2026.

### Material is the big challenge

Up to 2026, the focus will be on emissions from material manufacturing, particularly concrete. This will require rapid progress in the concrete industry's work with climate-neutral concrete.

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. Pre-studies and pilots that

JM is conducting related to the use of wood in construction look promising.

JM is continuing to use climate-improved concrete that is cast in place for all projects in Sweden, which decreases emissions.

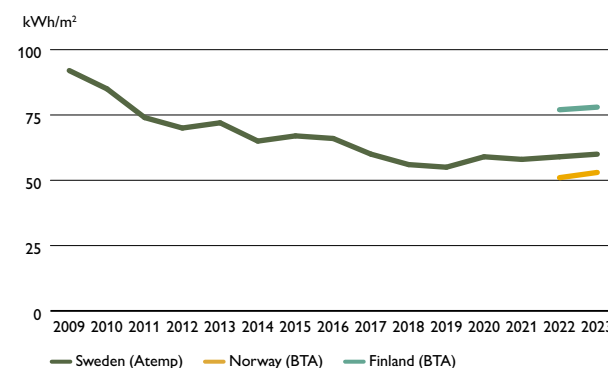
To achieve the climate goal, JM needs to collaborate with material suppliers. During the year, JM identified the suppliers that have the greatest impact on JM's climate impact.

EMISSIONS FROM THE CONSTRUCTION PROCESS



- Material production, 85 %
- Transports, 9 %
- Construction stage, 6 %

NEWLY PRODUCED JM-HOMES' ESTIMATED ENERGY CONSUMPTION  
excluding domestic/commercial electricity



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 JM's housing projects completed each year. The calculated energy use in Swedish JM-homes has been reduced by around 40 percent since 2008.



# 13.5%

Decrease in CO<sub>2</sub> emissions per GFA in JM Norway in 2023.

The identified suppliers need to present their own climate goals with action plans and environmental product declarations describing their products' impact on the climate. Implementation work will begin next year and progress gradually.



### *Create sustainable conditions*

In addition to building with as little an impact on the climate as possible, JM also wants to create conditions for people to be able to live more sustainably. Building low energy buildings creates key added values for our customers. Lower energy consumption means both a more sustainable economy and a reduced climate footprint.

Certification of JM buildings under Nordic Swan Ecolabel also creates opportunities for recycling and much more.

#### KEY INITIATIVES DURING THE YEAR

- Climate calculations of around 30 projects and a decision that all projects going through program and system document stages should conduct a climate calculation at an early stage to enable improvements in the project.
- In 2023, the majority of the pre-fabricated concrete for JM's building projects started to be delivered with climate-improved concrete, which results in a reduction of carbon emissions associated with the materials.
- Production started during the year on the first apartment building with a wooden frame. The project is being carefully evaluated to enable analysis and transfer of experience for potential future projects that use wood as the frame material.
- Fossil-free workplaces were introduced in Norway, which means that no gas or diesel should be used at JM's construction sites. Before implementation, JM conducted and analyzed pilot projects in Norway.
- Installed solar panels in majority of projects.

### **Goal: Reduced total amount of construction waste to 15 kg/GFA by 2030.**

#### *Become more resource-efficient*

Working in a way that efficiently uses resources is a priority issue. This is evident in part by being as precise as possible when purchasing material and handling the material carefully to avoid it becoming damaged or unusable.

To ensure that each individual project is using resources as efficiently as possible, every construction site has a waste coordinator. They are well-versed in JM's goals, are very knowledgeable about waste management and recycling, and strengthen involvement among the employees at the worksite.

Economic incentives at the individual level and waste premiums to projects that meet the goals are other tools JM is implementing to create engagement in its efforts to reduce waste.

#### KEY INITIATIVES DURING THE YEAR

- Increased degree of recycling resulted in reduced volumes of burnable waste, which led to JM being able to stop using containers for burnable waste at construction sites in Sweden.
- During the year, both internal key staff and pre-construction consultants underwent training in how they can contribute to decreased waste volumes.

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

#### *Become more circular*

No matter how skilled JM is at purchasing and handling, there will always be waste at a construction site. A lot can be done here, particularly with regard to sorting, to recycle 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. JM implemented into its structured project development support for how reuse inventories are to be conducted prior to demolition of buildings.

#### GROWING REUSE MARKET INCREASES OPPORTUNITIES

A big actor like JM needs significant 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 being able to use reused material in pre-construction in the future. JM is following this development carefully and 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 43.

#### KEY INITIATIVES DURING THE YEAR

Following a reuse inventory of a building in the Stockholm region, facade plates, brick and interior decorations were dismantled for reuse before the building was demolished. These materials will be reused both in a new building that is being constructed onsite and buildings in other locations.

## TARGET AREA

# Employees



*Competent, committed and sustainable employees are a prerequisite for being able to offer attractive housing. JM therefore performs systematic and structured work related to work environment, equality, diversity and skills development.*

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

#### *Equality at worksites*

The composition of employees should reflect society at large. An aggregate competence enriched by different experiences increases workplace satisfaction and makes JM competitive.

The construction industry is still dominated by men. JM is working actively to increase its share of female employees – salaried employees, managers and wage-earners.

#### APPRENTICESHIP PROGRAM FOR WOMEN

JM has set a goal to have women represent 20 percent of its wage-earners 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, JM has its own apprenticeship program for women. The program runs for four years, and participants receive a professional certificate.

#### MORE EVEN DISTRIBUTION AMONG SALARIED WORKERS AND MANAGERS

JM's goal is even gender distribution among salaried workers and managers. Therefore succession planning has equality targets for

the selection to the external development program and when recruiting for the trainee program. There is currently a more even distribution between men and women in the selected groups, which has also contributed to a shift within both employees and managers.

#### IDENTIFICATION OF UNFAIR DIFFERENCES

Every year JM conducts 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 the annual employee survey investigates how employees perceive their opportunities. If groups of employees are identified as not facing the same opportunities due to their gender, age or ethnic background, an action plan is prepared.

All forms of victimization and discrimination are unacceptable and are in violation of JM's Code of Conduct. There are clear procedures for how this type of event can be reported and investigated. The number of events is monitored on an ongoing basis through the BIA reporting tool.

#### 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.

### Goal: JM has the industry's best work environment and zero workplace accidents

#### *Safe workplaces*

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

JM works systematically with a preventive work environment approach to eliminate the risk of injuries and accidents at construction sites. One important part of this work is to obtain a genuine understanding of the problems. Valuable knowledge is obtained by compiling statistics on risk observations, near accidents and accidents, and lessons are learned by investigating accidents that have occurred.

The statistics for 2023 have shown that half of the accidents and days of absence are due to employees tripping or slipping on flat ground. It is therefore key to actively remove these risks throughout the entire building process, starting with how construction sites are planned.

The focus in 2023 was on increasing safety awareness for all employees, and JM encouraged reporting of risk observations in the incident reporting system. The number of reported risk observations more than doubled in 2023 compared to 2022, and the number of accidents with absence and days of absence have decreased.

#### SAFE WORKPLACES FOR SKILLED WORKERS

##### *Basic training*

At JM, it is important to be able to easily check that both own staff and those working for subcontractors have completed the

necessary training courses. There are several digital systems for this: ID06 Competency Database (an industry-wide system), JM Competence (for JM's employees) and JM Learning (JM-specific training courses that persons employed by a supplier have completed). The training courses from all three systems are visible in Infobric.

The ID06 card that must be shown to pass the gates at a construction site is linked to ID06 Competence Database and shows whether the person has completed the industry-wide safety training required to enter a construction site. In 2023, this was supplemented by a JM-specific training course that, in part, contains requirements that are stricter than the industry-wide course (for example, mandatory use of protective eyewear) and how accidents, near accidents and risk observations are reported at JM. In addition, JM's own employees and suppliers who work with crane lifting must complete an online course to increase safety.

In addition to the basic safety training, specific profession-related training courses are often required as well. Some are registered in the ID06 Competency Database, and others are checked manually by JM's site management.

#### *Important instructions*

Employees must always follow the installation instructions that are provided. These documents consist largely of pedagogical pictures and describe both how the work is to be performed in each step and which protective equipment is mandatory. Before a new work step, all employees involved must go through the installation instructions. This is repeated after the first installation.

<sup>1)</sup> The key ratios for ethnic background in Sweden were prepared via Statistics Sweden. The statistics for Norway and Finland do not include persons with other ethnic backgrounds.



#### *Continuous improvements*

Employees who have ideas for how to improve safety at work can submit their improvement suggestions via a special system. After a suggestion has been analyzed, the improved and safer procedure is added to JM's business management system. This way procedures and working methods are constantly refined so there will be fewer risks over time.

#### *Work environment audits*

Unannounced safety audits are conducted twice a year at all 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.

Work environment documentation in all projects is audited to ensure that it is complete and up to date.

#### *In the event of an accident*

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

#### **KEY INITIATIVES DURING THE YEAR**

- One of the focus areas at JM for the year has been to become even better at capturing and managing work environment risks already at projects' planning and drawing stages. A new tool and a clarified work process have been developed to ensure that all potential work environment problems are identified in time and actively removed so the construction is work is safe and completed buildings can be maintained in a good and safe manner.
- JM's annual Safety Week in 2023 highlighted good examples of safety-related work and aimed to spread these examples between worksites. The incident reporting system was modified to include the possibility of reporting positive observations in the same way as reporting risk observations, near accidents and accidents. This generated a lot of feedback, resulting in many good solutions that will be worked into JM's structure capital.

For performance and key ratios regarding employees, refer to the sustainability report on pages 41–42.

#### *Initiative on increased learning*

As part of its intention to be a responsible, sustainable and attractive employer, JM is identifying and meeting its employees' training needs and gradually making learning available throughout the entire organization.

All employees should have the opportunity to develop, and annual surveys provide guidance for the roles and functions that need extra attention and the type of knowledge that is needed. It is a priority for employees to have the certifications and completed the work environment courses necessary to make the workplaces secure and safe.

JM's learning platform 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.

#### *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.

## TARGET AREA

# Suppliers



*As a significant orderer of products and services, JM both has the opportunity to and is responsible for ensuring that its supply chains are economically, socially and environmentally sustainable. JM's opportunity to influence the entire construction industry can largely be explained by the Group's focused initiative on centralized purchasing. JM's standardized method for designing and building consolidates purchasing volumes and generates advantages through a framework agreement.*



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

### Code of conduct

JM takes a clear stance on matters related to human rights, labor rights, environmental responsibility and anti-corruption. JM has therefore also signed the UN's Global Compact, and JM's code of conduct is based on the Global Compact principles.

The code of conduct for employees and suppliers clarifies the values that apply within JM. The aim of the code is to define the core value in order to improve the possibility of making the right decisions in day-to-day work. The code regulates in part relationships with each other and surrounding markets. For example, the 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.

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

### Social sustainability in the supply chain

All companies that could be considered for a framework agreement must sign that they live up to the ILO's core conventions, JM's code of conduct and JM's specific sustainability requirements. Suppliers must fill in a separate questionnaire on the sustainability requirements. One of several key sustainability requirements is that building materials may not contain substances that can have a negative impact on the environment and health. JM applies the

prudence principle and is working with Nordic Swan Ecolabel and other environmental assessment systems.

Sustainable supplier chains also mean careful monitoring that suppliers have stable finances and a collective agreement and pay all taxes and social security fees. Furthermore, there is a requirement that everyone spending time inside the gates of JM's projects must be certified in accordance with ID06, which offers good control of supplier chains.

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 dialogue

JM's purchasing work should feature involvement and responsiveness to customers' and employer' opinions and wishes. This presents continuous new opportunities for improvement and development of both processes and products together with suppliers.

JM should challenge and develop 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 with consideration for sustainability aspects, the requirements JM imposes must also be challenged and developed. This is achieved through a close and cross-functional cooperation within the Group.

### 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 2023.

For JM's performance and key ratios regarding suppliers, please refer to the sustainability report on page 41.

### KEY INITIATIVES DURING THE YEAR

- JM expanded risk assessments of suppliers in the Norwegian operations to comply with Åpenhetsloven, the Norwegian law on due diligence for human rights. This work serves as a basis for the future implementation of the EU's directive on due diligence for human rights.
- A digital training course in business ethics was held during the year for all employees.

## TARGET AREA

# Customers



*JM's customers should be given the opportunity to live more sustainably. Through Nordic Swan Ecolabel buildings and residential units, JM has created a foundation that is constantly challenged to find new solutions that promote sustainable lifestyles.*

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

#### Satisfied residential customers

JM measures on an ongoing basis how satisfied the customers are in all areas related to sustainability. As part of the Customer Satisfaction Index, customers answer questions 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, JM also follows 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 have shown themselves to be more important. Surveys in 2023 show, however, that more people are considering sustainability when purchasing a home. Even if customers to some extent view sustainability as a hygiene factor, where JM is expected to take responsibility for decreasing climate emissions when constructing residential units, an increasing share of customers believe that an energy-efficient home will have greater future increases in value.

JM's products include a number of initiatives that create conditions for a more 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.

JM surveys the general public every year in the report Nordisk Boendebarmometer on a number of sustainability areas. This provides key insights into sustainability development work.

For JM's performance and key ratios regarding customers, please refer to the sustainability report on page 27.

#### KEY INITIATIVE DURING THE YEAR

JM continues to certify its buildings in accordance with Nordic Swan Ecolabel, which means in part creating conditions for customers to lower their electricity consumption. This is increasingly important given the current energy shortage and high energy prices. Of completed projects in 2023, 90 percent were certified in accordance with Nordic Swan Ecolabel. The remaining 10 percent refers to completed projects for external stakeholders.



# Organization and governance

*To ensure that all parts of the business are sustainable to the greatest possible extent, both policy documents and support documents have been integrated into the business management system and are natural parts of JM's project development.*

## 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 sustainability key ratios that are presented in JM's quarterly report. JM's Board of Directors and Group management have undergone training in CSRD (Corporate Sustainability Reporting Directive), which includes new regulations on sustainability governance and reporting. The CEO is responsible for sustainability issues in executive management, and sustainability is a standing point on the agenda at executive management meetings. The head of sustainability attends executive management meetings four times a year to report on JM's sustainability work and present matters for decision.

### *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. The members of the council include the Group's business unit managers and regional managers.

### *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 established sustainability goals is its employees. Without the commitment of employees, it would be impossible to roll out initiatives in practice.

There is a module on sustainability in the introduction for new employees, and a number of training courses are targeted to different employee groups each year. For example, training courses for pre-construction consultants were held in 2023 with a focus on decreasing waste volumes and reducing the climate impact.

### *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 Group's governance tool for its sustainability work.

### *Social sustainability in project development*

When JM develops residential units and residential areas, there is 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 playgrounds, this creates, 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, JM impacts important values, for example health, safety, equality and diversity. At JM, these

initiatives are nothing new. Social sustainability has always been a natural part of JM's project development.

There is a shared definition of what JM means by social sustainability and support for it in the business management system. The goal is to make it easier to consider social values in all projects through their entire development. Social sustainability in JM's project development can mean different things to different actors. At JM, the definition entails sustainable architecture, security and community, equality and diversity, availability and

inclusion, and health and well-being. JM is also working actively to secure social sustainability in the supplier chain and in its own operations.

[Read more on page 32.](#)



# Managing climate-related risks and opportunities

## Identification of climate risks and work with the Task Force on Climate-related Financial Disclosure (TCFD)

It is not enough to work to reduce climate-affecting emissions. The operations need to be continuously adapted – to both 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 JM's climate-related financial risks and opportunities throughout the entire value chain are assessed. A sensitivity analysis for JM's various cost categories is also conducted.

The risks JM has identified as being the most significant now, in the medium term and in the long term are elevated water levels and extreme weather.

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

## Climate-related risks – part of 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, the work with TCFD means that JM has integrated climate-related financial risks and opportunities into the Group's other risks and opportunities. In addition, JM has also included climate-related risks and opportunities in its sensitivity analysis.



## 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/<br>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<br>and other materials         | 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<br>products (concrete and<br>steel) | Planning<br>Production                                               | Increased cost:<br>• Concrete<br>• Steel                                                                            | Technological development<br>Other materials, e.g. wood,<br>climate-improved concrete,<br>and steel                                  | Managing through participation:<br>• Industry development<br>• Research<br>• Roadmaps                                                                                                       |
| 5. Increase in extreme<br>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<br>withstand moisture and<br>temperature changes<br>Shortened production time due<br>to milder winters | Managed according to:<br>• Sustainability criteria at review<br>of acquisitions<br>• Robust and proven 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<br>topographic location                                                                                     | Managed according to:<br>• National Board of Housing's<br>requirements<br>• Municipal requirements<br>(height above the water)<br>• Technological requirements                              |

According to TCFD, the identified climate-related risks can be broken down into two categories. 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 other materials
4. Climate-affecting products (concrete and steel)

#### Physical risks

5. Increase in extreme weather
6. Elevated water levels

The 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 34.

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

JM annually follows up on identified transition and physical risks using the determined cost impact metric; see the table "Sensitivity analysis for cost categories related to the climate" below.

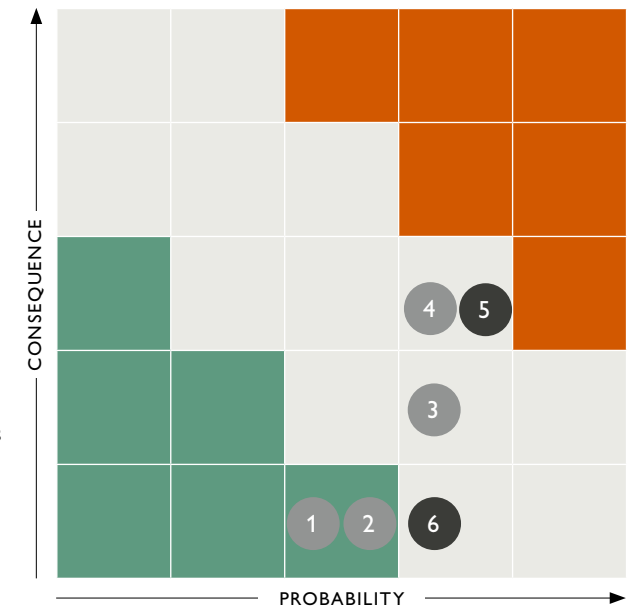
For years to come, the impact of more extreme weather may increase and the probability of elevated water levels is estimated to increase over a ten-year period.

The probability of increased costs for fuel and energy have decreased since we have already seen an increase in costs that has now stagnated.

For 2023, cost increases for both climate-impacting products such as concrete and steel and other raw goods and materials were anticipated. However, the price increase actually had more of an impact than JM's initial assessments.

To reduce costs, a continued focus on shortening lead times and resource efficiency is required. The price development for fuel and materials, though, is not only attributable to climate-related risks and scenarios. Looking forward, JM therefore makes the assessment that, compared to the current situation, the risk of future effects has decreased slightly for fuel but increased for materials.

JM is also considered to have good conditions for adapting its operations to any climate-related challenges. From a somewhat shorter perspective, JM benefits from its initiative to build low-energy residential units and its long-term partnerships with suppliers.



- Transition risk
- Physical risk

The diagram depicts a model-based assessment of several dimensions that develop over time. The method rests on cost assumptions derived from the above sensitivity analysis using an estimated probability of climate-related effects and the cost for related measures.

#### SENSITIVITY ANALYSIS FOR VARIOUS COST CATEGORIES LINKED TO CLIMATE

| Category per climate area <sup>2)</sup> | 2023                                     |           |                                   | 2022 <sup>1)</sup>    |
|-----------------------------------------|------------------------------------------|-----------|-----------------------------------|-----------------------|
|                                         | Estimated share of cost, % <sup>3)</sup> | Change, % | Estimated effect on profit, SEK m | Est. share of cost, % |
| Fuel                                    | 5                                        | +/-10     | +/- 56                            | 2                     |
| Energy                                  | 1                                        | +/-10     | +/- 16                            | 2                     |
| Materials                               | 18                                       | +/-10     | +/- 153                           | 17                    |
| of which Concrete                       | 2                                        | +/-10     | +/- 18                            | 2                     |
| of which Steel                          | 4                                        | +/-10     | +/- 47                            | 6                     |
| of which Wood                           | 2                                        | +/-10     | +/- 21                            | 2                     |
| Climate shell                           | 6                                        | +/-10     | +/- 64                            | 6                     |
| of which groundwater protection         | 3                                        | +/-10     | +/- 37                            | 1                     |

<sup>1)</sup> In 2022, only costs attributable to residential project development were recognized.

<sup>2)</sup> The categories Concrete, Steel and Wood are subsets of Material. Groundwater protection is a subset of the category Climate Shell.

<sup>3)</sup> Estimated share of cost base for the Group, SEK 11.4bn.

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 own purchases of building materials that contain concrete, steel and wood and costs for purchases via subcontracting of building materials that contain concrete, steel and wood. 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.

# Materiality analysis and stakeholder dialogue

JM regularly conducts a materiality analysis within the area of sustainability. The analysis identifies the most significant sustainability aspects for JM to work with based on long-term sustainable value creation both within JM and in its surroundings.

In 2023, the materiality analysis has been updated based on a compilation of information from in-depth interviews with key staff members, survey responses from identified stakeholders and internal investigations. Updates were completed in half of JM's identified stakeholder groups: customers, shareholders, investors and special interest organizations. All views from stakeholder groups will be considered in the 2024 update of the analysis, which will also be anchored in JM's Board of Directors.

The conclusion of the analysis is that low climate impact, energy-efficiency homes, and business ethics have become even more important for JM and its surroundings. Some areas have been ranked lower than they were last year, in part because the stakeholders have needed to rank all topics in order of significance.

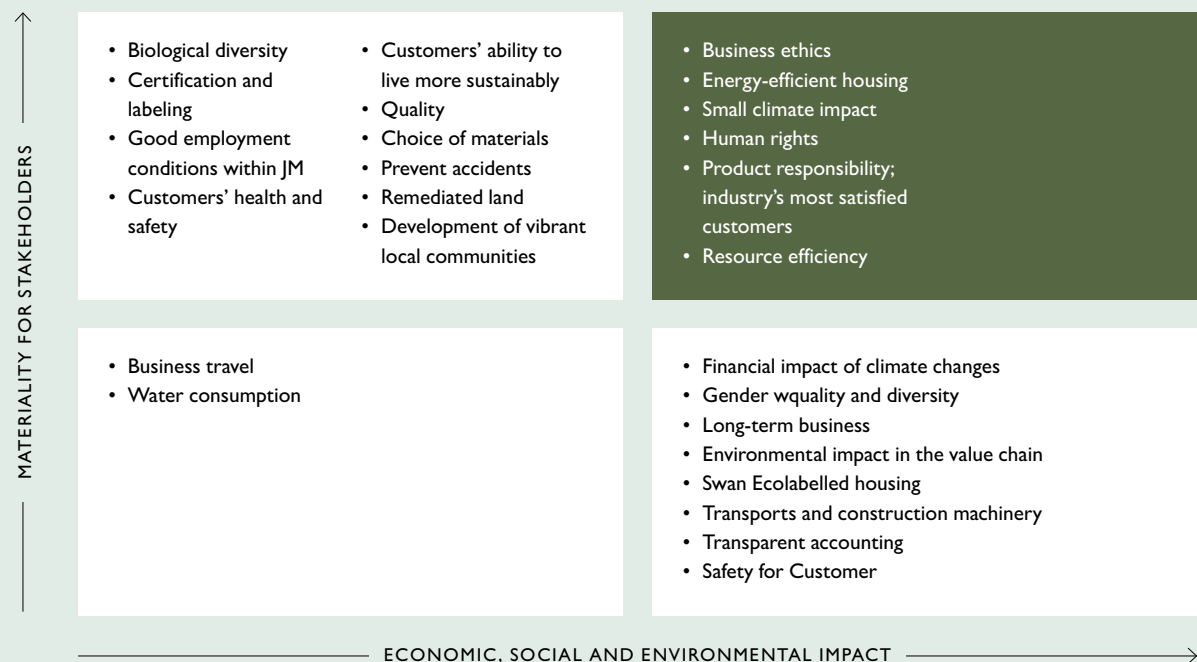
New for 2023 are questions specifically about Nordic Swan Ecolabel. No clear theme can be discerned from the answers; some think it is very important, others not so much.

## Sustainability aspects

| Material sustainability aspects                                                                | Why material                                                                                                                                                                                                                                                              | Scope of aspect                                                                                                                                                                        | Governance                                                                                                                                                                                                                  | Follow-up                                                                                                                                |
|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Ethics and value creation</b><br>(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 63–64), incident reporting, tax policy.                                                               | Economic reporting<br>Incident reporting                                                                                                 |
| <b>Small climate impact</b><br>(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 throughout the building's entire life cycle. JM is responsible for governance of its own operations and indirectly responsible 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                                                  |
| <b>Resource efficiency</b><br>(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                                                                                                   |
| <b>Work environment</b><br>(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>Accident and injury statistics<br>Report on health examinations<br>Documentation rounds<br>Safety measurements |
| <b>Competence</b><br>(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 Competence.<br>Documentation rounds                                                  |
| <b>Equality and diversity</b><br>(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 of its own operations.                                                                                  | Equality plan, sustainability goals, employee policy, code of conduct, recruitment procedures.                                                                                                                              | Key ratios – equality<br>Equality analysis                                                                                               |
| <b>Responsible suppliers</b><br>(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                                                                                       |
| <b>Product responsibility</b><br>(Sustainability governance – marketing and labeling)          | JM develops homes and residential areas that have a long lifespan and many stakeholders. It is important that JM takes 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. This impact arises in the supply chain, in its 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 of material choices. | JM's business management system and key ratios                                                                                           |

The most important stakeholders are the groups that to the greatest extent are impacted by and/or impact JM's business: customers, employees, shareholders/investors, partners/suppliers, society (officials and politicians) and special interest organizations.

The stakeholder dialogue is defined by the channels through which the target groups are reached, examples of issues important to them, and examples of how issues will be handled.



## Stakeholder engagement

| Stakeholder group                             | Channels for dialogue                                                                                                                                            | How important aspects are handled                                                                                                                                                                                                  |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customers</b><br>(existing and potential)  | Customer meetings, customer and market surveys, occupancy surveys, focus groups, at home interviews, online panels as well as viewings and other customer events | Handled in land acquisition, planning process, pre-construction and purchasing                                                                                                                                                     |
| <b>Employees</b><br>(existing)                | 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</b><br>(potential)               | 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</b><br>(officials and politicians) | 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                                                                                                                |

# Sustainability generates results

## Recognition for sustainability work

Focused efforts to be a serious and sustainable actor in the construction industry are generating results. In 2023, JM received recognition, including the following:

- One of Europe's climate leaders by Financial Times (Europe's Climate Leaders 2023)
- Top ten position among the total of 131 audited companies in a yearly Swedish sustainability ranking of listed companies, and third place in the consumer goods category in same ranking
- AA in MSCI Rating
- One of Sweden's most attractive employers by Karriärföretagen.

## Decisions on emissions reductions

The fact that JM has sustainability matters at the top of its agenda resulted in the implementation of the following in 2023:

- For all projects going through decisions on pre-construction and project planning stages, the decision was made that they would conduct a climate calculation at an early stage to enable improvements in the project
- The majority of the pre-fabricated concrete for building projects started to be delivered with climate-improved concrete, which results in a reduction of carbon emissions associated with the materials

- Production started on the first apartment building with a wooden frame. The project is being carefully evaluated to enable analysis and transfer of experience for potential future projects that use wood as frame material
- Fossil-free workplaces were introduced in Norway, which means that no gas or diesel should be used inside the construction site. Before implementation, test projects were conducted and analyzed in Norway
- A list of requirements for framework agreement suppliers was developed and entails that they must have publicly adopted climate targets and action plans and that they must report the climate impact of the products they deliver
- The previously introduced procedures on reuse inventory for all projects facing demolition has resulted in more material being saved for reuse, such as brick and facade plates.



# 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<sup>1)</sup> standards in 2021 at the core level and the requirements on sustainability reports in the Annual Accounts Act. The report 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 2023 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 38.

The GRI Indicators included in the report are listed with a page reference in the GRI index on pages 44–45.

## SUSTAINABILITY REPORT

JM presents its Sustainability Report for 2023 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 13–14 and 16)                                                                                                             |
| Policies                              | JM's aspects and governance within sustainability (page 37)                                                                                                        |
| Significant risks and risk management | Risks and opportunities (pages 35–36, 63–64 and 103)                                                                                                               |
| Results                               | JM's Group-wide targets (page 27), Facts and KPIs (pages 41–43), Sustainable purchasing and supply chains (page 32), Responsible decisions at all levels (page 32) |
| EU's taxonomy                         | EU's taxonomy (pages 46–50)                                                                                                                                        |



## 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 2023 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 21, 2024

PricewaterhouseCoopers AB

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

<sup>1)</sup> GRI – Global Reporting Initiative



## Facts and KPIs for sustainability

| ETHICS AND VALUE CREATION, Group 201-1    |                                                                |         |         |
|-------------------------------------------|----------------------------------------------------------------|---------|---------|
|                                           |                                                                | 2023    | 2022    |
| Direct economic value generated, SEK m    | Revenue (segment reporting)                                    | 13,851  | 16,385  |
| Direct economic value distributed, SEK m  | Production and operating costs, etc. (Note 2)                  | –10,629 | –12,068 |
|                                           | Wages, salaries, other remuneration and pension costs (Note 3) | –1,770  | –1,783  |
|                                           | Financial income (Note 8)                                      | 33      | 19      |
|                                           | Financial expenses (Note 8)                                    | –133    | –89     |
|                                           | Expensed tax and social security expenses (Note 9 and Note 3)  | –661    | –890    |
|                                           | Proposed dividend/dividend                                     | –       | –903    |
| Direct economic value retained, SEK m     | Total                                                          | 691     | 672     |
| Tax JM Sweden and JM International, SEK m | Resultat före skatt                                            | 1,385   | 1,889   |
|                                           | Total skatt JM Sverige                                         | –326    | –330    |
|                                           | Total skatt JM Norge                                           | –61     | –21     |
|                                           | Total skatt JM Finland                                         | –34     | –43     |

| EMPLOYMENT, Group , 401-1 |  |       |       |
|---------------------------|--|-------|-------|
|                           |  | 2023  | 2022  |
| Total number of employees |  | 2,193 | 2,488 |
| of which new employees    |  | 78    | 291   |
| of which terminated       |  | 230   | 258   |

|                 | 2023                                                |          |           | 2022                                          |          |           |
|-----------------|-----------------------------------------------------|----------|-----------|-----------------------------------------------|----------|-----------|
|                 | Number of new employees<br>(share of new employees) |          |           | Number of terminated<br>(share of terminated) |          |           |
|                 | Women                                               | Men      | Total     | Women                                         | Men      | Total     |
| Sweden          |                                                     |          |           |                                               |          |           |
| ≤ 25 years old  | 2 (10%)                                             | 14 (22%) | 16 (19%)  | 4 (16%)                                       | 20 (26%) | 24 (24%)  |
| 26–35 years old | 5 (4%)                                              | 12 (4%)  | 17 (4%)   | 19 (13%)                                      | 34 (11%) | 53 (12%)  |
| 36–45 years old | 8 (6%)                                              | 8 (3%)   | 16 (4%)   | 20 (14%)                                      | 22 (7%)  | 42 (9%)   |
| 46–55 years old | 1 (1%)                                              | 9 (3%)   | 10 (2%)   | 8 (8%)                                        | 14 (4%)  | 22 (5%)   |
| >56 years old   | 1 (2%)                                              | 3 (1%)   | 4 (1%)    | 17 (25%)                                      | 34 (12%) | 51 (15%)  |
| Total           | 17 (4%)                                             | 46 (4%)  | 63 (3,7%) | 68 (14%)                                      | 124 (9%) | 192 (11%) |
|                 | Number of new employees<br>(share of new employees) |          |           | Number of terminated<br>(share of terminated) |          |           |
|                 | Women                                               | Men      | Total     | Women                                         | Men      | Total     |
| Norway          |                                                     |          |           |                                               |          |           |
| ≤ 25 years old  | 1 (50%)                                             | –        | 1 (8%)    | –                                             | –        | –         |
| 26–35 years old | 2 (14%)                                             | 1 (2%)   | 3 (4%)    | 6 (33%)                                       | 7 (11%)  | 13 (16%)  |
| 36–45 years old | 3 (18%)                                             | 2 (3%)   | 5 (6%)    | 4 (21%)                                       | 6 (9%)   | 10 (12%)  |
| 46–55 years old | –                                                   | –        | –         | 1 (5%)                                        | 5 (9%)   | 6 (8%)    |
| >56 years old   | 1 (5%)                                              | –        | 1 (1%)    | 2 (9%)                                        | –        | 2 (2%)    |
| Total           | 7 (10%)                                             | 3 (1%)   | 10 (3%)   | 13 (16%)                                      | 18 (7%)  | 31 (9%)   |
|                 | Number of new employees<br>(share of new employees) |          |           | Number of terminated<br>(share of terminated) |          |           |
|                 | Women                                               | Men      | Total     | Women                                         | Men      | Total     |
| Finland         |                                                     |          |           |                                               |          |           |
| ≤ 25 years old  | –                                                   | 2 (18%)  | 2 (14%)   | –                                             | 1 (8%)   | 1 (6%)    |
| 26–35 years old | 1 (5%)                                              | –        | 1 (2%)    | 1 (5%)                                        | 2 (5%)   | 3 (5%)    |
| 36–45 years old | 1 (5%)                                              | –        | 1 (2%)    | 2 (10%)                                       | –        | 2 (4%)    |
| 46–55 years old | –                                                   | –        | –         | –                                             | –        | –         |
| >56 years old   | 1 (14%)                                             | –        | 1 (6%)    | –                                             | 1 (8%)   | 1 (5%)    |
| Total           | 3 (5%)                                              | 2 (2%)   | 5 (3%)    | 3 (5%)                                        | 4 (3%)   | 7 (4%)    |

| RESPONSIBLE SUPPLIERS, Group, 414-1 |                                                                                                                            |                                                                                   |                                                                                   |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
|                                     |                                                                                                                            | 2023                                                                              | 2022                                                                              |
| Sustainability assessment           | Share of new framework providers that were evaluated                                                                       | 100 %                                                                             | 100 %                                                                             |
| WORK ENVIRONMENT, Group , 403-9     |                                                                                                                            |                                                                                   |                                                                                   |
|                                     |                                                                                                                            | 2023                                                                              | 2022                                                                              |
| Injuries <sup>1)</sup>              | Number of work-related injuries (regardless of absence due to illness)                                                     | 196 (JM)<br>77 (subcontractors)                                                   | 240 (JM)<br>79 (subcontractors)                                                   |
| Injury rate <sup>1)</sup>           | Frequency of work-related injuries (regardless of absence due to illness) per million working hours                        | 57.0 (JM)<br>(no statistics available for subcontractors)                         | 65.8 (JM)<br>(no statistics available for subcontractors)                         |
| Lost day rate <sup>1)</sup>         | Total number of leave-of-absence days due to occupational injuries relative to total number of work days for all employees | 342 of total<br>438,311 days (JM)<br>(no statistics available for subcontractors) | 496 of total<br>465,031 days (JM)<br>(no statistics available for subcontractors) |
| Absentee rate                       | Total number of days of absence relative to total number of work days for all employees                                    | Women 5,794 (4.7%)<br>Men 16,744 (4.8%)<br>Total 22,538 (4.8%)                    | Women 6,425 (4.6 %)<br>Men 20,953 (5.8 %)<br>Total 27,378 (5.5 %)                 |
| Work-related fatalities             | Number                                                                                                                     | – (JM)<br>– (subcontractors)                                                      | – (JM)<br>– (subcontractors)                                                      |
| Near-accidents and observations     | Number                                                                                                                     | 15,799                                                                            | 10,546                                                                            |

<sup>1)</sup> The most common causes/risks of injury in 2023 were same-level falls (tripping, slipping). The most common type of injury was crushing or other soft tissue injury.

| SKILLS DEVELOPMENT, Group, 404-2 |        |        |
|----------------------------------|--------|--------|
|                                  | 2023   | 2022   |
| Training hours                   |        |        |
| Women                            | 2,931  | 4,386  |
| Men                              | 11,622 | 11,813 |
| Total                            | 14,553 | 16,199 |
| Salaried employees               | 10,515 | 11,162 |
| Wage-earners                     | 4,038  | 5,037  |
| Total                            | 14,553 | 16,199 |



## Facts and KPIs for sustainability, cont.

| DIVERSITY AND EQUAL OPPORTUNITY, Sweden, Norway and Finland, 405-1 |        |       |       |       |       |       |       |
|--------------------------------------------------------------------|--------|-------|-------|-------|-------|-------|-------|
| 2023                                                               |        |       |       | 2022  |       |       |       |
| Age and gender distribution <sup>1)</sup>                          | Number | Women | Men   | Total | Women | Men   | Total |
| <i>Wage-earners</i>                                                |        |       |       |       |       |       |       |
| ≤ 25 years old                                                     |        | 13    | 73    | 86    | 16    | 81    | 97    |
| 26–35 years old                                                    |        | 28    | 183   | 211   | 35    | 211   | 246   |
| 36–45 years old                                                    |        | 12    | 156   | 168   | 15    | 157   | 172   |
| 46–55 years old                                                    |        | 4     | 187   | 191   | 3     | 200   | 203   |
| ≥ 56 years old                                                     |        | 1     | 172   | 173   | 1     | 155   | 156   |
| Total                                                              |        | 58    | 771   | 828   | 70    | 804   | 874   |
| <i>Salaried employees</i>                                          |        |       |       |       |       |       |       |
| ≤ 25 years old                                                     |        | 13    | 13    | 26    | 20    | 26    | 46    |
| 26–35 years old                                                    |        | 130   | 182   | 312   | 170   | 223   | 393   |
| 36–45 years old                                                    |        | 157   | 247   | 404   | 153   | 208   | 361   |
| 46–55 years old                                                    |        | 122   | 223   | 345   | 110   | 187   | 297   |
| ≥ 56 years old                                                     |        | 89    | 188   | 277   | 88    | 152   | 240   |
| Total                                                              |        | 511   | 853   | 1,365 | 541   | 796   | 1,337 |
| <i>Managers</i>                                                    |        |       |       |       |       |       |       |
| ≤ 25 years old                                                     |        | –     | –     | –     | –     | –     | –     |
| 26–35 years old                                                    |        | 10    | 10    | 20    | 8     | 15    | 23    |
| 36–45 years old                                                    |        | 27    | 59    | 86    | 29    | 60    | 89    |
| 46–55 years old                                                    |        | 31    | 69    | 100   | 28    | 63    | 91    |
| ≥ 56 years old                                                     |        | 17    | 49    | 66    | 15    | 46    | 61    |
| Total                                                              |        | 85    | 187   | 272   | 80    | 184   | 264   |
| <i>Executive Management</i>                                        |        |       |       |       |       |       |       |
| ≤ 25 years old                                                     |        | –     | –     | –     | –     | –     | –     |
| 26–35 years old                                                    |        | –     | –     | –     | –     | –     | –     |
| 36–45 years old                                                    |        | 1     | –     | –     | 1     | –     | 1     |
| 46–55 years old                                                    |        | 2     | 3     | 3     | 2     | 4     | 6     |
| ≥ 56 years old                                                     |        | 1     | 4     | 4     | 1     | 3     | 4     |
| Total                                                              |        | 4     | 7     | 11    | 4     | 7     | 11    |
| <i>Board of Directors</i>                                          |        |       |       |       |       |       |       |
| ≤ 25 years old                                                     |        | –     | –     | –     | –     | –     | –     |
| 26–35 years old                                                    |        | –     | –     | –     | –     | –     | –     |
| 36–45 years old                                                    |        | –     | –     | –     | 1     | –     | 1     |
| 46–55 years old                                                    |        | 2     | 1     | 3     | 1     | 1     | 2     |
| ≥ 56 years old                                                     |        | 1     | 3     | 4     | 1     | 3     | 4     |
| Total                                                              |        | 3     | 4     | 7     | 3     | 4     | 7     |
| Employment type                                                    | Number | Women | Men   | Total | Women | Men   | Total |
| <i>Sweden</i>                                                      |        |       |       |       |       |       |       |
| Full-time                                                          |        | 437   | 1,245 | 1,682 | 513   | 1,358 | 1,871 |
| Part-time                                                          |        | 5     | 28    | 33    | 20    | 30    | 50    |
| Permanent                                                          |        | 441   | 1,272 | 1,713 | 530   | 1,387 | 1,917 |
| Temporary                                                          |        | 1     | 1     | 2     | 3     | –     | 3     |
| Non-guaranteed hours                                               |        | 54    | 50    | 104   | 54    | 63    | 117   |
| <i>Norway</i>                                                      |        |       |       |       |       |       |       |
| Full-time                                                          |        | 64    | 230   | 294   | 85    | 262   | 347   |
| Part-time                                                          |        | 4     | 12    | 16    | 11    | 12    | 23    |
| Permanent                                                          |        | 67    | 240   | 307   | 91    | 272   | 363   |
| Temporary                                                          |        | 2     | 3     | 5     | 5     | 2     | 7     |
| Non-guaranteed hours                                               |        | 2     | 2     | 4     | 5     | 3     | 8     |
| <i>Finland</i>                                                     |        |       |       |       |       |       |       |
| Full-time                                                          |        | 54    | 101   | 155   | 63    | 124   | 187   |
| Part-time                                                          |        | 5     | 8     | 13    | 8     | 6     | 14    |
| Permanent                                                          |        | 54    | 101   | 155   | 64    | 125   | 189   |
| Temporary                                                          |        | 5     | 8     | 13    | 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     |            |            |
|----------------------------------------------------------|------------|------------|
|                                                          | 2023       | 2022       |
| Highest paid employee/median compensation (SEK thousand) | 93.6 / 6.4 | 95.2 / 4.8 |

| RESOURCE EFFICIENCY, Sweden, 306-2                    |                   |             |  |             |
|-------------------------------------------------------|-------------------|-------------|--|-------------|
|                                                       |                   | 2023        |  | 2022        |
| Construction waste to material recycling              | Tons (Percentage) | 7,962 (82%) |  | 6,597 (80%) |
| Construction waste to energy recovery                 | Tons (Percentage) | 1,219 (13%) |  | 1,064 (13%) |
| Construction waste to landfill                        | Tons (Percentage) | 147 (2%)    |  | 126 (2%)    |
| Mixed waste (unsorted)                                | Tons (Percentage) | 374 (4%)    |  | 426 (5%)    |
| Hazardous waste                                       | Tons (Percentage) | 25 (0%)     |  | 44 (1%)     |
| Total amount of construction waste <sup>1)</sup>      | Tons              | 9,725       |  | 8,213       |
| RESOURCE EFFICIENCY, Norway, 306-2                    |                   |             |  |             |
|                                                       |                   | 2023        |  | 2022        |
| Construction waste to material recycling              | Tons (Percentage) | 1,527 (79%) |  | 1,871 (77%) |
| Construction waste to energy recovery                 | Tons (Percentage) | 374 (19%)   |  | 228 (9%)    |
| Mixed waste (unsorted)                                | Tons (Percentage) | 220 (11%)   |  | 298 (12%)   |
| Hazardous waste                                       | Tons (Percentage) | 28 (1%)     |  | 23 (1%)     |
| Total amount of construction waste <sup>1)</sup>      | Tons              | 1,927       |  | 2,418       |
| RESOURCE EFFICIENCY, Finland, 306-2                   |                   |             |  |             |
|                                                       |                   | 2023        |  | 2022        |
| Construction waste to material recycling              | Tons (Percentage) | 1,475 (86%) |  | 2,032 (84%) |
| Construction waste to energy recovery                 | Tons (Percentage) | 230 (14%)   |  | 397 (16%)   |
| Mixed waste (unsorted)                                | Tons (Percentage) | 1 (0.1%)    |  | 0 (0%)      |
| Hazardous waste                                       | Tons (Percentage) | 2 (0.1%)    |  | 3 (0.1%)    |
| Total amount of construction waste <sup>1)</sup>      | Tons              | 1,709       |  | 2,432       |
| RESOURCE EFFICIENCY, LARGEST FRACTIONS, Sweden, 306-1 |                   |             |  |             |
|                                                       |                   | 2023        |  | 2022        |
| Wood                                                  | Tons (Percentage) | 2,023 (23%) |  | 2,090 (25%) |
| Backfill                                              | Tons (Percentage) | 3,258 (37%) |  | 1,942 (24%) |
| Combustible                                           | Tons (Percentage) | 1,034 (12%) |  | 1,098 (13%) |
| Plaster                                               | Tons (Percentage) | 1,083 (12%) |  | 1,041 (13%) |
| Metal                                                 | Tons (Percentage) | 683 (8%)    |  | 763 (9%)    |
| Plastic                                               | Tons (Percentage) | 436 (5%)    |  | 377 (5%)    |
| Cardboard                                             | Tons (Percentage) | 278 (3%)    |  | 248 (3%)    |

<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.

| CLIMATE IMPACT, 305-1, 305-2, 305-3, 305-4, CRE1, CRE3, CRE4                 |                                                    |                                                     |                                                     |         |
|------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|---------|
|                                                                              |                                                    |                                                     | 2023                                                | 2022    |
| JM's carbon dioxide emissions, 305-1, 305-2, 305-3 <sup>1)</sup>             | Tons CO <sub>2</sub> e                             | Scope 1                                             | 2,753                                               | 2,677   |
|                                                                              |                                                    | Of which biogenic emissions                         | 205                                                 | 345     |
|                                                                              |                                                    | Scope 2 <sup>2)</sup>                               | 953                                                 | 1,131   |
|                                                                              |                                                    | Scope 3 <sup>3)</sup>                               | 66,399                                              | 85,571  |
|                                                                              |                                                    | Of which biogenic emissions                         | 1,749                                               | 1,854   |
|                                                                              |                                                    | Total                                               | 70,105                                              | 89,379  |
| 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>4)</sup>     | Tons CO <sub>2</sub> e/turnover, SEK m             |                                                     | 8.0                                                 | 8.2     |
| Carbon dioxide intensity from new production, CRE4, Norway <sup>4)</sup>     | Tons CO <sub>2</sub> e/turnover, SEK m             |                                                     | 10.3                                                | 8.2     |
| Carbon dioxide intensity from new production, CRE4, Sweden <sup>4) 5)</sup>  | Kg CO <sub>2</sub> e/m <sup>2</sup> GFA, fbh/smh   |                                                     | 331/164                                             | 355/180 |
| Carbon dioxide intensity from new production, CRE4, Norway <sup>4) 6)</sup>  | Kg CO <sub>2</sub> e/m <sup>2</sup> GFA, fbh/smh   |                                                     | 314/164                                             | 363/180 |
| Newly produced homes' estimated energy consumption, CRE1                     | kWh/m <sup>2</sup> Atemp, kWh/m <sup>2</sup> GFA   | 60 (S), 53 (N) <sup>7)</sup> , 78 (F) <sup>7)</sup> | 59 (S), 51 (N) <sup>7)</sup> , 77 (F) <sup>7)</sup> |         |

<sup>1)</sup> Refers to JM AB.

<sup>2)</sup> Reported using market-based method. If location-based method were applied, Scope 2 would amount to 1,061 tons CO<sub>2</sub>e.

<sup>3)</sup> Scope 3 includes JM material transports to worksites, rented machinery, business travel, recycling of materials, purchase of goods and services, and energy consumption in newly constructed residential units for the first two years.

<sup>4)</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>5)</sup> Projects with housing starts in 2023: 294.7 kg CO<sub>2</sub>/GFA, excl. land and piling (12% reduction from Baseline 2022).

<sup>6)</sup> Single-family homes are derived from Swedish projects and their climate impact has not been calculated.

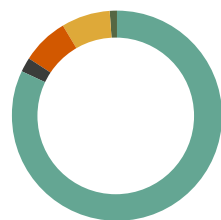
<sup>7)</sup> Norwegian and Finnish outcome is kWh/m<sup>2</sup> GFA, while Sweden's outcome is kWh/m<sup>2</sup> Atemp.

#### SCOPE DISTRIBUTION



- Scope 1, 4.0% (3.0)
- Scope 2, 1.0% (1.3)
- Scope 3, 95.0% (95.7)

#### SCOPE 3



- Purchased goods and services, 78.0% (84.5)
- Capital goods, 0.0% (0.0)
- Energy and fuel-related emissions, 2.0% (1.4)
- Purchased transports and upstream transports, 7.0% (7.8)
- Waste management, 0.0% (0.1)
- Business trips, 0.0% (0.2)
- Upstream leased assets, 7.0% (4.9)
- Downstream leased assets, 1.0% (1.1)

| Emissions (tons CO <sub>2</sub> e)               | 2023          | 2022          |
|--------------------------------------------------|---------------|---------------|
| Scope 1                                          | 2,753         | 2,677         |
| Business trips by car                            | 2,047         | 1,966         |
| Heating                                          | 706           | 711           |
| Scope 2                                          | 953           | 1,131         |
| Electricity                                      | —             | —             |
| District heating                                 | 953           | 1,131         |
| Scope 3                                          | 66,399        | 85,571        |
| 3.1 Purchase of goods and services               | 54,863        | 72,310        |
| 3.2 Capital goods                                | —             | —             |
| 3.3 Energy and fuel-related emissions            | 1,197         | 1,240         |
| 3.4 Purchased transports and upstream transports | 4,664         | 6,688         |
| 3.5 Waste management <sup>8)</sup>               | 169           | 55            |
| 3.6 Business trips                               | 83            | 144           |
| 3.8 Upstream leased assets                       | 4,584         | 4,193         |
| 3.13 Downstream leased assets                    | 839           | 941           |
| <b>TOTAL (excluding climate compensation)</b>    | <b>70,105</b> | <b>89,379</b> |
| Climate compensation                             | —             | 126           |
| <b>TOTAL (including climate compensation)</b>    | <b>70,105</b> | <b>89,253</b> |

<sup>8)</sup> The increase is due to the volume of backfill.

# 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.

| Description/indicator                                                            | Reference (page number in the 2023 annual report) | Reason for omission | Externally audited | Comments                        |
|----------------------------------------------------------------------------------|---------------------------------------------------|---------------------|--------------------|---------------------------------|
| <b>GRI 2: General disclosures</b>                                                |                                                   |                     |                    |                                 |
| <b>The organization and its reporting practices</b>                              |                                                   |                     |                    |                                 |
| 2-1 Organizational details                                                       | 115                                               |                     |                    |                                 |
| 2-2 Entities included in the organization's sustainability reporting             | 40                                                |                     |                    |                                 |
| 2-3 Reporting period, frequency and contact point                                | 40                                                |                     |                    |                                 |
| 2-4 Restatements of information                                                  | 61                                                |                     |                    |                                 |
| 2-5 External assurance                                                           | 40                                                |                     |                    |                                 |
| <b>Activities and workers</b>                                                    |                                                   |                     |                    |                                 |
| 2-6 Activities, value chain and other business relationships                     | 13, 18, 32                                        |                     |                    |                                 |
| 2-7 Employees                                                                    | 30–31                                             |                     |                    |                                 |
| 2-8 Workers who are not employees                                                | 42                                                |                     |                    |                                 |
| <b>Governance</b>                                                                |                                                   |                     |                    |                                 |
| 2-9 Governance structure and composition                                         | 100, 103                                          |                     |                    |                                 |
| 2-10 Nomination and election of highest governance body                          | 98–99                                             |                     |                    |                                 |
| 2-11 Chair of the highest governance body                                        | 99–101                                            |                     |                    |                                 |
| 2-12 Role of the highest governance body in overseeing the management of impacts | 34, 99–100                                        |                     |                    |                                 |
| 2-13 Delegation of responsibility for managing impacts                           | 34, 100                                           |                     |                    |                                 |
| 2-14 Role of the highest governance body in sustainability reporting             | 34                                                |                     |                    |                                 |
| 2-15 Conflicts of interest                                                       | 99                                                |                     |                    | Assessed at every Board meeting |
| 2-16 Communication of critical concerns                                          | 32                                                |                     |                    |                                 |
| 2-17 Collective knowledge of the highest governance body                         | 34                                                |                     |                    |                                 |
| 2-18 Evaluation of the performance of the highest governance body                | 99                                                |                     |                    |                                 |
| 2-19 Remuneration policies                                                       | 66, 78, 104                                       |                     |                    |                                 |
| 2-20 Process to determine remuneration                                           | 66, 78, 79, 104                                   |                     |                    |                                 |
| 2-21 Annual total compensation ratio                                             | 42                                                |                     |                    |                                 |
| <b>Strategy, policies and practices</b>                                          |                                                   |                     |                    |                                 |

| Description/indicator                                                  | Reference (page number in the 2023 annual report) | Reason for omission                                            | Externally audited | Comments         |
|------------------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------------|--------------------|------------------|
| 2-22 Statement on sustainable development strategy                     | 26, 34                                            |                                                                |                    |                  |
| 2-23 Policy commitments                                                | 32, 37                                            |                                                                |                    |                  |
| 2-24 Embedding policy commitments                                      | 26, 34                                            |                                                                |                    |                  |
| 2-25 Processes to remediate negative impacts                           | 25, 26, 30                                        |                                                                |                    |                  |
| 2-26 Mechanisms for seeking advice and raising concerns                | 26, 32, 63                                        |                                                                |                    |                  |
| 2-27 Compliance with laws and regulations                              |                                                   |                                                                |                    | No current cases |
| 2-28 Membership associations                                           | 26                                                |                                                                |                    |                  |
| <b>Stakeholder engagement</b>                                          |                                                   |                                                                |                    |                  |
| 2-29 Approach to stakeholder engagement                                | 38                                                |                                                                |                    |                  |
| 2-30 Collective bargaining agreements                                  | 32                                                |                                                                |                    |                  |
| <b>GRI 3: Disclosures on material topics</b>                           |                                                   |                                                                |                    |                  |
| 3-1 Process to determine material topics                               | 37, 38                                            |                                                                |                    |                  |
| 3-2 List of material topics                                            | 37, 38                                            |                                                                |                    |                  |
| 3-3 Management of material topics                                      | 25, 26, 28, 35, 36, 37                            |                                                                |                    |                  |
| <b>Topic-specific disclosures</b>                                      |                                                   |                                                                |                    |                  |
| <b>Economic performance</b>                                            |                                                   |                                                                |                    |                  |
| 201-1 Direct economic value generated and distributed                  | 41                                                |                                                                |                    |                  |
| 207-1 Approach to tax                                                  |                                                   | Tax policy is communicated only internally starting this year. |                    |                  |
| 207-2 Tax governance, control and risk management                      | 63–64                                             |                                                                |                    |                  |
| 207-3 Stakeholder engagement and management of concerns related to tax | 38                                                |                                                                |                    |                  |
| 207-4 Country-by-country reporting                                     | 41                                                |                                                                |                    |                  |
| <b>Environmental performance</b>                                       |                                                   |                                                                |                    |                  |
| <b>Energy</b>                                                          |                                                   |                                                                |                    |                  |
| 3-3 Management of material topics                                      | 25, 26, 28, 35, 36, 37                            |                                                                |                    |                  |
| CRE1 Building energy intensity                                         | 43                                                |                                                                |                    |                  |
| <b>Emissions</b>                                                       |                                                   |                                                                |                    |                  |
| CRE3 Greenhouse gas emissions intensity from buildings                 | 43                                                |                                                                |                    |                  |
| CRE4 Greenhouse gas emissions intensity from new construction          | 43                                                |                                                                |                    |                  |
| 3-3 Management of material topics                                      | 25, 26, 28, 35, 36, 37                            |                                                                |                    |                  |
| 305-1 Direct (Scope 1) GHG emissions                                   | 43                                                |                                                                | Yes                |                  |
| 305-2 Direct (Scope 2) GHG emissions                                   | 43                                                |                                                                | Yes                |                  |
| 305-3 indirect (Scope 3) GHG emissions                                 | 43                                                |                                                                | Yes                |                  |
| 305-4 GHG emissions intensity                                          | 43                                                |                                                                |                    |                  |



GRI-index, cont.

| Description/indicator                                                                                               | Reference (page number in the 2023 annual report) | Reason for omission | Externally audited | Comments |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|---------------------|--------------------|----------|
| 305-5 Reduction of GHG emissions                                                                                    | 39                                                |                     |                    |          |
| Waste                                                                                                               |                                                   |                     |                    |          |
| 3-3 Management of material topics                                                                                   | 29, 35, 36, 37                                    |                     |                    |          |
| 306-1 Waste generation and significant waste-related impacts                                                        | 42                                                |                     |                    |          |
| 306-2 Waste by type and disposal method                                                                             | 42                                                |                     |                    |          |
| 306-3 Waste generated                                                                                               | 42                                                |                     |                    |          |
| Social performance                                                                                                  |                                                   |                     |                    |          |
| 401-1 New employee hires and employee turnover                                                                      | 41                                                |                     |                    |          |
| 3-3 Management of material topics                                                                                   | 25, 26, 35, 36, 37                                |                     |                    |          |
| 403-1 CRE6 Occupational health and safety management system                                                         | 30, 31                                            |                     |                    |          |
| 403-2 Hazard identification, risk assessment, and incident investigation                                            | 30, 31                                            |                     |                    |          |
| 403-3 Occupational health services                                                                                  | 31                                                |                     |                    |          |
| 403-4 Worker participation, consultation, and communication on occupational health and safety                       | 30, 31, 37                                        |                     |                    |          |
| 403-5 Worker training on occupational health and safety                                                             | 30, 31                                            |                     |                    |          |
| 403-6 Promotion of worker health                                                                                    | 31                                                |                     |                    |          |
| 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | 27, 32                                            |                     |                    |          |
| 403-9 Work-related injuries                                                                                         | 31                                                |                     |                    |          |
| 3-3 Management of material topics                                                                                   | 25, 26, 35, 36, 37                                |                     |                    |          |
| 404-2 Programs for upgrading employee skills and transition assistance programs                                     | 31                                                |                     |                    |          |
| 3-3 Management of material topics                                                                                   | 25, 26, 35, 36, 37                                |                     |                    |          |
| 405-1 Diversity of governance bodies and employees                                                                  | 30                                                |                     |                    |          |
| 3-3 Management of material topics                                                                                   | 25, 26, 35, 36, 37                                |                     |                    |          |
| 414-1 New suppliers that were screened using social criteria                                                        | 27, 41                                            |                     |                    |          |
| 3-3 Management of material topics                                                                                   | 25, 26, 35, 36, 37                                |                     |                    |          |
| 417-1 Requirements for product and service information and labeling                                                 | 29                                                |                     |                    |          |

# Global Compact

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

| Ten principles of the UN's Global Compact                                                                                 | Reference |
|---------------------------------------------------------------------------------------------------------------------------|-----------|
| HUMAN RIGHTS                                                                                                              | 32, 47    |
| 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                                                     |           |
| LABOR LAW                                                                                                                 | 32, 47    |
| 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                                                  |           |
| ENVIRONMENT                                                                                                               | 32, 47    |
| 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                                       |           |
| ANTI-CORRUPTION                                                                                                           | 32, 47    |
| 10. Work against corruption in all its forms, including extortion and bribery                                             |           |

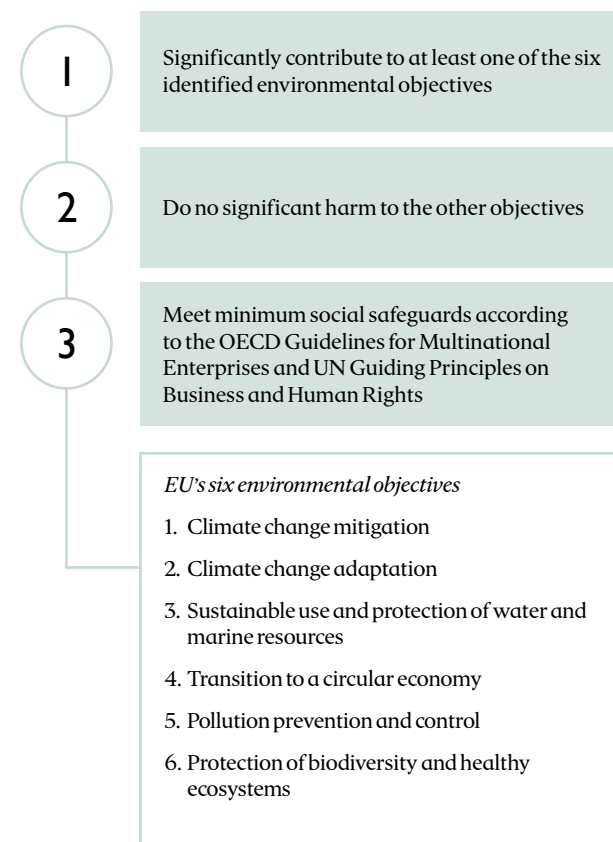
# JM's compliance with the EU taxonomy regulation

## 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 Norway and JM Finland and new production of residential units 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 2023 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 2023, 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 47 projects were assessed.

## Clarified requirements during the year

92 percent of the reported projects contribute significantly to Environmental Objective 1 – climate change mitigation. In contrast, only 6 percent of the completed projects meet the criteria for Environmental Objective 3 – sustainable use and protection of water and marine resources. As a result, the total taxonomy-aligned share of net sales is 0 percent.

The taxonomy requirement on water flows in tap water mixers in the kitchen was clarified at the beginning of 2023, which is why this requirement was not implemented in completed projects during the year.

92 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 February 2023, Norway's NZEB level (Near Zero Energy Building) was defined for the different building categories.

This definition serves as the basis for all Norwegian projects that are reporting for 2023. 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.

A large share of the completed projects meet the waste criteria. JM has worked actively with waste management for many years. Reuse is a relatively new market, and several projects have shown that they work actively with circularity. For other targets, such as prevention of and limits to pollution and protection and restoration of biodiversity, JM reports 71 percent and 62 percent, respectively.

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 of JM's own 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.

#### **Compliance with minimum social safeguards**

JM already implemented procedures and processes for working in its daily operations 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 27 for a description of JM's sustainability goals.

During 2023, 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 2023 – 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 2022 taxonomy reporting was based on data available in January 2023. In addition to JM's core operations, JM also reports company cars and rental agreements for premises in the activities 6.5 for company cars and 7.7 for rental premises according to Commission Delegated Regulation (EU) 2021/2800. Investments for the year consist of new rental premises that meet the energy requirements set out in 7.7 and are LEED-certified at the gold level.

#### *Turnover, CapEx and OpEx*

| IFRS                | Total (SEK m) | Portion of eligible activities (%) <sup>1)</sup> | Portion of non-eligible activities (%) <sup>2)</sup> |
|---------------------|---------------|--------------------------------------------------|------------------------------------------------------|
| Turnover            | 15,969        | 93                                               | 7                                                    |
| CapEx <sup>3)</sup> | 80            | 100                                              | 0                                                    |
| OpEx <sup>3)</sup>  | 324           | 0                                                | 100                                                  |

- <sup>1)</sup> Refers to new production of residential units in the business segments JM Residential Stockholm, JM Residential Sweden and JM Norway, JM Finland and new production of residential units 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, project properties, 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 consolidated income statement according to IFRS on page 58, and the year's CapEx (from the balance sheet items Rights-of-use offices and cars and Machinery and equipment) are found in the consolidated balance sheet according to IFRS on page 59 and in Notes 12 and 13 on page 90. For definitions of turnover, CapEx and OpEx, see page 114.

#### *Portion of turnover/total net sales*

|     | Eligibility per goal | Goals subject to the taxonomy |
|-----|----------------------|-------------------------------|
| CCM | 0.00%                | 93.00%                        |
| CCA | %                    | %                             |
| WTR | %                    | %                             |
| CE  | 0.00%                | 93.00%                        |
| PPC | %                    | %                             |
| BIO | %                    | %                             |

#### *Nuclear energy and fossil gas-related activities*

| Row | Nuclear energy-related activities                                                                                                                                                                                                                                                                                        |    |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 1.  | The company performs, finances or is exposed to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.                                                                                   | NO |
| 2.  | The company performs, finances or is exposed to construction and safe operation of new nuclear power plants for the generation of electricity or process heat, including for district heating or industrial processes, such as hydrogen production, and for safety upgrades of these, using best-available technologies. | NO |
| 3.  | The company performs, finances or is exposed to safe operation of existing nuclear power plants for the generation of electricity or process heat, including for district heating or industrial processes, such as hydrogen production from nuclear energy, and for safety upgrades of these.                            | NO |
|     | <b>Fossil gas-related activities</b>                                                                                                                                                                                                                                                                                     |    |
| 4.  | The company performs, finances or is exposed to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.                                                                                                                                                      | NO |
| 5.  | The company performs, finances or is exposed to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.                                                                                                                                              | NO |
| 6.  | The company performs, finances or is exposed to the construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.                                                                                                                                           | NO |



Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

| 2023                                                                                                                  | Year         |                 |                                       | Substantial Contribution Criteria |                               |              |               |                      |                   | DNSH criteria ('Does Not Significantly Harm')(h) |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |
|-----------------------------------------------------------------------------------------------------------------------|--------------|-----------------|---------------------------------------|-----------------------------------|-------------------------------|--------------|---------------|----------------------|-------------------|--------------------------------------------------|--------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|-----------------------------------------------------------------------------------|---------------------------------|-------------------------------------|--|--|--|--|-----|--|--|
| Economic Activities (1)                                                                                               | Code (a) (2) | Turnover (3)    | Proportion of Turnover, year 2023 (4) | Climate Change Mitigation (5)     | Climate Change Adaptation (6) | Water (7)    | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11)                   | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18) | Category enabling activity (19) | Category transitional activity (20) |  |  |  |  |     |  |  |
|                                                                                                                       |              | SEK m           | %                                     | Y; N; N/EL                        | Y; N; N/EL                    | Y; N; N/EL   | Y; N; N/EL    | Y; N; N/EL           | Y; N; N/EL        | Y/N                                              | Y/N                            | Y/N        | J/N            | Y/N                   | Y/N               | Y/N                     | %                                                                                 | E                               | T                                   |  |  |  |  |     |  |  |
| A. TAXONOMY-ELIGIBLE ACTIVITIES                                                                                       |              |                 |                                       |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |
| A.1. Environmentally sustainable activities (Taxonomy-aligned)                                                        |              |                 |                                       |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |
| Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)                                           |              | 0               | %                                     | %                                 | %                             | %            | %             | %                    | %                 | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 26%                                                                               |                                 |                                     |  |  |  |  |     |  |  |
| Of which Enabling                                                                                                     |              |                 | %                                     | %                                 | %                             | %            | %             | %                    | %                 | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | %                                                                                 | E                               |                                     |  |  |  |  |     |  |  |
| Of which Transitional                                                                                                 |              |                 | %                                     | %                                 |                               |              |               |                      |                   | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | %                                                                                 |                                 | T                                   |  |  |  |  |     |  |  |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)            |              |                 |                                       |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |
|                                                                                                                       |              |                 |                                       | EL; N/EL (f)                      | EL; N/EL (f)                  | EL; N/EL (f) | EL; N/EL (f)  | EL; N/EL (f)         | EL; N/EL (f)      |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |
| Construction of new buildings                                                                                         |              | CE 3.1/ CCM 7.1 | 14,901                                | 93%                               | EL                            | N/EL         |               |                      | EL                |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  | 66% |  |  |
| Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) |              |                 | 14,901                                | 93%                               | 93%                           | 0%           | 0%            | 0%                   | 0%                |                                                  |                                |            |                |                       |                   |                         | 0%                                                                                |                                 |                                     |  |  |  |  | 66% |  |  |
| A. Turnover of Taxonomy eligible activities (A1+A2)                                                                   |              |                 | 14,901                                | 93%                               | 93%                           | 0%           | 0%            | 0%                   | 0%                |                                                  |                                |            |                |                       |                   |                         | 0%                                                                                |                                 |                                     |  |  |  |  | 92% |  |  |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES                                                                                   |              |                 |                                       |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |
| Turnover of Taxonomy-non-eligible activities                                                                          |              |                 | 1,069                                 | 7%                                |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |
| TOTAL                                                                                                                 |              |                 | 15,969                                | 100%                              |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                   |                                 |                                     |  |  |  |  |     |  |  |



## Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

| 2023                                                                                                               | Year         |           |                                    | Substantial Contribution Criteria |                               |              |               |                      |                   | DNSH criteria ('Does Not Significantly Harm')(h) |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
|--------------------------------------------------------------------------------------------------------------------|--------------|-----------|------------------------------------|-----------------------------------|-------------------------------|--------------|---------------|----------------------|-------------------|--------------------------------------------------|--------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|---------------------------------------------------------------------------------|---------------------------------|-------------------------------------|
| Economic Activities (1)                                                                                            | Code (a) (2) | CapEx (3) | Proportion of CapEx, year 2023 (4) | Climate Change Mitigation (5)     | Climate Change Adaptation (6) | Water (7)    | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11)                   | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | "Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022 (18) | Category enabling activity (19) | Category transitional activity (20) |
|                                                                                                                    |              | SEK m     | %                                  | Y; N; N/EL                        | Y; N; N/EL                    | Y; N; N/EL   | Y; N; N/EL    | Y; N; N/EL           | Y; N; N/EL        | Y/N                                              | Y/N                            | Y/N        | J/N            | Y/N                   | Y/N               | Y/N                     | %                                                                               | E                               | T                                   |
| A. TAXONOMY-ELIGIBLE ACTIVITIES                                                                                    |              |           |                                    |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| A.1. Environmentally sustainable activities (Taxonomy-aligned)                                                     |              |           |                                    |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| 6.5 Transport by motorbikes, passenger cars and light commercial vehicles                                          | CCM 6.5      | 12        | 14%                                | Y                                 | N/EL                          | N/EL         | N/EL          | N/EL                 | N/EL              | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 38%                                                                             |                                 |                                     |
| 7.7 Acquisition and ownership of buildings                                                                         | CCM 7.7      | 7         | 8%                                 | Y                                 | N/EL                          | N/EL         | N/EL          | N/EL                 | N/EL              | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 22%                                                                             |                                 |                                     |
| CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)                                           |              | 18        | 23%                                | 23%                               | %                             | %            | %             | %                    | %                 | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 60%                                                                             |                                 |                                     |
| Of which Enabling                                                                                                  |              |           | -                                  | -                                 | -                             | -            | -             | -                    | -                 | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 0%                                                                              | E                               |                                     |
| Of which Transitional                                                                                              |              |           | -                                  | -                                 |                               |              |               |                      |                   | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       |                                                                                 |                                 | T                                   |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)         |              |           |                                    |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
|                                                                                                                    |              |           |                                    | EL; N/EL (f)                      | EL; N/EL (f)                  | EL; N/EL (f) | EL; N/EL (f)  | EL; N/EL (f)         | EL; N/EL (f)      |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| 6.5 Transport by motorbikes, passenger cars and light commercial vehicles                                          | CCM 6.5      | 11        | 13%                                | 13%                               | EL                            |              |               |                      | EL                |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) |              | 11        | 13%                                | 13%                               | 0%                            | 0%           | 0%            | 0%                   | 0%                |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| A. CapEx of Taxonomy eligible activities (A1+A2)                                                                   |              | 29        | 36%                                | 36%                               | 0%                            | 0%           | 0%            | 0%                   | 0%                |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES                                                                                |              |           |                                    |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| CapEx of Taxonomy-non-eligible activities                                                                          |              | 51        | 64%                                |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |
| TOTAL                                                                                                              |              | 80        | 100%                               |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                                 |                                 |                                     |



## Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

| 2023                                                                                                              | Year         |          |                                   | Substantial Contribution Criteria |                               |              |               |                      |                   | DNSH criteria ('Does Not Significantly Harm')(h) |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
|-------------------------------------------------------------------------------------------------------------------|--------------|----------|-----------------------------------|-----------------------------------|-------------------------------|--------------|---------------|----------------------|-------------------|--------------------------------------------------|--------------------------------|------------|----------------|-----------------------|-------------------|-------------------------|-------------------------------------------------------------------------------|---------------------------------|-------------------------------------|
| Economic Activities (1)                                                                                           | Code (a) (2) | OpEx (3) | Proportion of OpEx, year 2023 (4) | Climate Change Mitigation (5)     | Climate Change Adaptation (6) | Water (7)    | Pollution (8) | Circular Economy (9) | Biodiversity (10) | Climate Change Mitigation (11)                   | Climate Change Adaptation (12) | Water (13) | Pollution (14) | Circular Economy (15) | Biodiversity (16) | Minimum Safeguards (17) | Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18) | Category enabling activity (19) | Category transitional activity (20) |
|                                                                                                                   |              | SEK m    | %                                 | Y; N; N/EL                        | Y; N; N/EL                    | Y; N; N/EL   | Y; N; N/EL    | Y; N; N/EL           | Y; N; N/EL        | Y/N                                              | Y/N                            | Y/N        | J/N            | Y/N                   | Y/N               | Y/N                     | %                                                                             | E                               | T                                   |
| A. TAXONOMY-ELIGIBLE ACTIVITIES                                                                                   |              |          |                                   |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
| A.1. Environmentally sustainable activities (Taxonomy-aligned)                                                    |              |          |                                   |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
| OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)                                           |              | 0        | 0%                                | %                                 | %                             | %            | %             | %                    | %                 | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | 0%                                                                            |                                 |                                     |
| Of which Enabling                                                                                                 |              |          | %                                 | %                                 | %                             | %            | %             | %                    | %                 | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | %                                                                             | E                               |                                     |
| Of which Transitional                                                                                             |              |          | %                                 | %                                 |                               |              |               |                      |                   | Y                                                | Y                              | Y          | Y              | Y                     | Y                 | Y                       | %                                                                             |                                 | T                                   |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)        |              |          |                                   |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
|                                                                                                                   |              |          |                                   | EL; N/EL (f)                      | EL; N/EL (f)                  | EL; N/EL (f) | EL; N/EL (f)  | EL; N/EL (f)         | EL; N/EL (f)      |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
| OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) |              | 0        | 0%                                | %                                 | %                             | %            | %             | %                    | %                 |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
| A. OpEx of Taxonomy eligible activities (A1+A2)                                                                   |              | 0        | 0%                                | %                                 | %                             | %            | %             | %                    | %                 |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
|                                                                                                                   |              |          |                                   |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES                                                                               |              |          |                                   |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
| OpEx of Taxonomy-non-eligible activities                                                                          |              | 324      | 100%                              |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |
| TOTAL                                                                                                             |              | 324      | 100%                              |                                   |                               |              |               |                      |                   |                                                  |                                |            |                |                       |                   |                         |                                                                               |                                 |                                     |



# Financial information



# JM Residential Stockholm

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

## Market

Average prices on the existing home market were stable in 2023. The total supply of residential units continued to be high, but the supply of newly produced residential units has been at a low level.

Throughout 2023 demand for JM's residential units has been low and customers cautious, but interest has gradually increased. The willingness of customers to sign a contract early in the process has been below normal. Sales for the year amounted to 315 residential units (657).

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 are Älvsjöstaden, Liljeholmen, Bromstensstaden (Spånga) and Sköndalshöjden in Stockholm, Kvarnholmen in Nacka, Söderdalen in Järfälla, Täby Park in Täby, and Igelsta in Södertälje.

The number of residential units in current production at the end of 2023 was 1,906 (2,665).

## Revenue and profit/loss

Business segment revenue decreased to SEK 4,248m (4,966). Operating profit decreased to SEK 112m (720), and the operating margin decreased to 2.6 percent (14.5). The lower level of residential units in current production combined with the low sales resulted in a decrease in revenue compared to the previous year. Operating profit decreased compared to the previous year due to low sales, price adjustments in current projects, increased financing costs, impairment in development properties, and costs for implemented savings measures.

During market valuation of the business segment's development properties, an impairment need of SEK 75m was identified in a few properties, which burdened profit in the fourth quarter. Operating profit for the year excluding impairment amounted to SEK 187m and the operating margin to 4.4 percent.

Cash flow for the year decreased compared to the previous year, which was primarily attributable to a lower operating profit while the change in working capital was positive.

## Building rights

During 2023, JM acquired building rights corresponding to around 450 residential units (720). During the year, the business segment sold properties located at Brommaplan, Stockholm. The transaction amounted to SEK 283m, with a loss of SEK –15m. Transfer of legal title and payment took place in the fourth quarter of 2023.

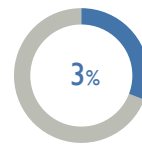
## Housing starts

The low sales have restricted the business segment's housing starts. In addition, the lack of necessary authority decisions continues to have a negative impact on the business segment's housing starts. At the end of 2023, this affected one project with a total of 46 residential units.

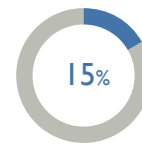
During the year, production started on a total of 231 residential units (721) in apartment buildings, of which 98 were in Ekerö and 133 in Stockholm.

## JM RESIDENTIAL STOCKHOLM

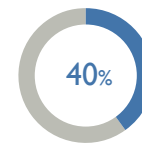
REVENUE  
Percentage of the  
Group



OPERATING PROFIT  
Percentage of the  
Group



NUMBER OF  
EMPLOYEES  
Percentage of the Group



|                                                             | JANUARY–DECEMBER |        |
|-------------------------------------------------------------|------------------|--------|
| SEK m                                                       | 2023             | 2022   |
| Revenue                                                     | 4,248            | 4,966  |
| Operating profit <sup>1)</sup>                              | 112              | 720    |
| Operating margin, %                                         | 2.6              | 14.5   |
| Average operating capital                                   | 5,021            | 4,494  |
| Return on operating capital, %                              | 2.2              | 16.0   |
| Operating cash flow                                         | –532             | 298    |
| Carrying amount, development properties                     | 4,097            | 4,033  |
| Number of available building rights                         | 12,300           | 12,400 |
| – of which building rights in the balance sheet             | 6,700            | 6,400  |
| Number of residential units sold                            | 315              | 657    |
| Number of housing starts                                    | 231              | 721    |
| Number of residential units in current production           | 1,906            | 2,665  |
| Number of employees                                         | 870              | 804    |
| – of which salaried employees                               | 444              | 409    |
| – of which wage-earners                                     | 426              | 395    |
| <sup>1)</sup> Of which impairment in development properties | –75              | –      |



### Sköndalshöjden

Sköndalshöjden in Sköndal will be a vibrant block with a large, lush courtyard. Here, JM will offer 77 residential units close to beautiful nature around Drevviken, swimming and public transport.

# 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 production and sale of residential units.*

## Market

The average prices on the existing home market for both tenant-owned units and single-family homes decreased during 2023 in all of the business segment's submarkets. The total supply of newly produced residential units continued to be at a low level, except in Gothenburg, which had comparably high levels. In Malmö, Gothenburg and Uppsala, the supply of newly produced residential units was lower than in 2022.

The willingness of customers to sign a contract early in the process was below normal, and customers continued to be cautious in 2023. Sales amounted to 534 residential units (946).

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, 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 and Skiljebo in Västerås, Sörby in Örebro, and Lindö in Norrköping.

The number of residential units in current production at the end of 2023 was 1,477 (2,234).

## Revenue and profit/loss

The business segment's revenue decreased to SEK 3,476m (4,500), and operating profit decreased to SEK 139m (682). The operating margin amounted to 4.0 percent (15.2). Revenue and operating profit decreased compared to the previous year due to low current production, price adjustments in current projects, lower sales, increased production and financing costs, impairment in development properties, and costs for implemented savings measures.

During market valuation of the business segment's development properties, an impairment need of SEK 75m was identified in a few specific properties, which burdened profit in the fourth quarter. Operating profit for the year excluding impairment amounted to SEK 214m and the operating margin to 6.2 percent.

Cash flow for the year was weaker than in the previous year due to the increase in restricted working capital and an increase in the number of purchased residential units in the balance sheet.

## Building rights

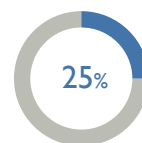
During 2023, building rights equivalent to approximately 200 residential units (1,550) were acquired in Mölnlycke and Norrköping.

## Housing starts

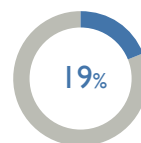
During the year, production started on 443 residential units (1,022): 422 (1,022) were residential units in apartment buildings, of which 148 in Lomma, 119 in Gothenburg, 72 in Mölndal, 40 in Härryda, and 43 in Örebro, as well as 21 single-family homes in Lomma and Partille.

## JM RESIDENTIAL SWEDEN

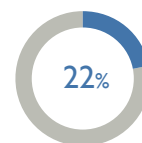
REVENUE  
Percentage of the  
Group



OPERATING PROFIT  
Percentage of the  
Group



NUMBER OF  
EMPLOYEES  
Percentage of the Group



|                                                             | JANUARY–DECEMBER |        |
|-------------------------------------------------------------|------------------|--------|
| SEK m                                                       | 2023             | 2022   |
| Revenue                                                     | 3,476            | 4,500  |
| Operating profit <sup>1)</sup>                              | 139              | 682    |
| Operating margin, %                                         | 4.0              | 15.2   |
| Average operating capital                                   | 2,431            | 1,656  |
| Return on operating capital, %                              | 5.7              | 41.2   |
| Operating cash flow                                         | –424             | 112    |
| Carrying amount, development properties                     | 1,927            | 2,270  |
| Number of available building rights                         | 11,900           | 11,500 |
| – of which building rights in the balance sheet             | 8,000            | 8,000  |
| Number of residential units sold                            | 534              | 946    |
| Number of housing starts                                    | 443              | 1,022  |
| Number of residential units in current production           | 1,477            | 2,234  |
| Number of employees                                         | 472              | 568    |
| – of which salaried employees                               | 298              | 372    |
| – of which wage-earners                                     | 174              | 196    |
| <sup>1)</sup> Of which impairment in development properties | –75              | –      |



## Fabrikören

In the area Gamlestaden, only a few minutes by tram from Göteborgs City, JM is developing the Fabrikören block, which consists of 119 residential units ranging from studios to three-bedroom apartments. A thriving district is being created here, with street art, street food and industrial-inspired architecture contributing to the fantastic atmosphere.

# JM Norway

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

## Market

The price level on the existing home market increased during the first half of the year and then followed a negative trend during the second half of the year; at the end of 2023, it was in line with the previous year.

Norway's central bank continued to raise the key rate during the year, which resulted in increased mortgage costs for customers. At the same time, the market expects interest rates to have peaked in Norway. Sales of residential units on the existing home market were at the same level as in the previous year, while sales of newly produced residential units were significantly lower than in the previous year. Demand for JM's residential units was also lower than normal. Cost pressure in the Norwegian construction sector decreased during the year, albeit from high levels.

Sales for the year amounted to 488 residential units (527). JM Norway's largest sub-markets are Greater Oslo, Drammen, Bergen and Trondheim. Some of the 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 at the end of 2023 was 1,071 (1,335).

## Revenue and profit/loss

JM Norway's revenue decreased to SEK 2,589m (3,392), and operating profit decreased to SEK 149m (238). The operating margin amounted to 5.7 percent (7.0). Revenue and operating profit decreased compared to the previous year due to lower sales and increased production and financing costs.

During market valuation of the business segment's development properties, an impairment need of SEK 11m was identified for two properties, which burdened profit in the fourth quarter. Operating profit for the year excluding impairment amounted to SEK 160m and the operating margin to 6.2 percent.

Cash flow for the year decreased compared to the previous year, primarily due to lower operating profit and larger investments in development properties.

## Building rights

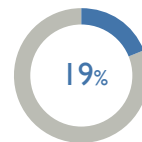
In 2023, titles were transferred for 1,090 residential units in Oslo and Jessheim outside of Oslo.

## Housing starts

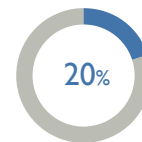
During the year, production started on a total of 405 residential units (605) in apartment buildings, of which 156 in Oslo Municipality, 41 in Rælingen Municipality, 6 in Sandefjord Municipality, 68 in Nordre Follo Municipality and 134 in Asker.

## JM NORWAY

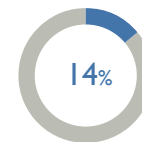
REVENUE  
Percentage of the  
Group



OPERATING PROFIT  
Percentage of the  
Group

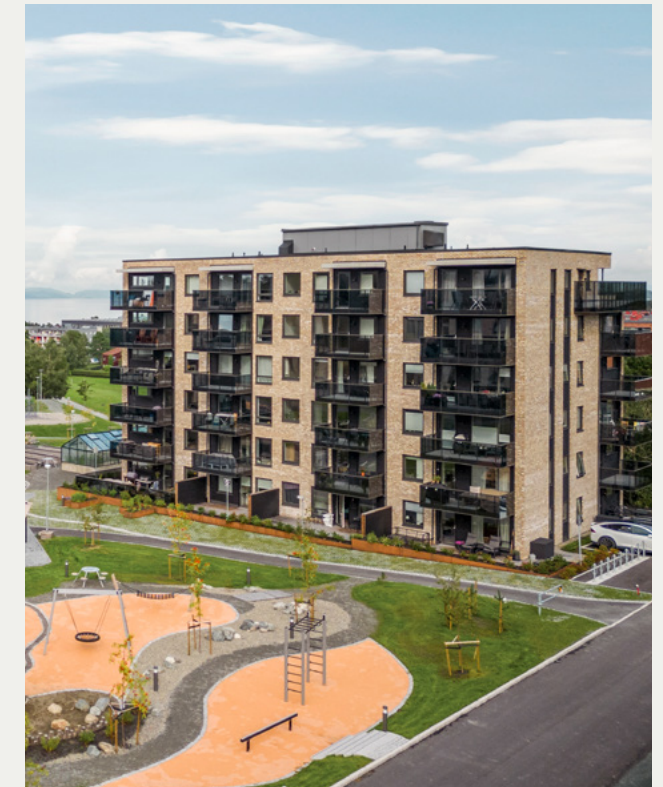


NUMBER OF  
EMPLOYEES  
Percentage of the Group



JANUARY–DECEMBER

| SEK m                                                       | 2023  | 2022  |
|-------------------------------------------------------------|-------|-------|
| Revenue                                                     | 2,589 | 3,392 |
| Operating profit <sup>1)</sup>                              | 149   | 238   |
| Operating margin, %                                         | 5.7   | 7.0   |
| Average operating capital                                   | 2,063 | 2,158 |
| Return on operating capital, %                              | 7.2   | 11.0  |
| Operating cash flow                                         | 38    | 203   |
| Carrying amount, development properties                     | 1,328 | 1,034 |
| Number of available building rights                         | 6,400 | 7,100 |
| – of which building rights in the balance sheet             | 3,900 | 3,300 |
| Number of residential units sold <sup>2)</sup>              | 488   | 527   |
| Number of housing starts <sup>2)</sup>                      | 405   | 605   |
| Number of residential units in current production           | 1,071 | 1,335 |
| Number of employees                                         | 312   | 370   |
| – of which salaried employees                               | 183   | 243   |
| – of which wage-earners                                     | 129   | 127   |
| <sup>1)</sup> Of which impairment in development properties | –11   | –     |
| <sup>2)</sup> Of which residential units to investors       | 156   | –     |



## Strindalia

Just outside of the heart of Trondheim, JM is developing a new residential area in attractive and spacious outdoor areas with a view of Trondheim Fjord. In 2023, JM has completed the project of a total of 174 residential units.

# JM Finland

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

## Market

Activity on the housing market in the Helsinki region slowed during the first six months of the year and then increased during the second half of 2023. During the year, the European central bank raised the key rate several times, but in the fourth quarter inflation began to drop and the key rate was left unchanged. However, there was continued caution among consumers regarding housing purchases, and customers' confidence in the future remained low. The price level on the existing home market in the Helsinki region fell during the year but stabilized during the fourth quarter.

Sales for the year amounted to 346 residential units (459). Sales in 2023 were lower than in the previous year but higher in the fourth quarter primarily due to increased sales to investors. Larger ongoing projects are located in Greater Helsinki in Herttonäs, Finnoo, Kånala and Alberga.

The number of residential units in current production at the end of 2023 was 917 (1,337).

## Revenue and profit/loss

Business segment revenue and operating profit decreased to SEK 1,591m (1,729) compared to the previous year, primarily due to lower sales, price adjustments in ongoing projects, and a lower total number of housing starts. However, the operating margin of 8.8 percent (9.2) was in line with the previous year. The operating profit decreased to SEK 140 (158) compared to the previous year, primarily due to lower sales, costs for implemented savings measures, and price adjustments in current projects.

During market valuation of the business segment's development properties, an impairment need of SEK 3m was identified, which burdened the year's profit. Operating profit for the year excluding impairment amounted to SEK 143m and the operating margin to 9.0 percent.

Cash flow for the year decreased compared to the previous year as a result of higher restricted working capital.

## Building rights

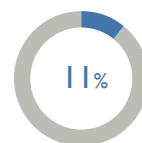
During the year, JM acquired building rights corresponding to around 490 residential units (2,310).

## Housing starts

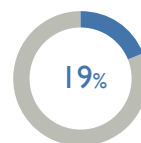
During the year, production started on a total of 375 residential units (599) in apartment buildings, of which 266 were in Helsinki and 109 in Espoo.

## JM FINLAND

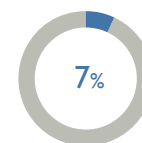
REVENUE  
Percentage of the Group



OPERATING PROFIT  
Percentage of the Group



NUMBER OF EMPLOYEES  
Percentage of the Group



JANUARY–DECEMBER

| SEK m                                                       | 2023  | 2022  |
|-------------------------------------------------------------|-------|-------|
| Revenue                                                     | 1,591 | 1,729 |
| Operating profit <sup>1)</sup>                              | 140   | 158   |
| Operating margin, %                                         | 8.8   | 9.2   |
| Average operating capital                                   | 1,718 | 1,618 |
| Return on operating capital, %                              | 8.1   | 9.8   |
| Operating cash flow                                         | –56   | 193   |
| Carrying amount, development properties                     | 1,115 | 1,046 |
| Number of available building rights                         | 6,900 | 6,800 |
| – of which building rights in the balance sheet             | 3,500 | 3,500 |
| Number of residential units sold <sup>2)</sup>              | 346   | 459   |
| Number of housing starts <sup>2)</sup>                      | 375   | 599   |
| Number of residential units in current production           | 917   | 1,337 |
| Number of employees                                         | 168   | 201   |
| – of which salaried employees                               | 145   | 178   |
| – of which wage-earners                                     | 23    | 23    |
| <sup>1)</sup> Of which impairment in development properties | –3    | –     |
| <sup>2)</sup> Of which residential units to investors       | 290   | 359   |



### Aurinkotuuli

Aurinkotuuli and its 51 residential units are set in a beautiful location next to the sea but also close to the subway and connecting buses in Finnoo, Espoo.

# 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 and profit/loss

Business segment revenue increased compared to the previous year. This was primarily attributable to projects in current production. Contracting revenue and sales of services for the full year amounted to SEK 1,423m (1,224) and rental income to SEK 35m (34).

Operating profit decreased compared to the previous year, primarily due to impairment of SEK 77m in two project properties. The impaired properties refer to current projects with planned completion in the first half of 2024.

Cash flow for the year improved compared to the previous year due to increased project financing, deposits received for sold properties under construction, and the sale of a project property in the Dalénium area in Lidingö.

## Commercial project development

Production is ongoing for the office property K1 Karlbergs Strand, Solna, Sweden. The property covers approximately 20,000 m<sup>2</sup>. The project was sold in 2022 to the Swedish Fortifications Agency, and expected occupancy is in the first quarter of 2025.

## Residential care units

Production is ongoing for the residential care facility Pilhamns Gårdar, which comprises 70 residential units on Ingarö in Värmdö Municipality. The project has been sold, and the estimated occupancy is in the third quarter of 2024.

## Rental Housing

During the year, the project Kvarter 8, with 218 rental units in Söderdalen, Järfälla, was sold. Production began during the year on the next residential phase in the area, the Flora project, which consists of 155 rental units. Occupancy in the project is planned for the fourth quarter of 2024.

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

## JM@home

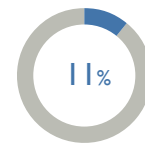
JM@home meets JM customers' demand for both technical and financial management. In 2023, the operations continued to develop and grew with more customers and increased net sales. JM@home broadens JM's customer offering, and valuable experiences are reconnected to future projects.

## Building rights

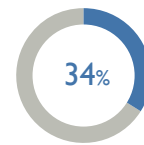
Available building rights for rental units and residential care units correspond to approximately 1,600 residential units (1,700).

## JM PROPERTY DEVELOPMENT

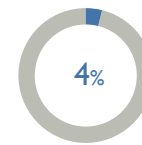
REVENUE  
Percentage of the  
Group



OPERATING PROFIT  
Percentage of the  
Group



NUMBER OF  
EMPLOYEES  
Percentage of the Group



JANUARY–DECEMBER

| SEK m                                                           | 2023  | 2022  |
|-----------------------------------------------------------------|-------|-------|
| Revenue                                                         | 1,458 | 1,224 |
| Operating profit <sup>1) 2) 3)</sup>                            | 248   | 306   |
| Operating margin, %                                             | 17.0  | 25.0  |
| Average operating capital                                       | 1,372 | 1,325 |
| Return on operating capital, %                                  | 18.1  | 23.1  |
| Operating cash flow                                             | 824   | –666  |
| Carrying amount, project properties                             | 1,030 | 914   |
| Number of available building rights                             | 1,600 | 1,700 |
| – of which building rights in the balance sheet                 | 600   | 800   |
| Number of residential units sold <sup>4)</sup>                  | 218   | 70    |
| Number of housing starts <sup>4)</sup>                          | 155   | 166   |
| Number of residential units in current production <sup>4)</sup> | 662   | 507   |
| Number of employees                                             | 77    | 80    |
| – of which salaried employees                                   | 61    | 65    |
| – of which wage-earners                                         | 16    | 15    |
| <sup>1)</sup> Of which impairment in project properties         | –77   | –     |
| <sup>2)</sup> Of which property sales                           | 14    | –     |
| <sup>3)</sup> Of which income from joint venture                | –5    | –11   |
| <sup>4)</sup> Refers to units and residential care units        |       |       |



### Flora

Flora, Järfälla, with 155 rental units entered production in the second quarter of 2023, with estimated completion in the third quarter of 2025.

# JM Construction

*The business segment carries out construction work for external and internal customers in the Greater Stockholm area. The business segment focuses on civil engineering contracts for external professional customers.*

## Market

Demand on the civil engineering market in Stockholm continued to be stable during the period, with strong competition for assignments but somewhat cautious customers.

## Revenue and profit/loss

Business segment revenue decreased compared to the previous year, primarily due to the operational transfer of internal projects and lower external activity for JM in the civil engineering business.

On July 1, operations for the part of the business unit that carried out internal civil engineering projects were transferred to JM Residential Stockholm. In conjunction with this transfer, JM Construction transitioned to a specialized civil engineering business that focuses on delivering profitable civil engineering projects with high quality. Ongoing intercompany projects are being transferred gradually to JM Residential Stockholm.

The operating margin weakened slightly due to a lower degree of recognized revenue and increased material costs in contracts previously entered into that could not be fully passed on to orderers. Revenue decreased to SEK 781m (1,077). Operating profit was SEK 8m (12).

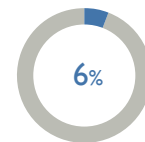
Cash flow for the year improved compared to the previous year, mainly due to a reduction in tied-up working capital.

## Projects

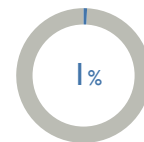
The largest ongoing external projects are several infrastructure projects in Tyresö, development work for an upcoming industrial area in Länna, groundworks and conduit work for new sewage treatment plants in Haninge, and development and detailed planning work in a new district in Vallentuna.

## JM CONSTRUCTION

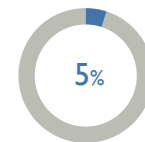
REVENUE  
Percentage of the  
Group



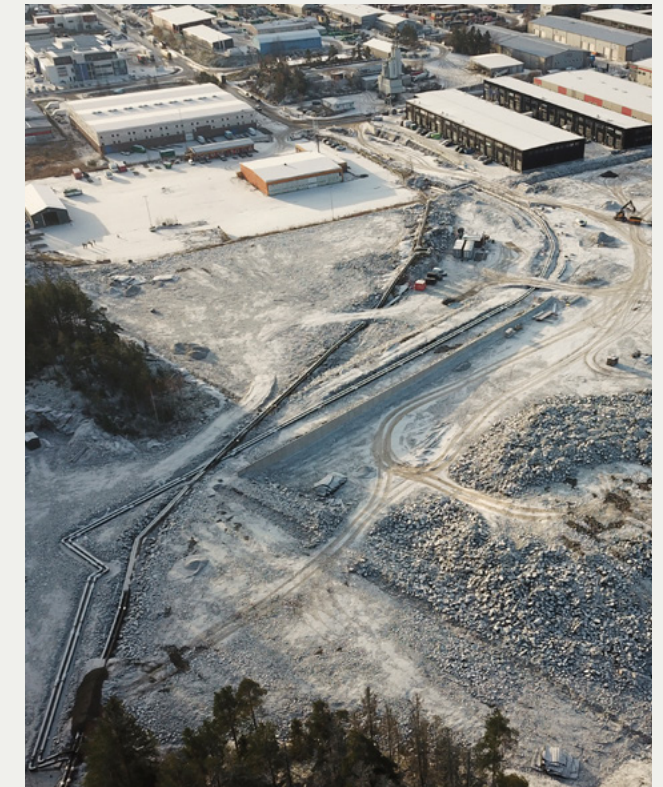
OPERATING PROFIT  
Percentage of the  
Group



NUMBER OF  
EMPLOYEES  
Percentage of the Group



| SEK m                                   | JANUARY–DECEMBER |       |
|-----------------------------------------|------------------|-------|
|                                         | 2023             | 2022  |
| Revenue <sup>1)</sup>                   | 781              | 1,077 |
| Operating profit <sup>2)</sup>          | 8                | 12    |
| Operating margin, %                     | 1.0              | 1.1   |
| Operating cash flow                     | 42               | 20    |
| Carrying amount, development properties | 8                | 10    |
| Number of employees                     | 120              | 259   |
| – of which salaried employees           | 61               | 144   |
| – of which wage-earners                 | 59               | 115   |
| <sup>1)</sup> Of which intercompany     | 294              | 505   |



### Norra Länna in Huddinge

Groundworks and street expansion for industrial sites in Norra Länna industrial area in Huddinge, for Huddinge Municipality and Stockholm Vatten och Avfall.

## Consolidated Income Statement – Segment Reporting

| SEK m                                          | NOTE    | 2023         | 2022         |
|------------------------------------------------|---------|--------------|--------------|
| Revenue                                        | 1, 2    | 13,851       | 16,385       |
| Production and operating costs                 | 3, 4    | –11,877      | –13,216      |
| <b>Gross profit</b>                            |         | <b>1,973</b> | <b>3,169</b> |
| Selling and administrative expenses            | 3, 4, 5 | –985         | –1,094       |
| Gains/losses on the sale of property, etc.     | 7       | –256         | –11          |
| <b>Operating profit</b>                        |         | <b>732</b>   | <b>2,064</b> |
| Financial income                               | 8       | 33           | 19           |
| Financial expenses                             | 8       | –133         | –89          |
| <b>Profit before tax</b>                       |         | <b>632</b>   | <b>1,994</b> |
| Taxes                                          |         | –199         | –419         |
| <b>Net profit for the year</b>                 |         | <b>433</b>   | <b>1,575</b> |
| Other comprehensive income                     |         | –205         | 568          |
| <b>Total comprehensive income for the year</b> |         | <b>229</b>   | <b>2,143</b> |
| Diluted earnings per share (SEK)               | 10      | 6.70         | 23.40        |
| Average number of shares, diluted              | 10      | 64,504,840   | 67,384,072   |
| Proposed dividend per share (SEK)              | 10      | 3.00         | 14.00        |

### COMMENTS

#### Revenue

(2023: SEK 13,851m, 2022: SEK 16,385m)

Consolidated revenue decreased by 15 percent compared to 2022. The decrease in revenue was primarily attributable to a low level of residential units in current production and decreased sales ratio in all business segments, which to some extent is offset by commercial projects in production.

The revenue consists of 95 percent of recognized revenue in residential projects and commercial projects. Revenue is recognized according to the percentage of completion method, which means that revenue is recognized based on the most recent forecast made, period by period, as each project is completed and sold.

JM Construction's revenue represents 4 percent of the Group's revenue. Rental income from rental units and commercial premises corresponds to 1 percent of total revenue.

#### Operating profit

(2023: SEK 732m, 2022: SEK 2,064m)

Operating profit decreased by 65 percent compared to the previous year as a result of implemented price reductions in current projects, increased

costs in current production, and impairment in development properties and project properties totaling SEK –258m (–). Selling and administrative expenses decreased by 10 percent compared to the previous year primarily due to implemented savings measures.

#### Financial income and expenses

(2023: SEK –100m, 2022: SEK –70m)

Net financial items deteriorated by SEK 30m in 2023 compared to 2022. This is primarily due to a slightly higher level of average interest-bearing liabilities and higher average interest rate.

#### Taxes

(2023: SEK –199m, 2022: SEK –419m)

The reported tax expense in 2023 amounts to 31 percent (21) of reported profit/loss before tax.

The effective tax rate is higher than the nominal tax rate primarily attributable to interest rate deduction limitations.

## Consolidated Balance Sheet – Segment Reporting

| SEK m                                                | NOTE   | 12/31/2023    | 12/31/2022    |
|------------------------------------------------------|--------|---------------|---------------|
| <b>ASSETS</b>                                        | 2      |               |               |
| <b>Non-current assets</b>                            |        |               |               |
| Goodwill                                             | 11     | 217           | 219           |
| Machinery and equipment                              | 12     | 10            | 8             |
| Participations in joint operations and joint venture | 14, 15 | 93            | 102           |
| Deferred tax assets                                  | 28     | –             | –             |
| Financial assets                                     | 16, 25 | 32            | 22            |
| <b>Total non-current assets</b>                      |        | <b>351</b>    | <b>351</b>    |
| <b>Current assets</b>                                |        |               |               |
| Project properties                                   | 17     | 1,030         | 932           |
| Development properties                               | 17     | 8,504         | 8,465         |
| Participations in tenant-owners associations, etc.   | 18     | 803           | 308           |
| Accounts receivable                                  | 25     | 576           | 424           |
| Other current receivables                            | 20     | 642           | 613           |
| Prepaid expenses and accrued income                  | 21     | 58            | 58            |
| Recognized revenue less progress billings            | 22     | 3,266         | 4,131         |
| Cash and cash equivalents                            | 24, 25 | 1,582         | 1,840         |
| <b>Total current assets</b>                          |        | <b>16,461</b> | <b>16,771</b> |
| <b>TOTAL ASSETS</b>                                  |        | <b>16,812</b> | <b>17,122</b> |

| SEK m                                                            | NOTE       | 12/31/2023    | 12/31/2022    |
|------------------------------------------------------------------|------------|---------------|---------------|
| <b>EQUITY AND LIABILITIES</b>                                    |            |               |               |
| <b>Equity attributable to shareholders of the Parent Company</b> |            |               |               |
| Share capital                                                    | 10         | 68            | 68            |
| Other capital contributions                                      |            | 936           | 936           |
| Reserves                                                         |            | –51           | 70            |
| Undistributed earnings (including net profit for the year)       |            | 7,378         | 7,931         |
| <b>Total shareholders' equity</b>                                |            | <b>8,332</b>  | <b>9,006</b>  |
| <b>Liabilities</b>                                               |            |               |               |
| <b>Non-current liabilities</b>                                   |            |               |               |
| Non-current interest-bearing liabilities                         | 23, 24, 25 | 397           | 268           |
| Other non-current liabilities                                    | 23, 24, 25 | 364           | 414           |
| Provisions for pensions and similar obligations                  | 23, 26     | 1,546         | 1,404         |
| Other non-current provisions                                     | 27         | 488           | 458           |
| Deferred tax liabilities                                         | 28         | 525           | 855           |
| <b>Total non-current liabilities</b>                             |            | <b>3,319</b>  | <b>3,399</b>  |
| <b>Current liabilities</b>                                       |            |               |               |
| Accounts payable                                                 | 24, 25     | 774           | 963           |
| Current interest-bearing liabilities                             | 24, 25     | 1,526         | 507           |
| Other current liabilities                                        | 24, 25     | 832           | 388           |
| Current tax liabilities                                          |            | 167           | 147           |
| Progress billings in excess of recognized revenue                | 29         | 868           | 1,309         |
| Accrued expenses and deferred income                             | 30         | 881           | 1,281         |
| Current provisions                                               | 27         | 113           | 122           |
| <b>Total current liabilities</b>                                 |            | <b>5,161</b>  | <b>4,717</b>  |
| <b>Total liabilities</b>                                         |            | <b>8,480</b>  | <b>8,116</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |            | <b>16,812</b> | <b>17,122</b> |
| <b>Pledged assets and contingent liabilities</b>                 | 31         |               |               |

### COMMENTS

#### Goodwill

(2023: SEK 217m, 2022: SEK 219m)

Reported goodwill refers to goodwill from acquisition of the Norwegian companies JM Norge AS and AS Prosjektfinans and the Finnish company Gradina Tampere OY. The change in 2023 refers to an adjustment in the acquisition analysis of Gradina Tampere OY and foreign exchange rate fluctuations.

#### Project properties

(2023: SEK 1,030m, 2022: SEK 932m)

The portfolio refers to smaller commercial properties and land for offices.

The externally appraised market value amounts to SEK 1,069m (1,089), which entails a surplus value of SEK 39m (157).

#### Development properties

(2023: SEK 8,504m, 2022: SEK 8,465m)

The acquisition rate in 2023 is in line with the previous year. During the year, JM acquired development properties for SEK 1,628m (1,700) where the majority of the acquisitions consist of

development properties intended for residential units. Development properties transferred to production amounted to SEK –829m (–1,538). Sales of development properties amounted to SEK –313m and impairments to SEK –181m (–).

The market value of the development properties shows a surplus value of SEK 5.6bn (6.7).

In all, JM has 22,700 building rights (22,000) in the balance sheet.

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

(2023: SEK 803m, 2022: SEK 308m)

Purchase of unsold residential units occurs no later than on the settlement date and is due to the commitment in the construction contract with the tenant-owners association. There are 235 (63) unsold residential units in the balance sheet, and the increase is attributable to larger purchases in completed projects primarily in JM Residential Sweden and JM Finland.

#### Recognized revenue less progress billings

(2023: SEK 3,266m, 2022: SEK 4,131m)

The asset item refers to the net between recognized revenue

in current projects and the accumulated billing on account in these projects. The ongoing projects that have a positive balance are reported in this asset item. The decrease is primarily attributable to a lower number of residential units in current production.

#### Pension provisions

(2023: SEK 1,546m, 2022: SEK 1,404m)

The liability has increased primarily due to increased accrued pension rights until 2024 that have been enumerated compared to the assumptions previously used.

#### Other non-current provisions

(2023: SEK 488m, 2022: SEK 458m)

Refers to non-current provisions for warranty commitments for expenses that can arise during the warranty period. The size of the provisions is based primarily on the number of residential units per project and burdens projects at completion. The majority of the warranty provisions extend for around two to five years after project completion.

#### Deferred tax liabilities

(2023: SEK 525m, 2022: SEK 855m)

The deferred tax liabilities item refers 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

(2023: SEK 397m, 2022: SEK 268m)

Refers primarily to non-current interest-bearing liabilities to credit institutions and non-current interest-bearing promissory notes from acquisition of development properties. The change refers primarily to an increase to credit institutions in JM's foreign subsidiaries.

#### Current interest-bearing liabilities

(2023: SEK 1,526m, 2022: SEK 507m)

Refers primarily to financing of projects in JM Property Development that are built in JM's own balance sheet until they

are sold and non-current interest-bearing liabilities in JM's foreign subsidiaries that refer to acquisitions of development properties.

#### Other current liabilities

(2023: SEK 832m, 2022: SEK 388m)

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

#### Progress billings in excess of recognized revenue

(2023: SEK 868m, 2022: SEK 1,309m)

The liability item refers to the net between recognized revenue in current projects and the accumulated billing on account in these projects. The ongoing projects that have a negative balance are reported in this liability item. The decrease is primarily attributable to a lower number of residential units in current production.

## Consolidated Statement of Changes in Equity – Segment Reporting

| SEK m                                            | 2023         | 2022         |
|--------------------------------------------------|--------------|--------------|
| <b>Opening balance, January 1</b>                | <b>9,006</b> | <b>8,608</b> |
| Total comprehensive income for the year          | 229          | 2,143        |
| Dividend to equity holders of the Parent Company | –903         | –922         |
| Conversion of convertible loan                   | –            | 1            |
| Repurchase of shares                             | –            | –825         |
| Equity component of convertible debentures       | –            | –            |
| <b>Closing balance, December 31</b>              | <b>8,332</b> | <b>9,006</b> |

### COMMENTS CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

#### Shareholders' equity

(2023: SEK 8,332m, 2022: SEK 9,006m)  
Shareholders' equity decreased by SEK 674m compared to the end of 2022. Consolidated shareholders' equity as at December 31, 2023, totaled SEK 8,332m (9,006), which corresponds to SEK 129 (140) per share. Return on equity was 5.0 percent (17.9).

#### Dividend to Parent Company shareholders

The dividend to shareholders of the Parent Company totaled SEK 903m (922), which corresponds to SEK 14.00 (13.50) per share.

#### Conversion of convertible loan

During the year, no shares were converted in the outstanding convertible programs.

#### Repurchase of shares

During the year, no shares were bought back (SEK 825m). The number of outstanding shares amounted at the end of the year to 64,504,840 (64,504,840).

### COMMENTS CONSOLIDATED CASH FLOW STATEMENT

#### Operating activities before change in working capital

(2023: SEK 458m, 2022: SEK 929m)  
Cash flow before the change in working capital has deteriorated compared to the previous year, which is almost exclusively attributable to a lower operating profit. Impairments of SEK 258m (–) are reversed, since they do not have an impact on the cash flow.

#### Operating activities

(2023: SEK –48m, 2022: SEK –261m)  
Cash flow from operating activities is higher than in the previous year. Net investments in development properties and project properties have decreased compared to the previous year due to a lower number of investments combined with larger sales. At the same time, SEK 829m (1,538) has been taken into production in conjunction with housing starts.

Holdings of repurchased residential units have increased during the year and amounted at the end of the year to 235 (63), which has a total negative impact on cash flow of SEK –484m (88).

Current operating receivables and liabilities have improved cash flow by a total of SEK 609m (–230). The improvement compared to the previous year is primarily attributable to increased project financing and downpayment received for sold properties under construction in the segment JM Property Development and a lower number of residential units in current production.

#### Financing activities

(2023: SEK –172m, 2022: SEK –1,869m)  
Cash flow from financing activities has improved compared to the previous year, primarily due to no buy-backs in 2023, slightly higher borrowing in the foreign subsidiaries, and lower amortization. During the year, a dividend to shareholders was paid totaling SEK 903m (922).

## Consolidated Cash Flow Statement – Segment Reporting

| SEK m                                                                       | NOTE         | 2023         | 2022          |
|-----------------------------------------------------------------------------|--------------|--------------|---------------|
| <b>OPERATING ACTIVITIES</b>                                                 | <b>1</b>     |              |               |
| Operating profit                                                            |              | 732          | 2,064         |
| Depreciation and amortization                                               |              | 285          | 4             |
| Other non-cash items                                                        |              |              |               |
| <i>Gains/losses on the sale of property</i>                                 | <b>7</b>     | –7           | –             |
| <i>Changes in pension liability</i>                                         |              | 143          | –357          |
| <i>Other provisions, etc.</i>                                               |              | –340         | –221          |
| Interest received                                                           |              | 33           | 9             |
| Dividends received                                                          |              | 5            | 5             |
| Interest paid and other financial expenses                                  |              | –50          | –42           |
| Tax paid                                                                    |              | –344         | –532          |
| <b>Cash flow from operating activities before change in working capital</b> |              | <b>458</b>   | <b>930</b>    |
| Increase/decrease development properties                                    | <b>7, 17</b> | –247         | –333          |
| Increase/decrease in residential units in the balance sheet                 |              | –484         | 88            |
| Increase/decrease in accounts receivable                                    |              | –156         | 223           |
| Increase/decrease in other current receivables, etc.                        |              | 1,273        | –848          |
| Increase/decrease in accounts payable                                       |              | –177         | 171           |
| Increase/decrease in other current operating liabilities                    |              | –331         | 224           |
| <b>Cash flow before investments and sales of project properties</b>         |              | <b>336</b>   | <b>455</b>    |
| Investment in project properties                                            |              | –429         | –795          |
| Sale of project properties                                                  |              | 46           | 79            |
| <b>Cash flow from operating activities</b>                                  |              | <b>–48</b>   | <b>–261</b>   |
| <b>INVESTING ACTIVITIES</b>                                                 |              |              |               |
| Investment in property, plant, and equipment                                |              | –1           | –4            |
| Property, plant, and equipment divested                                     |              | –            | –             |
| Acquisition of operations                                                   |              | –            | –26           |
| Change in financial assets                                                  |              | –1           | 2             |
| <b>Cash flow from investing activities</b>                                  |              | <b>–2</b>    | <b>–29</b>    |
| <b>FINANCING ACTIVITIES</b>                                                 |              |              |               |
| Loans raised                                                                |              | 976          | 538           |
| Amortization of liabilities                                                 |              | –245         | –661          |
| Repurchase of shares                                                        |              | –            | –825          |
| Dividends                                                                   |              | –903         | –922          |
| <b>Cash flow from financing activities</b>                                  |              | <b>–172</b>  | <b>–1,869</b> |
| <b>Cash flow for the year</b>                                               |              | <b>–221</b>  | <b>–2,159</b> |
| <b>Cash and cash equivalents, January 1</b>                                 |              | <b>1,840</b> | <b>3,981</b>  |
| Exchange rate difference in cash and cash equivalents                       |              | –37          | 18            |
| <b>Cash and cash equivalents at end of period</b>                           |              | <b>1,582</b> | <b>1,840</b>  |

# 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 2023.*

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

In April 2023, the ruling by the Administrative Court of Appeal became legally binding, why JM from January 1, 2023, in accordance with IFRS 10 Consolidated Financial Statements, consolidates Swedish tenant-owners associations during the production phase up until the point in time that the home buyers of the residential units take over occupancy. Accordingly, the group's balance sheet and profit and loss according to IFRS includes all of the tenant-owners associations' assets, equity and liabilities as well as revenue and expenses. This principle is hereinafter referred to as the "completed contract method." JM recognizes the projects in the balance sheet where largest items consist of work in progress on the asset side and the tenant-owners associations borrowing as a part of the Group's interest-bearing liabilities. Revenue and expenses for the projects are recognized when the home buyers take over occupancy of the residential units.

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

To provide a clear and comparable overview of JM's earnings trend over time with regard to residential development through tenant-owner associations, JM will continue to present segment reporting where revenue in these projects is recognized in accordance with the percentage of completion method. The reporting of financial key ratios will also take these conditions into consideration. This is in line with JM's internal governance model. Neither JM's risk profile nor existing financing agreements are impacted by the change in accounting. For more information, see Note 1. All comparative figures have been restated unless otherwise specified.

<sup>1)</sup> Of which 218 rental units (70) in JM Property Development <sup>2)</sup> Of which 446 residential units (359) to investors in JM Finland and JM Norway  
<sup>3)</sup> Of which 155 rental units (166) in JM Property Development <sup>4)</sup> Of which 446 residential units (359) to investors in JM Finland and JM Norway

## Market, sales and housing starts

The year has been characterized by a slow-down in the global economy due to prevailing external factors such as high inflation, high market rates and war. On all of the Group's sub-markets, however, inflation slowed during the fourth quarter. The general assessment is that interest rates have reached their peak, and central banks are not expected to raise the interest rates further. The slow-down in the economy continued to have a considerable impact on the housing market and subsequently JM's operations. The housing markets in the Group's sub-markets have also been negatively impacted by a large supply on the existing home market. Overall, consumers' buying power was weakened and customers continue to be cautious. Often, it takes a long time from when the customer signs the agreement until they move in, which means that the market for newly produced residential units is more exposed than the existing home market when households' finances are weakened. Prices on the existing home market were stable or slightly decreasing during the year on the Swedish market, but they continued to decrease on the Norwegian and Finnish markets. The underlying need for housing continues to be large, but the Group's housing starts decreased by almost half in number of residential units compared to the previous year due to declining demand.

Sales decreased due to the weak market, which resulted in the number of residential units sold in the form of signed contracts decreasing to 1,901 (2,659)<sup>1) 2)</sup>. The percentage of sold and reserved homes in relation to current production amounts to 54 percent (62), with an interval of 60–65 percent considered normal. JM Residential Stockholm sold 315 residential units (657), JM Residential Sweden sold 534 (946), JM Norway sold 488 (527), JM Finland sold 346 (459), and JM Property Development sold 218 (70).

The number of housing starts decreased to 1,609 (3,113)<sup>3) 4)</sup>. JM Residential Stockholm started production on 231 residential units (721), JM Residential Sweden on 443 (1,022), JM Norway on 405 (605), JM Finland on 375 (599), and JM Property Development on 155 (166). The number of residential units in current production amounted to 6,033 (8,078).

| RESIDENTIAL UNITS IN CURRENT PRODUCTION                                                                                                                                                                                             | 12/31/2023 | 12/31/2022 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Number of residential units in current production <sup>1) 2)</sup>                                                                                                                                                                  | 6,033      | 8,078      |
| Percentage of sold residential units in current production, % <sup>3)</sup>                                                                                                                                                         | 52         | 59         |
| Percentage reserved residential units in current production, %                                                                                                                                                                      | 2          | 3          |
| Percentage sold and reserved residential units in current production, %                                                                                                                                                             | 54         | 62         |
| <sup>1)</sup> Of which rental units and residential care units in current production in JM Property Development                                                                                                                     | 662        | 507        |
| <sup>2)</sup> Of which rental units and residential care units not intended for sale in current production in JM Property Development – not included in the percentage of sold and reserved residential units in current production | 444        | –          |
| <sup>3)</sup> Percentage of sold residential units expressed as a binding contract with the end customer.                                                                                                                           |            |            |

## Revenue

Consolidated revenue in accordance with segment reporting decreased to SEK 13,851m (16,385). The decreased revenue was primarily attributable to a low level of residential units in current production and a decreased sales ratio in all business segments, which to some extent is offset by commercial projects in current production. Revenue restated according to IFRS increased to SEK 15,969m (14,577). The change is primarily attributable to commercial projects in production and a larger number of handed over and revenue recognised residential units than last year. In 2023, 2,729 residential units were transferred and revenue recognised, which can be compared to 2,352 in 2022.

## Operating profit

Operating profit according to segment reporting decreased to SEK 732m (2,064), and the operating margin decreased to 5.3 percent (12.6). The change is primarily a result of implemented price reductions in current projects, increased costs in current production, and impairment in development properties and project properties totaling SEK 258m (–). Operating profit excluding impairments amounted to SEK 990m and the operating margin to 7.1 percent. During the second quarter, profit was burdened by SEK 67m (–) due to costs from completed staff departures.

Operating profit according to IFRS decreased to SEK 1,510m (1,978), and the operating margin decreased to 9.5 percent (13.6). The decrease is primarily attributable to impairments in development and project properties of SEK 258m (–) and handed over and revenue recognised residential units with a lower margin, primarily a result of implemented price reductions in current projects and increased costs in current production.

| BUSINESS SEGMENTS<br>SEK m                     | Revenue       |               | Operating profit |              | Operating margin, % |             |
|------------------------------------------------|---------------|---------------|------------------|--------------|---------------------|-------------|
|                                                | 2023          | 2022          | 2023             | 2022         | 2023                | 2022        |
| JM Residential Stockholm                       | 4,248         | 4,966         | 112              | 720          | 2.6                 | 14.5        |
| JM Residential Sweden                          | 3,476         | 4,500         | 139              | 682          | 4.0                 | 15.2        |
| JM Norway                                      | 2,589         | 3,392         | 149              | 238          | 5.7                 | 7.0         |
| JM Finland                                     | 1,591         | 1,729         | 140              | 158          | 8.8                 | 9.2         |
| JM Property Development                        | 1,458         | 1,224         | 248              | 306          | 17.0                | 25.0        |
| JM Construction                                | 781           | 1,077         | 8                | 12           | 1.0                 | 1.1         |
| Elimination                                    | –294          | –505          |                  |              |                     |             |
| Group-wide expenses                            |               |               | –64              | –53          |                     |             |
| <b>Total (segment reporting)</b>               | <b>13,851</b> | <b>16,385</b> | <b>732</b>       | <b>2,064</b> | <b>5.3</b>          | <b>12.6</b> |
| Recalculation to the completed contract method | 2,119         | –1,808        | 753              | –105         |                     |             |
| Restatement IFRS 16                            |               |               | 24               | 18           |                     |             |
| <b>Total (IFRS)</b>                            | <b>15,969</b> | <b>14,577</b> | <b>1,510</b>     | <b>1,978</b> | <b>9.5</b>          | <b>13.6</b> |

## Financial income and expenses

Net financial items deteriorated somewhat compared to the previous year primarily due to somewhat higher average interest-bearing liabilities and average interest rates.

| SEK m                                            | 12/31/2023  | 12/31/2022 |
|--------------------------------------------------|-------------|------------|
| Financial income                                 | 33          | 19         |
| Financial expenses <sup>1)</sup>                 | –159        | –108       |
| <b>Financial income and expenses</b>             | <b>–125</b> | <b>–89</b> |
| <sup>1)</sup> Of which interest expenses, leases | –25         | –19        |

## Profit before tax

Profit before tax according to segment reporting decreased to SEK 632m (1,994). Profit restated according to IFRS decreased to SEK 1,385m (1,889).

## Tax and profit for the year

Profit for the year according to segment reporting decreased to SEK 433m (1,575). Profit for the year restated according to IFRS decreased to SEK 1,029m (1,495). Total tax expense was SEK –199m (–419) and according to IFRS SEK –356m (–395), including current tax of SEK –346m (–472) and deferred tax of SEK 147m (68) according to IFRS. The higher tax expense for 2023 compared to the nominal tax rate is mainly due to limitations in the interest rate deduction rules. A charge of SEK 48m (49) was taken against earnings for property tax, which is treated as an operating expense.

## Residential projects and project properties

### Residential building rights

The number of available building rights at the end of the year amounted to 39,100 (39,500), of which 22,700 (22,000) are recognized in the balance sheet.

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

|                          | 2023          |                 | 2022          |                 |
|--------------------------|---------------|-----------------|---------------|-----------------|
| JM Residential Stockholm | 12,300        | (6,700)         | 12,400        | (6,400)         |
| JM Residential Sweden    | 11,900        | (8,000)         | 11,500        | (8,000)         |
| JM Norway                | 6,400         | (3,900)         | 7,100         | (3,300)         |
| JM Finland               | 6,900         | (3,500)         | 6,800         | (3,600)         |
| JM Property Development  | 1,600         | (600)           | 1,700         | (800)           |
| <b>Total</b>             | <b>39,100</b> | <b>(22,700)</b> | <b>39,500</b> | <b>(22,000)</b> |

The value of residential building rights (development properties in the balance sheet) increased to SEK 8,496m (8,454). The

valuation of JM's total development property portfolio with a carrying amount of SEK 8.5bn (8.5) shows a surplus value of SEK 5.6bn (6.7). This valuation was, as in previous years, carried out in cooperation with an independent appraisal company. This large surplus value confirms JM's geographic acquisition strategy. An impairment need for a few specific development properties was identified, which resulted in impairment losses totaling SEK 181m (–), of which SEK 17m referred to development properties in Belgium.

JM acquired residential development properties in 2023 for SEK 1,628m (1,700), of which SEK 805m (417) relates to JM Residential Stockholm, SEK 40m (1,073) to JM Residential Sweden, SEK 644m (37) to JM Norway, and SEK 139m (173) to JM Finland.

Net investments in development properties during the year totaled SEK 489m (165). The building rights portfolio then amounts to SEK 8,504m (8,465). These holdings are essential for JM's residential development projects.

### DEVELOPMENT PROPERTIES (HOUSING)

| SEK bn                   | 12/31/2023   |                 | 12/31/2022   |                 |
|--------------------------|--------------|-----------------|--------------|-----------------|
|                          | Market value | Carrying amount | Market value | Carrying amount |
| JM Residential Stockholm | 7.8          | 4.1             | 8.2          | 4.0             |
| JM Residential Sweden    | 2.9          | 1.9             | 3.5          | 2.3             |
| JM Norway                | 1.9          | 1.3             | 1.9          | 1.1             |
| JM Finland               | 1.5          | 1.1             | 1.6          | 1.1             |
| <b>Total</b>             | <b>14.1</b>  | <b>8.5</b>      | <b>15.2</b>  | <b>8.5</b>      |

### Project properties

The externally appraised market value of JM's project properties has been set at SEK 1,069m (1,089) with a carrying amount of SEK 1,030m (932), which entails a surplus value of SEK 39m (157). In conjunction with the market valuations conducted, two project properties were written down by a total of SEK 77m (–) in the business segment JM Property Development.

Rental income from JM's project properties was SEK 36m (35). Net operating income was SEK 11m (11). Investments in project properties during the year totaled SEK 429m (433).

### PROJECT PROPERTIES

| 12/31/2023                       | Market value, SEK m | Carrying amount, SEK m | Area (000) m² | Occupancy rate annual rent, % |
|----------------------------------|---------------------|------------------------|---------------|-------------------------------|
| Properties under development     | 1,055               | 1,024                  | 27            | 91                            |
| Completed rental unit properties | –                   | –                      | –             | –                             |
| Completed office properties      | 14                  | 6                      | 1             | 100                           |
| <b>Total</b>                     | <b>1,069</b>        | <b>1,030</b>           | <b>28</b>     | <b>91</b>                     |

### Unsold residential units in the balance sheet

The number of unsold residential units in the balance sheet according to segment reporting amounted to 235 (63), which corresponds to a value of SEK 803m (308). The increase is primarily attributable to a larger number of repurchased residential units primarily in the business segments JM Residential Sweden and JM Finland. In addition to the 235 unsold residential units in the balance sheet, 74 residential units at a value of SEK 220m were sold but not yet handed over to the customer, which is why the units were not yet recognized under IFRS and thus increase the value of unsold residential units in the balance sheet to SEK 1,023m.

### UNSOLD UNITS <sup>1)</sup>

|                                                                                                                             | 12/31/2023 | 12/31/2022 |
|-----------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Completed production, number of unsold units <sup>2)</sup>                                                                  | 308        | 91         |
| The number of unsold residential units in the balance sheet reported as "Participations in tenant-owners associations, etc" | 235        | 63         |

<sup>1)</sup> According to segment reporting.

<sup>2)</sup> After final occupancy according to plan.

## Financial items

### Interest-bearing liabilities and average interest rates

As at December 31, 2023, interest-bearing net liabilities according to segment reporting totaled SEK 1,877m (334). Non-interest-bearing liabilities for completed property acquisitions amounted to SEK 782m (492). Of these liabilities, SEK 419m (78) were current. According to IFRS, the interest-bearing net liability amounted to SEK 15,903m (15,619) after the addition of project financing of SEK 7,302m (7,001), Swedish tenant-owners associations of SEK 6,087m (7,575), and liabilities from leases according to IFRS 16 of SEK 637m (709). Total interest-bearing loans according to segment reporting on December 31, 2023, amounted to SEK 3,469m (2,179), of which the pension liability comprised SEK 1,546m (1,404). The actuarial loss is SEK 85m

(–414) and is primarily explained by increased accrued pension rights until 2024 that have been enumerated compared to the assumptions previously used. According to IFRS, total interest-bearing liabilities amounted to SEK 16,040m (16,372), of which the pension liability comprised SEK 1,546m (1,404). At the end of the year, the average interest rate for JM's total interest-bearing loans according to segment reporting and including the pension liability was 4.7 percent (3.8). The average term for fixed-rate loans excluding the pension liability was 0.2 years (0.3). Since the volume of long-term borrowing is relatively limited, the Group works mainly with short-term credit facilities.

### Cash flow

Cash flow from operating activities according to segment reporting was SEK –48m (–261). Net investments in development properties resulted in a cash flow of SEK –247m (–333). The increased holdings of repurchased residential units resulted in a negative cash flow of SEK –484m (88). Consolidated cash flow from project properties (sales minus investment) during the year was SEK –383m (–716). Cash flow from operating activities according to IFRS was SEK 1,057m (–1,912). The change from the corresponding period last year is primarily due to lower investments and increased project financing.

### Liquidity

Consolidated available liquidity according to segment reporting amounted to SEK 4,382m (4,640). Aside from cash and cash equivalents of SEK 1,582m (1,840), this includes unutilized overdraft facilities and credit lines totaling SEK 2,800m (2,800), where credit agreements for SEK 2,400m (2,400) had an average maturity of 2.7 years (3.5). Consolidated available liquidity according to IFRS was SEK 10,873m (8,962). Aside from cash and cash equivalents of SEK 1,673m (2,151), this includes unutilized overdraft facilities and credit lines totaling SEK 9,200m (6,811). The average maturity for these credit lines excluding the overdraft facility is 1 year (1.8).

### Equity

As at December 31, 2023, consolidated equity according to segment reporting amounted to SEK 8,332m (9,006) and restated according to IFRS to SEK 7,972m (8,039). Undistributed

earnings according to IFRS amounted to SEK 7,018m (6,976). In 2023 the dividend to shareholders was SEK 14 per share (13.50), for a total of SEK 903m (922). The equity ratio according to segment reporting was 50 percent (53). The equity ratio according to IFRS was 27 percent (25).

## Personnel

The number of employees decreased during 2023 by 12 percent and amounted to 2,193 (2,488) at the end of the year. Current staffing is dimensioned to the current project volume, and adjustments are made on a regular basis. The number of wage-earners was 828 (871), and the number of salaried employees was 1,365 (1,617). The average number of employees during the year was 2,382 (2,472), including 529 (564) in JM's foreign subsidiaries. Wages, salaries, and social security expenses totaled SEK 2,232m (2,253), of which social security expenses comprised SEK 719m (715).

## 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 housing. 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 defined in the section "Accounting principles for sustainability, references and performance" on page 40.

## Risks and risk management

JM's operations are exposed to a number of risks that due to their nature impact the Group to varying extents. The risks can be directly attributable to decision-making within the Group but also an effect of events outside of JM's control. Together with the clear

focus on longevity and sustainable value creation found in JM's business concept and strategy, risk management helps to ensure that risk-taking in the business is balanced. Risk management is thus an integrated part of the decision-making at all levels within JM.

Good risk management is maintained through competent employees, internal governance documents, and documented processes. Through continuous follow-up and a proactive and structured working method, JM's goal is to ensure to the greatest extent possible that the risks are mitigated or remain latent. JM's risk management is subject to strategic initiatives from the Board and management, and a current risk analysis is regularly presented to the Audit Committee.

Increased uncertainty with a cautious housing market due to high inflation and interest rate levels, increased costs in the projects, and the effects from the ongoing war in Ukraine are risks that have been evident in 2023.

### Higher interest rate levels

The central banks in JM's markets continued during much of 2023 to increase the key rates to dampen inflation. The high key rates are affecting JM both directly and indirectly. A higher key rate results in increased financing costs in housing production, and JM is impacted indirectly by a decrease in customers' payment ability. The higher interest rate expenses have resulted in customers becoming more cautious since households' finances have worsened, which has had a negative impact on JM's sales.

### Exposure to commodity prices and increased cost pressure

Commodity prices stabilized in 2023, although they continued to be at high levels in all of the Group's markets, which burdens both JM's current projects and future housing starts. Long agreements with JM's suppliers have limited the impact on earnings.

### Ukraine

Russia's invasion of Ukraine has caused not only major human suffering but also continued to have an impact on the global economy in 2023. JM has no framework agreement suppliers in Russia, Belarus or Ukraine. The sanctions against Russia and Belarus, however, had an indirect impact on JM in 2023 since they resulted in additional price increases on raw goods and energy, which led to increased costs in JM's projects.

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 2023                                                                                                                                                            |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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 primarily due to high inflation and higher interest expenses.            |
| <b>Demographics</b>                                   | Population growth and migration flows affect demand for housing.                                                                                                                                                                       | JM's strategy is to operate in cities and areas with the best demographic and economic conditions.                                                                                                                                          | The fundamental demographic trends are stable and positive in our main markets.                                                                                                  |
| <b>Competition</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 low on the majority of our markets, and at the same time 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 conditions.                                                                           | Flexible local planning work 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 disruptions 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.                                                                                                         | Consumer confidence was impacted to a large extent by high inflation, high key rates and the ongoing war in Ukraine, which led to a significant decrease in demand.              |
| <b>OPERATIONAL RISKS</b>                              |                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                             |                                                                                                                                                                                  |
| <b>Risks related to the 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 an expected 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, governance and control, as well as structured project development.     | High prices on building material, where JM's long-term purchasing agreements had a limited impact on implementation. A cautious market resulted in fewer housing starts.         |
| <b>Unsold units</b>                                   | Unsold residential units result in lower profitability for the project and undesired tied-up capital in the balance sheet.                                                                                                             | Starting projects 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 235 (unsold) residential units with a carrying amount of SEK 803m in the balance sheet, according to segment reporting.                 |
| <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 and fewer sold residential units.                                                                         |

| Risk                                                                            | Description of risk                                                                                                                                                              | Management                                                                                                                                                                                                                                                                                    | Comments/outcome 2023                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>FINANCIAL RISKS (see Note 25, Financial risk management, on pages 83–84)</b> |                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                   |
| <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.                                                                                                                                                                  | High interest rates during the year impacted both demand for our residential units and the cost profile of our projects.                                                                                                                                                                                          |
| <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 handles the Group's financing strategy.                                                                                                                                                                  | Possibilities for financing JM's housing production have been good during the year, but credit expenses 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.                                                                                                  | Focus on cash flow and liquidity due to lower sales. Continued good liquidity, and at the end of the year, all overdraft facilities were unutilized.                                                                                                                                                              |
| <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 climate 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. Climate-improved material and calculations of climate impact. | Energy consumption in the residential units that JM builds is significantly lower than authority's requirements. In 2023, we continued to follow the recommendations of the TCFD framework, which are described in more detail on pages 35–36. The climate impact per built square meter is described on page 43. |
| <b>Personnel</b>                                                                | Difficulties attracting, recruiting and retaining 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 victimization in the workplace.                                                                        | Systematic work 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. Code of Conduct includes framework agreements with suppliers. Annual audits are conducted on selected suppliers and projects.                                                                                         |
| <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 four 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. Employees are educated and undergo training regularly in handling ethical dilemmas.                                                                                                                                                                             |

## Corporate governance report

The Corporate Governance Report is on pages 97–104.

## Work of the Board in 2023

The 2023 Annual General Meeting elected seven members. The employee organizations appointed two members and two deputies. The Board of Directors held fourteen meetings. In addition, the Audit Committee held six meetings, the Compensation Committee three meetings, and the Investment Committee six meetings. The most important issues for the Board in 2023 were decisions on housing starts for larger residential 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, a reduction of the share capital and an increase of shares through a bonus issue, JM's existing policies and guidelines, and short-term and long-term variable remuneration programs. The Board members' participation in meetings is presented in the chart on page 102. 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 99–100.

## Dividend

Unrestricted equity in the Parent Company amounts to SEK 3,537m (4,242). For 2023, the Board of Directors proposes a dividend of SEK 3.00 (14.00) per share, for a total of SEK 194m (903). Remaining unrestricted equity of SEK 3,344m (3,339) is proposed for carry-forward. The proposed record date for the dividend is Monday, April 22, 2024. If the Annual General Meeting resolves to adopt the proposal, the dividend will be sent by Euroclear Sweden AB on Thursday, April 25, 2024.

Assuming that the outlook for the housing market going forward improves to a reasonable extent, it is JM's ambition to convene an extraordinary general meeting in the fourth quarter of 2024 to propose a decision on an additional dividend of SEK 3.00.

## Buy-back, elimination and holdings of own shares

In 2023, no shares were bought back, and as at December 31, 2023, JM holds no treasury shares. In accordance with the resolution by the Annual General Meeting on March 30, 2023, the share capital has been reduced for allocation of SEK 3,774,001 to unrestricted equity through the elimination of 3,774,001 own ordinary shares. The share capital remains unchanged since the Annual General Meeting resolved on a bonus issue, without the issue of new shares and through a transfer from unrestricted equity to share capital, at the same time as it resolved to reduce the share capital through the elimination of own ordinary shares. The share capital was thus restored to the same level as before the reduction.

## Outstanding shares

The number of outstanding shares, excluding holdings of treasury shares, at December 31, 2023, totals 64,504,840. One shareholder, AMF Pension och Fonder, has a shareholding in the Company representing at least one-tenth of the voting rights for all shares in the Company. Its holding amounts to 19.7 percent on December 31, 2023.

## Share capital

JM's share capital on December 31, 2023, amounted to SEK 68m (68) represented by 64.5 million 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 1.06. 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 (2,800) can be terminated by the lenders.

## Guidelines for senior executives

The Board of Directors proposed that the 2023 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 2023 Annual General Meeting, the guidelines will apply to contractual remuneration and changes made to already agreed remuneration. The guidelines will apply until the 2027 Annual General Meeting unless circumstances arise that entail that a revision must be made earlier. The guidelines do not apply to remuneration decided by the General Meeting.

#### *The 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 retain 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 executive 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.

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

There have been no material changes to the guidelines. The Board's proposal on guidelines for remuneration to senior executives for the 2024 Annual General Meeting is in line with the guidelines adopted at the 2023 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. Other members of executive management are offered to invest a maximum of SEK 300,000. Even the Heads of Unit category will have a greater investment possibility of up to a maximum of SEK 150,000. Other employees are offered to invest 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 78–79.

### 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. The Parent Company reports revenue and profit from housing projects gradually over time as the projects are recognized and sold. For more information, see Note 1.

Net sales for the Parent Company in 2023 were SEK 8,547m (9,597). The change was primarily attributable to a low level of residential units in current production and a decreased sales ratio in all business segments, which to some extent is offset by commercial projects in current production.

Operating profit decreased to SEK 221m (1,150). The change is primarily a result of implemented price reductions in current projects and increased costs in current production. The Parent Company's profit before appropriations and tax was SEK 17m (1,847). The decrease is mainly attributable to lower dividends from group companies compared to the previous year. Investments in properties totaled SEK 317m (434).

The average number of employees was 1,599 (1,606), including 1,183 men (1,172) and 416 women (434). Wages, salaries, and social security expenses totaled SEK 1,612m (1,595). An account of the number of employees and payroll expenses is provided in Parent Company Note 2.

### Proposed appropriation of earnings

|                                            | SEK                  |
|--------------------------------------------|----------------------|
| Non-restricted equity excluding net profit | 3,432,168,982        |
| Net profit                                 | 104,939,239          |
| <b>Total</b>                               | <b>3,537,108,221</b> |

The board and the CEO propose that this sum be appropriated as follows:

|                                                          | SEK                  |
|----------------------------------------------------------|----------------------|
| SEK 3.00 per share be paid to shareholders <sup>1)</sup> | 193,514,520          |
| To be carried forward                                    | 3,343,593,701        |
| <b>Total</b>                                             | <b>3,537,108,221</b> |

<sup>1)</sup> There are 64,504,840 registered shares in the Parent Company on December 31, 2023, of which the number of dividend-bearing shares amounts to 64,504,840.

## Consolidated Income Statement – IFRS

| SEK m                                                                                 | NOTE       | 2023         | 2022         |
|---------------------------------------------------------------------------------------|------------|--------------|--------------|
| Revenue                                                                               | 1, 2       | 15,969       | 14,577       |
| Production and operating costs                                                        | 3, 4, 6    | –13,205      | –11,481      |
| <b>Gross profit</b>                                                                   |            | <b>2,764</b> | <b>3,096</b> |
| Selling and administrative expenses                                                   | 3, 4, 5, 6 | –998         | –1,108       |
| Gains/losses on the sale of property, etc. <sup>1)</sup>                              | 7          | –256         | –11          |
| <b>Operating profit</b>                                                               |            | <b>1,510</b> | <b>1,978</b> |
| Financial income                                                                      | 8          | 33           | 19           |
| Financial expenses                                                                    | 8          | –159         | –108         |
| <b>Profit before tax</b>                                                              |            | <b>1,385</b> | <b>1,889</b> |
| Taxes                                                                                 | 9          | –356         | –395         |
| <b>Net profit for the year</b>                                                        |            | <b>1,029</b> | <b>1,495</b> |
| <b>Other comprehensive income</b>                                                     |            |              |              |
| <i>Items that will be reclassified as income</i>                                      |            |              |              |
| Translation differences from the translation of foreign operations                    |            | –110         | 148          |
| <i>Items that will not be reclassified as income</i>                                  |            |              |              |
| Restatement of defined-benefit pensions                                               |            | –105         | 515          |
| Tax attributable to other comprehensive income                                        |            | 22           | –106         |
| <b>Total comprehensive income for the year</b>                                        |            | <b>835</b>   | <b>2,051</b> |
| Net profit for the year attributable to shareholders of the Parent Company            |            | 1,029        | 1,495        |
| Comprehensive income for the year attributable to shareholders of the Parent Company  |            | 835          | 2,051        |
| Earnings per share, basic, attributable to shareholders of the Parent Company (SEK)   | 10         | 16.00        | 22.30        |
| Earnings per share, diluted, attributable to shareholders of the Parent Company (SEK) | 10         | 16.00        | 22.20        |
| Proposed dividend per share (SEK)                                                     | 10         | 3.00         | 14.00        |

### COMMENTS

#### Revenue

(2023: SEK 15,969m, 2022: SEK 14,577m)

Consolidated revenue increased by 10 percent compared to 2022 attributable to a larger number of residential units handed over than in the previous year, 2,729 in 2023 compared to 2,352 in 2022, and commercial projects in production.

Revenue consists of 85 percent of revenue from completed and handed over residential projects. Revenue is reported on a single occasion, which occurs when the consolidation ends, which is when the residential units are handed over to the final owners. 11 percent of the revenue refers to recognized revenue in commercial projects. Revenue is recognized according to the percentage of completion method, which means that revenue is recognized based on the most recent forecast made, period by period, as each project is completed.

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

(2023: SEK 1,510m, 2022: SEK 1,978m)

Operating profit decreased by 24 percent compared to the previous year, which is primarily attributable to impairments in development and project

properties of SEK 258m (–) and handed over and revenue recognised residential units with a lower margin. Selling and administrative expenses decreased by 10 percent compared to the previous year primarily due to implemented savings measures.

#### Financial income and expenses

(2023: SEK –126m, 2022: SEK –89m)

Net financial items decreased by SEK 37m in 2023 compared to 2022. This is primarily due to a slightly higher average interest-bearing debt level and a higher average interest rate.

#### Taxes

(2023: SEK –356m, 2022: SEK –395m)

The reported tax expense in 2023 amounts to 26 percent (21) of reported profit/loss before tax.

The effective tax rate is higher than the nominal tax rate primarily due to interest rate deduction limitations.

## Consolidated Balance Sheet – IFRS

| SEK m                                                | NOTE     | 12/31/2023    | 12/31/2022    | 1/1/2022      |
|------------------------------------------------------|----------|---------------|---------------|---------------|
| <b>ASSETS</b>                                        | <b>2</b> |               |               |               |
| <b>Non-current assets</b>                            |          |               |               |               |
| Goodwill                                             | 11       | 217           | 219           | 180           |
| Machinery and equipment                              | 12       | 10            | 8             | 8             |
| Rights-of-use offices and cars                       | 13       | 179           | 214           | 255           |
| Participations in joint operations and joint venture | 14, 15   | 93            | 102           | 118           |
| Deferred tax assets                                  | 28       | 1             | –             | 1             |
| Financial assets                                     | 16, 25   | 32            | 22            | 23            |
| <b>Total non-current assets</b>                      |          | <b>532</b>    | <b>565</b>    | <b>584</b>    |
| <b>Current assets</b>                                |          |               |               |               |
| Project properties                                   | 17       | 1,030         | 932           | 813           |
| Development properties                               | 17       | 8,504         | 8,465         | 8,205         |
| Rights-of-use leasehold rights                       | 13       | 476           | 513           | 456           |
| Participations in tenant-owners associations, etc.   | 18       | 1,023         | 308           | 377           |
| Work in progress                                     | 19       | 13,203        | 15,217        | 12,628        |
| Accounts receivable                                  | 25       | 380           | 365           | 354           |
| Other current receivables                            | 20       | 422           | 613           | 419           |
| Prepaid expenses and accrued income                  | 21       | 299           | 1,155         | 798           |
| Recognized revenue less progress billings            | 22       | 2,531         | 1,634         | 828           |
| Cash and cash equivalents                            | 24, 25   | 1,673         | 2,151         | 4,362         |
| <b>Total current assets</b>                          |          | <b>29,542</b> | <b>31,354</b> | <b>29,240</b> |
| <b>TOTAL ASSETS</b>                                  |          | <b>30,073</b> | <b>31,919</b> | <b>29,824</b> |

| SEK m                                                            | NOTE       | 12/31/2023    | 12/31/2022    | 1/1/2022      |
|------------------------------------------------------------------|------------|---------------|---------------|---------------|
| <b>EQUITY AND LIABILITIES</b>                                    |            |               |               |               |
| <b>Equity attributable to shareholders of the Parent Company</b> |            |               |               |               |
| Share capital                                                    |            | 68            | 68            | 68            |
| Other capital contributions                                      |            | 936           | 936           | 936           |
| Reserves                                                         |            | –51           | 59            | –89           |
| Undistributed earnings (including net profit for the year)       |            | 7,018         | 6,976         | 6,818         |
| <b>Total shareholders' equity</b>                                |            | <b>7,972</b>  | <b>8,039</b>  | <b>7,734</b>  |
| <b>Liabilities</b>                                               |            |               |               |               |
| <b>Non-current liabilities</b>                                   |            |               |               |               |
| Non-current interest-bearing liabilities                         | 23, 24, 25 | 951           | 892           | 818           |
| Other non-current liabilities                                    | 23, 24, 25 | 364           | 414           | 373           |
| Provisions for pensions and similar obligations                  | 23, 26     | 1,546         | 1,404         | 1,761         |
| Other non-current provisions                                     | 27         | 488           | 458           | 678           |
| Deferred tax liabilities                                         | 28         | 436           | 606           | 416           |
| <b>Total non-current liabilities</b>                             |            | <b>3,785</b>  | <b>3,774</b>  | <b>4,046</b>  |
| <b>Current liabilities</b>                                       |            |               |               |               |
| Accounts payable                                                 | 24, 25     | 774           | 963           | 780           |
| Current interest-bearing liabilities                             | 23, 24, 25 | 15,089        | 15,480        | 13,778        |
| Other current liabilities                                        | 24, 25     | 1,241         | 1,841         | 1,479         |
| Current tax liabilities                                          |            | 167           | 147           | 60            |
| Progress billings in excess of recognized revenue                | 29         | 51            | 271           | 372           |
| Accrued expenses and deferred income                             | 30         | 881           | 1,281         | 1,430         |
| Current provisions                                               | 27         | 113           | 122           | 145           |
| <b>Total current liabilities</b>                                 |            | <b>18,317</b> | <b>20,105</b> | <b>18,044</b> |
| <b>Total liabilities</b>                                         |            | <b>22,102</b> | <b>23,879</b> | <b>22,090</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                              |            | <b>30,073</b> | <b>31,919</b> | <b>29,824</b> |
| Pledged assets and contingent liabilities                        | 31         |               |               |               |

### COMMENTS

#### Goodwill

(2023: SEK 217m, 2022: SEK 219m)  
Reported goodwill refers to goodwill from acquisition of the Norwegian companies JM Norge AS and AS Prosjektfinans and the Finnish company Gradina Tampere OY. The change in 2023 refers to an adjustment in the acquisition analysis of Gradina Tampere OY and foreign exchange rate fluctuations.

#### Project properties

(2023: SEK 1,030m, 2022: SEK 932m)  
The portfolio refers to smaller commercial properties and land for offices.  
The externally appraised market value amounts to SEK 1,069m (1,089), which entails a surplus value of SEK 39m (157).

#### Development properties

(2023: SEK 8,504m, 2022: SEK 8,465m)  
The acquisition rate in 2023 is in line with the previous year. During the year, JM acquired development properties for SEK 1,628m (1,700) where the majority of the acquisitions

consist of development properties intended for residential units. Development properties transferred to production amounted to SEK –829m (–1,538). Sales of development properties amounted to SEK –313m and impairments to SEK –181m (–).

The market value of the development properties shows a surplus value of SEK 5.6bn (6.7).  
In all, JM has 22,700 building rights (22,000) in the balance sheet.

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

(2023: SEK 1,023m, 2022: SEK 308m)  
Purchase of unsold residential units occurs no later than on the settlement date and is due to the commitment in the construction contract with the tenant-owners association. The number of unsold residential units in the balance sheet amounts to 309 (63), and the increase is attributable to larger purchases in completed projects primarily in JM Residential Sweden and JM Finland. The difference compared to segment reporting refers to 74 residential units, of a total amount of

SEK 220m (0), that have been sold with binding agreements but have not yet been handed over to the final customer.

#### Work in progress

(2023: SEK 13,203m, 2022: SEK 15,217m)  
The asset item refers to capitalized costs in residential projects where the customer has not moved in and paid for the residential unit. The decrease compared to the previous year is due to fewer housing starts during the year.

#### Pension provisions

(2023: SEK 1,546m, 2022: SEK 1,404m)  
The liability has increased primarily due to increased accrued pension rights until 2024 that have been enumerated compared to the assumptions previously used.

#### Other non-current provisions

(2023: SEK 488m, 2022: SEK 458m)  
Refers to non-current provisions for warranty commitments for expenses that can arise during the warranty period. The

size of the provisions is based primarily on the number of residential units per project and burdens projects at completion. The majority of the warranty provisions extend for around two to three years after project completion.

#### Deferred tax liabilities

(2023: SEK 436m, 2022: SEK 606m)  
The deferred tax liabilities item refers 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

(2023: SEK 951m, 2022: SEK 892m)  
Refers primarily to a reclassification of lease commitments according to IFRS 16 but also to non-current interest-bearing liabilities to credit institutions and non-current interest-bearing promissory notes from acquisition of development properties.

#### Other current interest-bearing liabilities

(2023: SEK 15,089m, 2022: SEK 15,480m)  
Refers primarily to corresponding construction credit for financing of JM's current residential and office projects. The financing is resolved when the final customer moves in on the date of occupancy. The increase compared to the previous year refers to organized financing for an ongoing office project.

#### Other current liabilities

(2023: SEK 1,241m, 2022: SEK 1,841m)  
The item largely consists of short-term promissory notes in conjunction with acquisitions of development properties. The item refers to a liability for unconditional agreements that were entered into with deferred payment. The difference compared to segment reporting refers to in part advances from customers who have not taken occupancy of the residential unit.

## Consolidated Statement of Changes in Equity – IFRS

| SEK m                                                        | Share capital | Other capital contributions | Translation reserves | Undistributed earnings | Total share-holders' equity |
|--------------------------------------------------------------|---------------|-----------------------------|----------------------|------------------------|-----------------------------|
| <b>Opening balance, January 1, 2022</b>                      | <b>70</b>     | <b>935</b>                  | <b>-89</b>           | <b>7,468</b>           | <b>8,385</b>                |
| Adjustment consolidation Swedish tenant-owners associations  | -1            |                             |                      | -652                   | -652                        |
| <b>Adjusted equity January 1, 2022</b>                       | <b>70</b>     | <b>935</b>                  | <b>-89</b>           | <b>6,816</b>           | <b>7,734</b>                |
| Total comprehensive income for the year                      |               |                             | 148                  | 1,903                  | 2,051                       |
| 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>6,976</b>           | <b>8,039</b>                |
| <b>Opening balance, January 1, 2023</b>                      | <b>68</b>     | <b>936</b>                  | <b>59</b>            | <b>6,976</b>           | <b>8,039</b>                |
| Total comprehensive income for the year                      |               |                             | -110                 | 945                    | 835                         |
| Dividend to Parent Company shareholders, SEK 14.00 per share |               |                             |                      | -903                   | -903                        |
| Repurchase of shares                                         |               |                             |                      |                        | -                           |
| Conversion of convertible loan                               | 4             |                             |                      | -4                     | -                           |
| Elimination of repurchased shares                            | -4            |                             |                      | 4                      | -                           |
| <b>Closing balance, December 31, 2023</b>                    | <b>68</b>     | <b>936</b>                  | <b>-51</b>           | <b>7,018</b>           | <b>7,972</b>                |

### COMMENTS CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

#### Shareholders' equity

(2023: SEK 7,972m, 2022: SEK 8,039m)  
Shareholders' equity decreased by SEK 67m compared to the end of 2022. Consolidated equity as at December 31, 2023, totaled SEK 7,972m (8,039), which corresponds to SEK 124 (125) per share. Return on equity was 12.9 percent (18.9).

#### Dividend to Parent Company shareholders

The dividend to shareholders of the Parent Company totaled SEK 903m (922), which corresponds to SEK 14.00 (13.50) per share.

#### Conversion of convertible loan

During the year, no shares were converted in the outstanding convertible programs.

#### Repurchase of shares

During the year, no shares were bought back (SEK 825m). The number of outstanding shares amounted at the end of the year to 64,504,840 (64,504,840).

### COMMENTS CONSOLIDATED CASH FLOW STATEMENT

#### Operating activities before change in working capital

(2023: SEK 1,822m, 2022: SEK 925m)  
Cash flow before the change in working capital has improved compared to the previous year, which is almost exclusively attributable to reversals of impairment for the year of SEK 258m (-), the change in the pension liability, and provisions.

#### Operating activities

(2023: SEK 1,057m, 2022: SEK -1,912m)  
Cash flow from operating activities is higher than in the previous year. Net investments in development properties and project properties have decreased compared to the previous year due to a lower number of investments combined with larger sales. At the same time, SEK 829m (1,538) has been taken into production in conjunction with housing starts. Holdings of repurchased

residential units has increased during the year and amounted at the end of the year to 309 (63), which resulted in a negative cash flow of in total SEK -484m (88). Current operating receivables and liabilities have together improved cash flow by SEK 856m (-988). The improvement compared to the previous year is primarily attributable to increased project financing and downpayment received for sold properties under construction in the segment JM Property and a lower number of residential units in current production.

#### Financing activities

(2023: SEK -1,496m, 2022: SEK -288m)  
Cash flow from financing activities has improved compared to the previous year, primarily due to no buy-backs in 2023, slightly higher borrowing in the foreign subsidiaries, and lower amortization. During the year, a dividend to shareholders was paid totaling SEK 903m (922).

## Consolidated Cash Flow Statement – IFRS

| SEK m                                                                       | NOTE  | 2023          | 2022          |
|-----------------------------------------------------------------------------|-------|---------------|---------------|
| <b>OPERATING ACTIVITIES</b>                                                 | 1, 23 |               |               |
| Operating profit                                                            |       | 1,510         | 1,978         |
| Depreciation and amortization                                               |       | 392           | 105           |
| Other non-cash items                                                        |       | 301           | -578          |
| Interest received                                                           |       | 33            | 9             |
| Dividends received                                                          |       | 5             | 5             |
| Interest paid and other financial expenses                                  |       | -75           | -61           |
| Tax paid                                                                    |       | -344          | -532          |
| <b>Cash flow from operating activities before change in working capital</b> |       | <b>1,822</b>  | <b>925</b>    |
| Increase/decrease development properties                                    |       | -753          | -1,221        |
| Increase/decrease in residential units in the balance sheet                 |       | -484          | 88            |
| Increase/decrease in accounts receivable                                    |       | -19           | -             |
| Increase/decrease in other current receivables, etc.                        |       | 2,186         | -1,844        |
| Increase/decrease in accounts payable                                       |       | -177          | 171           |
| Increase/decrease in other current operating liabilities                    |       | -1,134        | 685           |
| <b>Cash flow before investments and sales of project properties</b>         |       | <b>1,440</b>  | <b>-1,196</b> |
| Investment in project properties                                            |       | -429          | -795          |
| Sale of project properties                                                  |       | 46            | 79            |
| <b>Cash flow from operating activities</b>                                  |       | <b>1,057</b>  | <b>-1,912</b> |
| <b>INVESTING ACTIVITIES</b>                                                 |       |               |               |
| Investment in property, plant, and equipment                                |       | -1            | -4            |
| Property, plant, and equipment divested                                     |       | -             | -             |
| Acquisition of operations                                                   |       | -             | -26           |
| Change in financial assets                                                  |       | -1            | 2             |
| <b>Cash flow from investing activities</b>                                  |       | <b>-2</b>     | <b>-29</b>    |
| <b>FINANCING ACTIVITIES</b>                                                 |       |               |               |
| Loans raised                                                                |       | 976           | 538           |
| Amortization of liabilities                                                 |       | -245          | -661          |
| Amortization of debt, leasing                                               |       | -106          | -121          |
| Loans raised, project financing                                             |       | 11,409        | 11,342        |
| Amortization of debt, project financing                                     |       | -12,628       | -9,639        |
| Repurchase of shares                                                        |       | -             | -825          |
| Dividends                                                                   |       | -903          | -922          |
| <b>Cash flow from financing activities</b>                                  |       | <b>-1,496</b> | <b>-288</b>   |
| <b>Cash flow for the year</b>                                               |       | <b>-441</b>   | <b>-2,229</b> |
| <b>Cash and cash equivalents at the beginning of the period</b>             |       | <b>2,151</b>  | <b>4,362</b>  |
| Exchange rate difference, cash and cash equivalents                         |       | -37           | 18            |
| <b>Cash and cash equivalents at end of period</b>                           |       | <b>1,673</b>  | <b>2,151</b>  |

# 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.

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 March 18, 2024, and will be presented for adoption at the 2024 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 Sustainability and 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 Sustainability and 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. Subsidiaries are companies which are subject to a direct or indirect controlling influence from the Parent Company. A controlling influence arises if the Parent Company directly or indirectly has control over the investee, is exposed or entitled to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the size of its return. 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's financial statements are 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 and is included in the consolidated accounts until the date on which the controlling influence over the company ceases. Intercompany balances and profits and losses from intercompany transactions are eliminated. Swedish tenant-owners associations and freehold units, Norwegian freehold units and tenant-owner apartments, and Finnish

residential companies are consolidated until the completed residential units are handed over to the final homebuyers. During this period, the above criteria with regard to controlling influence over the relevant activities in the projects are met.

### CHANGES IN ACCOUNTING PRINCIPLES AND METHODS OF CALCULATION

#### Change in accounting principle operating segment

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

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

As of fiscal year 2023, in accordance with IFRS 10 Consolidated Financial Statements, JM is consolidating Swedish tenant-owners associations during the production phase up until the point in time that the final homebuyers take over occupancy. Accordingly, the consolidated income statement and the consolidated balance sheet include all of the tenant-owners associations' assets, equity and liabilities as well as their revenue and expenses. JM recognizes the projects in the balance sheet where largest items consist of work in progress on the asset side and the tenant-owners associations borrowing as a part of the Group's interest-bearing liabilities. Revenue and expenses for the projects are recognized when the homebuyers take over occupancy of the residential units.

The changed accounting principle entails that JM recognizes revenue and expenses from all residential projects that are developed in-house in Sweden, Norway and Finland at a given point in time. Previously, revenue from residential development through tenant-owners associations in Sweden was recognized gradually over time; for more information, refer to Revenue Recognition.

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

The change was implemented as of January 1, 2023, and the comparison year 2022 has been restated retroactively. The tables below present the restatement to the new accounting principles and opening balances as per 1/1/2022. All comparative figures for 2022 have been restated unless otherwise specified. Restated income statements and balance sheets with realized effect per quarter are available on the company's website.

| IFRS<br>CONSOLIDATED BALANCE SHEET, 1/1/2022, SEK m        | Reported IFRS | Effect of<br>restatement | Restated IFRS |
|------------------------------------------------------------|---------------|--------------------------|---------------|
| <b>ASSETS</b>                                              |               |                          |               |
| <b>Non-current assets</b>                                  |               |                          |               |
| Goodwill                                                   | 180           |                          | 180           |
| Machinery and equipment                                    | 8             |                          | 8             |
| Rights-of-use offices and cars                             | 255           |                          | 255           |
| Participations in joint operations and joint venture       | 118           |                          | 118           |
| Deferred tax assets                                        | 1             |                          | 1             |
| Financial assets                                           | 23            |                          | 23            |
| <b>Total non-current assets</b>                            | <b>584</b>    |                          | <b>584</b>    |
| <b>Current assets</b>                                      |               |                          |               |
| Project properties                                         | 813           |                          | 813           |
| Development properties                                     | 8,205         |                          | 8,205         |
| Rights-of-use leasehold rights                             | 456           |                          | 456           |
| Participations in tenant-owners associations, etc.         | 377           |                          | 377           |
| Work in progress                                           | 4,073         | 8,555                    | 12,628        |
| Accounts receivable                                        | 636           | –282                     | 354           |
| Other current receivables                                  | 419           |                          | 419           |
| Prepaid expenses and accrued income                        | 49            | 749                      | 798           |
| Recognized revenue less progress billings                  | 4,798         | –3,970                   | 828           |
| Cash and cash equivalents                                  | 3,981         | 381                      | 4,362         |
| <b>Total current assets</b>                                | <b>23,807</b> | <b>5,433</b>             | <b>29,240</b> |
| <b>TOTAL ASSETS</b>                                        | <b>24,391</b> | <b>5,433</b>             | <b>29,824</b> |
| <b>EQUITY AND LIABILITIES</b>                              |               |                          |               |
| Equity attributable to shareholders of the Parent Company  |               |                          |               |
| Share capital                                              | 70            | –2                       | 68            |
| Other capital contributions                                | 935           | 1                        | 936           |
| Reserves                                                   | –89           |                          | –89           |
| Undistributed earnings (including net profit for the year) | 7,468         | –650                     | 6,818         |
| <b>Total shareholders' equity</b>                          | <b>8,385</b>  | <b>–651</b>              | <b>7,734</b>  |
| <b>Liabilities</b>                                         |               |                          |               |
| <b>Non-current liabilities</b>                             |               |                          |               |
| Non-current interest-bearing liabilities                   | 818           |                          | 818           |
| Other non-current liabilities                              | 373           |                          | 373           |
| Provisions for pensions and similar obligations            | 1,761         |                          | 1,761         |
| Other non-current provisions                               | 678           |                          | 678           |
| Deferred tax liabilities                                   | 584           | –168                     | 416           |
| <b>Total non-current liabilities</b>                       | <b>4,214</b>  | <b>–168</b>              | <b>4,046</b>  |
| <b>Current liabilities</b>                                 |               |                          |               |
| Accounts payable                                           | 780           |                          | 780           |
| Current interest-bearing liabilities                       | 7,566         | 6,212                    | 13,778        |
| Other current liabilities                                  | 844           | 635                      | 1,479         |
| Current tax liabilities                                    | 60            |                          | 60            |
| Progress billings in excess of recognized revenue          | 967           | –595                     | 372           |
| Accrued expenses and deferred income                       | 1,430         |                          | 1,430         |
| Current provisions                                         | 145           |                          | 145           |
| <b>Total current liabilities</b>                           | <b>11,793</b> | <b>6,252</b>             | <b>18,044</b> |
| <b>Total liabilities</b>                                   | <b>16,007</b> | <b>6,084</b>             | <b>22,090</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        | <b>24,391</b> | <b>5,433</b>             | <b>29,824</b> |

Note 1, continued

| CONSOLIDATED INCOME STATEMENT, 2022, SEK m | Reported IFRS | Effect of restatement | Restated IFRS |
|--------------------------------------------|---------------|-----------------------|---------------|
| Revenue                                    | 15,747        | –1,170                | 14,577        |
| Production and operating costs             | –12,607       | 1,126                 | –11,481       |
| <b>Gross profit</b>                        | <b>3,140</b>  | <b>–44</b>            | <b>3,096</b>  |
| Selling and administrative expenses        | –1,108        |                       | –1,108        |
| Gains/losses on the sale of property, etc. | –11           |                       | –11           |
| <b>Operating profit</b>                    | <b>2,021</b>  | <b>–43</b>            | <b>1,978</b>  |
| Financial income                           | 19            |                       | 19            |
| Financial expenses                         | –108          |                       | –108          |
| <b>Profit before tax</b>                   | <b>1,933</b>  | <b>–43</b>            | <b>1,889</b>  |
| Taxes                                      | –404          | 9                     | –395          |
| <b>Profit for the year</b>                 | <b>1,529</b>  | <b>–33</b>            | <b>1,495</b>  |

| CONSOLIDATED BALANCE SHEET, 12/31/2022, SEK m              | Reported IFRS | Effect of restatement | Restated IFRS |
|------------------------------------------------------------|---------------|-----------------------|---------------|
| <b>ASSETS</b>                                              |               |                       |               |
| <b>Non-current assets</b>                                  |               |                       |               |
| Goodwill                                                   | 219           |                       | 219           |
| Machinery and equipment                                    | 8             |                       | 8             |
| Rights-of-use offices and cars                             | 214           |                       | 214           |
| Participations in joint operations and joint venture       | 102           |                       | 102           |
| Deferred tax assets                                        | –             |                       | –             |
| Financial assets                                           | 22            |                       | 22            |
| <b>Total non-current assets</b>                            | <b>565</b>    |                       | <b>565</b>    |
| <b>Current assets</b>                                      |               |                       |               |
| Project properties                                         | 932           |                       | 932           |
| Development properties                                     | 8,465         |                       | 8,465         |
| Rights-of-use leasehold rights                             | 513           |                       | 513           |
| Participations in tenant-owners associations, etc.         | 308           |                       | 308           |
| Work in progress                                           | 5,095         | 10,122                | 15,217        |
| Accounts receivable                                        | 424           | –59                   | 365           |
| Other current receivables                                  | 613           |                       | 613           |
| Prepaid expenses and accrued income                        | 37            | 1,118                 | 1,155         |
| Recognized revenue less progress billings                  | 5,591         | –3,957                | 1,634         |
| Cash and cash equivalents                                  | 1,840         | 311                   | 2,151         |
| <b>Total current assets</b>                                | <b>23,818</b> | <b>7,536</b>          | <b>31,354</b> |
| <b>TOTAL ASSETS</b>                                        | <b>24,383</b> | <b>7,536</b>          | <b>31,919</b> |
| <b>EQUITY AND LIABILITIES</b>                              |               |                       |               |
| Equity attributable to shareholders of the Parent Company  |               |                       |               |
| Share capital                                              | 68            |                       | 68            |
| Other capital contributions                                | 936           |                       | 936           |
| Reserves                                                   | 59            |                       | 59            |
| Undistributed earnings (including net profit for the year) | 7,661         | –685                  | 6,976         |
| <b>Total shareholders' equity</b>                          | <b>8,725</b>  | <b>–685</b>           | <b>8,039</b>  |

| CONSOLIDATED BALANCE SHEET, 12/31/2022, SEK m     | Reported IFRS | Effect of restatement | Restated IFRS |
|---------------------------------------------------|---------------|-----------------------|---------------|
| <b>Liabilities</b>                                |               |                       |               |
| <b>Non-current liabilities</b>                    |               |                       |               |
| Non-current interest-bearing liabilities          | 892           |                       | 892           |
| Other non-current liabilities                     | 414           |                       | 414           |
| Provisions for pensions and similar obligations   | 1,404         |                       | 1,404         |
| Other non-current provisions                      | 458           |                       | 458           |
| Deferred tax liabilities                          | 784           | –178                  | 606           |
| <b>Total non-current liabilities</b>              | <b>3,952</b>  | <b>–178</b>           | <b>3,774</b>  |
| <b>Current liabilities</b>                        |               |                       |               |
| Accounts payable                                  | 963           |                       | 963           |
| Current interest-bearing liabilities              | 7,593         | 7,887                 | 15,480        |
| Other current liabilities                         | 743           | 1,098                 | 1,841         |
| Current tax liabilities                           | 147           |                       | 147           |
| Progress billings in excess of recognized revenue | 857           | –586                  | 271           |
| Accrued expenses and deferred income              | 1,281         |                       | 1,281         |
| Current provisions                                | 122           |                       | 122           |
| <b>Total current liabilities</b>                  | <b>11,707</b> | <b>8,398</b>          | <b>20,105</b> |
| <b>Total liabilities</b>                          | <b>15,659</b> | <b>8,221</b>          | <b>23,879</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>               | <b>24,383</b> | <b>7,535</b>          | <b>31,919</b> |
| Pledged assets                                    | 463           | 6,955                 | 7,418         |
| Contingent liabilities                            | 8,787         | –6,731                | 2,056         |

*Note 1, continued*

| CONSOLIDATED CASH FLOW STATEMENT, 2022, SEK m                               | Reported IFRS | Effect of restatement | Restated IFRS |
|-----------------------------------------------------------------------------|---------------|-----------------------|---------------|
| <b>OPERATING ACTIVITIES</b>                                                 |               |                       |               |
| Operating profit                                                            | 2,021         | –43                   | 1,978         |
| Depreciation and amortization                                               | 105           |                       | 105           |
| Other non-cash items                                                        | –2,566        | 1,988                 | –578          |
| Interest received                                                           | 9             |                       | 9             |
| Dividends received                                                          | 5             |                       | 5             |
| Interest paid and other financial expenses                                  | –61           |                       | –61           |
| Tax paid                                                                    | –532          |                       | –532          |
| <b>Cash flow from operating activities before change in working capital</b> | <b>–1,019</b> | <b>1,945</b>          | <b>925</b>    |
| Increase/decrease development properties                                    | –1,221        |                       | –1,221        |
| Increase/decrease in residential units in the balance sheet                 | 88            |                       | 88            |
| Increase/decrease in accounts receivable                                    | 1,493         | –1,493                | –             |
| Increase/decrease in other current receivables, etc.                        | –1,668        | –176                  | –1,844        |
| Increase/decrease in accounts payable                                       | 171           |                       | 171           |
| Increase/decrease in other current operating liabilities                    | 238           | 447                   | 685           |
| <b>Cash flow before investments and sales of project properties</b>         | <b>–1,919</b> | <b>723</b>            | <b>–1,196</b> |
| Investment in project properties                                            | –795          |                       | –795          |
| Sale of project properties                                                  | 79            |                       | 79            |
| <b>Cash flow from operating activities</b>                                  | <b>–2,635</b> | <b>723</b>            | <b>–1,912</b> |
| <b>INVESTING ACTIVITIES</b>                                                 |               |                       |               |
| Investment in property, plant, and equipment                                | –4            |                       | –4            |
| Acquisition of operations                                                   | –26           |                       | –26           |
| Change in financial assets                                                  | 2             |                       | 2             |
| <b>Cash flow from investing activities</b>                                  | <b>–29</b>    |                       | <b>–29</b>    |
| <b>FINANCING ACTIVITIES</b>                                                 |               |                       |               |
| Loans raised                                                                | 538           |                       | 538           |
| Amortization of liabilities                                                 | –661          |                       | –661          |
| Amortization of debt, leasing                                               | –121          |                       | –121          |
| Loans raised, project financing                                             | 5,097         | 6,245                 | 11,342        |
| Amortization of debt, project financing                                     | –2,602        | –7,037                | –9,639        |
| Repurchase of shares                                                        | –825          |                       | –825          |
| Dividends                                                                   | –922          |                       | –922          |
| <b>Cash flow from financing activities</b>                                  | <b>504</b>    | <b>–792</b>           | <b>–288</b>   |
| <b>Cash flow for the year</b>                                               | <b>–2,159</b> | <b>–69</b>            | <b>–2,229</b> |
| <b>Cash and cash equivalents, at beginning of the year</b>                  | <b>3,981</b>  | <b>381</b>            | <b>4,362</b>  |
| Exchange rate difference, cash and cash equivalents                         | 18            |                       | 18            |
| <b>Cash and cash equivalents at end of the period</b>                       | <b>1,840</b>  | <b>312</b>            | <b>2,151</b>  |

**NEW STANDARDS AS OF 2023**

According to the amendments to IAS 1 Presentation of financial statements, which the Group applies as of January 1, 2023, JM must provide disclosures regarding significant information about accounting principles instead of disclosing significant accounting principles. The change in IAS 1 has been implemented and the accounting principles adjusted based on these changes. The EU's Pillar II Directive that must be applied as of January 1, 2024, has been evaluated and is assessed not to have a material impact on JM's financial statements. Other changes to standards and interpretive statements that entered into force as of January 1, 2023, are not judged to have had a material impact on this financial statement.

**NEW STANDARDS ENTERING INTO FORCE AS OF 2024**

No new standards, amendments and interpretive statements that have not yet entered into force have been applied in advance to 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 assessment 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 significantly 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.

**Assessment of controlling influence over Swedish tenant-owners associations**

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. Since JM is never an owner of the tenant-owners associations, the assessment of other grounds on which the tenant-owners association is to be viewed as constituting a part of the Group during the period before the residential units are handed over to the end customers who are members of the tenant-owners associations, is important. The Group can be considered to have a controlling influence over the tenant-owners associations when the Group is exposed or is entitled to variable returns from its involvement with the tenant-owners associations and can influence the return through its control. JM makes the assessment that its controlling influence over the tenant-owners associations occurs during the production phase until the residential units are handed over to the end customer. In the event of gradual occupancy over a period of time, JM makes an assessment together with other factors of when the control is no longer present. A key factor in this assessment is whether a majority of the end customers have taken occupancy of the residential units.

**Project properties, development properties and ongoing projects**

Project properties and development properties amount to SEK 9,534m (9,397) and ongoing projects amount to SEK 13,203m (15,217). These items have been reported at the lower of acquisition cost and net realizable value. Changes in supply and demand can change the carrying amount, resulting in an impairment need. For the ongoing projects, the estimate of net realizable value is based on assumptions that include important estimates and judgments, including selling prices and production costs. During the fourth quarter of every year, JM conducts a market valuation based on external valuations. See Note 17 for more information.

**IMPORTANT SOURCES OF UNCERTAINTY IN ESTIMATES**
**Revenue recognition over time in current commercial property development and contracting projects**

JM applies the percentage of completion method to its commercial and contracting projects. This means that revenue and profit/loss are reported gradually over the term of the project based on the forecast completion and the project's actual completion rate. 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. This system 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 22 and Note 29 for more information. Corresponding estimates and assumptions are applied to the Group's housing development, which serves as a basis for the assessment of any loss projects.

**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 staff turnover, 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.

## Note 1, continued

### 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.

### ASSET ACQUISITIONS

When an acquisition is made, JM assesses whether the acquisition is to be considered an asset acquisition or a business combination. Where in all material respects the fair value of the acquired assets consists of an asset or a group of similar assets, the acquisition is reported as an asset acquisition. Where an acquisition of a subsidiary entails the acquisition of net assets without significant processes, the acquisition cost is distributed between the individually identifiable assets and liabilities based on their fair values at the time of acquisition.

### JOINT VENTURE

Investments in joint ventures 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, investments in joint ventures are reported initially in the consolidated balance sheet at acquisition 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 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 joint ventures are reported as a decrease in the investment's carrying amount. When the Group's share of losses in a joint venture is as large as or exceeds the holding in this joint venture (including all non-current receivables that in reality constitute a part of the Group's net investment in this joint venture), the Group does not report any further losses unless it has taken on obligations or made payments on behalf of the joint venture. Unrealized profits on transactions between the Group and its joint ventures are eliminated to the extent of the Group's investments in 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.

Exchange rates used in the consolidated accounts are specified in the following table.

| Exchange rates | Country | Currency | Average exchange rate |         | Exchange rate, December 31 |         |
|----------------|---------|----------|-----------------------|---------|----------------------------|---------|
|                |         |          | 2023                  | 2022    | 2023                       | 2022    |
| Finland        | EUR     |          | 11.4765               | 10.6317 | 11.0960                    | 11.1283 |
| Norway         | NOK     |          | 1.0054                | 1.0522  | 0.9871                     | 1.0572  |

### SEGMENT REPORTING

JM's segment reporting differs from IFRS in three aspects.

- In segment reporting, revenue from the Group's housing development is recognized gradually over time.
- In addition, project financing within JM Norway and JM Finland and parts of the project financing in JM Residential Stockholm, JM Residential Sweden and JM Property Development are recorded as a deduction item to "Revenue less progress billings" or "Progress billings in excess of recognized revenue" and raised/repaid project financing is reported in the cash flow from operating activities.
- The reporting of leases in accordance with IFRS 16 is not applied in the segment reporting.

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

### REVENUE RECOGNITION

#### Residential project development

Revenue and profit/loss from residential project development consists of Swedish tenant-owner associations and freehold units, Norwegian freehold units and tenant-owner apartments, and Finnish housing companies, which are consolidated in JM's consolidated accounts when the residential units are handed over to the final homebuyers. Accordingly, the consolidated balance sheet and consolidated income statement include all of the

housing projects' assets, equity and liabilities as well as their revenue and expenses. JM reports the projects in its balance sheet, where costs incurred are reported as work in progress and borrowing to finance the projects is reported as part of the Group's interest-bearing liabilities. Revenue and expenses are reported when the sold residential units have been handed over to and settled by the final owners. Consolidation ceases when all residential units have been handed over to the final owners and final placement of the loans has been carried out. In conjunction with this, the final owner takes over control of the residential unit from JM. Residential units that are not sold and are bought back by JM in accordance with agreed guarantees regarding repurchases are reported at the lower of acquisition cost and net realizable value.

### Commercial property development

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 gradually over time. 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.

### Construction contracts

Revenue from construction contracts is obtained from the business segment JM Construction. JM Construction's revenue is generated primarily from work carried out under construction contracts with customers (orderers). Since the contract work is carried out on land controlled by the customer, revenue is recognized gradually over time as the construction project is completed. The percentage 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 and burden profit/loss.

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

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.

### 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. Current tax is based on reported profit/loss adjusted for 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 liability method is applied to accounting for deferred tax. 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. 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.

### PROJECT PROPERTIES AND DEVELOPMENT PROPERTIES

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 constitute current assets from an accounting perspective and are measured in accordance with IAS 2 Inventory, which means they are reported at the lowest of acquisition cost and net realizable value (see more under "Impairment Losses" below). The acquisition 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 acquisition cost (see more under "Borrowing Costs" below). Project properties and development properties are usually recognized as assets from the time the parties enter into a binding acquisition agreement.

### WORK IN PROGRESS AND PARTICIPATIONS IN TENANT-OWNERS ASSOCIATIONS, ETC.

Upon start of construction, development properties are reassigned to work in progress along with costs incurred after start of construction. This includes incurred costs in current production of residential units that have not yet been occupied by the end customer.

Participations in tenant-owners associations constitute residential units where JM has signed an agreement to acquire any unsold residential units. The obligation arises first six months after completion.

Reporting occurs in accordance with IAS 2 Inventory, which entails measurement at the lower of acquisition cost and net realizable value where the intent is to sell the residential units and hand them over to customers after completion.

## Note 1, continued

### BORROWING COSTS

Borrowing costs are included in the consolidated accounts in the acquisition cost of buildings in progress (project properties) and work in progress. Interest expenses are included in the cost until the time that 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

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 is also used in conjunction with revaluation of properties reported as current assets. Valuation of these properties is made item by item (property by property) according to the lowest value principle; i.e. the lower of acquisition 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 value, are subject to impairment.

### 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 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.

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.

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

#### 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. Tax payables on pension costs, in JM's case the Swedish special employer's contribution 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 employer's contribution is reported under Other non-current provisions.

#### Remuneration at termination

When personnel are terminated, JM reports a provision for remuneration only if JM is demonstrably obligated to terminate the employment before the normal point in time, does not have the possibility to recall the

decision, and has informed affected groups of employees of the termination plan. Provisions are made for the part of the remuneration that will be paid without requirement on the receipt of services from the employee.

### FINANCIAL INSTRUMENTS

#### 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
- Those measured at fair value (normally via the income statement, which applies to the derivatives that JM may occasionally enter into).

#### Impairment

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.

### 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.

### 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 acquisition and divestment 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.

### PARENT COMPANY'S ACCOUNTING POLICIES

The Parent Company's accounting policies deviate from the Group's policies as follows:

- 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 applying the percentage of completion method. Revenue and profit/loss in the projects are reported in accordance 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 percentage 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.
- Defined-benefit pension plans are reported in accordance with the provisions of Act (1967:531) regarding retirement pensions
- 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 Norway business segment develops residential projects in Norway

- The JM Finland business segment develops residential projects in Finland
- The JM Property Development business segment primarily develops rental and commercial properties together with residential care buildings in Greater Stockholm
- The JM Construction business segment carries out construction work for external customers in the Greater Stockholm area.

No segments have been aggregated to form the above reportable business segments.

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 segments' 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.

### CONSOLIDATED INCOME STATEMENT BY BUSINESS SEGMENT

|                                                                               | JM<br>Residential<br>Stockholm | JM<br>Residential<br>Sweden | JM<br>Norway | JM<br>Finland | JM<br>Property<br>Development | JM<br>Construction | Other and<br>elimination | Total,<br>segment<br>reporting | Recalculation to<br>the completion<br>method <sup>4)</sup> | Leases<br>IFRS 16 | Total Group,<br>IFRS |
|-------------------------------------------------------------------------------|--------------------------------|-----------------------------|--------------|---------------|-------------------------------|--------------------|--------------------------|--------------------------------|------------------------------------------------------------|-------------------|----------------------|
| <b>Group 2023</b>                                                             |                                |                             |              |               |                               |                    |                          |                                |                                                            |                   |                      |
| Revenue – external                                                            | 4,248                          | 3,476                       | 2,589        | 1,591         | 1,458                         | 488                | –                        | 13,851                         | 2,119                                                      | –                 | 15,969               |
| Revenue – internal                                                            | –                              | –                           | –            | –             | –                             | 294                | –294                     | –                              | –                                                          | –                 | –                    |
| <b>Total revenue</b>                                                          | <b>4,248</b>                   | <b>3,476</b>                | <b>2,589</b> | <b>1,591</b>  | <b>1,458</b>                  | <b>781</b>         | <b>–294</b>              | <b>13,851</b>                  | <b>2,119</b>                                               | <b>–</b>          | <b>15,969</b>        |
| Production and operating costs <sup>1)</sup>                                  | –3,714                         | –3,000                      | –2,284       | –1,360        | –1,077                        | –735               | 292                      | –11,877                        | –1,365                                                     | 37                | –13,205              |
| <b>Gross profit</b>                                                           | <b>535</b>                     | <b>477</b>                  | <b>305</b>   | <b>231</b>    | <b>381</b>                    | <b>46</b>          | <b>–2</b>                | <b>1,973</b>                   | <b>753</b>                                                 | <b>37</b>         | <b>2,764</b>         |
| Selling and administrative expenses <sup>1)</sup>                             | –333                           | –263                        | –152         | –89           | –66                           | –39                | –45                      | –985                           | –                                                          | –13               | –998                 |
| Gains/losses on the sale of property, etc. <sup>2) 3)</sup>                   | –90                            | –75                         | –4           | –3            | –67                           | –                  | –17                      | –256                           | –                                                          | –                 | –256                 |
| <b>Operating profit</b>                                                       | <b>112</b>                     | <b>139</b>                  | <b>149</b>   | <b>140</b>    | <b>248</b>                    | <b>8</b>           | <b>–64</b>               | <b>732</b>                     | <b>753</b>                                                 | <b>24</b>         | <b>1,510</b>         |
| Financial income and expenses                                                 | –                              | –                           | –            | –             | –                             | –                  | –100                     | –100                           | –                                                          | –25               | –125                 |
| <b>Profit before tax</b>                                                      |                                |                             |              |               |                               |                    | <b>–164</b>              | <b>632</b>                     | <b>753</b>                                                 | <b>–1</b>         | <b>1,385</b>         |
| Taxes                                                                         | –                              | –                           | –            | –             | –                             | –                  | –199                     | –199                           | –157                                                       | –                 | –356                 |
| <b>Profit for the year</b>                                                    |                                |                             |              |               |                               |                    | <b>–363</b>              | <b>433</b>                     | <b>596</b>                                                 | <b>–1</b>         | <b>1,029</b>         |
| Operating margin, %                                                           | 2.6                            | 4.0                         | 5.7          | 8.8           | 17.0                          | 1.0                | –                        | 5.3                            | –                                                          | –                 | 9.5                  |
| <sup>1)</sup> Of which depreciation of machinery, equipment and rights-of-use | –                              | –                           | –1           | –1            | –                             | –                  | –1                       | –4                             | –                                                          | –107              | –110                 |
| <sup>2)</sup> Of which impairment                                             | –75                            | –75                         | –11          | –3            | –77                           | –                  | –                        | –258                           | –                                                          | –                 | –258                 |
| <sup>3)</sup> Of which income from joint venture                              | –                              | –                           | –            | –             | –5                            | –                  | –                        | –5                             | –                                                          | –                 | –5                   |
| <b>Group 2022</b>                                                             |                                |                             |              |               |                               |                    |                          |                                |                                                            |                   |                      |
| Revenue – external                                                            | 4,966                          | 4,500                       | 3,392        | 1,729         | 1,224                         | 572                | 2                        | 16,385                         | –1,808                                                     | –                 | 14,577               |
| Revenue – internal                                                            | –                              | –                           | –            | –             | –                             | 505                | –505                     | –                              | –                                                          | –                 | –                    |
| <b>Total revenue</b>                                                          | <b>4,966</b>                   | <b>4,500</b>                | <b>3,392</b> | <b>1,729</b>  | <b>1,224</b>                  | <b>1,077</b>       | <b>–503</b>              | <b>16,385</b>                  | <b>–1,808</b>                                              | <b>–</b>          | <b>14,577</b>        |
| Production and operating costs <sup>1)</sup>                                  | –3,849                         | –3,520                      | –2,984       | –1,485        | –869                          | –1,012             | 503                      | –13,216                        | 1,704                                                      | 31                | –11,481              |
| <b>Gross profit</b>                                                           | <b>1,117</b>                   | <b>981</b>                  | <b>408</b>   | <b>243</b>    | <b>355</b>                    | <b>65</b>          | <b>–</b>                 | <b>3,169</b>                   | <b>–105</b>                                                | <b>32</b>         | <b>3,096</b>         |
| Selling and administrative expenses <sup>1)</sup>                             | –397                           | –298                        | –170         | –85           | –37                           | –53                | –53                      | –1,094                         | –                                                          | –14               | –1,108               |
| Gains/losses on the sale of property, etc. <sup>2)</sup>                      | –                              | –                           | –            | –             | –11                           | –                  | –                        | –11                            | –                                                          | –                 | –11                  |
| <b>Operating profit</b>                                                       | <b>720</b>                     | <b>682</b>                  | <b>238</b>   | <b>158</b>    | <b>306</b>                    | <b>12</b>          | <b>–53</b>               | <b>2,064</b>                   | <b>–105</b>                                                | <b>18</b>         | <b>1,978</b>         |
| Financial income and expenses                                                 | –                              | –                           | –            | –             | –                             | –                  | –70                      | –70                            | –                                                          | –19               | –89                  |
| <b>Profit before tax</b>                                                      |                                |                             |              |               |                               |                    | <b>–123</b>              | <b>1,994</b>                   | <b>–105</b>                                                | <b>–</b>          | <b>1,889</b>         |
| Taxes                                                                         | –                              | –                           | –            | –             | –                             | –                  | –419                     | –419                           | 24                                                         | 1                 | –395                 |
| <b>Profit for the year</b>                                                    |                                |                             |              |               |                               |                    | <b>–542</b>              | <b>1,575</b>                   | <b>–81</b>                                                 | <b>–</b>          | <b>1,495</b>         |
| Operating margin, %                                                           | 14.5                           | 15.2                        | 7.0          | 9.2           | 25.0                          | 1.1                | –                        | 12.6                           | –                                                          | –                 | 13.6                 |
| <sup>1)</sup> Of which depreciation of machinery, equipment and rights-of-use | –                              | –                           | –2           | –1            | –                             | –                  | –1                       | –4                             | –                                                          | –101              | –105                 |
| <sup>2)</sup> Of which income from joint venture                              | –                              | –                           | –            | –             | –11                           | –                  | –                        | –11                            | –                                                          | –                 | –11                  |

<sup>4)</sup> Effect of restatement on revenue and profit and loss according to the completed contract method (IFRS) in relation to segment reporting.

Note 2 cont'd.

## CONSOLIDATED BALANCE SHEET BY BUSINESS SEGMENT

| Group 12/31/2023                                   | JM<br>Residential<br>Stockholm | JM<br>Residential<br>Sweden | JM<br>Norway | JM<br>Finland | JM<br>Property<br>Development | JM<br>Construction | Undistributed<br>items<br>Group <sup>1) 2)</sup> | Total according<br>to segment<br>reporting | Recalculation to<br>the completion<br>method | Reclassification<br>project financing,<br>interest-bearing <sup>3)</sup> | Reclassification<br>project financing,<br>non-interest-bearing <sup>4)</sup> | Additional project<br>financing Swedish<br>tenant-owners associations | Leases<br>IFRS 16 | Total<br>according to<br>IFRS |
|----------------------------------------------------|--------------------------------|-----------------------------|--------------|---------------|-------------------------------|--------------------|--------------------------------------------------|--------------------------------------------|----------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------|-------------------------------|
| <b>ASSETS</b>                                      |                                |                             |              |               |                               |                    |                                                  |                                            |                                              |                                                                          |                                                                              |                                                                       |                   |                               |
| <b>Non-current assets</b>                          | –                              | –                           | 173          | 43            | 93                            | –                  | 42                                               | 351                                        | –                                            | –                                                                        | –                                                                            | –                                                                     | 180               | 532                           |
| Project properties                                 | –                              | –                           | –            | –             | 1,030                         | –                  | –                                                | 1,030                                      | –                                            | –                                                                        | –                                                                            | –                                                                     | –                 | 1,030                         |
| Development properties                             | 4,097                          | 1,927                       | 1,328        | 1,115         | –                             | 8                  | 31                                               | 8,504                                      | –                                            | –                                                                        | –                                                                            | –                                                                     | –                 | 8,504                         |
| Rights-of-use leasehold rights                     | –                              | –                           | –            | –             | –                             | –                  | –                                                | –                                          | –                                            | –                                                                        | –                                                                            | –                                                                     | 476               | 476                           |
| Participations in tenant-owners associations, etc. | 158                            | 335                         | 115          | 195           | –                             | –                  | –                                                | 803                                        | 220                                          | –                                                                        | –                                                                            | –                                                                     | –                 | 1,023                         |
| Work in progress                                   | –                              | –                           | –            | –             | –                             | –                  | –                                                | –                                          | 1,808                                        | 5,215                                                                    | –                                                                            | 6,179                                                                 | –                 | 13,203                        |
| Current receivables                                | 1,184                          | 847                         | 855          | 776           | 257                           | 208                | 415                                              | 4,541                                      | –3,290                                       | 1,995                                                                    | 410                                                                          | –                                                                     | –23               | 3,633                         |
| Cash and cash equivalents                          | –                              | –                           | –            | –             | –                             | –                  | 1,582                                            | 1,582                                      | –                                            | 91                                                                       | –                                                                            | –                                                                     | –                 | 1,673                         |
| <b>Total current assets</b>                        | <b>5,439</b>                   | <b>3,109</b>                | <b>2,298</b> | <b>2,086</b>  | <b>1,287</b>                  | <b>216</b>         | <b>2,028</b>                                     | <b>16,461</b>                              | <b>–1,262</b>                                | <b>7,302</b>                                                             | <b>410</b>                                                                   | <b>6,179</b>                                                          | <b>453</b>        | <b>29,542</b>                 |
| <b>TOTAL ASSETS</b>                                | <b>5,439</b>                   | <b>3,109</b>                | <b>2,471</b> | <b>2,129</b>  | <b>1,379</b>                  | <b>216</b>         | <b>2,069</b>                                     | <b>16,812</b>                              | <b>–1,262</b>                                | <b>7,302</b>                                                             | <b>410</b>                                                                   | <b>6,179</b>                                                          | <b>633</b>        | <b>30,073</b>                 |
| <b>EQUITY AND LIABILITIES</b>                      |                                |                             |              |               |                               |                    |                                                  |                                            |                                              |                                                                          |                                                                              |                                                                       |                   |                               |
| Equity                                             | –                              | –                           | –            | –             | –                             | –                  | 8,332                                            | 8,332                                      | –357                                         | –                                                                        | –                                                                            | –                                                                     | –3                | 7,972                         |
| Non-current liabilities                            | –                              | –                           | –            | –             | –                             | –                  | 3,319                                            | 3,319                                      | –89                                          | –                                                                        | –                                                                            | –                                                                     | 554               | 3,785                         |
| Current liabilities                                | 466                            | 560                         | 274          | 220           | 52                            | 159                | 3,430                                            | 5,161                                      | –816                                         | 7,302                                                                    | 410                                                                          | 6,179                                                                 | 83                | 18,317                        |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>466</b>                     | <b>560</b>                  | <b>274</b>   | <b>220</b>    | <b>52</b>                     | <b>159</b>         | <b>15,081</b>                                    | <b>16,812</b>                              | <b>–1,262</b>                                | <b>7,302</b>                                                             | <b>410</b>                                                                   | <b>6,179</b>                                                          | <b>633</b>        | <b>30,073</b>                 |
| <b>Total operating capital by business segment</b> | <b>4,972</b>                   | <b>2,549</b>                | <b>2,197</b> | <b>1,910</b>  | <b>1,328</b>                  | <b>57</b>          |                                                  |                                            |                                              |                                                                          |                                                                              |                                                                       |                   |                               |
| Investment in machinery and equipment              |                                |                             |              |               |                               |                    | 6                                                | 6                                          |                                              |                                                                          |                                                                              |                                                                       |                   | 6                             |
| <b>Group 12/31/2022</b>                            |                                |                             |              |               |                               |                    |                                                  |                                            |                                              |                                                                          |                                                                              |                                                                       |                   |                               |
| <b>ASSETS</b>                                      |                                |                             |              |               |                               |                    |                                                  |                                            |                                              |                                                                          |                                                                              |                                                                       |                   |                               |
| <b>Non-current assets</b>                          | –                              | –                           | 186          | 33            | 102                           | –                  | 30                                               | 351                                        | –                                            | –                                                                        | –                                                                            | –                                                                     | 214               | 565                           |
| Project properties                                 | –                              | –                           | 18           | –             | 914                           | –                  | –                                                | 932                                        | –                                            | –                                                                        | –                                                                            | –                                                                     | –                 | 932                           |
| Development properties                             | 4,033                          | 2,270                       | 1,034        | 1,046         | –                             | 10                 | 70                                               | 8,465                                      | –                                            | –                                                                        | –                                                                            | –                                                                     | –                 | 8,465                         |
| Rights-of-use leasehold rights                     | –                              | –                           | –            | –             | –                             | –                  | –                                                | –                                          | –                                            | –                                                                        | –                                                                            | –                                                                     | 513               | 513                           |
| Participations in tenant-owners associations, etc. | 148                            | 99                          | 39           | 23            | –                             | –                  | –                                                | 308                                        | –                                            | –                                                                        | –                                                                            | –                                                                     | –                 | 308                           |
| Work in progress                                   | –                              | –                           | –            | –             | –                             | –                  | –                                                | –                                          | 803                                          | 6,527                                                                    | –                                                                            | 7,887                                                                 | –                 | 15,217                        |
| Current receivables                                | 1,137                          | 585                         | 972          | 739           | 942                           | 299                | 550                                              | 5,225                                      | –3,053                                       | 162                                                                      | 1,453                                                                        | –                                                                     | –20               | 3,767                         |
| Cash and cash equivalents                          | –                              | –                           | –            | –             | –                             | –                  | 1,840                                            | 1,840                                      | –                                            | 311                                                                      | –                                                                            | –                                                                     | –                 | 2,151                         |
| <b>Total current assets</b>                        | <b>5,319</b>                   | <b>2,954</b>                | <b>2,063</b> | <b>1,808</b>  | <b>1,856</b>                  | <b>309</b>         | <b>2,461</b>                                     | <b>16,771</b>                              | <b>–2,250</b>                                | <b>7,001</b>                                                             | <b>1,453</b>                                                                 | <b>7,887</b>                                                          | <b>492</b>        | <b>31,354</b>                 |
| <b>TOTAL ASSETS</b>                                | <b>5,319</b>                   | <b>2,954</b>                | <b>2,249</b> | <b>1,842</b>  | <b>1,958</b>                  | <b>309</b>         | <b>2,491</b>                                     | <b>17,122</b>                              | <b>–2,250</b>                                | <b>7,001</b>                                                             | <b>1,453</b>                                                                 | <b>7,887</b>                                                          | <b>706</b>        | <b>31,919</b>                 |
| <b>EQUITY AND LIABILITIES</b>                      |                                |                             |              |               |                               |                    |                                                  |                                            |                                              |                                                                          |                                                                              |                                                                       |                   |                               |
| Equity                                             | –                              | –                           | –            | –             | –                             | –                  | 9,006                                            | 9,006                                      | –964                                         | –                                                                        | –                                                                            | –                                                                     | –3                | 8,039                         |
| Non-current liabilities                            | –                              | –                           | –            | –             | –                             | –                  | 3,399                                            | 3,399                                      | –249                                         | –                                                                        | –                                                                            | –                                                                     | 624               | 3,774                         |
| Current liabilities                                | 651                            | 852                         | 234          | 250           | 50                            | 218                | 2,461                                            | 4,717                                      | –1,038                                       | 7,001                                                                    | 1,453                                                                        | 7,887                                                                 | 85                | 20,105                        |
| <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>651</b>                     | <b>852</b>                  | <b>234</b>   | <b>250</b>    | <b>50</b>                     | <b>218</b>         | <b>14,866</b>                                    | <b>17,122</b>                              | <b>–2,250</b>                                | <b>7,001</b>                                                             | <b>1,453</b>                                                                 | <b>7,887</b>                                                          | <b>706</b>        | <b>31,919</b>                 |
| <b>Total operating capital by business segment</b> | <b>4,668</b>                   | <b>2,102</b>                | <b>2,015</b> | <b>1,591</b>  | <b>1,908</b>                  | <b>91</b>          |                                                  |                                            |                                              |                                                                          |                                                                              |                                                                       |                   |                               |
| Investment in machinery and equipment              |                                |                             |              |               |                               |                    | 4                                                | 4                                          |                                              |                                                                          |                                                                              |                                                                       |                   | 4                             |

<sup>1)</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>2)</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>3)</sup> Reclassification of project financing according to IFRS in relation to segment reporting

<sup>4)</sup> Refers to billing on account to customers.

*Note 2 cont'd.*

| REVENUE                                      |                                |                             |              |               |                               |                    |              |             |
|----------------------------------------------|--------------------------------|-----------------------------|--------------|---------------|-------------------------------|--------------------|--------------|-------------|
| Revenue by country (segment reporting)       |                                |                             | Sweden       | Norway        | Finland                       | Belgium            | Total        |             |
| 2023                                         |                                |                             | 9,671        | 2,589         | 1,591                         | –                  | 13,851       |             |
| 2022                                         |                                |                             | 11,263       | 3,392         | 1,729                         | 2                  | 16,385       |             |
| Revenue 2023                                 | JM<br>Residential<br>Stockholm | JM<br>Residential<br>Sweden | JM<br>Norway | JM<br>Finland | JM<br>Property<br>Development | JM<br>Construction | Eliminations | Total Group |
| Revenue according to IFRS                    | 5,318                          | 4,076                       | 3,243        | 1,386         | 1,458                         | 781                | –294         | 15,969      |
| Revenue (segment reporting)                  | 4,248                          | 3,476                       | 2,589        | 1,591         | 1,458                         | 781                | –294         | 13,851      |
| Revenue 2022                                 |                                |                             |              |               |                               |                    |              |             |
| Revenue according to IFRS                    | 4,227                          | 4,070                       | 2,404        | 2,078         | 1,224                         | 1,077              | –503         | 14,577      |
| Revenue (segment reporting)                  | 4,966                          | 4,500                       | 3,392        | 1,729         | 1,224                         | 1,077              | –503         | 16,385      |
| Point in time for revenue recognition (IFRS) |                                |                             |              |               |                               |                    |              |             |
| Over time                                    |                                |                             |              |               | •                             | •                  |              |             |
| At a specific point in time                  | •                              | •                           | •            | •             | •                             |                    |              |             |

Revenue in JM Construction and parts of the revenue in JM Property Development are reported over time (gradually), which is reflected in when the customer payments are made. The payments normally occur in the form of advance payment during the term of the agreement. Revenue from housing development 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, 2023, JM had entered into customer agreements where the performance commitment of approximately SEK 11bn had not yet been met. JM expects these performance commitments to be materially met, and revenue is thus recognized primarily in 2024 and 2025, with a smaller portion in 2026. Corresponding amount for the previous year was SEK 15bn for the period 2023–2025.

**note 3** Employees and personnel costs

| Average number of employees, by country                                                                                | 2023                                       | Of which<br>men, %             | Of which<br>women, % | 2022                                    | Of which<br>men, %             | Of which women,<br>% |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------|----------------------|-----------------------------------------|--------------------------------|----------------------|
| Sweden                                                                                                                 | 1,853                                      | 75                             | 25                   | 1,908                                   | 74                             | 26                   |
| Norway                                                                                                                 | 342                                        | 76                             | 24                   | 374                                     | 74                             | 26                   |
| Finland                                                                                                                | 187                                        | 64                             | 36                   | 190                                     | 65                             | 35                   |
| Total                                                                                                                  | 2,382                                      | 74                             | 26                   | 2,472                                   | 73                             | 27                   |
|                                                                                                                        |                                            |                                |                      |                                         |                                |                      |
| Wages, salaries, other remuneration and social security expenses                                                       | 2023                                       |                                |                      | 2022                                    |                                |                      |
|                                                                                                                        | Wages,<br>salaries and<br>remunerations    | Social<br>security<br>expenses | Total                | Wages,<br>salaries and<br>remunerations | Social<br>security<br>expenses | Total                |
|                                                                                                                        | Group<br>(of which pension costs)          | 1,513<br>(256)                 | 719<br>(256)         | 2,232                                   | 1,538<br>(245)                 | 715<br>(245)         |
| Wages, salaries and other remuneration by country and distribution between the Board and President and other employees | 2023                                       |                                |                      | 2022                                    |                                |                      |
|                                                                                                                        | Board of<br>Directors and<br>President     | Other<br>employees             | Total                | Board of<br>Directors and<br>President  | Other<br>employees             | Total                |
|                                                                                                                        | Sweden<br>(of which variable remuneration) | 19<br>(6)                      | 1,099<br>(52)        | 1,118<br>(58)                           | 18<br>(6)                      | 1,110<br>(58)        |
| Norway<br>(of which variable remuneration)                                                                             | 3<br>(1)                                   | 240<br>(12)                    | 243<br>(13)          | 4<br>(1)                                | 271<br>(19)                    | 275<br>(20)          |
| Finland<br>(of which variable remuneration)                                                                            | 5<br>(3)                                   | 147<br>(10)                    | 152<br>(13)          | 3<br>(1)                                | 132<br>(7)                     | 135<br>(8)           |
| Total, Group<br>(of which variable remuneration)                                                                       | 27<br>(10)                                 | 1,486<br>(74)                  | 1,513<br>(84)        | 25<br>(8)                               | 1,513<br>(84)                  | 1,538<br>(92)        |

**Remuneration to the Board of Directors**

JM's Board of Directors consists of seven members elected by the Annual General Meeting. SEK 1,103,000 (1,073,000) was paid to the Chair of the Board of Directors for Board and Committee fees. The other AGM-elected Board members were paid SEK 2,853,000 (3,010,000). 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 2023 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 2024 may amount to a maximum of SEK 1,333,000. The outcome of the short-term variable remuneration for the 2023 financial year is SEK 155,000 (2,710,000) to be paid during the spring of 2024.

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 2024 may amount to a maximum of SEK 9.1m. The outcome of the short-term variable remuneration for other members of Executive Management for the 2023 financial year totals SEK 1.1m (5.4), to be paid during the spring of 2024.

In addition, long-term variable salary programs have been offered to Executive Management (including the President).

The long-term variable salary program launched in 2020 amounted to a maximum of 42 percent of fixed salary for the President and 90 percent for a member of Executive Management and was based on the Group's financial performance in 2022. The outcome was 70 percent of the maximum amount. Payment was made in the spring of 2023 and amounted 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. The outcome was 0 percent for both the President and 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 2,444,000 to the President and SEK 8.1m to the other members of Executive Management.

The long-term variable salary program launched in 2023 amounts to a maximum of 42 percent of fixed salary and is based on the Group's

financial performance in 2025. Eventual payment will be made in the spring of 2026 and could amount to a maximum of SEK 1,480,000 to the President and SEK 9.3m 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 1,455,000 (1,345,000).

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 18.3m (16.1).

**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.

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.

**Convertible debentures for personnel**

No new convertible program was adopted in 2023. 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.

**Convertibles**

| Year                            | 2019               | 2020               |
|---------------------------------|--------------------|--------------------|
| Number of convertibles          | 153,778            | 157,067            |
| Number of redeemed convertibles | –                  | –                  |
| Number of convertibles due      | –153,778           | –                  |
| Total                           | –                  | 157,067            |
| Strike price                    | 212                | 217                |
| Conversion period               | 6/1/2022–4/21/2023 | 6/1/2023–4/24/2024 |

### Note 3, continued

#### Summary of basic and variable remuneration and pensions to the Board and Executive Management in 2023 and 2022

| SEK thousand                                | 2023                                      |                                                      |                                                     |                   |                    | Total         |
|---------------------------------------------|-------------------------------------------|------------------------------------------------------|-----------------------------------------------------|-------------------|--------------------|---------------|
|                                             | Basic salary/<br>Board fees <sup>2)</sup> | Short-term<br>variable<br>remuneration <sup>3)</sup> | Long-term<br>variable<br>remuneration <sup>4)</sup> | Other<br>benefits | Pension<br>expense |               |
| <i>Chair of the Board</i> <sup>1)</sup>     |                                           |                                                      |                                                     |                   |                    |               |
| Fredrik Persson                             | 1,103                                     |                                                      |                                                     |                   |                    | 1103          |
| <i>Other Board members</i> <sup>1)</sup>    |                                           |                                                      |                                                     |                   |                    |               |
| Thomas Thuresson                            | 572                                       |                                                      |                                                     |                   |                    | 572           |
| Olav Line                                   | 478                                       |                                                      |                                                     |                   |                    | 478           |
| Kerstin Gillsbro                            | 452                                       |                                                      |                                                     |                   |                    | 452           |
| Camilla Krogh                               | 442                                       |                                                      |                                                     |                   |                    | 442           |
| Jenny Larsson                               | 424                                       |                                                      |                                                     |                   |                    | 424           |
| Stefan Björkman                             | 230                                       |                                                      |                                                     |                   |                    | 230           |
| Kaj-Gustaf Bergh                            | 255                                       |                                                      |                                                     |                   |                    | 255           |
| President                                   | 7,602                                     | 2,710                                                | 2,029                                               | 207               | 2,665              | 15,213        |
| Other Executive Management <sup>5) 6)</sup> | 25,485                                    | 5,364                                                | 5,610                                               | 1,119             | 9,753              | 47,331        |
| <b>Total</b>                                | <b>37,043</b>                             | <b>8,074</b>                                         | <b>7,639</b>                                        | <b>1,326</b>      | <b>12,418</b>      | <b>66,500</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 1,298,000 and in aggregate for the other members of Executive Management to SEK 5,323,000.

<sup>3)</sup> The short-term variable remuneration reported in the table refers to amounts paid in 2023. All payments in 2023 are attributable to the 2022 financial year. Amounts attributable to 2023 are presented on page 78 and will be paid in 2024.

<sup>4)</sup> The long-term variable remuneration reported in the table refers to amounts paid in 2023. All payments in 2023 are attributable to the 2020–2022 financial years. Amounts attributable to 2021–2023 are presented on page 78 and will be paid in 2024. Page 78 also contains information about the programs for the financial years 2022–2024 and 2023–2025.

<sup>5)</sup> JM's Executive Management, excluding the President, comprised a total of ten people: six men and four women.

<sup>6)</sup> The amount includes a fee to a Executive Management member whom was a hired consultant during part of the year. The fee includes amounts to cover the consultant's payroll overhead.

| SEK thousand                             | 2022                                      |                                                      |                                                     |                   |                    | Total         |
|------------------------------------------|-------------------------------------------|------------------------------------------------------|-----------------------------------------------------|-------------------|--------------------|---------------|
|                                          | Basic salary/<br>Board fees <sup>2)</sup> | Short-term<br>variable<br>remuneration <sup>3)</sup> | Long-term<br>variable<br>remuneration <sup>4)</sup> | Other<br>benefits | Pension<br>expense |               |
| <i>Chair of the Board</i> <sup>1)</sup>  |                                           |                                                      |                                                     |                   |                    |               |
| Fredrik Persson                          | 1,073                                     |                                                      |                                                     |                   |                    | 1,073         |
| <i>Other Board members</i> <sup>1)</sup> |                                           |                                                      |                                                     |                   |                    |               |
| Kaj-Gustaf Bergh                         | 505                                       |                                                      |                                                     |                   |                    | 505           |
| Thomas Thuresson                         | 525                                       |                                                      |                                                     |                   |                    | 525           |
| Olav Line                                | 465                                       |                                                      |                                                     |                   |                    | 465           |
| Annica Ånäs (until 9/28/2022)            | 460                                       |                                                      |                                                     |                   |                    | 460           |
| Kerstin Gillsbro                         | 440                                       |                                                      |                                                     |                   |                    | 440           |
| Camilla Krogh                            | 430                                       |                                                      |                                                     |                   |                    | 430           |
| Jenny Larsson                            | 185                                       |                                                      |                                                     |                   |                    | 185           |
| President                                | 7,410                                     | 2,875                                                | 1,808                                               | 198               | 2,545              | 14,836        |
| Other Executive Management <sup>5)</sup> | 23,770                                    | 7,255                                                | 3,262                                               | 1,303             | 8,370              | 43,960        |
| <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> |

<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 78 and was 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 78 and was paid in 2023. Page 78 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.

### note 4 Accumulated depreciation according to plan

|                         | 2023      | 2022      |
|-------------------------|-----------|-----------|
| Machinery and equipment | –4        | –4        |
| <b>Total</b>            | <b>–4</b> | <b>–4</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                             | 2023       | 2022       |
|---------------------------------|------------|------------|
| Auditing services <sup>1)</sup> | 6.6        | 6.0        |
| Tax services                    | 0.1        | –          |
| Other services <sup>2)</sup>    | 0.5        | 1.2        |
| <b>Total</b>                    | <b>7.2</b> | <b>7.2</b> |

<sup>1)</sup> PricewaterhouseCoopers' 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 0.3m (0.8) were provided by PricewaterhouseCoopers AB, of which SEK 0.1m (0.2) pertains to statutory add-on services. This includes, for example, consulting services and financial reporting.

### note 6 Operating costs by cost type

| IFRS                                        | 2023          | 2022          |
|---------------------------------------------|---------------|---------------|
| Production costs                            | 11,643        | 10,067        |
| Personnel costs                             | 2,232         | 2,253         |
| Depreciation and amortization <sup>1)</sup> | 110           | 105           |
| Other operating costs (operating expenses)  | 217           | 175           |
| <b>Total</b>                                | <b>14,202</b> | <b>12,599</b> |

<sup>1)</sup> Effects of new IFRS 16, Leases SEK 107m (101).

### note 7 Gains/losses on the sale of property, etc.

|                                       | IFRS        |            | Segment reporting |            |
|---------------------------------------|-------------|------------|-------------------|------------|
|                                       | 2023        | 2022       | 2023              | 2022       |
| <b>Sales values</b>                   |             |            |                   |            |
| Project properties                    | 46          | –          | 46                | –          |
| Development properties                | 297         | –          | 297               | –          |
| <b>Total</b>                          | <b>343</b>  | <b>–</b>   | <b>343</b>        | <b>–</b>   |
| <b>Carrying amounts</b>               |             |            |                   |            |
| Project properties                    | –23         | –          | –23               | –          |
| Development properties                | –313        | –          | –313              | –          |
| <b>Total</b>                          | <b>–336</b> | <b>–</b>   | <b>–336</b>       | <b>–</b>   |
| <b>Results</b>                        |             |            |                   |            |
| Project properties                    | 23          | –          | 23                | –          |
| Development properties                | –16         | –          | –16               | –          |
| <b>Total</b>                          | <b>7</b>    | <b>–</b>   | <b>7</b>          | <b>–</b>   |
| <b>Impairment of properties</b>       |             |            |                   |            |
| Project properties                    | –77         | –          | –77               | –          |
| Development properties                | –181        | –          | –181              | –          |
| <b>Total</b>                          | <b>–258</b> | <b>–</b>   | <b>–258</b>       | <b>–</b>   |
| <b>Profit/loss from joint venture</b> |             |            |                   |            |
| Profit/loss from joint venture        | –5          | –11        | –5                | –11        |
| <b>Total</b>                          | <b>–256</b> | <b>–11</b> | <b>–256</b>       | <b>–11</b> |

### note 8 Financial income and expenses

|                        | Financial income |           |
|------------------------|------------------|-----------|
|                        | 2023             | 2022      |
| Interest income        | 18               | 7         |
| Other financial income | 16               | 12        |
| <b>Total</b>           | <b>33</b>        | <b>19</b> |

| IFRS                                          | Financial expenses |             |
|-----------------------------------------------|--------------------|-------------|
|                                               | 2023               | 2022        |
| Interest expenses attributable to loans, etc. | –82                | –55         |
| Interest expenses, leasing                    | –25                | –19         |
| Interest portion in this year's pension costs | –51                | –34         |
| <b>Total</b>                                  | <b>–159</b>        | <b>–108</b> |

| Segment reporting                             | Financial expenses |            |
|-----------------------------------------------|--------------------|------------|
|                                               | 2023               | 2022       |
| Interest expenses attributable to loans, etc. | –82                | –55        |
| Interest portion in this year's pension costs | –51                | –34        |
| <b>Total</b>                                  | <b>–133</b>        | <b>–89</b> |

## note 9 Taxes

| IFRS              | 2023         | 2022         |
|-------------------|--------------|--------------|
| Profit before tax |              |              |
| Sweden            | 907          | 1,576        |
| Other countries   | 457          | 313          |
| <b>Total</b>      | <b>1,385</b> | <b>1,889</b> |
| Current tax       |              |              |
| Sweden            | –202         | –434         |
| Other countries   | –145         | –37          |
| <b>Total</b>      | <b>–346</b>  | <b>–472</b>  |
| Deferred tax      |              |              |
| Sweden            | –59          | 104          |
| Other countries   | 50           | –27          |
| <b>Total</b>      | <b>–9</b>    | <b>77</b>    |
| Total tax         |              |              |
| Sweden            | –261         | –330         |
| Other countries   | –95          | –65          |
| <b>Total</b>      | <b>–356</b>  | <b>–395</b>  |

Difference between reported tax and nominal tax rate 20.6% (20.6%)

|                                       | 2023        | 2022        |
|---------------------------------------|-------------|-------------|
| <b>Profit before tax x 20.6%</b>      | <b>–285</b> | <b>–442</b> |
| Adjustment of tax from previous years | –           | 1           |
| Difference foreign tax                | –           | –2          |
| Non-taxable profit                    | 15          | 93          |
| Non-deductible expenses               | –40         | –1          |
| Non-deductible interest expenses      | –64         | –           |
| Tax allocation reserve                | –9          | –3          |
| Revaluation deferred tax              | 27          | 11          |
| <b>Total</b>                          | <b>–356</b> | <b>–343</b> |

The effective tax rate according to IFRS is 25.7 percent (20.9). The difference between the effective tax rate and the nominal tax rate of 20.6 percent is primarily explained by the table above.

## note 10 Earnings and dividend per share

|                                | Basic        |              | Diluted      |              |
|--------------------------------|--------------|--------------|--------------|--------------|
| IFRS                           | 2023         | 2022         | 2023         | 2022         |
| <b>Earnings per share, SEK</b> | <b>16.00</b> | <b>22.30</b> | <b>16.00</b> | <b>22.20</b> |

Earnings per share were 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 for 2023 was based on the net profit for the year of SEK 1,029m (1,495) and on a weighted average of the number of outstanding ordinary shares during 2023 to 64,504,840 (67,073,227).

| Number of shares                                                | 2023              | 2022              |
|-----------------------------------------------------------------|-------------------|-------------------|
| Total number of outstanding shares, January 1                   | 64,504,840        | 68,648,746        |
| Conversion                                                      | –                 | 5,492             |
| Repurchase of shares                                            | –                 | –1,581,011        |
| <b>Weighted average number of shares during the year, basic</b> | <b>64,504,840</b> | <b>67,073,227</b> |

### Diluted earnings per share

The calculation of diluted earnings per share for 2023 was based on the net profit for the year adjusted for the interest expense for convertible debentures after tax of SEK 1,029m (1,497) and on a weighted average number of outstanding ordinary shares adjusted for dilution effects of all outstanding potential ordinary shares in 2023 of 64,504,840 (67,384,072). Profit for the year is attributable in its entirety to Parent Company shareholders.

| Profit for the year                                                                    | 2023         | 2022         |
|----------------------------------------------------------------------------------------|--------------|--------------|
| Profit for the year attributable to shareholders of the Parent Company                 | 1,029        | 1,495        |
| Adjustment of interest on convertible debentures (after tax)                           | –            | 2            |
| <b>Profit for the year attributable to shareholders of the Parent Company, diluted</b> | <b>1,029</b> | <b>1,497</b> |

| Number of shares                                                           | 2023              | 2022              |
|----------------------------------------------------------------------------|-------------------|-------------------|
| Weighted average number of shares during the year, basic                   | 64,504,840        | 67,073,227        |
| Estimated number of potential shares for the convertible debenture program | –                 | 310,845           |
| <b>Weighted average of the number of shares during the year, diluted</b>   | <b>64,504,840</b> | <b>67,384,072</b> |

### Outstanding number of shares and instruments with potential dilutive effects

At the end of 2023, JM had 64,504,840 outstanding shares (64,504,840). JM holds a total of 0 repurchased shares (3,774,001). Instruments that may have a potentially dilutive effect in 2023 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 program, the conversion rate is SEK 212 and for the 2020 program SEK 217. For more information, see Note 1 and Note 3.

### Cash dividend (for 2023 in accordance with the Board's proposal)

|                  | 2023 | 2022  |
|------------------|------|-------|
| – per share, SEK | 3.00 | 14.00 |
| – total, SEK m   | 194  | 903   |

Differences between IFRS and segment reporting occur in the following items:

| Segment reporting       | Basic |       | Diluted |       |
|-------------------------|-------|-------|---------|-------|
|                         | 2023  | 2022  | 2023    | 2022  |
| Earnings per share, SEK | 6.70  | 23.50 | 6.70    | 23.40 |
| Profit for the year     | 433   | 1,575 | 433     | 1,577 |

## note 11 Goodwill

|                                   | 2023       | 2022       |
|-----------------------------------|------------|------------|
| Accumulated acquisition value     |            |            |
| <b>Opening balance, January 1</b> | <b>219</b> | <b>180</b> |
| Adjustment acquisition analysis   | 10         | –          |
| New purchases                     | –          | 32         |
| Translation differences           | –12        | 7          |
| <b>On December 31</b>             | <b>217</b> | <b>219</b> |

Carrying amounts on goodwill are allocated to the following cash-generating units:

|              | 2023       | 2022       |
|--------------|------------|------------|
| JM Norway    | 173        | 186        |
| JM Finland   | 43         | 33         |
| <b>Total</b> | <b>217</b> | <b>219</b> |

As per December 31, 2023, the carrying amounts for goodwill were tested in the business segments JM Norway and JM Finland. The recoverable amounts in both of the cash-generating units were found to exceed the carrying amounts. Therefore, no impairment for goodwill was necessary.

The recoverable amount was determined by calculating the value in use of each cash-generating unit. The value in use was calculated using the discounted cash flows, which for the first two years after 2023 are based on a strategic plan adopted by management. Cash flow beyond the strategic two-year period is extrapolated based on the following assumptions:

- Estimated operating profit based on previous years' profitability levels and operational efficiency, access to key staff and a qualified work force, access to internal resources, cost development related to salaries, material and subcontractors, and the expected development 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 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 19 percent (16) in JM Norway and 21 percent (–) in JM Finland.

A sensitivity analysis of the discount rate shows that the discount rate could total around 10 percent (16) for JM Norway and around 7 percent (–) for JM Finland before the need for impairment arises.

For all cash-generating units, there is significant headroom before changes in material assumptions would lead to an impairment need since the recoverable amount is significantly higher than the carrying amount.

## note 12 Machinery and equipment

|                                               | 2023        | 2022        |
|-----------------------------------------------|-------------|-------------|
| Accumulated acquisition value                 |             |             |
| <b>Opening balance, January 1</b>             | <b>133</b>  | <b>126</b>  |
| New purchases                                 | 6           | 4           |
| Translation differences                       | –3          | 3           |
| Sales and disposals                           | –31         | –           |
| <b>On December 31</b>                         | <b>106</b>  | <b>133</b>  |
| Accumulated depreciation according to plan    |             |             |
| <b>Opening balance, January 1</b>             | <b>–125</b> | <b>–119</b> |
| Depreciation for the year                     | –4          | –4          |
| Translation differences                       | 3           | –3          |
| Sales and disposals                           | 31          | –           |
| <b>On December 31</b>                         | <b>–96</b>  | <b>–125</b> |
| <b>Closing residual value, at end of year</b> | <b>10</b>   | <b>8</b>    |



## note 13 Rights-of-use

| IFRS<br>Rights-of-use | 2023       | 2022       |
|-----------------------|------------|------------|
| Offices               | 118        | 171        |
| Cars                  | 61         | 43         |
| Site leasehold rights | 476        | 513        |
| <b>On December 31</b> | <b>655</b> | <b>727</b> |

Additional rights-of-use in the 2023 financial year amount to SEK 103m (160).

| Depreciation rights-of-use                                                            | 2023        | 2022        |
|---------------------------------------------------------------------------------------|-------------|-------------|
| Offices                                                                               | –72         | –66         |
| Cars                                                                                  | –35         | –34         |
| <b>Total</b>                                                                          | <b>–107</b> | <b>–101</b> |
| Interest expenses (including financial expenses) for lease liabilities                | 25          | 19          |
| Costs for leases for short-term agreements and leases where the asset has a low value | 324         | 339         |

Total cash flow for leases in the financial year amounts to SEK 106m (457).

See Note 24 regarding the lease's impact on liabilities.

## note 14 Participations in joint venture

|                                    | 2023       | 2022       |
|------------------------------------|------------|------------|
| <b>Opening balance, January 1</b>  | <b>102</b> | <b>118</b> |
| Profit/loss from joint venture     | –5         | –11        |
| Dividends received                 | –5         | –5         |
| <b>On December 31<sup>1)</sup></b> | <b>93</b>  | <b>103</b> |

<sup>1)</sup> At the end of the year, ownership consists of the participations in the company JMJV Hyresbostäder Holding AB, of which JM owns 20 percent. The company will own and manage rental housing units.

| JMJV Hyresbostäder Holding AB<br>(559269-4318) | 2023         | 2022         |
|------------------------------------------------|--------------|--------------|
| Net sales                                      | 57           | 55           |
| Operating expenses                             | –18          | –15          |
| Change in value properties                     | –59          | –101         |
| Financial expenses                             | –8           | –9           |
| Tax                                            | 6            | 14           |
| <b>Profit for the period</b>                   | <b>–23</b>   | <b>–56</b>   |
| Non-current assets <sup>1)</sup>               | 1,236        | 1,295        |
| Current receivables                            | 5            | 5            |
| Cash and bank balances                         | 53           | 47           |
| <b>Total assets</b>                            | <b>1,294</b> | <b>1,346</b> |
| Equity                                         | 464          | 511          |
| Interest-bearing liabilities and provisions    | 822          | 828          |
| Current liabilities                            | 8            | 8            |
| <b>Total equity and liabilities</b>            | <b>1,294</b> | <b>1,346</b> |

<sup>1)</sup> Refers to rental properties reported at market value.

## note 15 Participations in joint operations

### 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 |                |
|-------------------------------------|-------------|-----------|-------------------------------------|--------------|----------------------------|----------------|
|                                     |             |           |                                     |              | 2023                       | 2022           |
| Dockan Exploatering AB              | 556594-2645 | Malmö     | 50,000                              | 33           | 16,834                     | 16,834         |
| Kvarnholmen Utveckling AB           | 556710-5514 | Stockholm | 50,000                              | 50           | 165,886                    | 165,886        |
| Målarstrandens Utvecklings AB       | 556695-5414 | Västerås  | 44                                  | 44           | 2,200                      | 2,200          |
| <b>Carrying amount, December 31</b> |             |           |                                     |              | <b>184,920</b>             | <b>184,920</b> |

### 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 |                |
|-----------------------------------------------------------------------------|-------------|------------|-------------------------------------|--------------|----------------------------|----------------|
|                                                                             |             |            |                                     |              | 2023                       | 2022           |
| Fastighets AB Kranlyftet                                                    | 556829-3251 | Lidingö    | 250                                 | 50           | 71,039                     | 135,226        |
| Täby Park Exploatering AB                                                   | 556833-6555 | Stockholm  | 500                                 | 50           | 371,473                    | 321,473        |
| Grefsen Utvikling AS, Norway                                                | 982913209   | Oslo       | 500                                 | 50           | 494                        | 26,305         |
| Grefsen Utvikling Næring 1 AS                                               | 928160300   | Oslo       | 300                                 | 50           | 15                         | 16             |
| Grefsen Utvikling Næring 2 AS                                               | 828160672   | Oslo       | 300                                 | 50           | 15                         | 16             |
| Hans Nielsen Haugesgate 50 AS, Norway <sup>2)</sup>                         | 987719427   | Oslo       | 60,000                              | 50           | –                          | 52,953         |
| Husebyplatået AS, Norway                                                    | 913864948   | Oslo       | 5,000                               | 50           | 494                        | 526            |
| Larvik Saneringsselskap AS, Norway                                          | 918044051   | Larvik     | 100                                 | 50           | 239                        | 255            |
| Lillestrøm Kvarstal 37 AS, Norway                                           | 935267269   | Lillestrøm | 75                                  | 50           | 148                        | 7,892          |
| Lyckebacken Utveckling AB                                                   | 559386-3466 | Stockholm  | 12,500                              | 50           | 359,455                    | 363,274        |
| Merbraine, Belgium                                                          | 450160865   | Brussels   | 625                                 | 50           | 344                        | 345            |
| Noreveien 26 AS, Norway                                                     | 990351465   | Oslo       | 10                                  | 50           | 43                         | 46             |
| Son Utvikling AS, Norway                                                    | 990341419   | Oslo       | 23,050                              | 50           | 10,967                     | 12,921         |
| Torstvet Utvikling AS, Norway                                               | 959639159   | Larvik     | 5,000                               | 50           | 11,393                     | 12,144         |
| <b>Carrying amount, December 31</b>                                         |             |            |                                     |              | <b>826,119</b>             | <b>933,392</b> |
| Reclassification in the Group                                               |             |            |                                     |              | –826,119                   | –933,392       |
| <b>The participations' carrying amount in the Group, at end of the year</b> |             |            |                                     |              | <b>–</b>                   | <b>–</b>       |

<sup>1)</sup> Development properties SEK 874m (1,045).

<sup>2)</sup> Group company that has been merged.

The joint operations contain primarily properties for residential development.

## note 16 Financial assets

|                                   | 2023      | 2022      |
|-----------------------------------|-----------|-----------|
| Accumulated acquisition value     |           |           |
| <b>Opening balance, January 1</b> | <b>22</b> | <b>23</b> |
| Additional receivables            | 12        | 64        |
| Settled receivables               | –1        | –66       |
| Translation difference            | –1        | 1         |
| <b>On December 31</b>             | <b>32</b> | <b>22</b> |

Financial assets mainly relate to promissory notes.

## note 17 Project properties and development properties

|                                               | Project properties |            | Development properties |              |
|-----------------------------------------------|--------------------|------------|------------------------|--------------|
|                                               | 2023               | 2022       | 2023                   | 2022         |
| Accumulated acquisition value                 |                    |            |                        |              |
| <b>Opening balance, January 1</b>             | <b>932</b>         | <b>813</b> | <b>8,470</b>           | <b>8,212</b> |
| New purchases                                 | 485                | 795        | 1,628                  | 1,700        |
| Reclassifications                             | –56                | 27         | –186                   | –35          |
| Translation differences                       | –1                 | 1          | –81                    | 132          |
| Transferred to production                     | –230               | –703       | –829                   | –1,538       |
| Sales                                         | –23                | –          | –313                   | –            |
| <b>On December 31</b>                         | <b>1,107</b>       | <b>932</b> | <b>8,690</b>           | <b>8,470</b> |
| Accumulated impairment losses                 |                    |            |                        |              |
| <b>Opening balance, January 1</b>             | <b>–</b>           | <b>–</b>   | <b>–6</b>              | <b>–6</b>    |
| Impairment for the year                       | –77                | –          | –181                   | –            |
| Transferred to production                     | –                  | –          | 1                      | –            |
| <b>On December 31</b>                         | <b>–77</b>         | <b>–</b>   | <b>–186</b>            | <b>–6</b>    |
| <b>Closing residual value, at end of year</b> | <b>1,030</b>       | <b>932</b> | <b>8,504</b>           | <b>8,465</b> |
| Market value at end of the year               | 1,069              | 1,089      | 14,100                 | 15,200       |

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 construction 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.

| IFRS                          | 2023   | 2022 |
|-------------------------------|--------|------|
| Accumulated acquisition value |        |      |
| Opening balance, January 1    | 308    | 377  |
| New purchases                 | 1,947  | 269  |
| Sold – not handed over        | 220    | –    |
| Translation difference        | –10    | 3    |
| Reclassification              | –72    | –    |
| Sales                         | –1,370 | –340 |
| On December 31                | 1,023  | 308  |
| Segment reporting             | 2023   | 2022 |
| Accumulated acquisition value |        |      |
| Opening balance, January 1    | 308    | 377  |
| New purchases                 | 1,947  | 269  |
| Translation difference        | –10    | 3    |
| Reclassification              | –72    | –    |
| Sales                         | –1,370 | –340 |
| On December 31                | 803    | 308  |

There are 309 (63) unsold residential units in the balance sheet according to IFRS. The item includes show apartments for coming residential phases valued at the lower of acquisition cost and net realizable value. There are 235 (63) unsold residential units in the balance sheet according to segment reporting.

## note 19 Work in progress

| IFRS                          | 2023    | 2022   |
|-------------------------------|---------|--------|
| Accumulated acquisition value |         |        |
| Opening balance, January 1    | 15,217  | 12,268 |
| New purchases                 | 9,160   | 12,199 |
| Divestments                   | –11,174 | –9,250 |
| Translation difference        | –       | –      |
| Total                         | 13,203  | 15,217 |

## note 20 Other current receivables

| IFRS                                                               | 2023 | 2022 |
|--------------------------------------------------------------------|------|------|
| Receivables from property sales                                    | 57   | 55   |
| Deposit investment development properties                          | 182  | 188  |
| Other                                                              | 182  | 370  |
| Total                                                              | 422  | 613  |
| Segment reporting                                                  | 2023 | 2022 |
| Receivables from property sales                                    | 57   | 55   |
| Receivables from participations sold in tenant-owners associations | 248  | 65   |
| Deposit investment development properties                          | 182  | 188  |
| Other                                                              | 154  | 305  |
| Total                                                              | 642  | 613  |

## note 21 Prepaid expenses and accrued income

| IFRS              | 2023 | 2022  |
|-------------------|------|-------|
| Prepaid expenses  | 35   | 35    |
| Accrued income    | 265  | 1,120 |
| Total             | 299  | 1,155 |
| Segment reporting | 2023 | 2022  |
| Prepaid expenses  | 58   | 56    |
| Accrued income    | –    | 2     |
| Total             | 58   | 58    |

## note 22 Recognized revenue less progress billings

| IFRS                                                | 2023   | 2022   |
|-----------------------------------------------------|--------|--------|
| Recognized revenue in work in progress              | 3,111  | 1,922  |
| Accumulated billing on account for work in progress | –580   | –288   |
| Total                                               | 2,531  | 1,634  |
| Segment reporting                                   | 2023   | 2022   |
| Recognized revenue in work in progress              | 12,059 | 12,450 |
| Accumulated billing on account for work in progress | –8,794 | –8,319 |
| Total                                               | 3,266  | 4,131  |

For additional disclosures on JM's revenue, see Note 29.

## note 23 Explanatory items, Cash Flow Statement

| Increase/decrease in residential units in the balance sheet | NOTE | 2023   | 2022 | Increase/decrease development properties           | NOTE | 2023   | 2022   |
|-------------------------------------------------------------|------|--------|------|----------------------------------------------------|------|--------|--------|
| Acquisition of participations in tenant-owners associations | 18   | –1,761 | –269 | Investment in development properties               | 17   | –1,637 | –1,692 |
| Sale of participations in tenant-owners associations        | 18   | 1,150  | 340  | Change in promissory notes                         |      | 299    | –178   |
| Change in promissory notes                                  |      | 126    | 17   | Payment on account for development properties      |      | 323    | 649    |
| Total                                                       |      | –484   | 88   | Sale of development properties                     |      | 282    | –      |
| Other non-cash items                                        | NOTE | 2023   | 2022 | Change in receivables, development properties sold |      | –20    | –      |
| Gains/losses on the sale of property                        | 7    | –7     | –    | Total                                              |      | –753   | 1,221  |
| Changes in pension liability                                |      | 143    | –357 |                                                    |      |        |        |
| Other provisions, etc.                                      |      | 165    | –221 |                                                    |      |        |        |
| Total                                                       |      | 301    | –578 |                                                    |      |        |        |

| IFRS                               | Cash and cash equivalents/<br>Bank overdraft | Current loans | Non-current loans | Current liabilities,<br>project financing | Current liabilities in Swedish tenant-owners associations | Current lease liabilities | Non-current lease liabilities | Total   |
|------------------------------------|----------------------------------------------|---------------|-------------------|-------------------------------------------|-----------------------------------------------------------|---------------------------|-------------------------------|---------|
| Net liabilities, December 31, 2022 | 2,151                                        | –507          | –268              | –7,002                                    | –7,886                                                    | –85                       | –624                          | –14,221 |
| Cash flow                          | –441                                         | –651          | –80               | –489                                      | 1,708                                                     | 53                        | 55                            | 154     |
| Currency differences               | –37                                          | 24            | 15                | 188                                       | –                                                         | 1                         | 3                             | 194     |
| Other non-cash items               | –                                            | –391          | –64               | –                                         | –                                                         | –51                       | 12                            | –495    |
| Net liabilities, December 31, 2023 | 1,673                                        | –1,526        | –397              | –7,302                                    | –6,179                                                    | –83                       | –554                          | –14,367 |
| Net liabilities, December 31, 2021 | 4,362                                        | –667          | –190              | –6,813                                    | –6,212                                                    | –86                       | –628                          | –10,234 |
| Cash flow                          | –2,229                                       | 154           | –30               | –29                                       | –1,674                                                    | 15                        | 107                           | –3,686  |
| Currency differences               | 18                                           | –40           | –3                | –160                                      | –                                                         | –1                        | –24                           | –210    |
| Other non-cash items               | –                                            | 46            | –45               | –                                         | –                                                         | –13                       | –79                           | –91     |
| Net liabilities, December 31, 2022 | 2,151                                        | –507          | –268              | –7,002                                    | –7,886                                                    | –85                       | –624                          | –14,221 |

## note 24 Financial liabilities

### IFRS

| Non-current interest-bearing liabilities                                    | 2023       | 2022       |
|-----------------------------------------------------------------------------|------------|------------|
| Liabilities to credit institutions maturity date 1–5 years from closing day | 373        | 210        |
| Non-current promissory notes, development properties 1–5 years              | 24         | 24         |
| Convertible loans 1–5 years                                                 | –          | 34         |
| Non-current lease liabilities                                               | 554        | 624        |
| <b>Total</b>                                                                | <b>951</b> | <b>892</b> |

| Current interest-bearing liabilities                                       | 2023          | 2022          |
|----------------------------------------------------------------------------|---------------|---------------|
| Liabilities to credit institutions, interest-bearing –1 year <sup>1)</sup> | 14,973        | 15,362        |
| Convertible loans –1 year <sup>2)</sup>                                    | 34            | 32            |
| Current lease liabilities                                                  | 83            | 85            |
| <b>Total</b>                                                               | <b>15,089</b> | <b>15,480</b> |

<sup>1)</sup> Of which liabilities attributable to Swedish tenant-owners associations 6,179 (7,887).

<sup>2)</sup> See Note 3 for additional information about convertible loans.

| Interest-bearing net liabilities/receivables                    | 2023   | 2022   |
|-----------------------------------------------------------------|--------|--------|
| Non-current interest-bearing liabilities                        | 397    | 268    |
| Current interest-bearing liabilities <sup>1)</sup>              | 15,007 | 15,395 |
| Non-current lease liabilities                                   | 554    | 624    |
| Current lease liabilities                                       | 83     | 85     |
| Provisions for pensions                                         | 1,546  | 1,404  |
| Less cash and cash equivalents and interest-bearing receivables | –1,683 | –2,157 |

| Interest-bearing net liabilities (+)/receivables (–), December 31 | 2023          | 2022          |
|-------------------------------------------------------------------|---------------|---------------|
|                                                                   | <b>15,904</b> | <b>15,619</b> |

<sup>1)</sup> Of which liabilities attributable to Swedish tenant-owners associations 6,179 (7,887).

| Other financial liabilities                                            | 2023         | 2022         |
|------------------------------------------------------------------------|--------------|--------------|
| Other non-current liabilities 1–5 years from closing day <sup>1)</sup> | 364          | 414          |
| Accounts payable                                                       | 774          | 963          |
| Short-term promissory notes, development properties                    | 419          | 78           |
| Other current liabilities                                              | 822          | 1,763        |
| <b>Total</b>                                                           | <b>2,379</b> | <b>3,219</b> |

<sup>1)</sup> Refers primarily to promissory notes for completed property acquisitions.

| Maturity financial liabilities | 2023          | 2024       | 2025       | 2026       | 2027–         | Total |
|--------------------------------|---------------|------------|------------|------------|---------------|-------|
| Financial liabilities          | 17,875        | 647        | 124        | 12         | 18,658        |       |
| Lease liabilities              | 83            | 47         | 27         | 480        | 636           |       |
| <b>Total</b>                   | <b>17,958</b> | <b>694</b> | <b>151</b> | <b>492</b> | <b>19,294</b> |       |

| 2022                  | 2023          | 2024       | 2025       | 2026–      | Total         |
|-----------------------|---------------|------------|------------|------------|---------------|
| Financial liabilities | 18,860        | 560        | 138        | –          | 19,558        |
| Lease liabilities     | 84            | 64         | 30         | 531        | 709           |
| <b>Total</b>          | <b>18,944</b> | <b>624</b> | <b>168</b> | <b>531</b> | <b>20,267</b> |

### Segment reporting

| Non-current interest-bearing notes payable                                  | 2023       | 2022       |
|-----------------------------------------------------------------------------|------------|------------|
| Liabilities to credit institutions maturity date 1–5 years from closing day | 373        | 210        |
| Non-current promissory notes, development properties 1–5 years              | 24         | 24         |
| Convertible loans 1–5 years <sup>1)</sup>                                   | –          | 34         |
| <b>Total</b>                                                                | <b>397</b> | <b>268</b> |

| Current interest-bearing liabilities                         | 2023         | 2022       |
|--------------------------------------------------------------|--------------|------------|
| Liabilities to credit institutions, interest-bearing –1 year | 1,492        | 475        |
| Convertible loans –1 year <sup>1)</sup>                      | 34           | 32         |
| <b>Total</b>                                                 | <b>1,526</b> | <b>507</b> |

<sup>1)</sup> See Note 3 for additional information about convertible loans.

| Interest-bearing net liabilities/receivables                    | 2023   | 2022   |
|-----------------------------------------------------------------|--------|--------|
| Non-current interest-bearing liabilities                        | 397    | 268    |
| Current interest-bearing liabilities                            | 1,526  | 507    |
| Provisions for pensions                                         | 1,546  | 1,404  |
| Less cash and cash equivalents and interest-bearing receivables | –1,592 | –1,845 |

| Interest-bearing net liabilities (+)/receivables (–), December 31 | 2023         | 2022       |
|-------------------------------------------------------------------|--------------|------------|
|                                                                   | <b>1,877</b> | <b>334</b> |

| Maturity financial liabilities | 2023         | 2022         |
|--------------------------------|--------------|--------------|
| 2023                           |              | 1,889        |
| 2024                           | 3,226        | 560          |
| 2025                           | 648          | 138          |
| 2026                           | 124          | –            |
| 2027>                          | 12           | –            |
| <b>Total</b>                   | <b>4,010</b> | <b>2,587</b> |

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 for financial risk management.

## note 25 Financial risk management and financial instruments

The JM Group is exposed to different types of financial risks which may impact 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
- Credit risks attributable to financial and commercial activities
- Currency risks pertaining to profit and net investments in foreign subsidiaries.

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 Group Finance, which is also mandated to support operational activities. The foreign subsidiaries are at the same time responsible for local activities in accordance with financial policy guidelines.

The accounting principles are described in Note 1. The Risks and Risk Management section on pages 63–64 describes 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, and 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 2023 was relatively limited, the Group mainly worked with short fixed interest periods. The average term for fixed-rate loans excluding pension liabilities on December 31, 2023, was 0.2 (0.2) according to IFRS and 0.2 (0.3) according to segment reporting.

Fair value on interest-bearing loans, excluding lease liabilities, was SEK 15,403m (15,662) according to IFRS and SEK 1,923m (775) 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 at 12/31/2023.

### Interest risk exposure, including derivatives

#### IFRS

| IFRS                            | 2023               |                          | 2022               |                          |
|---------------------------------|--------------------|--------------------------|--------------------|--------------------------|
|                                 | Loan amount, SEK m | Average interest rate, % | Loan amount, SEK m | Average interest rate, % |
| Year for interest conversion    |                    |                          |                    |                          |
| 2023                            |                    |                          | 15,608             | 4.2                      |
| 2024                            | 15,349             | 5.8                      | –                  | –                        |
| 2025                            | 54                 | 2.7                      | 54                 | 2.7                      |
| Pension liability <sup>1)</sup> | 1,546              | 3.3                      | 1,404              | 3.6                      |
| <b>Total</b>                    | <b>16,949</b>      | <b>5.6</b>               | <b>17,066</b>      | <b>4.1</b>               |

<sup>1)</sup> The discount rate for pension obligations is adjusted annually.

#### Segment reporting

| Segment reporting               |  | 2023               |                          | 2022               |                          |
|---------------------------------|--|--------------------|--------------------------|--------------------|--------------------------|
|                                 |  | Loan amount, SEK m | Average interest rate, % | Loan amount, SEK m | Average interest rate, % |
| Year for interest conversion    |  |                    |                          |                    |                          |
| 2023                            |  |                    |                          | 721                | 4.3                      |
| 2024                            |  | 1,869              | 6.0                      | –                  | –                        |
| 2025                            |  | 54                 | 2.7                      | 54                 | 2.7                      |
| Pension liability <sup>1)</sup> |  | 1,546              | 3.3                      | 1,404              | 3.6                      |
| Total                           |  | 3,469              | 4.7                      | 2,179              | 3.8                      |

<sup>1)</sup> The discount rate for pension obligations is adjusted annually.

The average interest rate on interest-bearing liabilities as at 12/31/2023 including pension liabilities and excluding lease liabilities is 5.6 percent (4.1) according to IFRS and 4.7 percent (3.8) according to segment reporting. A one percent change in the market rate corresponds to an effect on earnings of about SEK 110m according to IFRS and approximately SEK 13m according to segment reporting for the part of the loan portfolio traded in 2024. The calculation is an approximation and is based on the assumption of a simultaneous change in all interest rate curves.

### 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 facilities | 2024   | 2025  | 2026  | 2027 |
|-------------------------|--------|-----------------------|--------|-------|-------|------|
| Loan commitments, SEK m | 24,246 | 496                   | 12,589 | 9,162 | 1,850 | 150  |

### Binding loan commitments excluding project financing

| Year due                | Total | Over-draft facilities | 2024 | 2025 | 2026  | 2027 |
|-------------------------|-------|-----------------------|------|------|-------|------|
| Loan commitments, SEK m | 2,800 | 400                   | –    | 500  | 1,750 | 150  |

The Group has unutilized approved credit lines according to IFRS of SEK 9,200m. The average maturity for these credit lines excluding the overdraft facility is 1 year. Unutilized credit lines, excluding project financing, amount to SEK 2,800m, where credit agreements for SEK 2,400m had an average maturity of 2.7 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 2023 is 32 percent (28).



## Note 25 continued

### 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.

### Credit risk

The credit risk is that the Group's counterparty in a financial instrument is not able to fulfil its obligation and thereby causes a financial loss for the Group. Credit risk exposure in the form of counterparty risk arises with investment of cash and cash equivalents and during derivative trading.

JM Group's borrowing is highly linked to project financing. Within its housing development, JM is exposed to the risk that it will not receive payment for the residential units or properties for which the Group has entered into a sales agreement. To minimize these risks, internal governance documents specify that financing must be in place before construction begins. For projects with sales to tenant-owners associations, the final financing must also be finalized. When JM develops housing projects for tenant-owners associations, the association raises bank financing and JM has a guarantee commitment for the credit where tenant-owners associations are borrowers. Collateral posted for the loans raised by the tenant-owners associations, other than guarantees, includes issued mortgage deeds for the properties the tenant-owners associations own.

The JM Group's customers are mainly members of tenant-owners associations and future owners of private homes. The Group also works with construction contracts and has tenants in both residential units and commercial premises. Credit risk exposure relating to members of 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 205m (142). 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 construction contracts amount to SEK 170m (213).

Provisions for doubtful receivables amount to SEK 1.7m (1.7) and are primarily attributable to accounts receivable from the rental operations. During the year, the Group utilized SEK 0.2m (0.0) of earlier provisions. Receivables older than 60 days amount to SEK 108m (142). As per 12/31/2023, receivables older than 90 days amount to SEK 106m (141) 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.

Credit risk exposure in the form of counterparty risk arises with investment of cash and cash equivalents and during derivative trading.

### Aged accounts receivable

| 12/31/2023<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 | 205          | 179                | 8            | 2             | 2             | 14           |
| Contracting             | 170          | 55                 | 19           | 4             | —             | 92           |
| Other                   | 5            | 3                  | 2            | —             | —             | —            |
| <b>Total</b>            | <b>380</b>   | <b>237</b>         | <b>29</b>    | <b>6</b>      | <b>2</b>      | <b>106</b>   |

| 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 | 142          | 94                 | 11           | 11            | 1             | 25           |
| Contracting             | 213          | 91                 | 6            | —             | —             | 116          |
| Other                   | 10           | 10                 | —            | —             | —             | —            |
| <b>Total</b>            | <b>365</b>   | <b>195</b>         | <b>17</b>    | <b>11</b>     | <b>1</b>      | <b>141</b>   |

### Credit risk analysis customers

| 12/31/2023<br>Interval     | Number of<br>customers | in % of<br>number | in % of<br>portfolio |
|----------------------------|------------------------|-------------------|----------------------|
| Exposure interval < SEK 1m | 533                    | 93                | 10                   |
| Exposure interval SEK 1–5m | 20                     | 3                 | 14                   |
| Exposure interval > SEK 5m | 21                     | 4                 | 76                   |
| <b>Total</b>               | <b>572</b>             | <b>100</b>        | <b>100</b>           |

| 12/31/2022<br>Interval     | Number of<br>customers | in % of<br>number | in % of<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>           |

### 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, 2023 and 2022. 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 to the right shows the carrying amount and information about the classification of JM Group's financial instruments in accordance with IFRS 9 Financial Instruments.

### IFRS

| Financial Instruments                              | Category<br>according<br>to IFRS <sup>2)</sup> | 2023-12-31<br>Carrying<br>amount <sup>1)</sup> | 12/31/2022<br>Carrying<br>amount <sup>1)</sup> |
|----------------------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>Assets</b>                                      |                                                |                                                |                                                |
| Financial assets                                   | FAAC                                           | 32                                             | 22                                             |
| Of which other non-current receivables             | FAAC                                           | 26                                             | 17                                             |
| Of which other non-current securities              | FAAC                                           | 6                                              | 5                                              |
| Accounts receivable                                | FAAC                                           | 380                                            | 365                                            |
| Other current receivables                          | FAAC/n/a                                       | 420                                            | 613                                            |
| Of which derivative instruments <sup>3)</sup>      | FAD                                            | —                                              | 7                                              |
| Of which receivables from property sales           | FAAC                                           | 57                                             | 55                                             |
| Of which other                                     | n/a                                            | 363                                            | 551                                            |
| Cash and cash equivalents                          | FAAC                                           | 1,673                                          | 2,151                                          |
| <b>Liabilities</b>                                 |                                                |                                                |                                                |
| Non-current interest-bearing liabilities           | FLAC                                           | 951                                            | 892                                            |
| Of which convertible loan                          | FLAC                                           | —                                              | 34                                             |
| Of which lease liabilities                         | FLAC                                           | 554                                            | 624                                            |
| Of which other non-current interest-bearing loans  | FLAC                                           | 397                                            | 234                                            |
| Other non-current liabilities                      | FLAC                                           | 364                                            | 414                                            |
| Accounts payable                                   | FLAC                                           | 774                                            | 963                                            |
| Current interest-bearing liabilities <sup>4)</sup> | FLAC                                           | 15,089                                         | 15,480                                         |
| Other current liabilities                          | FLAC                                           | 1,241                                          | 1,841                                          |
| Of which derivative instruments <sup>3)</sup>      | FLvPL                                          | —                                              | —                                              |
| Of which other current liabilities                 | FLAC                                           | 1,241                                          | 1,841                                          |

### Segment reporting

Differences between IFRS and segment reporting occur in the following items.

|                                          |      |       |       |
|------------------------------------------|------|-------|-------|
| <b>Assets</b>                            |      |       |       |
| Accounts receivable                      | FAAC | 576   | 424   |
| Cash and cash equivalents                | FAAC | 1,582 | 1,840 |
| <b>Liabilities</b>                       |      |       |       |
| Non-current interest-bearing liabilities | FLAC | 397   | 268   |
| Current interest-bearing liabilities     | FLAC | 1,526 | 507   |
| Other current liabilities                | FLAC | 832   | 388   |

<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.

<sup>4)</sup> Of which liabilities attributable to Swedish tenant-owners associations 6,179 (7,887).

### Currency risk

Because of extremely limited transaction volumes in foreign currency, the Group has not engaged in hedging activities for these volumes. All loans are reported in the functional value of each respective country.

### 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. In order to limit 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.

The JM Group has no outstanding interest rate derivatives as at 12/31/2023. Outstanding currency derivatives amount to SEK 0m (7) on 12/31/2023.

### 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 2,808 people, of which 481 are active.

### Defined-contribution plans defined-benefit 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                                      | 2023         | 2022         |
|--------------------------------------------|--------------|--------------|
| <b>Pension obligations, unfunded plans</b> | <b>1,546</b> | <b>1,404</b> |



### Note 26, continued

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       | 2023  | 2022  |
|---------------------------------|-------|-------|
| Opening balance, January 1      | 1,404 | 1,761 |
| Benefits earned during the year | 38    | 64    |
| Interest expenses               | 51    | 34    |
| Benefits paid                   | –49   | –41   |
| Retirement pension              | 17    | –     |
| Actuarial gains (–)/losses (+)  | 85    | –414  |
| On December 31                  | 1,546 | 1,404 |

The actuarial loss for 2023 is mainly explained by increased accrued pension rights until 2024 that have been enumerated compared to the assumptions previously used.

| Actuarial gains (+)/losses (–)                                                                     | 2023  | 2022  | 2021  | 2020  | 2019  |
|----------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|
| Total pension commitments                                                                          | 1,546 | 1,404 | 1,761 | 1,804 | 1,702 |
| Experience adjustments, percentage of this year's unrecognized actuarial gains (+) and losses (–): |       |       |       |       |       |
| Pension obligations, SEK m                                                                         | –88   | –111  | 8     | 3     | 17    |
| Percent of total value of pension commitments, %                                                   | 5.7   | 7.9   | 0.5   | 0.2   | 1     |

| Pension costs                                                            | 2023 | 2022 |
|--------------------------------------------------------------------------|------|------|
| Benefits earned during the year                                          | 55   | 64   |
| Interest on obligations                                                  | 51   | 34   |
| Pension costs, defined-benefit plans                                     | 106  | 98   |
| Pension costs, defined-contribution plans                                | 146  | 131  |
| Social security expenses, defined-benefit and defined-contribution plans | 55   | 50   |
| Total                                                                    | 307  | 279  |

Of the above pension costs, SEK 51m (34) is recognized as a financial cost, corresponding to the interest on the obligation.

| Future assessment of cash flow for the pension provision | 2024 | 2025 | 2026 | 2027 | 2028 |
|----------------------------------------------------------|------|------|------|------|------|
| Pension payouts                                          | –61  | –50  | –51  | –52  | –53  |

### Actuarial assumptions

The most important actuarial assumptions as per closing day can be seen in the following table.

|                           | Sweden |      |
|---------------------------|--------|------|
| %                         | 2023   | 2022 |
| Discount rate             | 3.30   | 3.60 |
| Expected salary increases | 3.10   | 3.50 |
| Inflation                 | 1.60   | 2.00 |
| Income base amount        | 2.60   | 3.00 |
| Attrition rate            | 6.00   | 6.00 |

The determined discount rate takes into consideration the market return on mortgage bonds, 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 the central bank of Sweden, against the outcome of inflation in Sweden over the most recent 10-year period.

JM Sweden uses the DUS23 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.

| Sensitivity of the pension obligation to a change in the discount rate | 2023  | 2022  |
|------------------------------------------------------------------------|-------|-------|
| Pension obligations at per December 31                                 | 1,546 | 1,404 |
| The discount rate increases by 0.25%                                   | 1,484 | 1,346 |
| The discount rate decreases by 0.25%                                   | 1,611 | 1,465 |

### note 27 Other provisions

|                              | Warranty provisions |      | Special employer's contribution for pension liability |      |
|------------------------------|---------------------|------|-------------------------------------------------------|------|
|                              | 2023                | 2022 | 2023                                                  | 2022 |
| Opening balance, January 1   | 505                 | 616  | 75                                                    | 208  |
| Provisions                   | 192                 | 276  | –3                                                    | –133 |
| Reclassification             | 213                 | 95   | –                                                     | –    |
| Utilized during the year     | –369                | –465 | –                                                     | –    |
| Reversed provisions          | –7                  | –22  | –                                                     | –    |
| Translation difference       | –5                  | 5    | –                                                     | –    |
| On December 31 <sup>1)</sup> | 529                 | 505  | 72                                                    | 75   |

<sup>1)</sup> Of which short-term part of warranty provisions

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 employer's contribution 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

| IFRS                                                | 2023 | 2022  |
|-----------------------------------------------------|------|-------|
| Deferred tax liability on tax allocation reserves   | 403  | 493   |
| Other deferred tax liabilities <sup>1)</sup>        | 438  | 674   |
| Subtotal                                            | 841  | 1,167 |
| Less deferred tax receivables                       | –405 | –561  |
| Net deferred tax liabilities                        | 436  | 606   |
| Deferred tax assets                                 | –    | –     |
| 1) Other deferred tax liabilities are allocated to: |      |       |
| Development properties <sup>2)</sup>                | 247  | 394   |
| Provision for taxation not yet approved             | –    | 28    |
| Other current assets                                | 191  | 252   |
| Total                                               | 438  | 674   |

<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. In addition to the above, JM has non-deductible interest, which is not reported as deferred tax receivables, of SEK 313m, which is imited within 6 years.

### note 29 Progress billings in excess of recognized revenue

| IFRS                                                | 2023    | 2022    |
|-----------------------------------------------------|---------|---------|
| Accumulated billing on account for work in progress | 2,317   | 2,985   |
| Recognized revenue in work in progress              | –2,266  | –2,714  |
| Total                                               | 51      | 271     |
| Segment reporting                                   | 2023    | 2022    |
| Accumulated billing on account for work in progress | 17,320  | 18,273  |
| Recognized revenue in work in progress              | –16,453 | –16,965 |
| Total                                               | 868     | 1,309   |

The closing balance for full-year 2022 has been closed and recognized as revenue in 2023.

### note 30 Accrued expenses and deferred income

|                              | 2023 | 2022  |
|------------------------------|------|-------|
| Personnel-related items      | 389  | 539   |
| Prepaid rental income        | 18   | 16    |
| Other accruals <sup>1)</sup> | 474  | 726   |
| Total                        | 881  | 1,281 |

<sup>1)</sup> Refers primarily to accrued project costs.

### note 31 Pledged assets and contingent liabilities

| IFRS                                                    | 2023  | 2022  |
|---------------------------------------------------------|-------|-------|
| Assets pledged to secure own provisions and liabilities |       |       |
| Corporate mortgages                                     | 100   | 100   |
| Property mortgages                                      | 6,064 | 7,318 |
| Total                                                   | 6,164 | 7,418 |
| Contingent liabilities                                  |       |       |
| Guarantee commitments, other                            | 5     | –     |
| Guarantees in connection with assignments               | 1,698 | 1,968 |
| Payment and rental guarantees                           | 47    | 66    |
| Other contingent liabilities                            | 25    | 22    |
| Total                                                   | 1,776 | 2,056 |

The corporate mortgage relates to the pension liability that JM Sweden has with PRI. Property mortgages are only granted for financing with credit institutions.

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

After 38 years at JM, of which 22 as President, Johan Skoglund has informed the board that he has decided to retire in 2024. Johan Skoglund will continue as President and CEO until June 1, 2024 at the latest.

As of the first quarter of 2024, JM Construction will be absorbed into the group since the business no longer is of such a scope that it constitutes its own business segment.

## Parent Company Income Statement

| SEK m                                                            | NOTE    | 2023       | 2022         |
|------------------------------------------------------------------|---------|------------|--------------|
| Net sales                                                        | 1       | 8,547      | 9,597        |
| Production and operating costs                                   | 2       | –7,588     | –7,629       |
| <b>Gross profit</b>                                              |         | <b>959</b> | <b>1,968</b> |
| Selling and administrative expenses                              | 2, 3, 4 | –744       | –828         |
| Gains/losses on the sale of property                             | 6       | 6          | –            |
| <b>Operating profit</b>                                          |         | <b>221</b> | <b>1,140</b> |
| <b>Profit/loss from financial items</b>                          | 9       |            |              |
| Profit/loss from Group companies                                 |         | –219       | 758          |
| Profit/loss from joint operations and associated companies       |         | 95         | –            |
| Profit/loss from other financial assets                          |         | 1          | 1            |
| Profit/loss from financial current assets                        |         | 25         | 17           |
| Interest expenses and similar income statement items             |         | –106       | –69          |
| <b>Profit before appropriations and tax</b>                      |         | <b>17</b>  | <b>1,847</b> |
| Appropriations                                                   | 5       | 249        | 34           |
| <b>Profit before tax</b>                                         |         | <b>265</b> | <b>1,881</b> |
| Taxes                                                            | 8       | –160       | –243         |
| <b>Net profit for the year</b>                                   |         | <b>105</b> | <b>1,638</b> |
| <b>STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY, SEK m</b> |         |            |              |
| Net profit for the year                                          |         | 105        | 1,638        |
| Other comprehensive income                                       |         | –          | –            |
| <b>Total comprehensive income for the year</b>                   |         | <b>105</b> | <b>1,638</b> |



## Parent Company Balance Sheet

| SEK m                                                   | NOTE     | 12/31/2023    | 12/31/2022    |
|---------------------------------------------------------|----------|---------------|---------------|
| <b>ASSETS</b>                                           | <b>1</b> |               |               |
| <b>Non-current assets</b>                               |          |               |               |
| <b>Plant, property, and equipment</b>                   |          |               |               |
| Machinery and equipment                                 | 7        | 1             | 2             |
| <b>Financial assets</b>                                 |          |               |               |
| Participations in Group companies                       | 10       | 2,390         | 2,720         |
| Participations in joint operations                      | 10       | 185           | 185           |
| Non-current receivables in associated companies         | 10       | 17            | 17            |
| Other non-current receivables                           | 10       | 8             | 8             |
| <b>Total non-current financial assets</b>               |          | <b>2,600</b>  | <b>2,930</b>  |
| <b>Total non-current assets</b>                         |          | <b>2,601</b>  | <b>2,932</b>  |
| <b>Current assets</b>                                   |          |               |               |
| Project properties                                      | 11       | 92            | 171           |
| Development properties                                  | 11       | 3,725         | 3,785         |
| Participations in tenant-owners associations, etc.      | 12       | 493           | 247           |
| Accounts receivable                                     |          | 263           | 81            |
| Other current receivables                               |          | 302           | 203           |
| Current interest-bearing receivables in Group companies |          | 1,486         | 2,383         |
| Recognized revenue less progress billings               | 13       | 3,342         | 3,767         |
| Prepaid expenses and accrued income                     |          | 37            | 23            |
| Cash and cash equivalents                               | 14       | 573           | 1,294         |
| <b>Total current assets</b>                             |          | <b>10,311</b> | <b>11,955</b> |
| <b>TOTAL ASSETS</b>                                     |          | <b>12,913</b> | <b>14,887</b> |

| SEK m                                                   | NOTE | 12/31/2023    | 12/31/2022    |
|---------------------------------------------------------|------|---------------|---------------|
| <b>EQUITY AND LIABILITIES</b>                           |      |               |               |
| <b>Equity</b>                                           |      |               |               |
| Share capital                                           |      | 68            | 68            |
| <b>Restricted equity</b>                                |      | <b>68</b>     | <b>68</b>     |
| Share premium reserve                                   |      | 187           | 187           |
| Undistributed earnings                                  |      | 3,245         | 2,417         |
| Net profit for the year                                 |      | 105           | 1,638         |
| <b>Unrestricted equity</b>                              | 25   | <b>3,537</b>  | <b>4,242</b>  |
| <b>Total shareholders' equity</b>                       |      | <b>3,605</b>  | <b>4,310</b>  |
| <b>Untaxed reserves</b>                                 | 15   | <b>1,900</b>  | <b>2,300</b>  |
| <b>Provisions</b>                                       |      |               |               |
| Provisions for pensions and similar obligations         | 16   | 1,110         | 972           |
| Deferred tax liabilities                                | 8    | 4             | 8             |
| Warranty provisions and other provisions                | 17   | 408           | 376           |
| <b>Total provisions</b>                                 |      | <b>1,522</b>  | <b>1,356</b>  |
| <b>Liabilities</b>                                      |      |               |               |
| Non-current interest-bearing liabilities                | 18   | –             | 34            |
| Other non-current liabilities                           |      | 352           | 392           |
| <b>Total non-current liabilities</b>                    |      | <b>352</b>    | <b>426</b>    |
| <b>Current liabilities</b>                              |      |               |               |
| Accounts payable                                        |      | 415           | 570           |
| Current interest-bearing liabilities                    | 18   | 2,150         | 2,790         |
| Other current liabilities                               | 19   | 504           | 311           |
| Current interest-bearing liabilities to Group companies | 18   | 1,667         | 1,426         |
| Current tax liabilities                                 |      | 38            | –             |
| Progress billings in excess of recognized revenue       | 20   | 134           | 476           |
| Accrued expenses and deferred income                    | 21   | 624           | 923           |
| <b>Total current liabilities</b>                        |      | <b>5,534</b>  | <b>6,495</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                     |      | <b>12,913</b> | <b>14,887</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, 1/1/2022</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                       |
| Dividends                               |               |                       | –922                   | –922                        |
| Conversion of convertible loan          |               | 1                     |                        | 1                           |
| Repurchase of shares                    |               |                       | –825                   | –825                        |
| Elimination of repurchased shares       | –1            |                       | 1                      | –                           |
| <b>Closing balance, 12/31/2022</b>      | <b>68</b>     | <b>187</b>            | <b>4,055</b>           | <b>4,310</b>                |
| <b>Opening balance, 1/1/2023</b>        | <b>68</b>     | <b>187</b>            | <b>4,055</b>           | <b>4,310</b>                |
| Total comprehensive income for the year |               |                       | 105                    | 105                         |
| Dividends                               |               |                       | –903                   | –903                        |
| Conversion of convertible loan          |               |                       |                        | –                           |
| Repurchase of shares                    |               |                       |                        | –                           |
| Bonus issue                             | 4             |                       | –4                     | –                           |
| Merger Group companies                  |               |                       | 93                     | 93                          |
| Elimination of repurchased shares       | –4            |                       | 4                      | –                           |
| <b>Closing balance, 12/31/2023</b>      | <b>68</b>     | <b>187</b>            | <b>3,350</b>           | <b>3,605</b>                |

Number of shares (1 vote/share) as at December 31, 2023, amounts to 64,504,840 (68,278,841), of which JM AB repurchased 0 shares (3,774,001) that do not participate in dividends. Par value per share is SEK 1.06.

The proposed dividend for 2023 is SEK 3.00 per share (14.00).

## Parent Company Cash Flow Statement

| SEK m                                                                       | NOTE | 2023          | 2022          |
|-----------------------------------------------------------------------------|------|---------------|---------------|
|                                                                             | 1    |               |               |
| <b>OPERATING ACTIVITIES</b>                                                 |      |               |               |
| Operating profit                                                            |      | 221           | 1,140         |
| Depreciation and amortization                                               |      | 9             | 1             |
| Other non-cash items <sup>1)</sup>                                          |      | –1,452        | –2,408        |
| Interest received                                                           |      | 24            | 9             |
| Dividends received                                                          |      | 83            | 170           |
| Interest paid and other financial expenses                                  |      | –67           | –37           |
| Tax paid                                                                    |      | –232          | –412          |
| <b>Cash flow from operating activities before change in working capital</b> |      | <b>–1,413</b> | <b>–1,537</b> |
| Increase/decrease development properties <sup>1)</sup>                      |      | –223          | –354          |
| Increase/decrease in residential units in the balance sheet                 |      | 32            | 88            |
| Increase/decrease in other current receivables, etc.                        |      | 671           | 441           |
| Increase/decrease in other current operating liabilities                    |      | –345          | –224          |
| <b>Cash flow before investments and sales of project properties</b>         |      | <b>–1,278</b> | <b>–1,586</b> |
| Investment in project properties                                            |      | –             | –18           |
| Sale of project properties                                                  |      | 21            | –             |
| <b>Cash flow from operating activities <sup>1)</sup></b>                    |      | <b>–1,257</b> | <b>–1,604</b> |
| <b>INVESTING ACTIVITIES</b>                                                 |      |               |               |
| Change property, plant, and equipment                                       |      | –             | –1            |
| Investment in Group companies and associated companies, etc.                |      | –23           | –693          |
| Change in financial assets                                                  |      | 88            | 5             |
| <b>Cash flow from investing activities</b>                                  |      | <b>65</b>     | <b>–689</b>   |
| <b>FINANCING ACTIVITIES</b>                                                 |      |               |               |
| Loans raised                                                                |      | 100           | 1             |
| Amortization of liabilities                                                 |      | 2,015         | –8            |
| Loans raised, project financing <sup>1)</sup>                               |      | 1,695         | 2,706         |
| Amortization of debt, project financing <sup>1)</sup>                       |      | –2,436        | –845          |
| Repurchase of shares                                                        |      | –             | –825          |
| Dividends                                                                   |      | –903          | –922          |
| <b>Cash flow from financing activities</b>                                  |      | <b>471</b>    | <b>108</b>    |
| <b>Cash flow for the year</b>                                               |      | <b>–720</b>   | <b>–2,185</b> |
| <b>Cash and cash equivalents, at beginning of year</b>                      |      | <b>1,294</b>  | <b>3,479</b>  |
| <b>Cash and cash equivalents at end of period</b>                           |      | <b>573</b>    | <b>1,294</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 takeover 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 71–75.

## Note 2 Employees and personnel costs

|                                                                         | 2023         | 2022         |
|-------------------------------------------------------------------------|--------------|--------------|
| <b>Average number of employees (all in Sweden)</b>                      | <b>1,599</b> | <b>1,606</b> |
| (of which men, %)                                                       | (74)         | (73)         |
| <b>Wages, salaries, other remuneration and social security expenses</b> |              |              |
| <b>Board of Directors and President</b>                                 | <b>12</b>    | <b>16</b>    |
| (of which variable remuneration)                                        | 5            | 5            |
| <b>Other employees</b>                                                  | <b>969</b>   | <b>949</b>   |
| (of which variable remuneration)                                        | 50           | 54           |
| <b>Total salaries and other remuneration</b>                            | <b>981</b>   | <b>964</b>   |
| (of which variable remuneration)                                        | 54           | 59           |
| <b>Social security expenses</b>                                         | <b>631</b>   | <b>631</b>   |
| (of which pension costs)                                                | 311          | 319          |
| <b>Total Parent Company</b>                                             | <b>1,612</b> | <b>1,595</b> |

1) Of the Parent Company's pension costs, SEK 3.3m (3.2) pertain to the President. The Company's outstanding pension obligations to the President amount to SEK 1.1m (1.0). 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

|                           | 2023      | 2022      |
|---------------------------|-----------|-----------|
| Equipment and other tools | –1        | –1        |
| <b>Total</b>              | <b>–1</b> | <b>–1</b> |

The following depreciation rates are applied:  
Computers and other equipment 20–33 percent.

## Note 4 Fees and remuneration to auditors

| PwC                          | 2023       | 2022       |
|------------------------------|------------|------------|
| Auditing services            | 4.0        | 3.3        |
| Other services <sup>1)</sup> | 0.5        | 0.8        |
| <b>Total</b>                 | <b>4.5</b> | <b>4.1</b> |

<sup>1)</sup> See Group Note 5.

## Note 5 Appropriations

|                                                                  | 2023       | 2022      |
|------------------------------------------------------------------|------------|-----------|
| Provision to tax allocation reserve                              | –130       | –260      |
| Reversal of previous years' provisions to tax allocation reserve | 530        | 350       |
| Group contribution received                                      | 12         | 8         |
| Group contribution paid                                          | –164       | –64       |
| <b>Total</b>                                                     | <b>249</b> | <b>34</b> |

## Note 6 Gains/losses on the sale of property

|                                 | 2023       | 2022        |
|---------------------------------|------------|-------------|
| <b>Sales values</b>             |            |             |
| Development properties          | –          | –           |
| Project properties              | 38         | 114         |
| <b>Total</b>                    | <b>38</b>  | <b>114</b>  |
| <b>Carrying amounts</b>         |            |             |
| Development properties          | –          | –           |
| Project properties              | –23        | –114        |
| <b>Total</b>                    | <b>–23</b> | <b>–114</b> |
| <b>Results</b>                  |            |             |
| Development properties          | –          | –           |
| Project properties              | 14         | –           |
| <b>Total</b>                    | <b>14</b>  | <b>–</b>    |
| <b>Impairment of properties</b> |            |             |
| Development properties          | –8         | –           |
| <b>Total</b>                    | <b>6</b>   | <b>–</b>    |

## Note 7 Machinery and equipment

|                                                   | 2023       | 2022       |
|---------------------------------------------------|------------|------------|
| <i>Accumulated cost</i>                           |            |            |
| <b>Opening balance, January 1</b>                 | <b>52</b>  | <b>51</b>  |
| Acquisitions                                      | –          | 1          |
| Sales                                             | –          | –          |
| <b>On December 31</b>                             | <b>52</b>  | <b>52</b>  |
| <i>Accumulated depreciation according to plan</i> |            |            |
| <b>Opening balance, January 1</b>                 | <b>–50</b> | <b>–49</b> |
| Depreciation for the year                         | –1         | –1         |
| Sales                                             | –          | –          |
| <b>On December 31</b>                             | <b>–51</b> | <b>–50</b> |
| <b>Closing residual value, at end of year</b>     | <b>1</b>   | <b>2</b>   |

## Note 8 Taxes

|                          | 2023        | 2022         |
|--------------------------|-------------|--------------|
| <b>Profit before tax</b> | <b>265</b>  | <b>1,881</b> |
| Current tax              | –164        | –238         |
| Deferred tax             | 4           | –5           |
| <b>Total tax</b>         | <b>–160</b> | <b>–243</b>  |

Difference between reported tax and nominal tax rate of 20.6 percent

|                                              |             |             |
|----------------------------------------------|-------------|-------------|
| <b>Profit before tax x 20.6%</b>             | <b>–55</b>  | <b>–387</b> |
| Non-taxable revenue                          | 37          | 224         |
| Non-deductible expenses                      | –126        | –73         |
| Tax untaxed reserve (tax allocation reserve) | –16         | –7          |
| <b>Total</b>                                 | <b>–160</b> | <b>–243</b> |

| <b>Deferred tax assets and tax liabilities</b>                                                                | <b>2023</b> | <b>2022</b> |
|---------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Deferred taxes attributable to personnel-related provisions and warranty provisions                           | –36         | 39          |
| Deferred tax liability attributable to temporary differences in project properties and development properties | 40          | –47         |
| <b>Net deferred tax liabilities</b>                                                                           | <b>4</b>    | <b>–8</b>   |

See Group Note 9 for additional information.

## Note 9 Profit/loss from financial items

|                                               | Profit/loss from Group companies |            | Profit/loss from joint operations |          | Profit/loss from other financial assets |          | Profit/loss from financial current assets |           | Interest expenses and similar profit/loss items |            | Total       |            |
|-----------------------------------------------|----------------------------------|------------|-----------------------------------|----------|-----------------------------------------|----------|-------------------------------------------|-----------|-------------------------------------------------|------------|-------------|------------|
|                                               | 2023                             | 2022       | 2023                              | 2022     | 2023                                    | 2022     | 2023                                      | 2022      | 2023                                            | 2022       | 2023        | 2022       |
| Dividends                                     | 83                               | 1 086      | 95                                | –        | –                                       | –        | –                                         | –         | –                                               | –          | 178         | 1 086      |
| Capital gains/losses                          | –25                              | –          | –                                 | –        | –                                       | –        | 8                                         | 3         | –                                               | –          | –17         | 3          |
| Share in profits                              | 4                                | 3          | –                                 | –        | –                                       | –        | –                                         | –         | –                                               | –          | 4           | 3          |
| Impairment loss                               | –281                             | –331       | –                                 | –        | –                                       | –        | –                                         | –         | –                                               | –          | –281        | –331       |
| Interest income                               | –                                | –          | –                                 | –        | –                                       | –        | 12                                        | 11        | –                                               | –          | 12          | 11         |
| Interest income, Group companies              | –                                | –          | –                                 | –        | 1                                       | 1        | 4                                         | 3         | –                                               | –          | 5           | 4          |
| Interest expenses                             | –                                | –          | –                                 | –        | –                                       | –        | –                                         | –         | –74                                             | –42        | –74         | –42        |
| Interest portion in this year's pension costs | –                                | –          | –                                 | –        | –                                       | –        | –                                         | –         | –31                                             | –27        | –31         | –27        |
| <b>Total</b>                                  | <b>–219</b>                      | <b>758</b> | <b>95</b>                         | <b>–</b> | <b>1</b>                                | <b>1</b> | <b>25</b>                                 | <b>17</b> | <b>–106</b>                                     | <b>–69</b> | <b>–204</b> | <b>707</b> |



## Note 10 Financial assets

|                                   | Participations in Group companies |              | Participations in joint operations |            | Non-current receivables joint operations |           | Other non-current receivables |          | Total        |              |
|-----------------------------------|-----------------------------------|--------------|------------------------------------|------------|------------------------------------------|-----------|-------------------------------|----------|--------------|--------------|
|                                   | 2023                              | 2022         | 2023                               | 2022       | 2023                                     | 2022      | 2023                          | 2022     | 2023         | 2022         |
| <i>Accumulated cost</i>           |                                   |              |                                    |            |                                          |           |                               |          |              |              |
| <b>Opening balance, January 1</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> |
| Acquisitions                      | 388                               | 1,053        | –                                  | –          | –                                        | –         | –                             | –        | 388          | 1,053        |
| Additional receivables            | –                                 | –            | –                                  | –          | –                                        | –         | –                             | –        | 0            | –            |
| Merger                            | –361                              | –            | –                                  | –          | –                                        | –         | –                             | –        | –361         | –            |
| Sales                             | –75                               | –            | –                                  | –5         | –                                        | –         | –                             | –        | –75          | –5           |
| Impairment losses for the year    | –281                              | –331         | –                                  | –          | –                                        | –         | –                             | –        | –281         | –331         |
| <b>On December 31</b>             | <b>2,390</b>                      | <b>2,720</b> | <b>185</b>                         | <b>185</b> | <b>17</b>                                | <b>17</b> | <b>8</b>                      | <b>8</b> | <b>2,600</b> | <b>2,930</b> |

For specification of the Parent Company's and the Group's participations in joint operations and associated companies, see Group Note 15.

*Specification of Parent Company's shares and participation in wholly owned Group companies, SEK thousand*

| Company                                          | CIN         | Domicile   | Number of shares and participations | Carrying amount  |                  |
|--------------------------------------------------|-------------|------------|-------------------------------------|------------------|------------------|
|                                                  |             |            |                                     | 2023             | 2022             |
| AB Borätt                                        | 556257-9275 | Stockholm  | 500                                 | 1,978            | 1,978            |
| AB Garantihus <sup>1)</sup>                      | 556073-0524 | Stockholm  | –                                   | –                | 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                              | 56,961           | 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                                 | 27,339           | 33,440           |
| Fastighetsbolaget 33:21 AB                       | 559381-2778 | Stockholm  | 500                                 | 19,078           | 27,567           |
| Förvaltningsbolaget Isotolv AB <sup>1)</sup>     | 559277-3229 | Stockholm  | –                                   | –                | 25               |
| JM Bostad Holding AB                             | 559278-9449 | Stockholm  | 2,000                               | 285,366          | 200              |
| JM Byrån Holding AB                              | 556752-9630 | Stockholm  | 1,000                               | 3,100            | 100              |
| JM Construction S.A., Belgium                    | 413662141   | Brussels   | 10,000                              | 28,711           | 51,906           |
| JM Entreprenad AB                                | 556060-8837 | Stockholm  | 200,000                             | 107,750          | 107,750          |
| JM Fastighetsutveckling Holding AB <sup>1)</sup> | 556847-3259 | Stockholm  | –                                   | –                | 50               |
| JM Fastighetsutveckling 2 Holding AB             | 559034-9089 | Stockholm  | 500                                 | 50               | 50               |
| JM Fastighetsutveckling 3 Holding AB             | 559109-6960 | Stockholm  | 500                                 | 50               | 50               |
| JM Fastighetsutveckling 4 Holding AB             | 559315-1037 | Stockholm  | 1,000                               | 100              | 100              |
| JM Fastighetsutveckling 5 Holding AB             | 559398-1979 | Stockholm  | 1,000                               | 100              | 100              |
| JM Hyresbostäder Holding AB <sup>1)</sup>        | 556977-0471 | Stockholm  | –                                   | –                | 360,130          |
| JM Hyresbost Holding AB                          | 559213-7029 | Stockholm  | 500                                 | 44,007           | 44,007           |
| JM Kammasadeln Holding AB                        | 556853-8465 | Stockholm  | 500                                 | 50               | 50               |
| JM Klostergården Holding AB                      | 559369-7195 | Stockholm  | 2000                                | 359,642          | 363,461          |
| JM Lomma Borgeby AB                              | 559373-0905 | Stockholm  | 250                                 | 29,973           | 29,973           |
| JM Norge AS, Norway                              | 829350122   | Oslo       | 20,000                              | 120,243          | 120,243          |
| JM Olskroken AB                                  | 559256-2176 | Stockholm  | 1,000                               | 52,587           | 124,116          |
| JM Riiks Holding AB                              | 559327-9796 | Stockholm  | 2,000                               | 49,394           | 84,248           |
| JM Suomi OY, Finland                             | 1974161-8   | Helsinki   | 1,000                               | 868,011          | 844,879          |
| JM Supply AB                                     | 559126-3644 | Stockholm  | 500                                 | 50               | 50               |
| JM Tegelbruken Ekerö Strand AB                   | 559124-0147 | Stockholm  | 500                                 | 50               | 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 <sup>2)</sup>              | 556852-1297 | Stockholm  | –                                   | –                | 74,722           |
| Trollhagen Fastighets AB                         | 559082-6235 | Uppsala    | 1,000                               | 71,982           | 71,982           |
| <b>Carrying amount, December 31</b>              |             |            |                                     | <b>2,390,358</b> | <b>2,719,820</b> |

<sup>1)</sup> Group companies that have merged into JM AB. <sup>2)</sup> Group companies that have been sold.

## Note 11 Project properties and development properties

|                                               | Project properties |            | Development properties |              |
|-----------------------------------------------|--------------------|------------|------------------------|--------------|
|                                               | 2023               | 2022       | 2023                   | 2022         |
| <i>Accumulated cost</i>                       |                    |            |                        |              |
| <b>Opening balance, January 1</b>             | <b>171</b>         | <b>300</b> | <b>3,791</b>           | <b>3,931</b> |
| Acquisitions                                  | –                  | 18         | 317                    | 416          |
| Reclassifications                             | –56                | –33        | –                      | –17          |
| Transferred to production                     | –                  | –          | –369                   | –539         |
| Sales                                         | –23                | –114       | –                      | –            |
| <b>On December 31</b>                         | <b>92</b>          | <b>171</b> | <b>3,739</b>           | <b>3,791</b> |
| <i>Accumulated impairment losses</i>          |                    |            |                        |              |
| <b>Opening balance, January 1</b>             | <b>–</b>           | <b>–</b>   | <b>–6</b>              | <b>–6</b>    |
| Transferred to production                     | –                  | –          | –8                     | –            |
| <b>On December 31</b>                         | <b>–</b>           | <b>–</b>   | <b>–14</b>             | <b>–6</b>    |
| <b>Closing residual value, at end of year</b> | <b>92</b>          | <b>171</b> | <b>3,725</b>           | <b>3,785</b> |

## Note 12 Participations in tenant-owners associations, etc.

|                                   | 2023       | 2022       |
|-----------------------------------|------------|------------|
| <i>Accumulated cost</i>           |            |            |
| <b>Opening balance, January 1</b> | <b>247</b> | <b>312</b> |
| Acquisitions                      | 1,598      | 221        |
| Impairment losses                 | –72        | –          |
| Sales                             | –1,280     | –286       |
| <b>On December 31</b>             | <b>493</b> | <b>247</b> |

## Note 13 Recognized revenue less progress billings

|                                                     | 2023         | 2022         |
|-----------------------------------------------------|--------------|--------------|
| Recognized revenue in work in progress              | 7,300        | 7,927        |
| Accumulated billing on account for work in progress | –3,958       | –4,160       |
| <b>Total</b>                                        | <b>3,342</b> | <b>3,767</b> |

## Note 14 Cash and cash equivalents

|                        | 2023       | 2022         |
|------------------------|------------|--------------|
| Cash and bank balances | 573        | 1,294        |
| <b>Total</b>           | <b>573</b> | <b>1,294</b> |

## Note 15 Untaxed reserves

|                                          | 2023         | 2022         |
|------------------------------------------|--------------|--------------|
| Tax allocation reserve for 2018 taxation | –            | 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          | 260          |
| Tax allocation reserve for 2024 taxation | 130          | –            |
| <b>Total</b>                             | <b>1,900</b> | <b>2,300</b> |

## Note 16 Provisions for pensions and similar obligations

|                                   | 2023         | 2022       |
|-----------------------------------|--------------|------------|
| <b>Opening balance, January 1</b> | <b>972</b>   | <b>809</b> |
| Benefits earned during the period | 44           | 33         |
| Interest expenses                 | 30           | 27         |
| Pensions paid                     | –46          | –39        |
| Other                             | 110          | 142        |
| <b>On December 31</b>             | <b>1,110</b> | <b>972</b> |

## Note 17 Warranty provisions and other provisions

|                                     | Provisions |            |
|-------------------------------------|------------|------------|
|                                     | 2023       | 2022       |
| <b>Opening balance, January 1</b>   | <b>376</b> | <b>493</b> |
| Provisions                          | 136        | 246        |
| Reclassification                    | 218        | 89         |
| Utilized during the year            | –318       | –433       |
| Reversed provisions during the year | –4         | –18        |
| <b>On December 31</b>               | <b>408</b> | <b>376</b> |

## Note 18 Interest-bearing liabilities

| Non-current interest-bearing liabilities          | 2023         | 2022         |
|---------------------------------------------------|--------------|--------------|
| Other liabilities 1–5 years from the closing date | –            | –            |
| Convertible loans 1–5 years                       | –            | 34           |
| <b>Total</b>                                      | <b>–</b>     | <b>34</b>    |
| Current interest-bearing liabilities              | 2023         | 2022         |
| Convertible loans 1 year                          | 34           | 32           |
| Other liabilities 1 year                          | 2,116        | 2,757        |
| Liabilities to Group companies                    | 1,667        | 1,426        |
| <b>Total</b>                                      | <b>3,818</b> | <b>4,215</b> |

| Liabilities to credit institutions, confirmed credits   | 2023     | 2022     |
|---------------------------------------------------------|----------|----------|
| Credit agreements                                       |          |          |
| Bank overdraft facility                                 | 400      | 400      |
| 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> |

The credit agreements run with fixed interest rates. See Group Note 25 for additional information.

## Note 19 Other current liabilities

|                                                     | 2023       | 2022       |
|-----------------------------------------------------|------------|------------|
| Short-term promissory notes, development properties | 172        | 40         |
| Other current liabilities                           | 333        | 271        |
| <b>Total</b>                                        | <b>504</b> | <b>311</b> |

## Note 20 Progress billings in excess of recognized revenue

|                                                     | 2023       | 2022       |
|-----------------------------------------------------|------------|------------|
| Accumulated billing on account for work in progress | 12,627     | 12,025     |
| Recognized revenue in work in progress              | –12,493    | –11,549    |
| <b>Total</b>                                        | <b>134</b> | <b>476</b> |

## Note 21 Accrued expenses and deferred income

|                              | 2023       | 2022       |
|------------------------------|------------|------------|
| Personnel-related items      | 285        | 356        |
| Prepaid rental income        | 8          | 8          |
| Other accruals <sup>1)</sup> | 331        | 559        |
| <b>Total</b>                 | <b>624</b> | <b>923</b> |

<sup>1)</sup> Refers primarily to accrued project costs.

## Note 22 Pledged assets and contingent liabilities

|                                                         | 2023          | 2022         |
|---------------------------------------------------------|---------------|--------------|
| Assets pledged to secure own provisions and liabilities |               |              |
| Corporate mortgages                                     | 100           | 100          |
| Property mortgages                                      | –             | –            |
| <b>Total</b>                                            | <b>100</b>    | <b>100</b>   |
| Contingent liabilities                                  |               |              |
| Guarantee commitments, other <sup>1)</sup>              | 8,241         | 6,731        |
| Guarantees on behalf of Group companies <sup>2)</sup>   | 2,126         | 2,006        |
| Guarantees in connection with assignments               | 130           | 185          |
| Payment and rental guarantees                           | 1             | 2            |
| Other contingent liabilities                            | 25            | 22           |
| <b>Total</b>                                            | <b>10,524</b> | <b>8,946</b> |

<sup>1)</sup> During a tenant-owners association's production period, JM 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. JM is obligated to acquire from tenant-owners associations, 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.

<sup>2)</sup> Guarantees on behalf of Group companies mainly relate to commitments for the international subsidiaries 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.

|                                                         | 2023  | 2022  |
|---------------------------------------------------------|-------|-------|
| Purchase of goods and services from Group companies     | 294   | 505   |
| Interest income from Group companies                    | 1     | 1     |
| Dividend from Group companies                           | 83    | 1,086 |
| Share in profits from Group companies                   | 4     | 3     |
| Dividends from joint operations                         | 95    | –     |
| Non-current receivables in associated companies         | 17    | 17    |
| Current interest-bearing receivables in Group companies | 1,486 | 2,383 |
| Current interest-bearing liabilities to Group companies | 1,667 | 1,426 |
| Guarantees on behalf of Group companies                 | 2,126 | 2,006 |

Transactions with key individuals in leading positions can be found in Note 2. All transactions with related parties and companies were conducted on market-based terms.

## Note 24 Events after the end of the reporting period

After 38 years at JM, of which 22 as President, Johan Skoglund has informed the board that he has decided to retire in 2024. Johan Skoglund will continue as President and CEO until June 1, 2024 at the latest.

## Note 25 Proposed disposition of earnings

|                                               |                          |
|-----------------------------------------------|--------------------------|
| Unrestricted equity in the Parent Company is: |                          |
| Retained earnings and share premium reserve   | SEK 3,432,168,982        |
| Net profit for the year                       | SEK 104,939,239          |
| <b>Total</b>                                  | <b>SEK 3,537,108,221</b> |

|                                                               |                          |
|---------------------------------------------------------------|--------------------------|
| The Board of Directors and the CEO propose:                   |                          |
| that SEK 3.00 per share be paid to shareholders <sup>1)</sup> | SEK 193,514,520          |
| and that the remaining amount be carried forward              | SEK 3,343,593,701        |
| <b>Total</b>                                                  | <b>SEK 3,537,108,221</b> |

<sup>1)</sup> There are 64,504,840 registered shares in the Parent Company on December 31, 2023, of which the number of dividend-bearing shares amounts to 64,504,840.

Stockholm, March 18, 2024

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*

Stefan Björkman  
*Member*

Kerstin Gillsbro  
*Member*

Camilla Krogh  
*Member*

Jenny Larsson  
*Member*

Olav Line  
*Member*

Thomas Thuresson  
*Member*

Peter Olsson  
*Employee representative*

Jan Strömberg  
*Employee representative*

Johan Skoglund  
*President and CEO*

Our Auditor's Report was submitted on March 21, 2024  
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 the 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 2023. The annual accounts and consolidated accounts of the company are included on pages 61–92 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 and the group as of 31 December 2023 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 2023 and their 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 balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and 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 risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering 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 a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated 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 valuation of the work in progress in the

housing development. 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 JM Norway which all have been subject to a so-called full audit. For JM Finland, 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 was 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 consolidated financial statements.

Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated 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 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 consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

## Key audit matter

### *Valuation of work in progress in the Swedish housing development projects*

During the year, JM's accounting principle for recognition of income and costs from the Swedish housing development of tenant-owner associations was changed to be reported at one point in time. Previously, income and expenses were reported according to IFRS for housing development projects by tenant-owner associations in Sweden over time, that is, with the application of percentage of completion taken into account also so called sales ratio.

The new accounting principle also means that JM reports the housing development projects in the balance sheet as work in progress until the time when the final home buyers take possession of their homes. As of December 31, 2023, JM's work in progress amounted to SEK 13,203 million, which constitutes 45% of the group's assets as of December 31, 2023.

JM also reports participations in tenant-owner associations in the balance sheet, which consists of the apartments which, according to the agreement with the tenant-owner associations, JM must repurchase at a certain time in the event that these have not been sold to a final home buyer. Shares in tenant-owners associations amount to SEK 1,023 million as of 31 December 2023.

The incurred costs in the work in progress and shares in tenant-owner associations are reported at the lower of the acquisition value and the net realizable value. The assessment of the net realizable value is inherently fraught with assumptions and assessments of the items included in the project's forecast of total revenues and costs. These include assessments of, among other things, sales price, costs for e.g. labor, materials, sub-contractors and warranty obligations. The latter may from time to time require updated assessments even for completed projects.

This therefore requires good processes for calculation, reporting, analysis and forecasting.

For completed projects owned by JM, there is no longer the possibility to compensate for cost savings, which is why assumptions and assessments about sales price have a greater impact on the valuation.

The size of the relevant amounts in combination with the large element of estimates and judgments means that this constitutes a key audit matter for the audit. We have paid particular attention to the methodology and the assessments that are the basis for the valuation of the work in progress as well as the margin used in the recognition of revenue and costs in connection with the handover of the homes to the end customer. In our audit, we have also followed up the principles, methods and assumptions that form the basis of the assessment of the reported shares in tenant-owner associations and warranty obligations.

See, among other things, the sections "Important sources of uncertainty in estimates", "Revenue recognition in residential project development", "Work in progress" and "Participations in tenant-owner associations etc." in note 1 Accounting and valuation principles as well as note 18 Participations in tenant-owner associations etc., note 19 Work in progress and note 27 Other provisions.

## How our audit addressed the key audit matter

We have evaluated processes, routines and methodology in JM's project development process, from land purchase to project completion. In addition, we have tested key controls in processes for the sales start up, start of production and project forecasts.

We have carried out an analytical review of reported revenues and margins and reviewed the management's routines for following up the projects' financial results. For a selection of projects, we have made simulations of outcomes based on various assumptions and we have discussed selected judgments with JM. On a sample basis, we have tested project revenues and capitalized project costs. We have also on a sample basis tested the handover rate in the projects and that it is based on actual access.

We have also tested the mathematical accuracy in the calculation of the handover rate. Furthermore, we have participated in several project audits carried out by JM's Operational Audit and in addition carried out site visits to ongoing housing development projects. We have evaluated JM's model for the valuation of shares in tenant-owners associations as well as for a sample tested valuations of individual shares in projects.

We have evaluated principles, processes and routines for determining reported warranty obligations and the assumptions on which these are based. On a sample basis, we have reviewed calculations made and in some cases made our own calculations based on data received from JM.

We have discussed with the company management and the audit committee the methods, estimates and assumptions on which JM's assessments are based.

## Key audit matter

### *Changes in accounting principles for housing development projects to Swedish tenant-owner associations*

Since 2018, there has been a process between JM and the Swedish Financial Supervisory Authority regarding the basis for JM's assessment of the independence of tenant-owners associations from an IFRS-perspective. In April 2023, the Court of Appeal's judgment was finally confirmed, which means that JM is considered to have control over its tenant-owners associations according to IFRS 10.

The consequences of this are that JM from January 1, 2023 with retrospective application of the comparison year 2022 consolidates Swedish tenant-owner associations during the production phase in accordance with IFRS 10 Consolidated Financial Statements, until the time when the final home buyer takes possession of their home. As can be seen from page 61 and page 71 of the annual report, this means that the group's balance sheet and income statement include all of the tenant-owner associations' assets, equity and liabilities as well as income and expenses.

Considering this change in accounting principle in the group and its impact on the financial reporting, we believe that this area is to be regarded as a key audit matter in the audit.

See the statutory administration report and the section "Changes in accounting principles for housing development through Swedish tenant-owner associations" in note 1 Accounting and valuation principles.

## How our audit addressed the key audit matter

In our audit, we have, among other things, taken note of the established judgment, JM's disclosure of amended accounting principles and JM's assessment of control over the tenant-owner association during the production phase, as well as the implementation of a new consolidation process.

In our audit, we have analyzed and tested the recalculated historical periods, which are presented in note 1 in the annual report, and the current period in terms of the tenant-owner associations' income, expenses, assets and liabilities. This review has included, among other things, that we on a sample basis tested handover rates, bank commitments and construction credits for the consolidated tenant-owner associations.

We have also reviewed the information provided by JM in the statutory administration report and in the required notes in the annual report, including the recalculated comparative figures. This has also been evaluated in terms of suitability and compatibility with IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in accounting Estimates and Errors.

We have conducted a dialogue with the company management and the audit committee and as part of this have discussed and communicated our observations, reflections and their implications.

## Other information than the annual accounts and the consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–60 and 105–116. The other information also consists of JM's remuneration report 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 consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and 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 President 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 President 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 President 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 President 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 President of JM AB (publ) for the year 2023 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 President 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 Directors and the President

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' 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 President 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 President 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

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, We have also examined that the Board of Directors and the President 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 2023.

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 Directors and the President**

The Board of Directors and the President are responsible for the preparation of Esef report 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 President determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to obtain 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 firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination 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 and consolidated 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 audit 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 President, but not

for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the President.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format 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 consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures 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 (publ) by the general meeting of the shareholders on 30 March 2023 and has been the company's auditor since 27 April 2017.

Stockholm 21 March 2024  
PricewaterhouseCoopers AB

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

Fredrik Kroon  
Authorized Public Accountant



# Governance

# Corporate governance report for the 2023 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 aims to increase the knowledge of shareholders and other stakeholders about how the Board of Directors and 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 responsibility 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 materials into other languages has not been considered necessary since to date, such shareholders have had Swedish representation.

## Annual General Meeting

The 2023 Annual General Meeting was held on March 30 at JM's head office. A total of 245 shareholders were represented, representing about 70 percent of the total votes. One of the resolutions made by the 2023 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 2024 Annual General Meeting will be held on April 18.

## Major shareholders

One shareholder, AMF Försäkring och Fonder, has a shareholding in the Company representing at least one-tenth of the voting rights for all shares in the Company. Their holding amounts as per December 31, 2023, to 19.97 percent of the shares and votes in the Company. 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 2024 Annual General Meeting in September 2023, and the committee consists of the following persons:

Anders Oscarsson, AMF Tjänstepension and AMF Fonder  
Marianne Nilsson, Swedbank Robur Fonder  
Anders Algotsson, AFA Försäkring  
Frank Larsson, Handelsbanken Fonder  
Fredrik Persson, Chair of the Board of JM.

The Nomination Committee represents approximately 33 percent of the total number of JM shares. Anders Oscarsson is chair of the Nomination Committee. The Nomination Committee held three 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 2023 Annual General Meeting elected PricewaterhouseCoopers AB (PwC) to be the auditor. The election covers the period up until the end of the 2024 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 | 2023 | 2022 |
|------------------------------|------|------|
| Auditing services            | 6.6  | 6.0  |
| Tax services                 | 0.1  | 0.0  |
| Other services               | 0.5  | 1.2  |
| Total                        | 7.2  | 7.2  |

Information about the auditing company’s services to JM in addition to auditing is provided in Note 5 on page 79 of the annual report and sustainability report.

Board of Directors

Composition

According to the Articles of Association, JM’s Board of Directors is to consist of a minimum of five and a maximum of nine members. No deputies are to 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 2023 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 for the Board entails the new election of one Member, Stefan Björkman, who has relevant experience for JM from the Finnish market. It is important to secure this competence since Kaj-Gustaf Bergh has declined re-election.

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 three 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 2023 Annual General Meeting resolved to elect the seven 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 101–102, as is the distribution of the members elected by the Annual General Meeting among the committees (A = Audit Committee, C = Compensation Committee, I = Investment Committee).

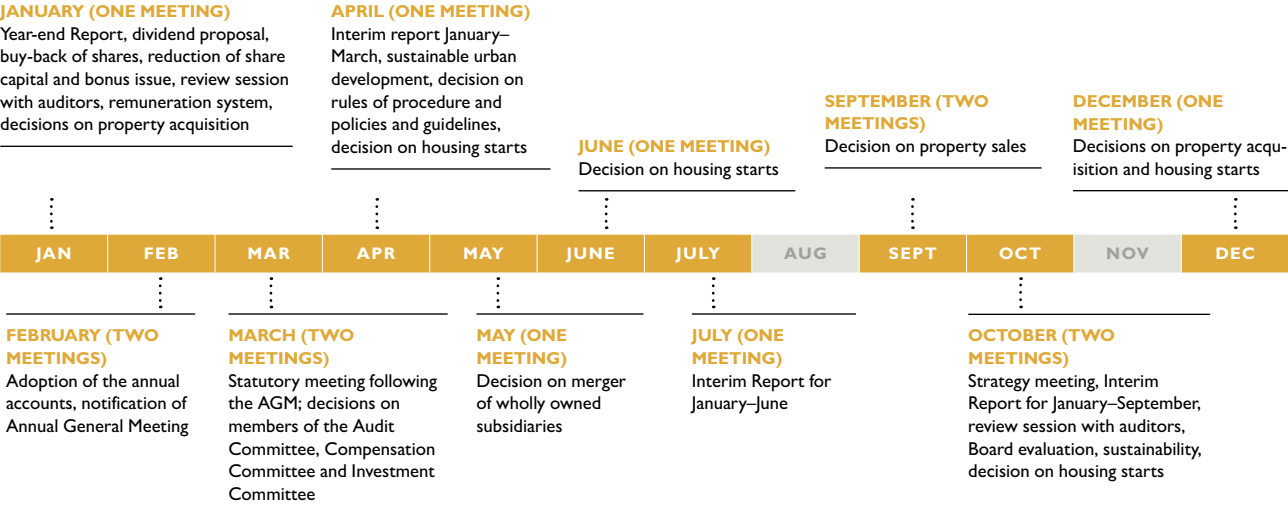
Attendance during the 2023 calendar year is also presented.

The Board of Directors held fourteen meetings. The Audit Committee held six meetings. The Compensation Committee held three meetings. The Investment Committee held six 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.

Board Meetings in 2023



Fixed items on the agenda of ordinary Board meetings include a status report from the president, the state of the market, and updates from the committees.

**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 and the 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 chair 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 2023, 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 2023, 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 2023

The Board of Directors made the following decisions and others in 2023:

- The Board of Directors held a separate strategy meeting at which it adopted the strategic plan for the Company
- The Board of Directors decided on housing starts for five residential projects, 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 four acquisitions of development properties, and the sale of three development properties, which have a purchase sum exceeding the maximum level delegated to the president of SEK 100m
- 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, a reduction in the share capital, and an increase in shares through a bonus issue
- 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 of the committees are members elected by the AGM. The chair of the Board chairs the Compensation Committee. The chair of the Audit Committee is Thomas Thuresson, and the chair 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 three members: Thomas Thuresson (chair), Jenny Larsson, 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 the annual and sustainability 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
- Monitoring of the statutory audit
- Progress reporting and review of the Group's sustainability work
- 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 Thomas Thuresson.

The Committee held three 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 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), Stefan Björkman, and Kerstin Gillsbro.

The committee held six 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.

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 103.

### 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.

In-depth monitoring is carried out for the larger 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 ratio.

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.

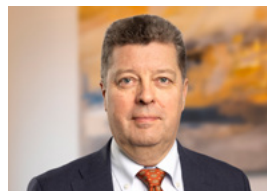
**Education:** MSc Econ., Stockholm School of Economics, Stockholm, Sweden.

**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:** Chair 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.

**Shares in JM:** 4,000



**Stefan Björkman**

Born in 1963. Finnish. Elected to the Board in 2023. Board of Directors, member; Investment Committee, member.

**Education:** Engineer, Helsinki University of Technology.

**Work experience:** Active within the Kone Group and the banking and insurance industry in Finland.

**Other significant assignments:** President of Föreningen Konstsamfundet in Finland, Chair of the Boards of Alandia Försäkring Abp and Cor Group Oy and Board member of Stockmann Abp.

**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.

**Shares in JM:** 0



**Kerstin Gillsbro**

Born in 1961. Swedish. Elected to the Board in 2019. Board of Directors, member; Investment Committee, member.

**Education:** MSc. Eng. LTH Faculty of Engineering at Lund University

**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'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.

**Shares in JM:** 1,365



**Camilla Krogh**

Born in 1977. Norwegian. 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.

**Shares in JM:** 0



**Jenny Larsson**

Born in 1973. Swedish. Elected to the Board in 2022. Board of Directors, member; Audit Committee, member.

**Education:** MSc. Eng. Environmental and Water Engineering, Uppsala University.

**Work experience:** 25 years of experience in the energy industry, including as president of Hitachi Energy Sweden AB (previously ABB) and 20 years in management at Vattenfall.

**Other significant assignments:** CEO of Schneider Electric Sverige AB. Board member of Nibe Industrier AB and Vectura Fastigheter AB. Member of the Energy Development Board and the Royal Swedish Academy of Engineering Sciences.

**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.

**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.

**Shares in JM:** 1,500



**Thomas Thuresson**

Born in 1957. Swedish. Elected to the Board in 2016. Board of Directors, member; Audit Committee, chair; Compensation Committee, member.

**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. Chair of Terratech Group AB. Member of the Board of Proact IT Group AB (publ), Solix Group AB and Skiold A/S. Member in Solix Group AB:s Advisory Board.

**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.

**Shares in JM:** 4,200



**Johan Skoglund**  
*President and CEO of JM AB*

Born in 1962. Swedish.

**Education:** MSc. Eng., KTH Royal Institute of Technology, Stockholm, and MSc. program, Stockholm School of Economics.

**Work experience:** 38 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:** Member of the Board of Directors of Mentor Sverige. Chair of the Board of Polhem Infra AB and Vectura Fastigheter AB.

**Shares in JM:** 50,118

**Convertibles in JM:** SEK 2,166,094

# Board of Directors, CEO and Auditors

## Employee representatives



Jan Strömberg

Employee representative. Born: 1959. MSc. Eng. Deputy since 2011, member since 2015.  
**Shares in JM:** 2,058  
**Convertibles:** SEK 269,514



Peter Olsson

Employee representative. Born in 1977. Carpenter. Deputy since 2014; member since 2018.  
**Shares in JM:** 263  
**Convertibles:** SEK 0



Jonny Änges

Employee representative. Born in 1962. Construction engineer. Deputy since 2015.  
**Shares in JM:** 248  
**Convertibles:** SEK 0



Per Petersén

Employee representative. Born in 1970. Bricklayer. Deputy since 2018.  
**Shares in JM:** 0  
**Convertibles:** SEK 0

## 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:** 1,347  
**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, and Business Sweden.

Fredrik Kroon  
 PricewaterhouseCoopers AB  
 Authorized Public Accountant. Born in 1985. Other assignments: Auditor-in-charge in, for example, Nordr Sverige and audit leader NCC within the business area Infrastructure and Building Sweden.

| Board attendance               |                                 |                         |                | Committee meetings |        |        |
|--------------------------------|---------------------------------|-------------------------|----------------|--------------------|--------|--------|
| Members                        | Function in the Board           | Committee <sup>1)</sup> | Board meetings | A                  | C      | I      |
| Fredrik Persson                | Chair                           | A, C (chair)            | 14 of 14       | 5 of 6             | 3 of 3 |        |
| Kaj-Gustaf Bergh <sup>2)</sup> | Member                          | C, I                    | 4 of 14        |                    | 1 of 3 | 1 of 6 |
| Stefan Björkman <sup>3)</sup>  | Member                          | I                       | 10 of 14       |                    |        | 5 of 6 |
| Kerstin Gillsbro               | Member                          | I                       | 13 of 14       |                    |        | 6 of 6 |
| Camilla Krogh                  | Member                          | C                       | 13 of 14       |                    | 3 of 3 |        |
| Jenny Larsson                  | Member                          | A                       | 14 of 14       | 4 of 6             |        |        |
| Olav Line                      | Member                          | I (chair)               | 12 of 14       |                    |        | 6 of 6 |
| Thomas Thuresson               | Member                          | A (chair), C            | 14 of 14       | 6 of 6             | 1 of 3 |        |
| Peter Olsson                   | Employee representative         |                         | 12 of 14       |                    |        |        |
| Jan Strömberg                  | Employee representative         |                         | 14 of 14       |                    |        |        |
| Per Petersén                   | Employee representative, deputy |                         | 14 of 14       |                    |        |        |
| Jonny Änges                    | Employee representative, deputy |                         | 14 of 14       |                    |        |        |

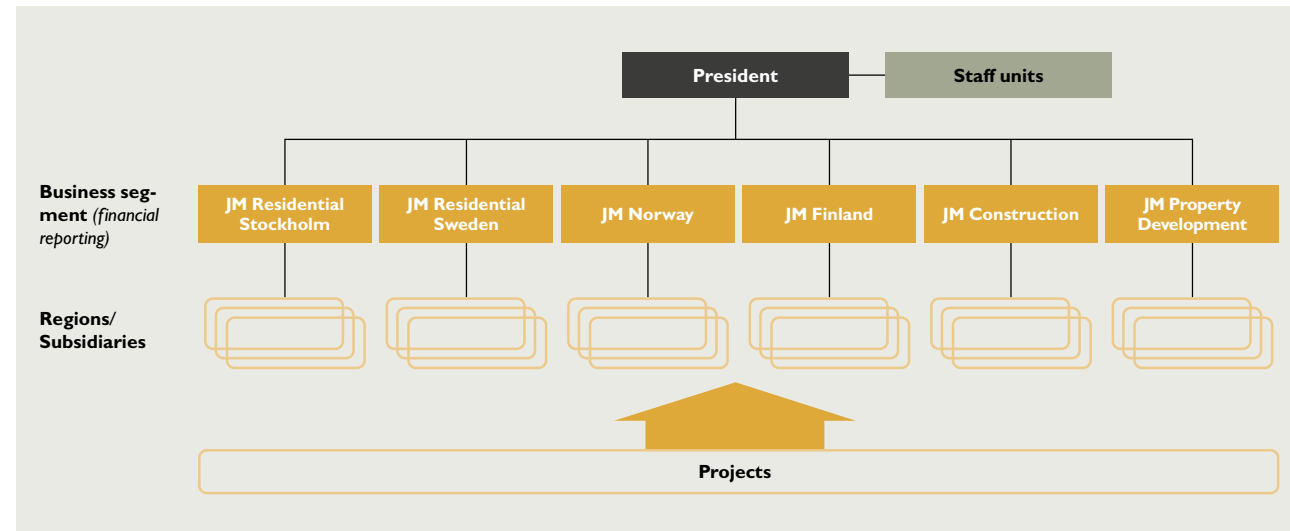
<sup>1)</sup> A = Audit Committee, C = Compensation Committee, I = Investment Committee).

<sup>2)</sup> Kaj-Gustaf Bergh left the Board of Directors at the Annual General Meeting in March 2023.

<sup>3)</sup> Stefan Björkman was elected at the Annual General Meeting in March 2023.

<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 12/31/2023.

## 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
- investment in an existing project property up to SEK 400m for implementation of housing projects or SEK 200m for implementation of office projects
- housing starts of residential projects, up to a total project cost of SEK 400m excluding purchase sum for the property and housing starts of individual phases up to SEK 400m
- to submit offers and if accepted sign external contracting agreements 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 pre-prepared by both the Business Committee, which consists of business unit and regional managers from the entire Group, and executive management. JM's operations as well as its governance and report structure are presented above.

### Control framework Financial reporting

The president ensures 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 are to 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 104.

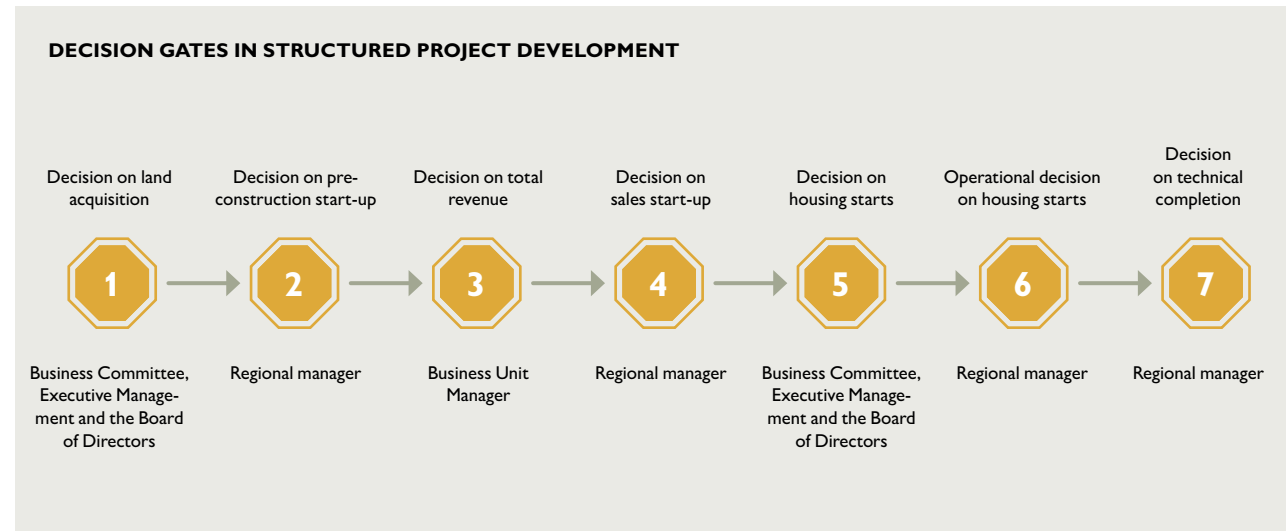
### The Board of Directors' description of internal control and risk management of financial reporting Governance structure

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 page 13 and 63–64.

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

## The decision process can be seen below:



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 checking compliance with business-critical requirements in JM's Business Management System. JM's Business Management 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 its Structured Project Development see pages 15–16. 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.

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 serious misconduct, 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 and governance as well as JM's core values. The control environment consists, for example, of the organization, channels for decision-making, 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 Business Management 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 Business Management System, which governs a unified process and the use of the common business system. The purpose of the 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 Business Management 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, chief financial officer, head of the Internal Audit, business unit manager and regional manager/subsidiary manager participate (quarterly)
- Steering group meetings in the 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 Business Management 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 Business Management 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 the 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 continuously follows up and reviews the internal control with the Company's central Internal Audit function to ensure that internal controls work satisfactorily. 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 2023 Annual General Meeting decided on fees to the Board Members who are not employed by the Company as follows:

- Remuneration will be SEK 955,000 to the chair of the Board of Directors and SEK 380,000 to regular Board members who are not employed by the Company
- Remuneration for work in the Audit Committee will be SEK 165,000 to the chair and SEK 98,000 to the members

- Remuneration for work in the Investment Committee will be SEK 105,000 to the Chairperson and SEK 80,000 to the members
- Remuneration for work in the Compensation Committee will be SEK 68,000 to the chair and each member.

The 2023 Annual General Meeting resolved on guidelines for remuneration to the senior executives that should apply until the 2027 Annual General Meeting 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 61–66. Information about remuneration to the president and executive management can be found in Note 3 on page 78 of the Group Notes in the annual and sustainability report.

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 executive management. Following a decision by the Board of Directors, all probationary and permanent employees in the Group were offered the possibility, for the second year, of participating in a performance share program that, in brief, entails that employees invest in JM shares. The maximum possible investment was SEK 600,000 for the president, SEK 300,000 for other members of executive management, SEK 150,000 for unit managers and SEK 20,000 for other employees. 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 20 percent of JM's employees participated in the 2023 program.

Stockholm, March 18, 2024  
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 2023 on pages 98–104 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 21, 2024

PricewaterhouseCoopers AB

|                              |                              |
|------------------------------|------------------------------|
| Ann-Christine Hägglund       | Fredrik Kroon                |
| Authorized Public Accountant | Authorized Public Accountant |
| Auditor in charge            |                              |

# 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 2002.  
**Joined executive management:** 2000  
**Previous positions:** 38 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:** 50,118  
**Convertibles in JM:** SEK 2,166,094



**Tobias Bjurling**  
*Chief Financial Officer and Head of Investor Relations*

Born in 1972. Master's in Economics, Uppsala University.  
**Employed:** 2023  
**Joined executive management:** 2023  
**Previous positions:** CFO Svevia 2019–2023, Group Head of financial and business control Bonava 2016–2019, prior to this executive management positions in finance at the NCC Group and Intentia and auditor at PwC.  
**Shares in JM:** 1,500  
**Convertibles in JM:** 0



**Maria Bäckman**  
*Chief Legal Counsel, Legal Affairs and Development*

Born in 1973. LL. Stockholm University 1997.  
**Employed:** 2000  
**Joined executive management:** 2012  
**Previous positions:** Trainee Lawyer, Advokatfirman Lindahl. Clerk, District Court of Uppsala.  
**Shares in JM:** 1,347  
**Convertibles in JM:** SEK 109,802



**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:** 2,218  
**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:** 1,167  
**Convertibles in JM:** 0



**Per Lundquist**  
*Director of Operations Development (Product, Sustainability, Process and IT)*

Born in 1967. MSc. Eng., Faculty of Science and Engineering 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:** 2,206  
**Convertibles in JM:** SEK 1,237,768



**Susanne Persson**  
*Business Unit Manager JM Residential Sweden*

Born in 1969. MSc Eng., LTH Faculty of Engineering 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, Seniorgården AB and Midway Holding AB, and member of the Swedish Construction Federation Board.  
**Shares in JM:** 2,075  
**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 Coor Service Management Norge AS och Selvaagbygg AS. CFO of the Norwegian Olympic and Paralympic Committee and Confederation of Sports. 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 Næringsseidendom AS, JM Suomi Oy and JM@home.  
**Shares in JM:** 4,716  
**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 Seniorgården AB.  
**Shares in JM:** 8,000  
**Convertibles in JM:** 0



**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. 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 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., Luleå University of Technology, 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 Seniorgården AB and Borätt AB, Board member of JM@home AB.  
**Shares in JM:** 4,516  
**Convertibles in JM:** SEK 688,758

Carl Bandhold, CFO, was a member of executive management from August 2021 to March 2023. Claes Magnus Åkesson, former CFO of JM AB, was acting CFO from April to October 2023.



# Shareholder information



# Focus on long-term value growth allows dividend even in a weak market

## Share capital

The JM share is listed on Nasdaq Stockholm, Large Cap segment. The share capital amounts to SEK 68.7m, represented by 64.5 million shares, each with a par value of SEK 1.06 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 2023, the JM share price rose 3 percent compared to an increase of 17 percent for SX351010. The general index on the Nasdaq Stockholm Stock Exchange, OMX Stockholm\_PI, increased by 16 percent in 2023. The highest listed price for the JM share during the year was SEK 248.00 on February 2, and the lowest was SEK 107.30 on October 25. Dividend yield, i.e., proposed dividend in relation to the market price at the end of the year, was 1.7 percent (8.1). Total return in 2023 was 11 percent (–55).

## Trading and market capitalization

JM shares were traded for a value of SEK 17.8bn (14.3) in 2023. Average daily trading was about SEK 71m (57). The turnover rate, i.e., the liquidity of the share, was 176 percent (101). The Company's market capitalization amounted to SEK 11.4bn (11.1) at the end of the year.

## Ownership structure

The number of shareholders as at December 31, 2023, was 32,174 (30,937). The ten largest shareholders accounted for 61.2 percent (69.8) of capital. Foreign shareholders represented 37.5 percent (15.4) and Swedish shareholders 72.5 percent (84.6) 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 2023 amounts to SEK 3.00 (14.00) per share with the intention to convene for an extraordinary general meeting in the fourth quarter of 2024 to propose resolution on an additional dividend of SEK 3.00.

| Transfer to shareholders, SEK m | Dividend     | Buy-back     | Total         |
|---------------------------------|--------------|--------------|---------------|
| 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         |
| 2023                            | 903          | –            | 903           |
| <b>Total</b>                    | <b>7,617</b> | <b>3,200</b> | <b>10,817</b> |

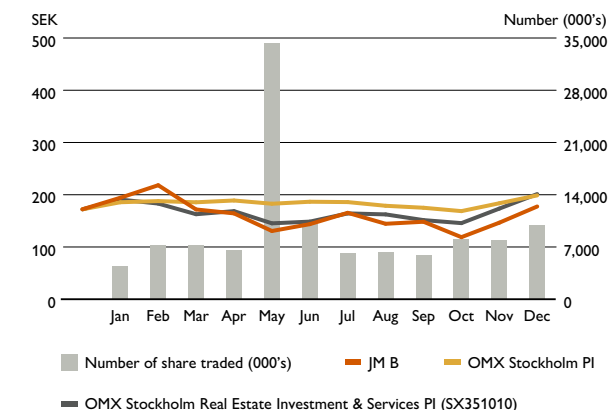
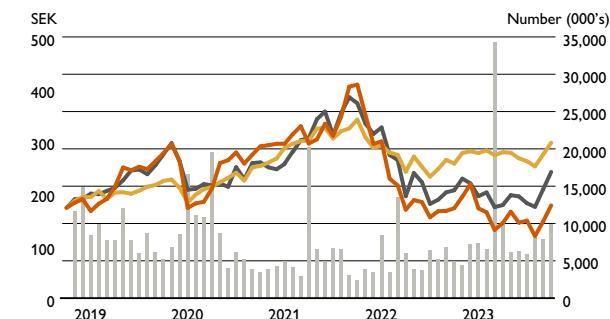
| Total return, %  | 2023 | Average per year 2019–2023 | Average per year 2014–2023 |
|------------------|------|----------------------------|----------------------------|
| JM               | 11   | 6                          | 5                          |
| Nasdaq Stockholm | 19   | 15                         | 11                         |

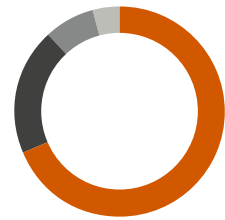
| Total return JM, 2014–2023 | %   | Index |
|----------------------------|-----|-------|
| 2023                       | 11  | 156   |
| 2022                       | –55 | 140   |
| 2021                       | 45  | 309   |
| 2020                       | 9   | 213   |
| 2019                       | 67  | 195   |
| 2018                       | –2  | 117   |
| 2017                       | –25 | 118   |
| 2016                       | 7   | 159   |
| 2015                       | 5   | 148   |
| 2014                       | 41  | 141   |
| 1/1/2014                   | –   | 100   |
| Average, 5 years           |     | 6     |
| Average, 10 years          |     | 5     |

## CHANGE IN SHARE CAPITAL 2019–2023

| Year | Redemption repurchased shares, SEK m | Bonus issue, SEK m | Utilization convertible program, SEK m | Number of shares | Par value/share | Share capital, SEK m |
|------|--------------------------------------|--------------------|----------------------------------------|------------------|-----------------|----------------------|
| 2019 | 0.0                                  | 0.0                | 0.0                                    | 69,583,262       | SEK 1           | 69.6                 |
| 2020 | 0.0                                  | 0.0                | 0.0                                    | 69,583,262       | SEK 1           | 69.6                 |
| 2021 | 0.0                                  | 0.0                | 0.2                                    | 69,750,296       | SEK 1           | 69.8                 |
| 2022 | –1.5                                 | 0.0                | 0.0                                    | 68,278,841       | SEK 1           | 68.3                 |
| 2023 | –3.8                                 | 3.8                | 0.0                                    | 64,504,840       | SEK 1.06        | 68.3                 |

## SHARE PRICE DEVELOPMENT





DISTRIBUTION OF OWNERSHIP BY CATEGORY

- Sweden, 72.5%
- USA, 20.6%
- Norway, 8.0%
- Finland, 4.3%
- Other/Anonymous, 0.0%



DISTRIBUTION OF OWNERSHIP BY COUNTRY

- Swedish institutional investors, 47.5%
- Foreign institutional investors 29.5%
- Other shareholders <sup>1)</sup>, 14.2%
- Swedish private persons, 16.5%
- Anonymous ownership, 0.0%

<sup>1)</sup> Of which approximately 5.7% foreign ownership.

## SHARE DATA – SEGMENT REPORTING

| SEK per share                             | 2023               | 2022                     | 2021                     | 2020          | 2019          |
|-------------------------------------------|--------------------|--------------------------|--------------------------|---------------|---------------|
| Share price as at 12/31                   | 177.50             | 172.10                   | 408.60                   | 290.60        | 277.40        |
| Highest/lowest price paid during the year | 248.0/107.30       | 421.10/146.50            | 419.50/284.80            | 313.30/153.50 | 282.90/162.35 |
| Dividend yield as at 12/31 (%)            | 1.7                | 8.1                      | 3.3                      | 4.4           | 4.5           |
| Market capitalization as at 12/31 (SEK m) | 11,450             | 11,101                   | 28,050                   | 20,221        | 19,302        |
| Diluted earnings per share                | 6.70               | 23.40                    | 25.90                    | 22.50         | 22.50         |
| Development properties                    |                    |                          |                          |               |               |
| Market value                              | 219                | 235                      | 224                      | 206           | 224           |
| Carrying amount                           | 132                | 131                      | 120                      | 113           | 128           |
| Project properties                        |                    |                          |                          |               |               |
| Market value                              | 17                 | 17                       | 16                       | 24            | 25            |
| Carrying amount                           | 16                 | 14                       | 12                       | 18            | 20            |
| Interest-bearing net liabilities          | 29                 | 5                        | –20                      | –4            | 6             |
| Shareholders' equity (reported)           | 129                | 140                      | 125                      | 112           | 105           |
| Dividend                                  | 3.00 <sup>1)</sup> | 14.00                    | 13.50                    | 12.75         | 12.50         |
| Dividend in % of earnings per share       | 45                 | 57                       | 52                       | 56            | 55            |
| P/E ratio as per 12/31                    | 26                 | 7                        | 16                       | 13            | 12            |
| Number of shares as at 12/31              | 64,504,840         | 64,504,840 <sup>2)</sup> | 68,648,746 <sup>2)</sup> | 69,583,262    | 69,583,262    |
| Average number of shares, basic           | 64,504,840         | 67,073,227               | 69,220,764               | 69,583,262    | 69,583,262    |
| Average number of shares, diluted         | 64,504,840         | 67,384,072               | 69,560,505               | 70,061,421    | 69,985,557    |

<sup>1)</sup> Proposed by the Board of Directors.

<sup>2)</sup> 3,774,001 and 1,101,550 repurchased shares, respectively, not included.

## Share capital, %

|                                     |              |
|-------------------------------------|--------------|
| AMF Pension & Fonder                | 19.7         |
| Swedbank Robur Fonder               | 9.8          |
| Fidelity Investments (FMR)          | 8.7          |
| Vanguard                            | 3.7          |
| Fredrik W. Mohn                     | 3.6          |
| Nordea Funds                        | 3.5          |
| AFA Försäkring                      | 3.4          |
| Dimensional Fund                    |              |
| Advisors                            | 3.3          |
| Samhällsbyggnadsbolaget i Norden AB | 3.0          |
| Norges Bank                         | 2.6          |
| Other                               | 38.9         |
| <b>Total</b>                        | <b>100.0</b> |

As at December 31, 2023:

Number of shareholders: 32,174.  
Number of shares: 64,504,840.

As at December 31, 2023

approximately 37.5 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, 2023. The numbers have been rounded.

## OWNERSHIP STRUCTURE AS AT 12/31/2023

| Size of holding | Number of shareholders | % of all shareholders | Total number of shares owned | % of share capital |
|-----------------|------------------------|-----------------------|------------------------------|--------------------|
| 1–500           | 28,168                 | 87.5                  | 2,731,157                    | 4.2                |
| 501–1,000       | 2,012                  | 6.3                   | 1,611,699                    | 2.5                |
| 1,001–5,000     | 1,621                  | 5.0                   | 3,515,797                    | 5.5                |
| 5,001–20,000    | 246                    | 0.8                   | 2,403,641                    | 3.7                |
| 20,001–100,000  | 72                     | 0.2                   | 3,389,766                    | 5.3                |
| 100,001–        | 55                     | 0.2                   | 50,852,780                   | 78.8               |
| <b>Total</b>    | <b>32,174</b>          | <b>100.0</b>          | <b>64,504,840</b>            | <b>100.0</b>       |

## Group – five-year overview – segment reporting

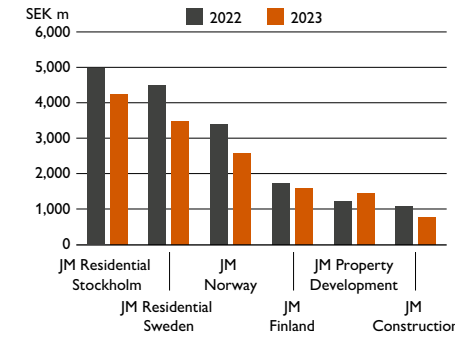
Amounts in SEK m unless otherwise stated.

| INCOME STATEMENT                                  | 2023         | 2022          | 2021         | 2020         | 2019         |
|---------------------------------------------------|--------------|---------------|--------------|--------------|--------------|
| Revenue                                           | 13,851       | 16,385        | 14,608       | 15,388       | 15,692       |
| Production and operating costs                    | –11,877      | –13,216       | –11,814      | –12,607      | –12,994      |
| <b>Gross profit</b>                               | <b>1,973</b> | <b>3,169</b>  | <b>2,795</b> | <b>2,781</b> | <b>2,698</b> |
| Selling and administrative expenses               | –985         | –1,094        | –1,015       | –944         | –966         |
| Gains/losses on the sale of property, etc.        | –256         | –11           | 436          | 191          | 276          |
| <b>Operating profit</b>                           | <b>732</b>   | <b>2,064</b>  | <b>2,216</b> | <b>2,028</b> | <b>2,008</b> |
| Financial income and expenses                     | –100         | –70           | –58          | –73          | –80          |
| <b>Profit/loss before tax</b>                     | <b>632</b>   | <b>1,994</b>  | <b>2,158</b> | <b>1,955</b> | <b>1,928</b> |
| Taxes                                             | –199         | –419          | –360         | –380         | –358         |
| <b>Profit for the year</b>                        | <b>433</b>   | <b>1,575</b>  | <b>1,798</b> | <b>1,575</b> | <b>1,570</b> |
| <b>INCOME STATEMENT BY FUNCTION</b>               |              |               |              |              |              |
| <b>Production</b>                                 |              |               |              |              |              |
| Recognized revenue                                | 13,612       | 16,172        | 14,422       | 15,157       | 15,439       |
| Production costs                                  | –11,660      | –13,041       | –11,663      | –12,457      | –12,834      |
| <b>Profit from production operations</b>          | <b>1,951</b> | <b>3,131</b>  | <b>2,759</b> | <b>2,700</b> | <b>2,605</b> |
| <b>Development properties</b>                     |              |               |              |              |              |
| Rental revenue                                    | 202          | 178           | 145          | 151          | 167          |
| Operating expenses                                | –146         | –105          | –91          | –83          | –95          |
| Property tax                                      | –45          | –47           | –37          | –44          | –37          |
| <b>Profit from development properties</b>         | <b>11</b>    | <b>27</b>     | <b>18</b>    | <b>24</b>    | <b>35</b>    |
| <b>Project properties</b>                         |              |               |              |              |              |
| Rental revenue                                    | 36           | 35            | 41           | 80           | 86           |
| Operating expenses                                | –22          | –21           | –21          | –22          | –26          |
| Property tax                                      | –3           | –2            | –2           | –1           | –2           |
| <b>Profit from project properties</b>             | <b>11</b>    | <b>11</b>     | <b>18</b>    | <b>57</b>    | <b>58</b>    |
| <b>Gross profit</b>                               | <b>1,973</b> | <b>3,169</b>  | <b>2,795</b> | <b>2,781</b> | <b>2,698</b> |
| <b>Selling and administrative expenses</b>        | <b>–942</b>  | <b>–1,042</b> | <b>–965</b>  | <b>–904</b>  | <b>–931</b>  |
| <b>Property sales, etc.</b>                       |              |               |              |              |              |
| Sales values                                      | 343          | –             | 1,308        | 1,078        | 923          |
| Carrying amounts                                  | –336         | –             | –912         | –891         | –647         |
| Impairment etc.                                   | –262         | –11           | 40           | 4            | –            |
| <b>Gains/losses on the sale of property, etc.</b> | <b>–256</b>  | <b>–11</b>    | <b>436</b>   | <b>191</b>   | <b>276</b>   |
| Group-wide expenses                               | –44          | –52           | –50          | –40          | –35          |
| <b>Operating profit</b>                           | <b>732</b>   | <b>2,064</b>  | <b>2,216</b> | <b>2,028</b> | <b>2,008</b> |

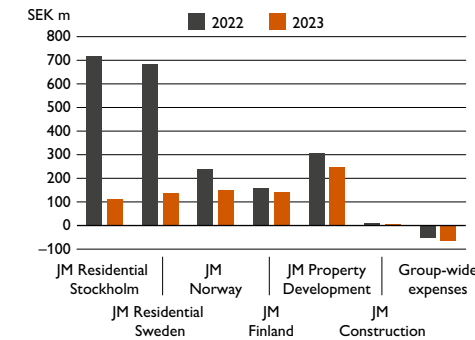
| BALANCE SHEET                                               | 12/31/2023    | 12/31/2022    | 12/31/2021    | 12/31/2020    | 12/31/2019    |
|-------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| <b>ASSETS</b>                                               |               |               |               |               |               |
| <b>Non-current assets</b>                                   | <b>351</b>    | <b>351</b>    | <b>330</b>    | <b>278</b>    | <b>219</b>    |
| Project properties                                          | 1,030         | 932           | 813           | 1,246         | 1,399         |
| Development properties                                      | 8,504         | 8,465         | 8,205         | 7,831         | 8,938         |
| Participations in tenant-owners associations, etc.          | 803           | 308           | 377           | 445           | 366           |
| Current receivables <sup>1)</sup>                           | 4,541         | 5,225         | 3,528         | 3,828         | 4,274         |
| Cash and cash equivalents                                   | 1,582         | 1,840         | 3,981         | 3,037         | 2,397         |
| <b>Total current assets</b>                                 | <b>16,461</b> | <b>16,771</b> | <b>16,903</b> | <b>16,387</b> | <b>17,374</b> |
| <b>TOTAL ASSETS</b>                                         | <b>16,812</b> | <b>17,122</b> | <b>17,233</b> | <b>16,665</b> | <b>17,593</b> |
| <b>EQUITY AND LIABILITIES <sup>2)</sup></b>                 |               |               |               |               |               |
| <b>Shareholders' equity</b>                                 | <b>8,332</b>  | <b>9,006</b>  | <b>8,608</b>  | <b>7,817</b>  | <b>7,326</b>  |
| Non-current interest-bearing liabilities                    | 397           | 268           | 190           | 354           | 425           |
| Other non-current liabilities                               | 364           | 414           | 373           | 372           | 765           |
| Non-current provisions                                      | 2,559         | 2,717         | 3,078         | 3,290         | 3,223         |
| <b>Total non-current liabilities</b>                        | <b>3,319</b>  | <b>3,399</b>  | <b>3,641</b>  | <b>4,016</b>  | <b>4,413</b>  |
| Current interest-bearing liabilities                        | 1,526         | 507           | 667           | 579           | 690           |
| Other current liabilities                                   | 3,522         | 4,088         | 4,172         | 4,120         | 5,030         |
| Current provisions                                          | 113           | 122           | 145           | 133           | 134           |
| <b>Total current liabilities</b>                            | <b>5,161</b>  | <b>4,717</b>  | <b>4,984</b>  | <b>4,832</b>  | <b>5,854</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <b>16,812</b> | <b>17,122</b> | <b>17,233</b> | <b>16,665</b> | <b>17,593</b> |
| <sup>1)</sup> Of which receivables from property sales      | 57            | 55            | 14            | 1             | 76            |
| <sup>2)</sup> Of which liabilities for property acquisition | 806           | 516           | 675           | 459           | 949           |

| CASH FLOW STATEMENT                                                      | 2023         | 2022          | 2021          | 2020         | 2019         |
|--------------------------------------------------------------------------|--------------|---------------|---------------|--------------|--------------|
| From operating activities                                                | –48          | –261          | 2,287         | 1,715        | 1,291        |
| From investing activities                                                | –2           | –29           | –17           | –79          | –7           |
| From financing activities                                                | –172         | –1,869        | –1,338        | –988         | –576         |
| <b>Total cash flow for the year</b>                                      | <b>–221</b>  | <b>–2,159</b> | <b>933</b>    | <b>648</b>   | <b>708</b>   |
| <b>Cash and cash equivalents, December 31</b>                            | <b>1,582</b> | <b>1,840</b>  | <b>3,981</b>  | <b>3,037</b> | <b>2,397</b> |
| <b>INTEREST-BEARING NET LIABILITIES/RECEIVABLES</b>                      |              |               |               |              |              |
| Interest-bearing net liabilities (+)/receivables (–), January 1          | 334          | –1,363        | –300          | 420          | 546          |
| Change in interest-bearing net liabilities/receivables                   | 1,544        | 1,697         | –1,063        | –720         | –126         |
| <b>Interest-bearing net liabilities (+)/receivables (–), December 31</b> | <b>1,877</b> | <b>334</b>    | <b>–1,363</b> | <b>–300</b>  | <b>420</b>   |
| <b>DEVELOPMENT PROPERTIES</b>                                            |              |               |               |              |              |
| Carrying amount, January 1                                               | 8,465        | 8,205         | 7,831         | 8,938        | 8,306        |
| New purchases                                                            | 1,628        | 1,700         | 1,754         | 1,022        | 1,745        |
| Transferred to production                                                | –829         | –1,538        | –1,388        | –1,888       | –1,068       |
| Other                                                                    | –760         | 97            | 8             | –241         | –45          |
| <b>Carrying amount, December 31</b>                                      | <b>8,504</b> | <b>8,465</b>  | <b>8,205</b>  | <b>7,831</b> | <b>8,938</b> |
| <b>DEVELOPMENT PROPERTIES</b>                                            |              |               |               |              |              |
| Market values                                                            | 14,100       | 15,200        | 15,400        | 14,300       | 15,600       |
| Carrying amounts                                                         | 8,500        | 8,500         | 8,200         | 7,800        | 8,900        |
| Surplus values                                                           | 5,600        | 6,700         | 7,200         | 6,500        | 6,700        |
| <b>HOUSING PRODUCTION</b>                                                |              |               |               |              |              |
| Number of available building rights                                      | 39,100       | 39,500        | 35,600        | 37,800       | 35,900       |
| – of which recognized in the balance sheet                               | 22,700       | 22,000        | 20,000        | 20,400       | 21,100       |
| Number of residential units sold                                         | 1,901        | 2,659         | 4,248         | 4,026        | 3,595        |
| Number of housing starts                                                 | 1,609        | 3,113         | 3,972         | 3,199        | 3,269        |
| Number of residential units in current production                        | 6,033        | 8,078         | 8,094         | 7,976        | 7,813        |
| Sold residential units in current production, %                          | 52           | 59            | 64            | 60           | 53           |
| Reserved residential units in current production, %                      | 2            | 3             | 13            | 14           | 12           |
| Sold/reserved residential units in current production, %                 | 54           | 62            | 76            | 74           | 65           |
| <b>PROJECT PROPERTIES</b>                                                |              |               |               |              |              |
| Market values                                                            | 1,069        | 1,089         | 1,088         | 1,651        | 1,769        |
| Carrying amounts                                                         | 1,030        | 932           | 813           | 1,246        | 1,399        |
| Surplus values                                                           | 39           | 157           | 275           | 405          | 370          |
| <b>PERSONNEL</b>                                                         |              |               |               |              |              |
| Average number of employees                                              | 2,382        | 2,472         | 2,461         | 2,600        | 2,598        |
| – of which abroad                                                        | 529          | 564           | 533           | 543          | 545          |
| Wages, salaries and remunerations                                        | 1,513        | 1,538         | 1,478         | 1,474        | 1,516        |
| <b>KEY RATIOS</b>                                                        |              |               |               |              |              |
| Operating margin, %                                                      | 5.3          | 12.6          | 15.2          | 13.2         | 12.8         |
| Return on equity after tax, %                                            | 5.0          | 17.9          | 21.9          | 20.8         | 22.2         |
| Pre-tax return on capital employed, %                                    | 6.7          | 18.6          | 20.4          | 19.7         | 21.0         |
| Pre-tax return on total capital, %                                       | 4.5          | 12.1          | 13.1          | 11.9         | 11.8         |
| Equity/assets ratio, %                                                   | 50           | 53            | 50            | 47           | 42           |
| Interest-bearing loan, SEK m                                             | 3,469        | 2,179         | 2,618         | 2,737        | 2,817        |
| Debt/equity ratio, multiple                                              | 0.2          | 0.0           | –             | –            | 0.1          |
| Interest coverage ratio, multiple                                        | 5.7          | 23.4          | 35.8          | 25.7         | 23.4         |
| Interest-bearing liabilities/total assets, %                             | 21           | 13            | 15            | 16           | 16           |
| Asset turnover rate, multiple                                            | 0.82         | 0.95          | 0.86          | 0.90         | 0.92         |

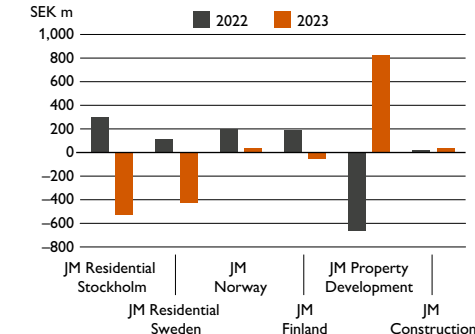
## REVENUE



## 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

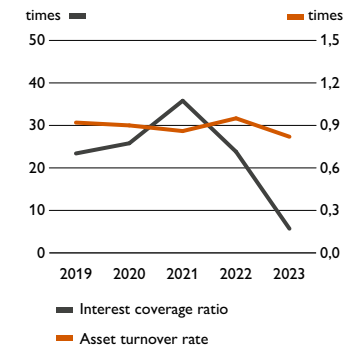
Segment reporting reflects the economic significance of JM's business. It also correlates well to the Group's internal governance, which is based on cash flow, risk profile and capital allocation. Use of key figures according to segment reporting helps investors and management analyze the trends in and performance of JM.

Amounts in SEK m unless otherwise stated.

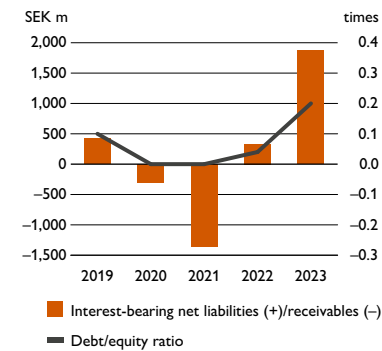
### FIVE-YEAR OVERVIEW

| Interest-bearing net liabilities (+)/receivables (–) according to segment reporting        | 2023          | 2022          | 2021          | 2020          | 2019          | Definition                                                                                                                  |
|--------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|-----------------------------------------------------------------------------------------------------------------------------|
| Interest-bearing liabilities (segment reporting)                                           |               |               |               |               |               | Interest-bearing liabilities (segment reporting) less cash and cash equivalents and interest-bearing receivables.           |
| Pension provisions                                                                         | 1,546         | 1,404         | 1,761         | 1,804         | 1,702         |                                                                                                                             |
| Non-current interest-bearing liabilities                                                   | 397           | 268           | 190           | 354           | 425           |                                                                                                                             |
| Current interest-bearing liabilities                                                       | 1,526         | 507           | 667           | 579           | 690           |                                                                                                                             |
| Cash and cash equivalents and interest-bearing receivables                                 | –1,592        | –1,845        | –3,981        | –3,037        | –2,397        |                                                                                                                             |
| <b>Interest-bearing net liabilities (+)/receivables (–) according to segment reporting</b> | <b>1,877</b>  | <b>334</b>    | <b>–1,363</b> | <b>–300</b>   | <b>420</b>    |                                                                                                                             |
| <b>Operating margin (segment reporting)</b>                                                | <b>2023</b>   | <b>2022</b>   | <b>2021</b>   | <b>2020</b>   | <b>2019</b>   | <b>Definition</b>                                                                                                           |
| Operating profit (segment reporting)                                                       | 732           | 2,064         | 2,216         | 2,028         | 2,008         | Operating profit (segment reporting) divided by revenue (segment reporting).                                                |
| Revenue (segment reporting)                                                                | 13,851        | 16,385        | 14,608        | 15,388        | 15,692        |                                                                                                                             |
| <b>Operating margin (segment reporting), %</b>                                             | <b>5.3</b>    | <b>12.6</b>   | <b>15.2</b>   | <b>13.2</b>   | <b>12.8</b>   | <b>Reason to use the measure</b>                                                                                            |
|                                                                                            |               |               |               |               |               | Measures profitability of the business given the current market conditions.                                                 |
| <b>Return on equity after tax</b>                                                          | <b>2023</b>   | <b>2022</b>   | <b>2021</b>   | <b>2020</b>   | <b>2019</b>   | <b>Definition</b>                                                                                                           |
| Profit/loss for the period (segment reporting)                                             | 433           | 1,575         | 1,798         | 1,575         | 1,570         | Profit/loss for the period (segment reporting) divided by average equity (segment reporting).                               |
| Average equity (segment reporting)                                                         | 8,669         | 8,807         | 8,213         | 7,572         | 7,062         |                                                                                                                             |
| Equity at beginning of the year                                                            | 9,006         | 8,608         | 7,817         | 7,326         | 6,798         |                                                                                                                             |
| Equity at end of the year                                                                  | 8,332         | 9,006         | 8,608         | 7,817         | 7,326         |                                                                                                                             |
| <b>Return on equity after tax, %</b>                                                       | <b>5.0</b>    | <b>17.9</b>   | <b>21.9</b>   | <b>20.8</b>   | <b>22.2</b>   | <b>Reason to use the measure</b>                                                                                            |
|                                                                                            |               |               |               |               |               | Measures profitability and financial position.                                                                              |
| <b>Pre-tax return on capital employed</b>                                                  | <b>2023</b>   | <b>2022</b>   | <b>2021</b>   | <b>2020</b>   | <b>2019</b>   | <b>Definition</b>                                                                                                           |
| Profit/loss before tax plus financial expenses                                             | 765           | 2,083         | 2,220         | 2,034         | 2,014         | Profit/loss before tax (segment reporting) plus financial expenses divided by average capital employed (segment reporting). |
| Average capital employed                                                                   | 11,493        | 11,205        | 10,890        | 10,349        | 9,585         |                                                                                                                             |
| Capital employed, at beginning of the year                                                 | 11,185        | 11,226        | 10,555        | 10,143        | 9,026         |                                                                                                                             |
| Capital employed, at end of the year                                                       | 11,801        | 11,185        | 11,226        | 10,554        | 10,143        |                                                                                                                             |
| <b>Pre-tax return on capital employed, %</b>                                               | <b>6.7</b>    | <b>18.6</b>   | <b>20.4</b>   | <b>19.7</b>   | <b>21.0</b>   | <b>Reason to use the measure</b>                                                                                            |
|                                                                                            |               |               |               |               |               | Measures profitability and capital efficiency.                                                                              |
| <b>Capital employed</b>                                                                    | <b>2023</b>   | <b>2022</b>   | <b>2021</b>   | <b>2020</b>   | <b>2019</b>   | <b>Definition</b>                                                                                                           |
| Equity (segment reporting)                                                                 | 8,332         | 9,006         | 8,608         | 7,817         | 7,326         | Equity (segment reporting) plus interest-bearing loans (segment reporting).                                                 |
| Interest-bearing loans (segment reporting)                                                 |               |               |               |               |               |                                                                                                                             |
| Transferred to pensions                                                                    | 1,546         | 1,404         | 1,761         | 1,804         | 1,702         |                                                                                                                             |
| Non-current interest-bearing liabilities                                                   | 397           | 268           | 190           | 354           | 425           |                                                                                                                             |
| Current interest-bearing liabilities                                                       | 1,526         | 507           | 667           | 579           | 690           |                                                                                                                             |
| <b>Capital employed</b>                                                                    | <b>11,801</b> | <b>11,185</b> | <b>11,226</b> | <b>10,554</b> | <b>10,143</b> | <b>Reason to use the measure</b>                                                                                            |
|                                                                                            |               |               |               |               |               | Measures capital utilization.                                                                                               |

### INTEREST COVERAGE RATIO AND ASSET TURNOVER RATE



### INTEREST-BEARING NET LIABILITIES/RECEIVABLES AND DEBT/EQUITY RATIO



Amounts in SEK m unless otherwise stated.

| <b>Pre-tax return on total capital</b>          | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                                                                              |
|-------------------------------------------------|-------------|-------------|-------------|-------------|-------------|--------------------------------------------------------------------------------------------------------------------------------|
| Profit/loss before tax plus financial expenses  | 765         | 2,083       | 2,220       | 2,034       | 2,014       | Profit/loss before tax (segment reporting) plus financial expenses divided by average balance sheet total (segment reporting). |
| Average balance sheet total (segment reporting) | 16,967      | 17,178      | 16,949      | 17,129      | 17,040      |                                                                                                                                |
| Balance sheet total, at beginning of the year   | 17,122      | 17,233      | 16,665      | 17,593      | 16,487      | <b>Reason to use the measure</b><br>Measures profitability and capital efficiency.                                             |
| Balance sheet total, at end of the year         | 16,812      | 17,122      | 17,233      | 16,665      | 17,593      |                                                                                                                                |
| <b>Pre-tax return on total capital, %</b>       | <b>4.5</b>  | <b>12.1</b> | <b>13.1</b> | <b>11.9</b> | <b>11.8</b> |                                                                                                                                |

| <b>Equity/assets ratio (segment reporting)</b>    | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                                  |
|---------------------------------------------------|-------------|-------------|-------------|-------------|-------------|------------------------------------------------------------------------------------|
| Equity (segment reporting)                        | 8,332       | 9,006       | 8,608       | 7,817       | 7,326       | Equity (segment reporting) divided by the balance sheet total (segment reporting). |
| Balance sheet total (segment reporting)           | 16,812      | 17,122      | 17,233      | 16,665      | 17,593      |                                                                                    |
| <b>Equity/assets ratio (segment reporting), %</b> | <b>50</b>   | <b>53</b>   | <b>50</b>   | <b>47</b>   | <b>42</b>   | <b>Reason to use the measure</b><br>Measures financial position.                   |

| <b>Debt/equity ratio</b>                             | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                                           |
|------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|---------------------------------------------------------------------------------------------|
| Interest-bearing net liabilities (segment reporting) | 1,877       | 334         | −1363       | −300        | 420         | Interest-bearing net liabilities (segment reporting) divided by equity (segment reporting). |
| Equity (segment reporting)                           | 8,332       | 9,006       | 8,608       | 7,817       | 7,326       |                                                                                             |
| <b>Debt/equity ratio, multiple</b>                   | <b>0.2</b>  | <b>−</b>    | <b>−</b>    | <b>−</b>    | <b>0.1</b>  | <b>Reason to use the measure</b><br>Measures financial position.                            |

| <b>Interest coverage ratio</b>             | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                                                 |
|--------------------------------------------|-------------|-------------|-------------|-------------|-------------|---------------------------------------------------------------------------------------------------|
| Profit/loss before tax (segment reporting) | 632         | 1,994       | 2,158       | 1,955       | 1,928       | Profit/loss before tax (segment reporting) plus financial expenses divided by financial expenses. |
| Financial expenses                         | 133         | 89          | 62          | 79          | 86          |                                                                                                   |
| <b>Interest coverage ratio, multiple</b>   | <b>5.7</b>  | <b>23.4</b> | <b>35.8</b> | <b>25.7</b> | <b>23.4</b> | <b>Reason to use the measure</b><br>Measures financial position.                                  |

| <b>Interest-bearing liabilities/balance sheet total</b> | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                                              |
|---------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|------------------------------------------------------------------------------------------------|
| Interest-bearing loans (segment reporting)              | 3,469       | 2,179       | 2,618       | 2,737       | 2,817       | Interest-bearing loans (segment reporting) divided by balance sheet total (segment reporting). |
| Balance sheet total (segment reporting)                 | 16,812      | 17,122      | 17,233      | 16,665      | 17,593      |                                                                                                |
| <b>Interest-bearing liabilities/total assets, %</b>     | <b>21</b>   | <b>13</b>   | <b>15</b>   | <b>16</b>   | <b>16</b>   | <b>Reason to use the measure</b><br>Measures financial position.                               |

| <b>Asset turnover rate</b>                      | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                                       |
|-------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-----------------------------------------------------------------------------------------|
| Revenue (segment reporting)                     | 13,851      | 16,385      | 14,608      | 15,388      | 15,692      | Revenue (segment reporting) divided by average balance sheet total (segment reporting). |
| Average balance sheet total (segment reporting) | 16,967      | 17,178      | 16,949      | 17,129      | 17,040      |                                                                                         |
| Balance sheet total, at beginning of the year   | 17,122      | 17,233      | 16,665      | 17,593      | 16,487      | <b>Reason to use the measure</b><br>Measures financial position.                        |
| Balance sheet total, at end of the year         | 16,812      | 17,122      | 17,233      | 16,665      | 17,593      |                                                                                         |
| <b>Asset turnover rate, multiple</b>            | <b>0.82</b> | <b>0.95</b> | <b>0.86</b> | <b>0.90</b> | <b>0.92</b> |                                                                                         |

Amounts in SEK m unless otherwise stated.

## DEFINITIONS KEY FINANCIAL FIGURES – IFRS

| <b>Interest-bearing net liabilities (+)/receivables (−)</b> | <b>2023</b>   | <b>2022</b>   | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>Definition</b>                                                                                          |
|-------------------------------------------------------------|---------------|---------------|--------------|--------------|--------------|------------------------------------------------------------------------------------------------------------|
| Interest-bearing liabilities                                |               |               |              |              |              | Interest-bearing liabilities less cash and cash equivalents and interest-bearing receivables.              |
| Pension provisions                                          | 1,546         | 1,404         | 1,761        | 1,804        | 1,702        |                                                                                                            |
| Non-current interest-bearing liabilities                    | 951           | 892           | 818          | 1,179        | 1,359        | <b>Reason to use the measure</b><br>Measures external financing compared to own cash and cash equivalents. |
| Current interest-bearing liabilities                        | 15,089        | 15,480        | 7,566        | 6,480        | 5,320        |                                                                                                            |
| Cash and cash equivalents and interest-bearing receivables  | −1,683        | −2,156        | −3,981       | −3,037       | −2,397       |                                                                                                            |
|                                                             | <b>15,904</b> | <b>15,619</b> | <b>6,163</b> | <b>6,426</b> | <b>5,984</b> |                                                                                                            |

| <b>Equity/assets ratio</b>    | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|------------------------------------------------------------------|
| Equity                        | 7,972       | 8,039       | 8,385       | 7,598       | 7,126       | Shareholders' equity divided by balance sheet total.             |
| Balance sheet total           | 30,073      | 31,919      | 24,391      | 23,088      | 22,972      |                                                                  |
| <b>Equity/assets ratio, %</b> | <b>27</b>   | <b>25</b>   | <b>34</b>   | <b>33</b>   | <b>31</b>   | <b>Reason to use the measure</b><br>Measures financial position. |

| <b>Debt/equity ratio</b>           | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|------------------------------------------------------------------|
| Interest-bearing net liabilities   | 15,904      | 15,619      | 6,163       | 6,426       | 5,984       | Interest-bearing net liabilities divided by equity.              |
| Equity                             | 7,972       | 8,039       | 8,385       | 7,598       | 7,126       |                                                                  |
| <b>Debt/equity ratio, multiple</b> | <b>2.0</b>  | <b>1.9</b>  | <b>0.7</b>  | <b>0.8</b>  | <b>0.8</b>  | <b>Reason to use the measure</b><br>Measures financial position. |

| <b>Interest coverage ratio</b>           | <b>2023</b> | <b>2022</b> | <b>2021</b> | <b>2020</b> | <b>2019</b> | <b>Definition</b>                                                             |
|------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------------------------------------------------------------------------|
| Profit/loss before tax                   | 1,385       | 1,889       | 2,147       | 1,917       | 1,882       | Profit/loss before tax plus financial expenses divided by financial expenses. |
| Financial expenses                       | 159         | 108         | 85          | 107         | 106         |                                                                               |
| <b>Interest coverage ratio, multiple</b> | <b>9.7</b>  | <b>18.5</b> | <b>26.4</b> | <b>18.9</b> | <b>18.8</b> | <b>Reason to use the measure</b><br>Measures financial position.              |

| <b>Earnings per share, diluted</b>        | <b>2023</b>  | <b>2022</b>  | <b>2021</b>  | <b>2020</b>  | <b>2019</b>  | <b>Definition</b>                                                                                                                        |
|-------------------------------------------|--------------|--------------|--------------|--------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Profit/loss for the period after dilution | 1,029        | 1,497        | 1,807        | 1,543        | 1,529        | 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                  | 64,504,840   | 67,384,072   | 69,560,505   | 70,061,421   | 69,985,557   |                                                                                                                                          |
| <b>Earnings per share, diluted, SEK</b>   | <b>16.00</b> | <b>22.20</b> | <b>26.00</b> | <b>22.00</b> | <b>21.90</b> | <b>Reason to use the measure</b><br>Measures profit per share.                                                                           |



Amounts in SEK m unless otherwise stated.

## JM SHARE

| Total return <sup>1)</sup>                 | 2023      | 2022       | 2021      | 2020     | 2019      |
|--------------------------------------------|-----------|------------|-----------|----------|-----------|
| Change in share price, SEK                 | 5.40      | –236.50    | 118.00    | 13.20    | 104.40    |
| Dividend paid, SEK                         | 14.00     | 13.50      | 12.75     | 12.50    | 12.00     |
| Share price, at beginning of the year, SEK | 172.10    | 408.60     | 290.60    | 277.40   | 173.00    |
| <b>Total return, %</b>                     | <b>11</b> | <b>–55</b> | <b>45</b> | <b>9</b> | <b>67</b> |

### Definition

The sum of change in share price during the year and dividend paid divided by share price at beginning of the year.

### Reason to use the measure

Measures total return for the shareholder during a specific period.

| Dividend yield <sup>1)</sup>         | 2023       | 2022       | 2021       | 2020       | 2019       |
|--------------------------------------|------------|------------|------------|------------|------------|
| Proposed dividend, SEK               | 3.00       | 14.00      | 13.50      | 12.75      | 12.50      |
| Share price, at end of the year, SEK | 177.50     | 172.10     | 408.60     | 290.60     | 277.40     |
| <b>Dividend yield, %</b>             | <b>1.7</b> | <b>8.1</b> | <b>3.3</b> | <b>4.4</b> | <b>4.5</b> |

### Definition

Proposed dividend divided by share price as at end of the period.

### Reason to use the measure

Measures return liquidity for the shareholder.

| Earnings per share, (diluted) segment reporting             | 2023        | 2022         | 2021         | 2020         | 2019         |
|-------------------------------------------------------------|-------------|--------------|--------------|--------------|--------------|
| Profit/loss for the period after dilution                   | 433         | 1,577        | 1,801        | 1,575        | 1,573        |
| Average number of shares                                    | 64,504,840  | 67,384,072   | 69,560,505   | 70,061,421   | 69,985,557   |
| <b>Earnings per share, (diluted) segment reporting, SEK</b> | <b>6.70</b> | <b>23.40</b> | <b>25.90</b> | <b>22.50</b> | <b>22.50</b> |

### Definition

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.

### Reason to use the measure

Measures profit per share.

| Development properties per share, market value <sup>1)</sup> | 2023       | 2022       | 2021       | 2020       | 2019       |
|--------------------------------------------------------------|------------|------------|------------|------------|------------|
| Development properties, market value                         | 14,100     | 15,200     | 15,400     | 14,300     | 15,600     |
| Number of shares at end of period                            | 64,504,840 | 64,504,840 | 68,648,746 | 69,583,262 | 69,583,262 |
| <b>Development properties per share, market value, SEK</b>   | <b>219</b> | <b>236</b> | <b>224</b> | <b>206</b> | <b>224</b> |

### Definition

Development properties' market value at the end of the period divided by number of shares at end of the period.

### Reason to use the measure

Measures market value of development properties per share disregarding financing.

| Development properties per share, carrying amount <sup>1)</sup> | 2023       | 2022       | 2021       | 2020       | 2019       |
|-----------------------------------------------------------------|------------|------------|------------|------------|------------|
| Development properties, carrying amount                         | 8,504      | 8,465      | 8,205      | 7,831      | 8,938      |
| Number of shares at end of period                               | 64,504,840 | 64,504,840 | 68,648,746 | 69,583,262 | 69,583,262 |
| <b>Development properties per share, carrying amount, SEK</b>   | <b>132</b> | <b>131</b> | <b>120</b> | <b>113</b> | <b>128</b> |

### Definition

Development properties' carrying amount at end of the period divided by number of shares at end of the period.

### Reason to use the measure

Measures carrying amount of development properties per share disregarding financing.

| Project properties per share, market value <sup>1)</sup> | 2023       | 2022       | 2021       | 2020       | 2019       |
|----------------------------------------------------------|------------|------------|------------|------------|------------|
| Project properties, market value                         | 1,069      | 1,089      | 1,088      | 1,651      | 1,769      |
| Number of shares at end of period                        | 64,504,840 | 64,504,840 | 68,648,746 | 69,583,262 | 69,583,262 |
| <b>Project properties per share, market value, SEK</b>   | <b>17</b>  | <b>17</b>  | <b>16</b>  | <b>24</b>  | <b>25</b>  |

### Definition

Project properties' market value at the end of the period in relation to the number of shares at the end of the period.

### Reason to use the measure

Measures the market value of project properties per share disregarding financing.

| Project properties per share, carrying amount <sup>1)</sup> | 2023       | 2022       | 2021       | 2020       | 2019       |
|-------------------------------------------------------------|------------|------------|------------|------------|------------|
| Project properties, carrying amount                         | 1,030      | 932        | 813        | 1,246      | 1,399      |
| Number of shares at end of period                           | 64,504,840 | 64,504,840 | 68,648,746 | 69,583,262 | 69,583,262 |
| <b>Project properties per share, carrying amount, SEK</b>   | <b>16</b>  | <b>14</b>  | <b>12</b>  | <b>18</b>  | <b>20</b>  |

### Definition

Project properties' carrying amount at the end of the period in relation to the number of shares at the end of the period.

### Reason to use the measure

Measures the carrying amount of project properties per share disregarding financing.

| Equity per share                  | 2023       | 2022       | 2021       | 2020       | 2019       |
|-----------------------------------|------------|------------|------------|------------|------------|
| Equity (segment reporting)        | 8,332      | 9,006      | 8,608      | 7,817      | 7,326      |
| Number of shares at end of period | 64,504,840 | 64,504,840 | 68,648,746 | 69,583,262 | 69,583,262 |
| <b>Equity per share, SEK</b>      | <b>129</b> | <b>140</b> | <b>125</b> | <b>112</b> | <b>105</b> |

### Definition

Equity (segment reporting) at the end of the period divided by number of shares at end of the period.

### Reason to use the measure

Measures the value of equity per share, net worth.

| Interest-bearing net liabilities per share           | 2023       | 2022       | 2021       | 2020       | 2019       |
|------------------------------------------------------|------------|------------|------------|------------|------------|
| Interest-bearing net liabilities (segment reporting) | 1,877      | 334        | –1,363     | –300       | 420        |
| Number of shares at end of period                    | 64,504,840 | 64,504,840 | 68,648,746 | 69,583,262 | 69,583,262 |
| <b>Interest-bearing net liabilities per share</b>    | <b>29</b>  | <b>5</b>   | <b>–20</b> | <b>–4</b>  | <b>6</b>   |

### Definition

Interest-bearing net liabilities (segment reporting) at end of the period divided by number of shares at end of the period.

### Reason to use the measure

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 the Group's housing development 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 the Group's ongoing housing development projects 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 the Group's ongoing housing development projects 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 financial year and the right-of-use assets for the year.                                                                                                                                                                                                                                                                              |
| <b>OpEx</b>      | Total operating expenses 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, April 18, 2024, 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, April 10, 2024, and (ii) announce their intention to attend the general meeting no later than Friday, April 12, 2024, on the Company's website [jm.se/en/about-us/corporate-governance](http://jm.se/en/about-us/corporate-governance), 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/en/about-us/corporate-governance](http://jm.se/en/about-us/corporate-governance). 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, April 17, 2024.

### *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, April 10, 2024, and (ii) announce their intention to attend the general meeting no later than Friday, April 12, 2024, 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/en/about-us/corporate-governance](http://jm.se/en/about-us/corporate-governance). 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 AB must have received the completed form no later than Friday, April 12, 2024. Shareholders may also submit their absentee ballot electronically via JM AB's website, [jm.se/en/about-us/corporate-governance](http://jm.se/en/about-us/corporate-governance), 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 April 10, 2024. 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 April 12, 2024, will be considered when preparing the shareholder register.

## Dividend

Dividend For 2023 the Board of Directors proposes a dividend of SEK 3.00 (14.00) per share. The proposed record date for the dividend is Monday, April 22, 2024. If the Annual General Meeting resolves to adopt the proposal, the dividend will be sent on Thursday, April 25, 2024.

Provided that the outlook for the housing market moving forward improves to a reasonable extent, JM's ambition is to convene for an extraordinary general meeting in the fourth quarter of 2024 to propose resolution on an additional dividend of SEK 3.00.

## Financial calendar

|            |                                       |
|------------|---------------------------------------|
| April 23   | Interim report January–March 2024     |
| May 22     | Capital Markets Day                   |
| July 10    | Interim report January–June 2024      |
| October 22 | Interim report January–September 2024 |

The reports are available in Swedish and English at [www.jm.se/en/about-us/investors](http://www.jm.se/en/about-us/investors)

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