

Capital Markets Day 2025

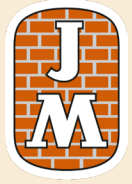
DECEMBER 3



Financial Overview and Target Achievement

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CFO





Financial Overview



Targets and financial guidelines

Targets

Growth

Housing starts

3 800

then +4% yearly

Profitability

Operating margin

12%

Financial return

Return on capital employed

20%

Sustainability

CO₂ emissions*

-85% 2030

Financial guidelines

Debt ratio ≤ 0.5 times

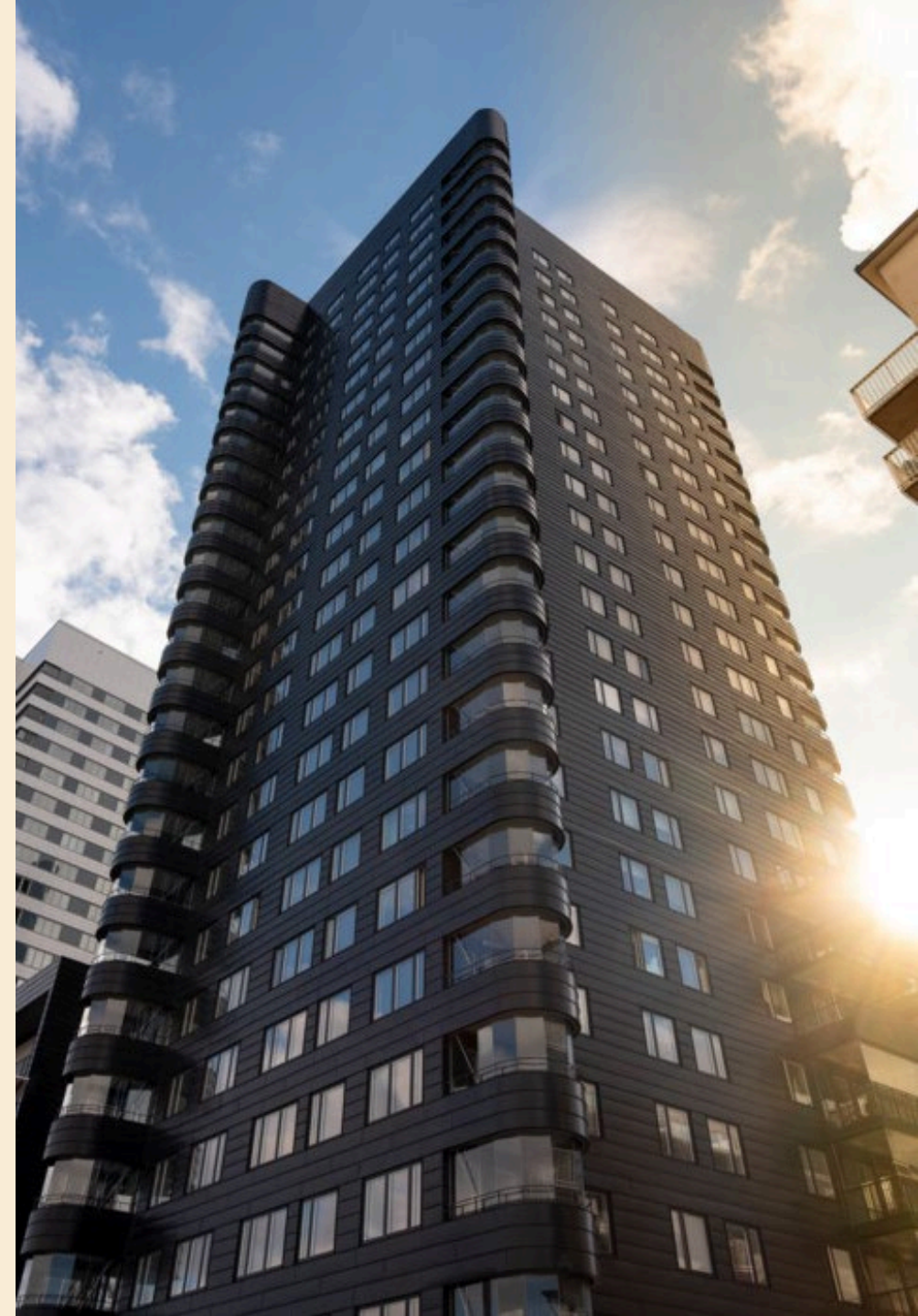
Dividend: **50%** of net profit distributed on average over a business cycle

Note: * Baseline 2022

20% return on capital employed – new target for financial return

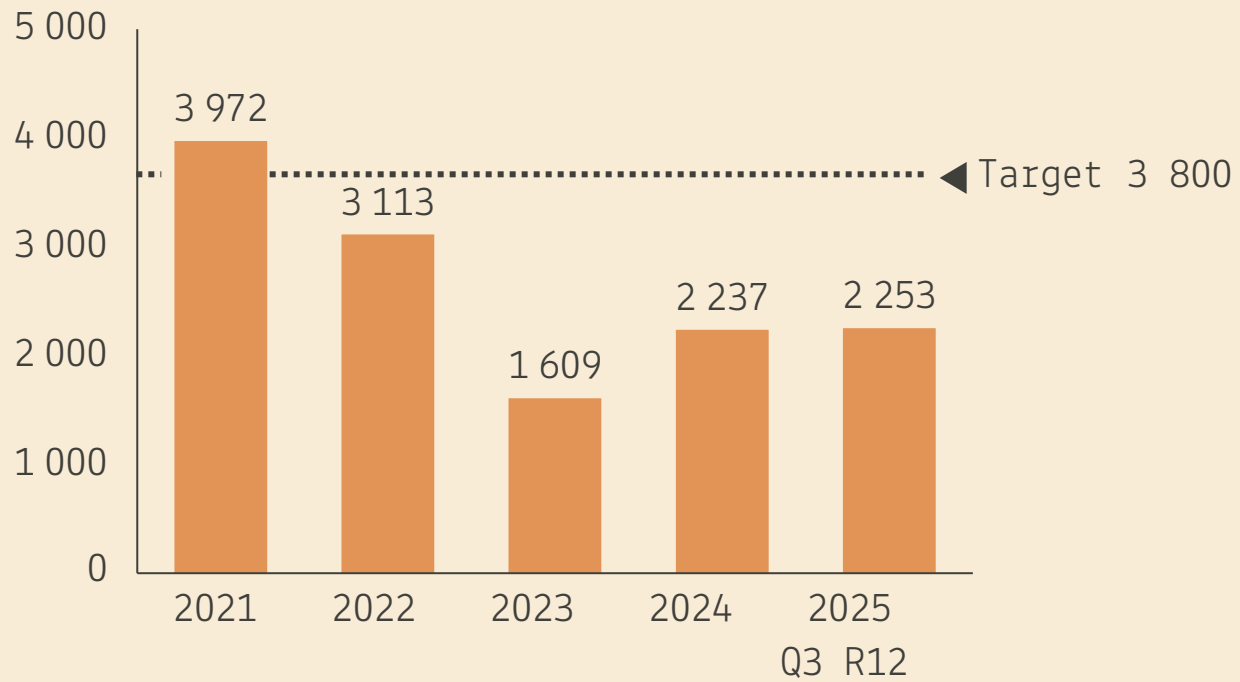
Why switch from ‘Return on equity’ to ‘Return on capital employed’?

- **Return on capital employed measures total capital employed**
 - better indicator for a capital-intensive business
- **Industry standard**
 - comparable with peers and investor expectations
- **Supports sustainable financing**
 - reduces incentives for excessive debt



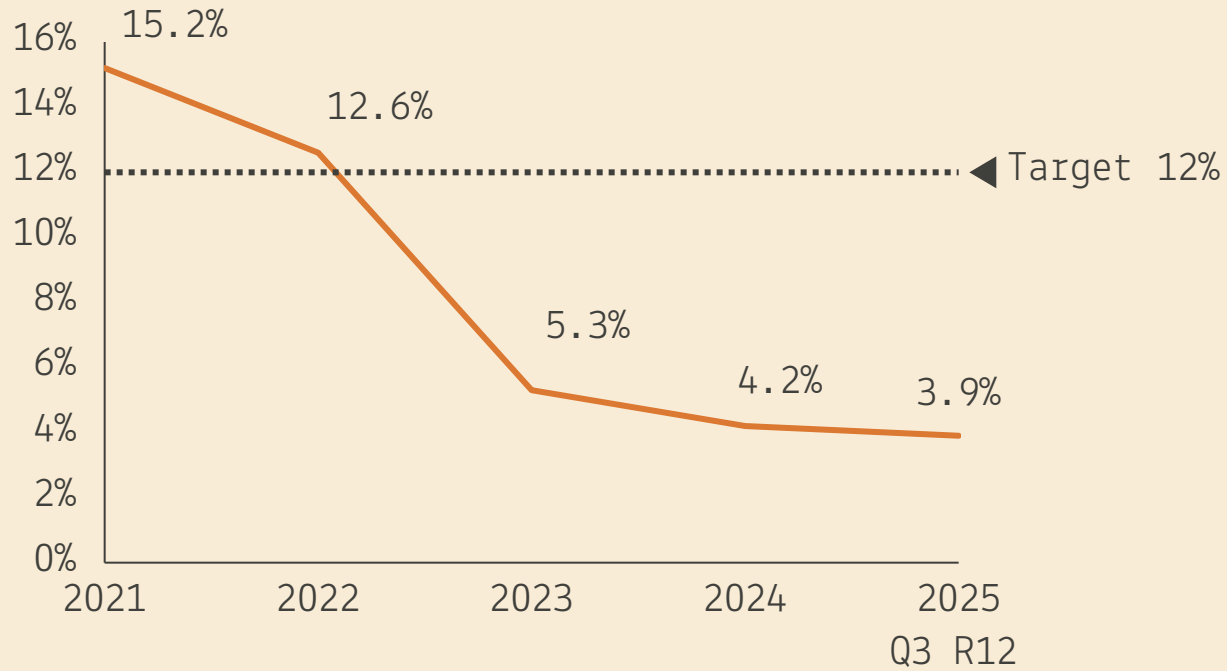
Ambitious financial targets

Housing starts (#)



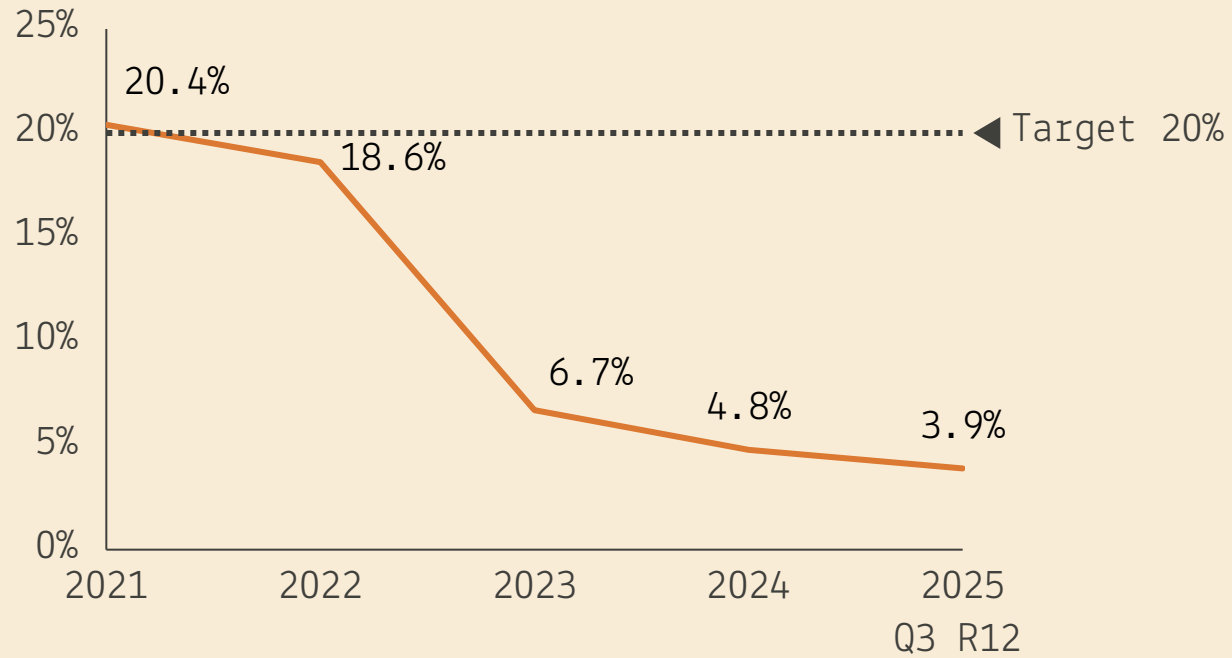
Ambitious financial targets

Operating margin (%)



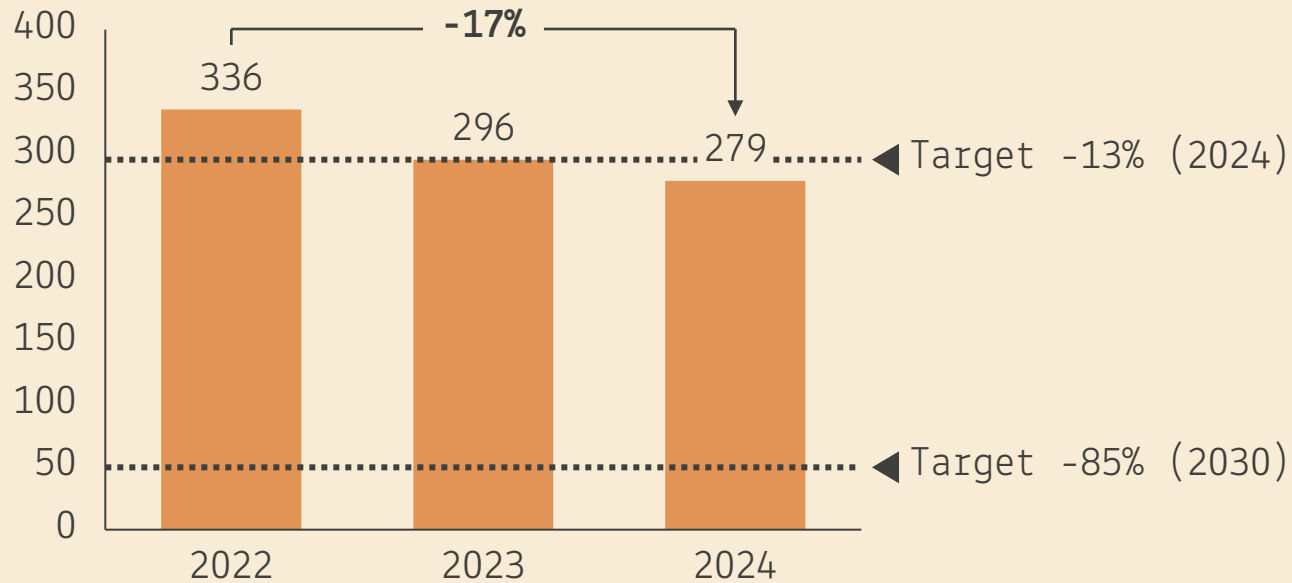
Ambitious financial targets

Return on capital employed (%)



The 2024 sustainability target exceeded

Kg CO₂/GFA
Sweden



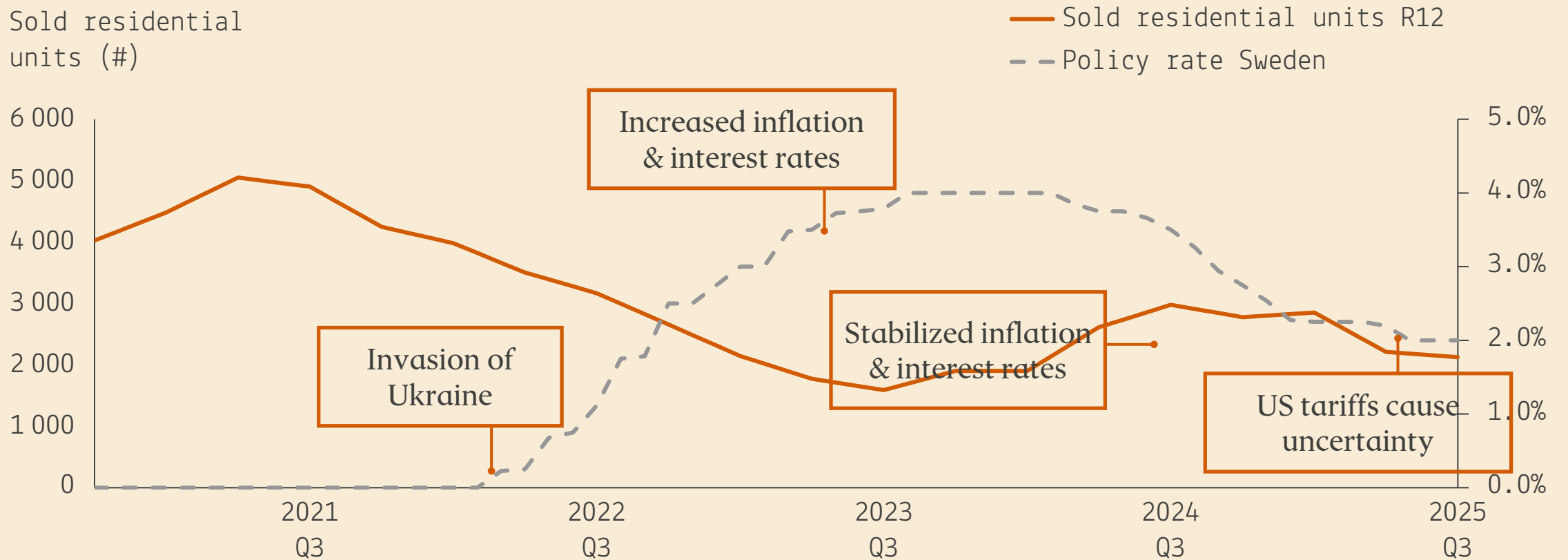
Note: Emissions concern housing starts. Baseline 2022. Calculations for Finland and Norway are ongoing



Geopolitical and economic volatility has impacted JM

Policy rate in Sweden and sold residential units JM group

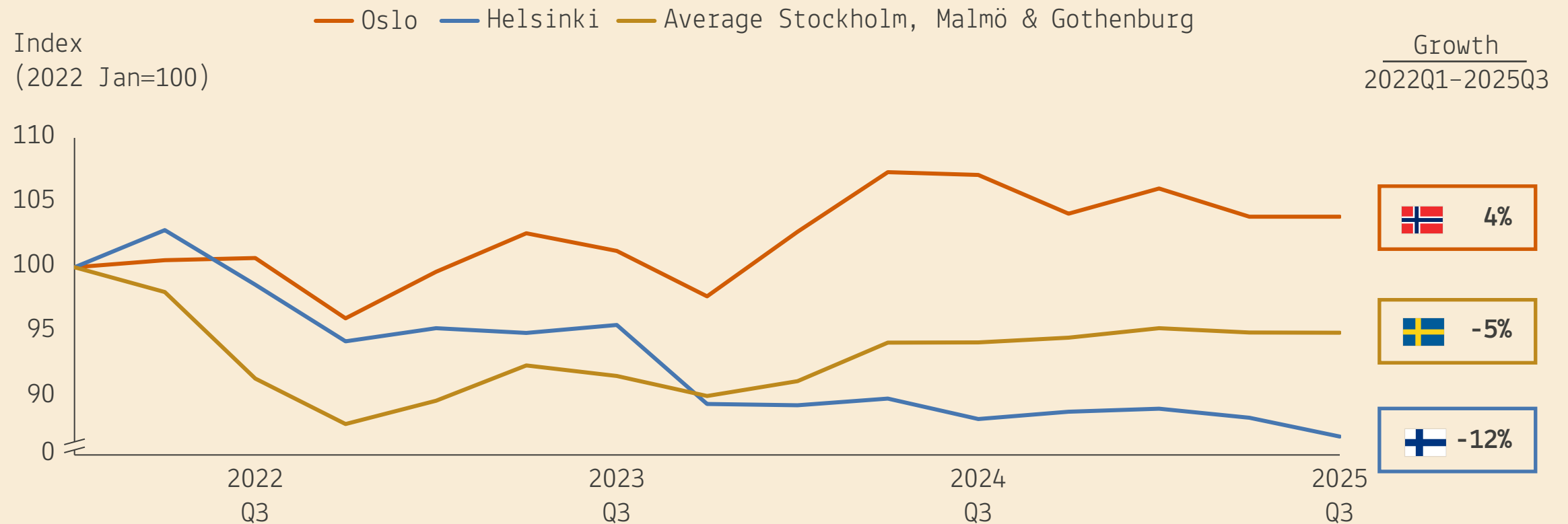
Sold residential units (#)



Source: Riksbanken

Housing prices have declined in Finland and Sweden

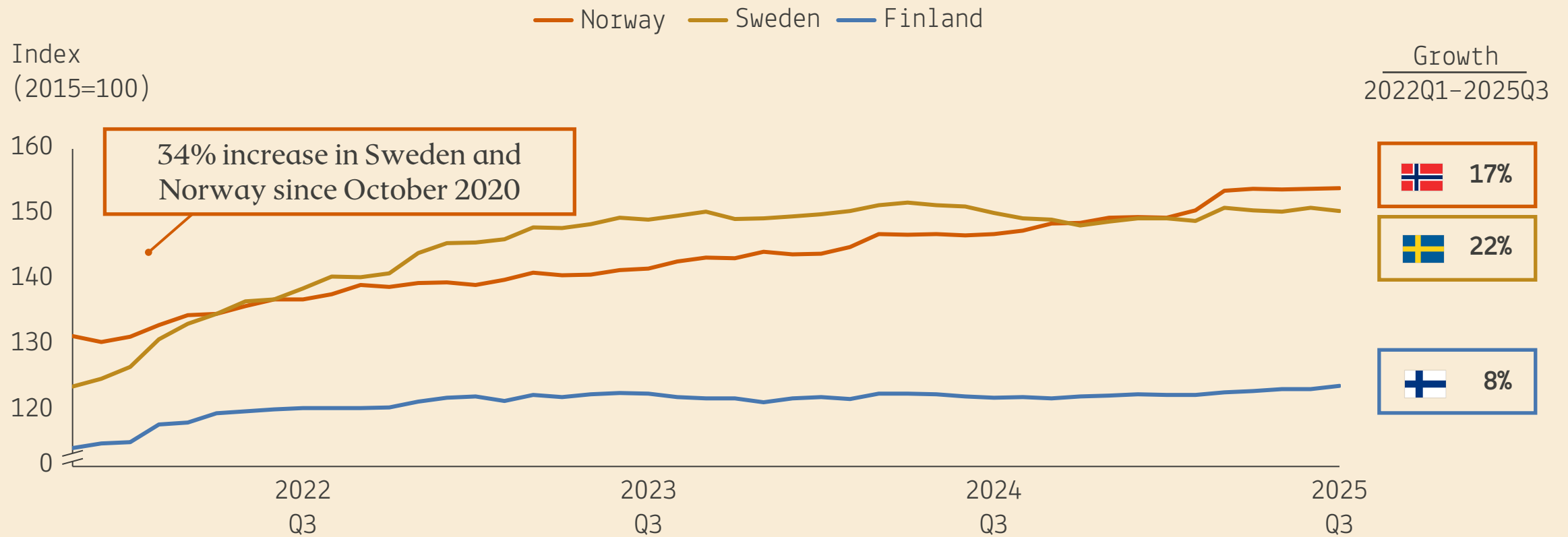
Price trends for apartments in selected geographies



Source: Mäklarstatistik (BRF), Statistik Sentralbyrå (blokkleiligheter), Statistikcentralen (Höghus/flerfamiljshus)

~10-20% increase in construction cost index since Jan 2022

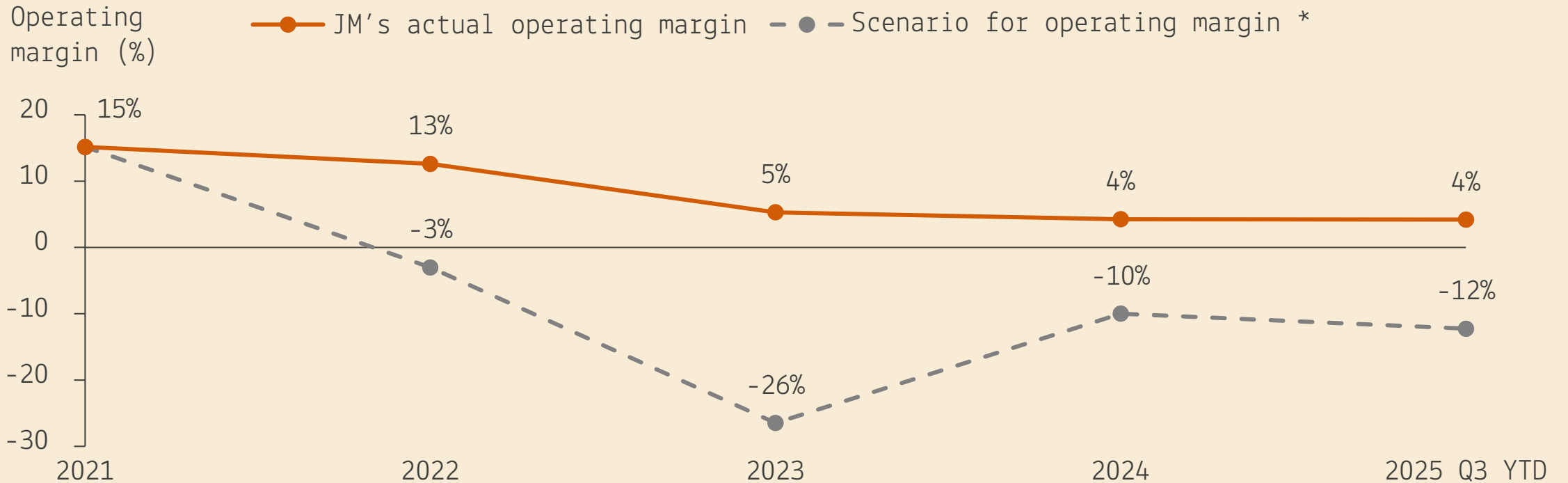
Construction cost index



Source: SCB, SSB, Stat Fin

JM's strengths have held margins up

Actual operating margin vs. scenario for operating margin (Holding other factors constant)

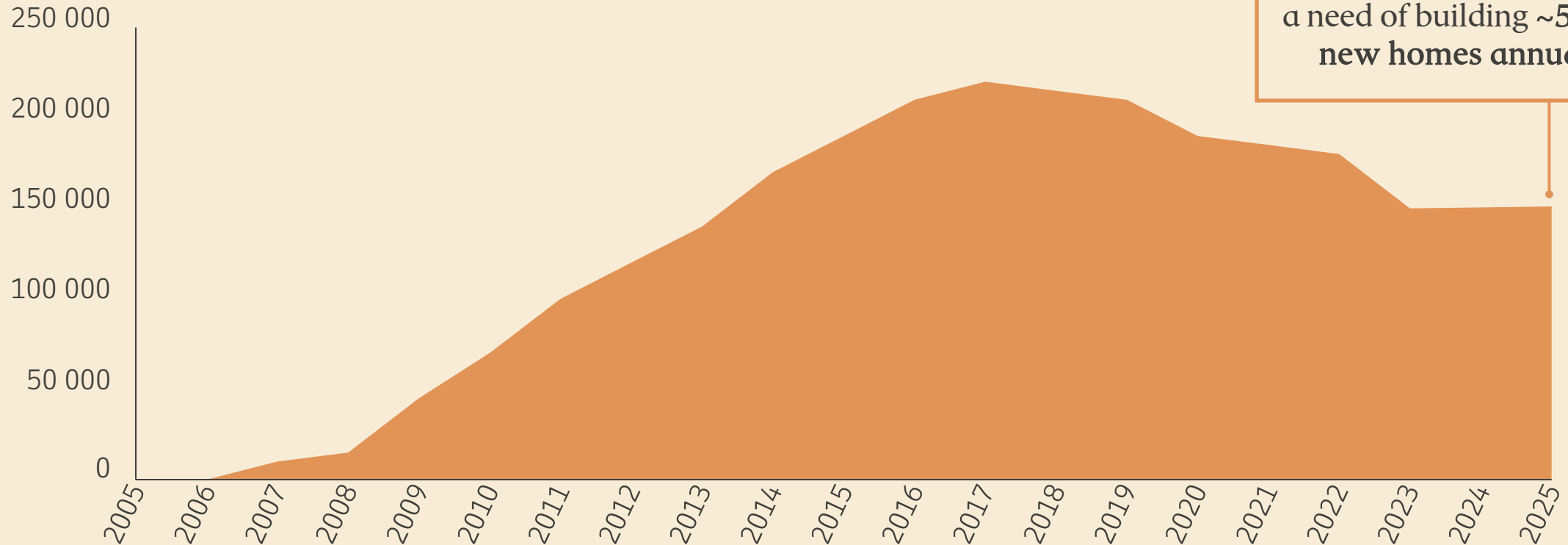


Note: Segment reporting * Impact from historical residential price- & cost index

Significant underlying residential demand in Sweden

Residential units (#)

Accumulated residential deficit

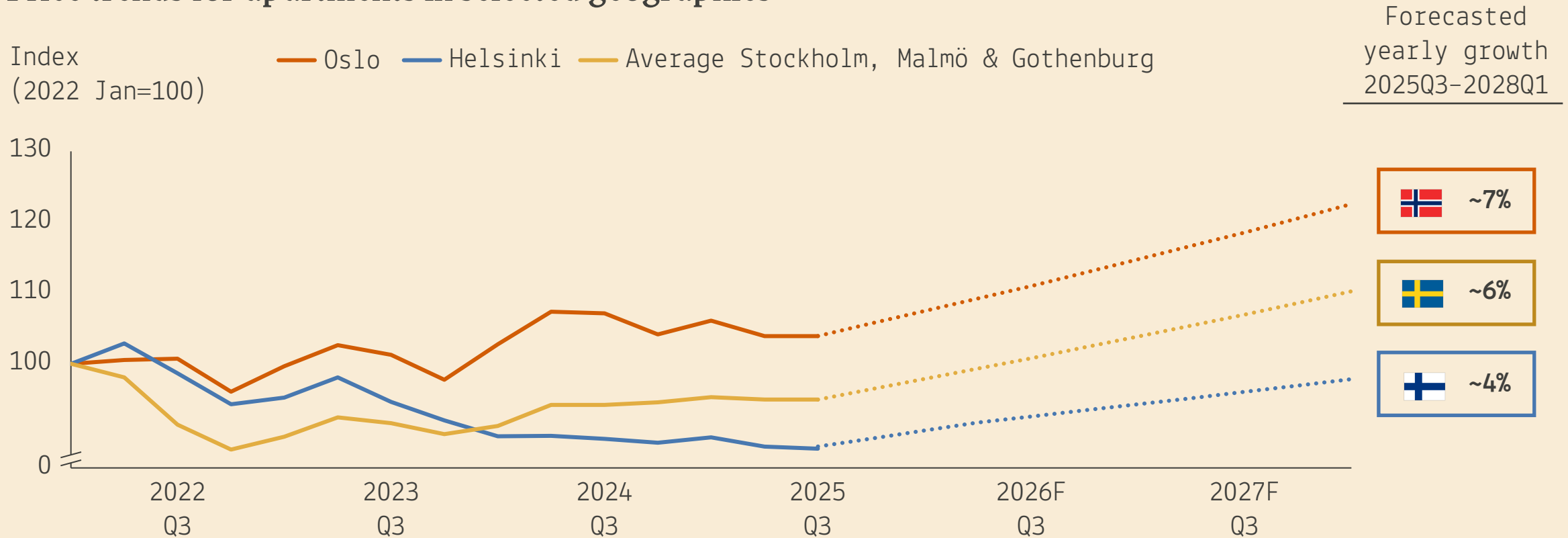


Current deficit points to a need of building ~52 000 new homes annually

Source: Boverket

Housing prices are expected to grow 4–7% yearly

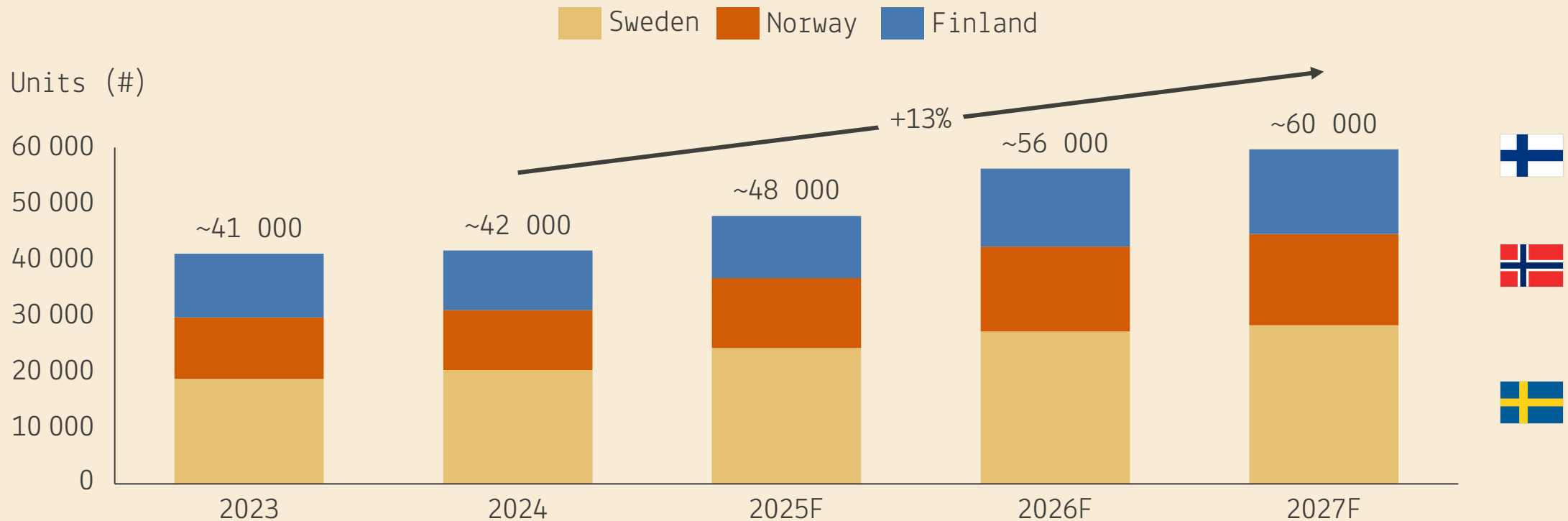
Price trends for apartments in selected geographies



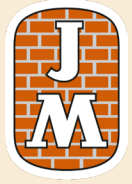
Source: Historical data: Mäklarstatistik (BRF), Statistik Sentralbyrå (blokkleiligheter), Statistikcentralen (Höghus/flerfamiljshus), Forecast: Evidens - For FI and SE forecast from Sep is adjusted forward and updated with inflation on 2% per year

Positive forecast for market growth in JM's locations

Housing starts in counties where JM is active



Source: Prognoscentret



Target Achievements



Ambitious financial targets

Financial targets

Growth

Housing starts

3 800

then +4 % yearly

Profitability

Operating margin

12%

Financial return

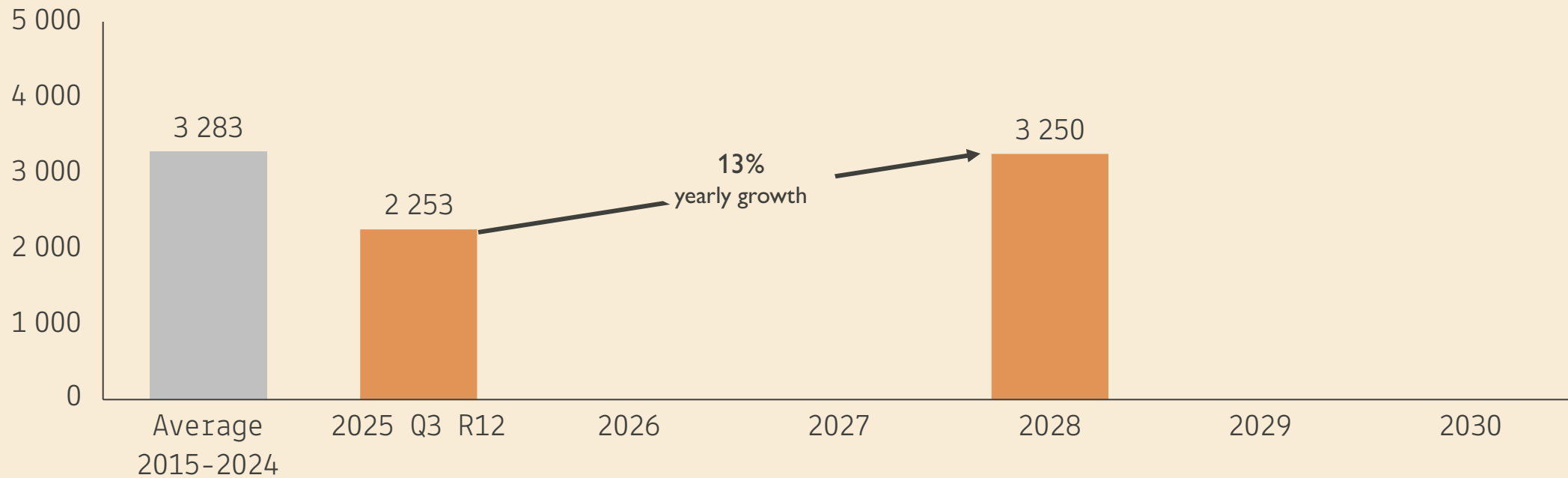
Return on capital employed

20%

Growth in line with market forecast

Scenario for Housing starts

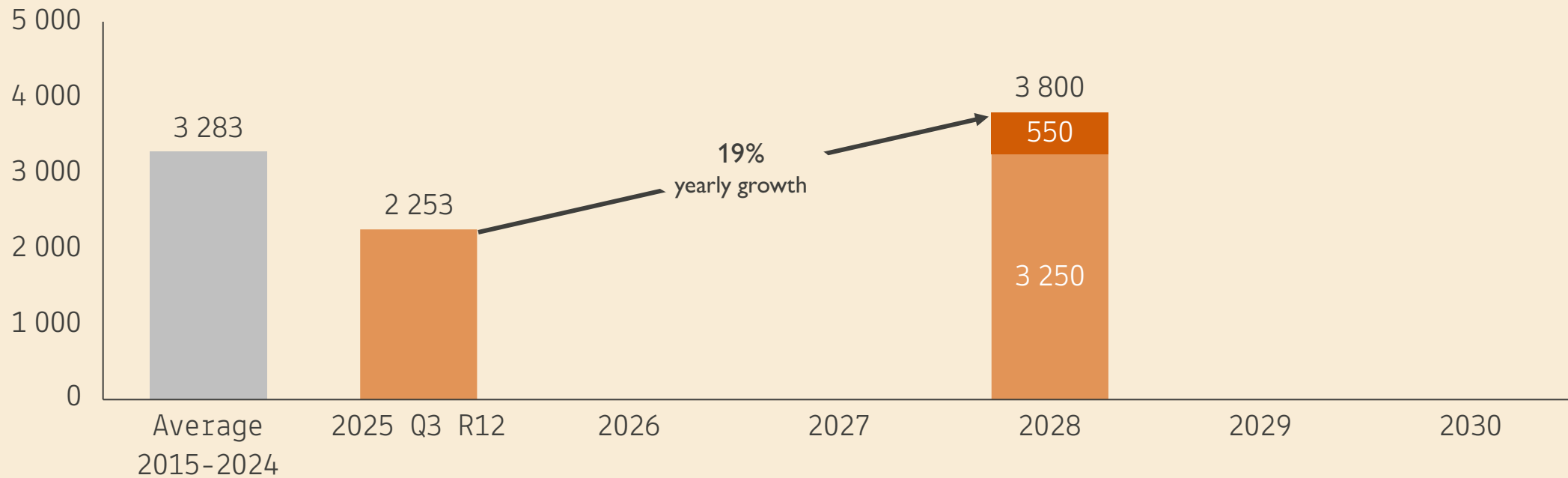
Housing starts (#)



JM needs to gain market shares by broadening the offering

Scenario for Housing starts

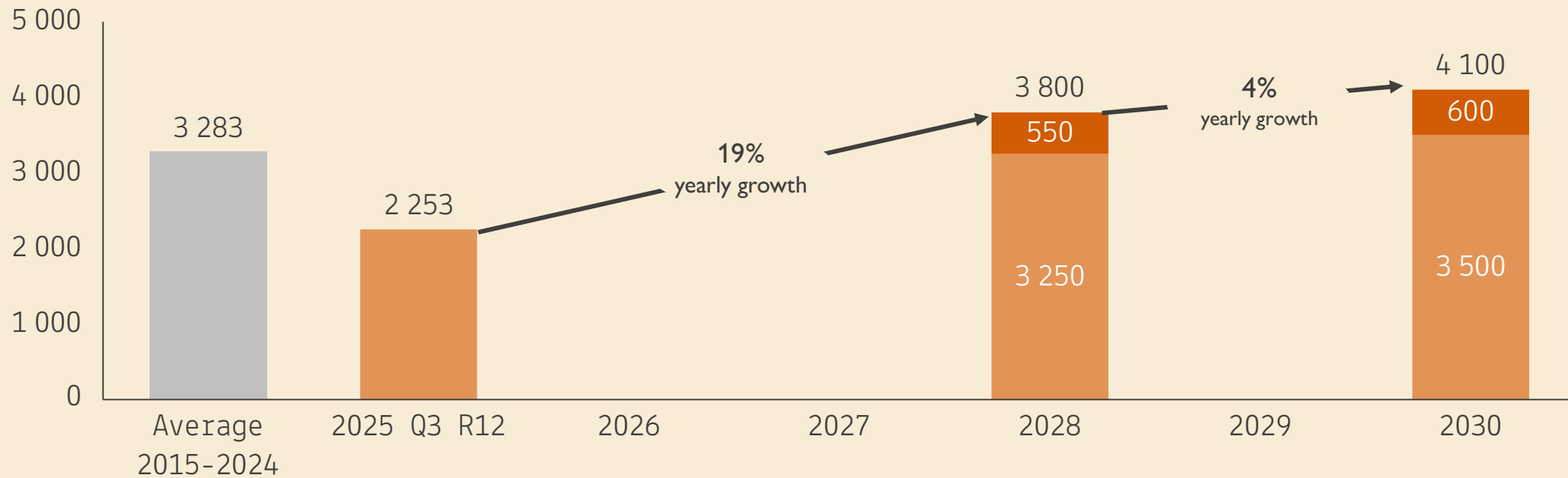
Housing starts (#)



Potential of +600 additional housing starts 2030

Scenario for Housing starts

Housing starts (#)



Expected profit contribution defined for each project

Theoretical model of profit recognition

100%

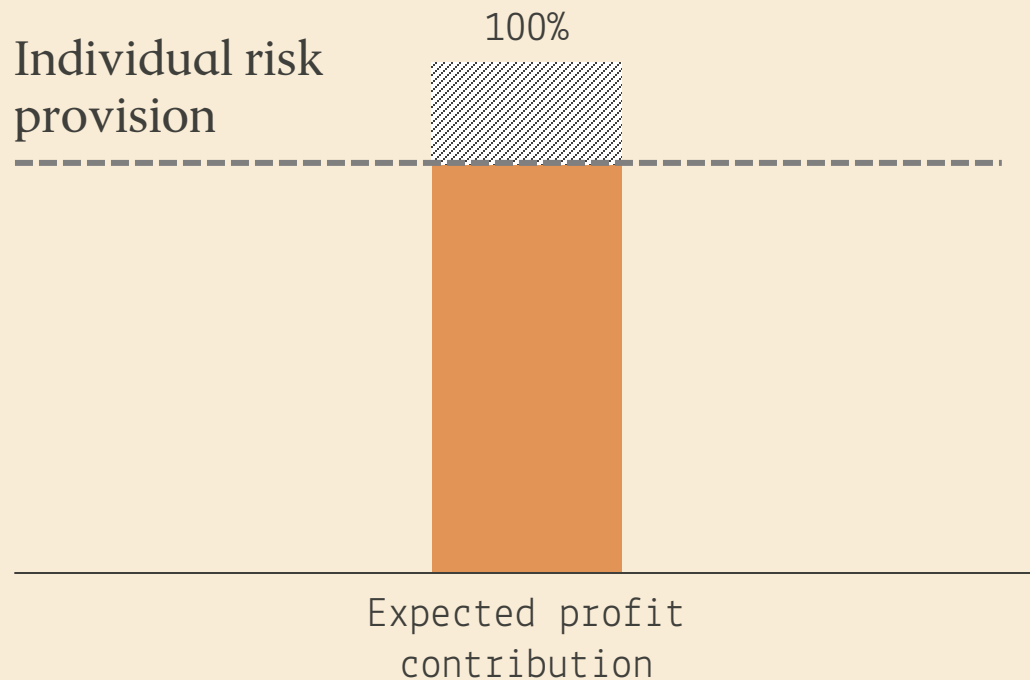


Expected profit contribution



Each project has individual provision

Theoretical model of profit recognition

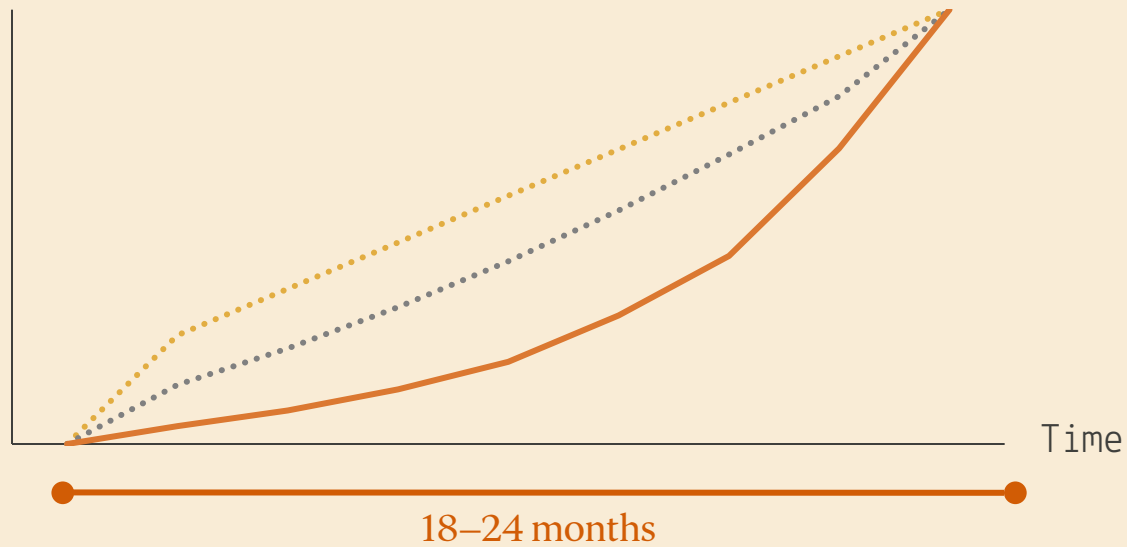


JM's profit is recognized gradually

Theoretical model of profit recognition

- Excl. Provisions
- Incl. Provisions
- Incl. Provisions & sales rate

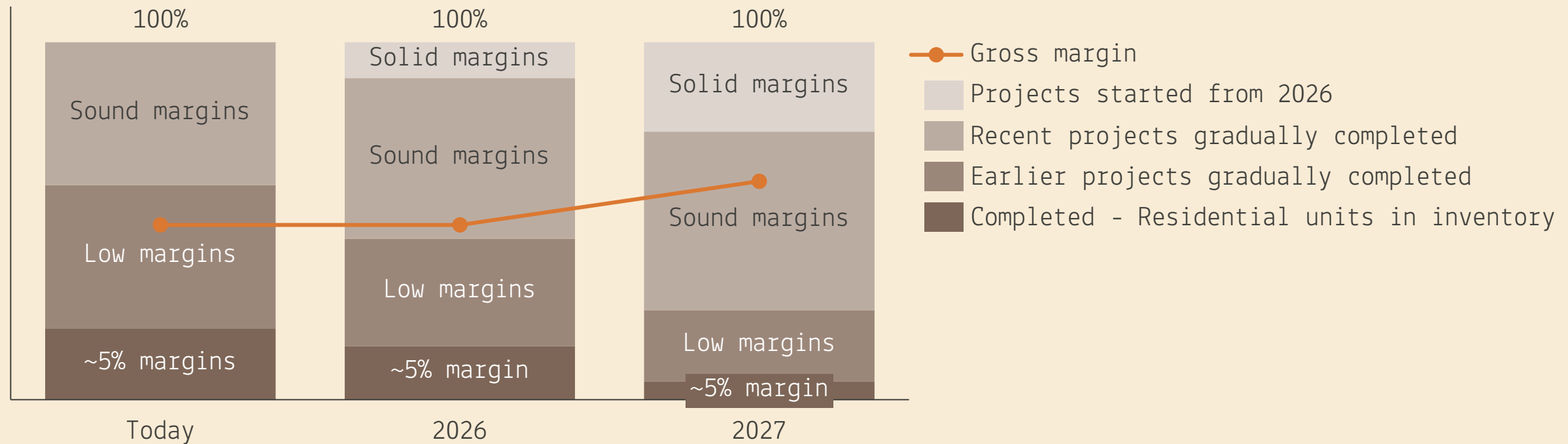
Profit



Inventory impact margin 2026 - margin improvements 2027

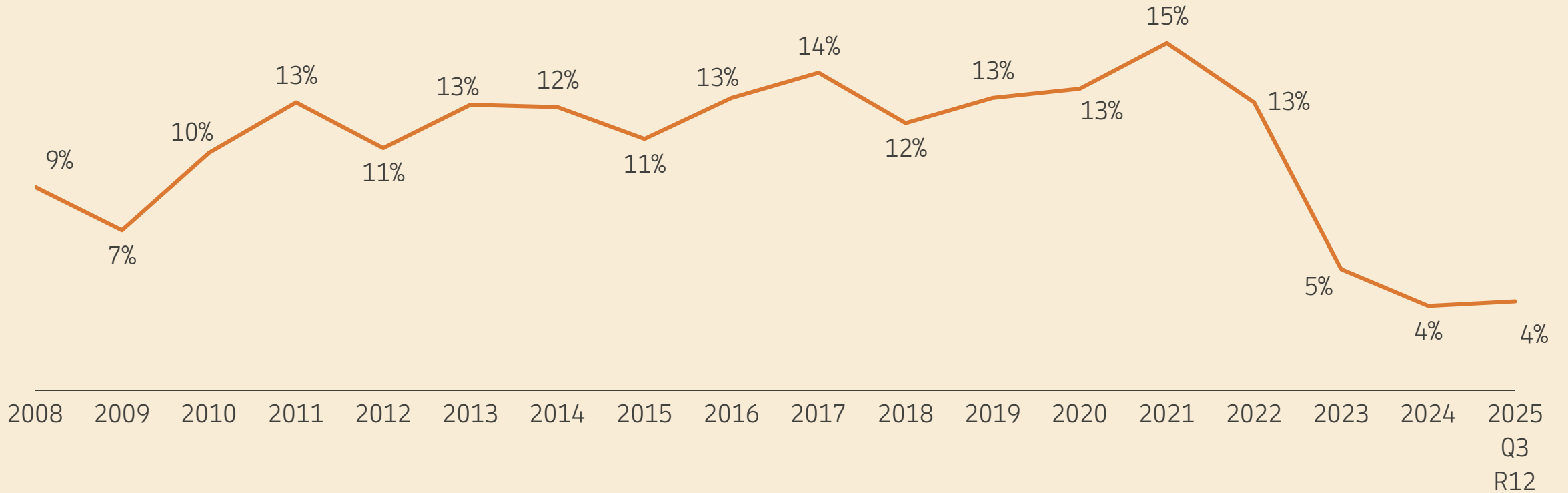
Illustrative example of project mix (# residential units) and gross margin (%) (Market conditions constant)

Residential project mix (%)



Operating margin has fluctuated over time

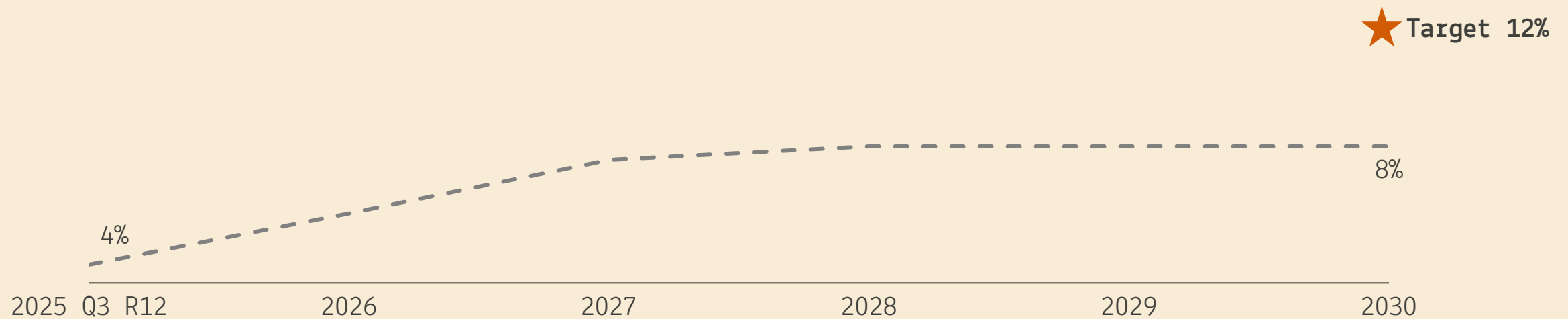
Historical development of operating margin (%)



Market recovery alone not enough to reach margin target

Scenario for operating margin*

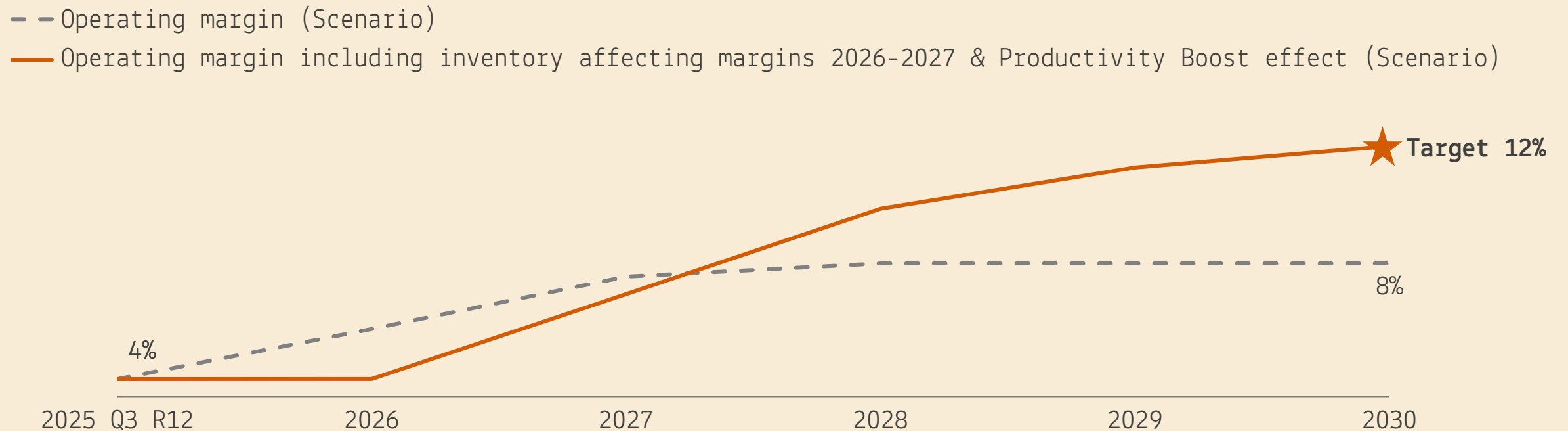
-- Operating margin (Scenario)



Note: Segment reporting * 4 100 housing starts 2030, 3% price increase, 2% inflation SG&A constant until 6% of revenue (Holding Other Factors Constant)

Productivity Boost enables margin target achievement

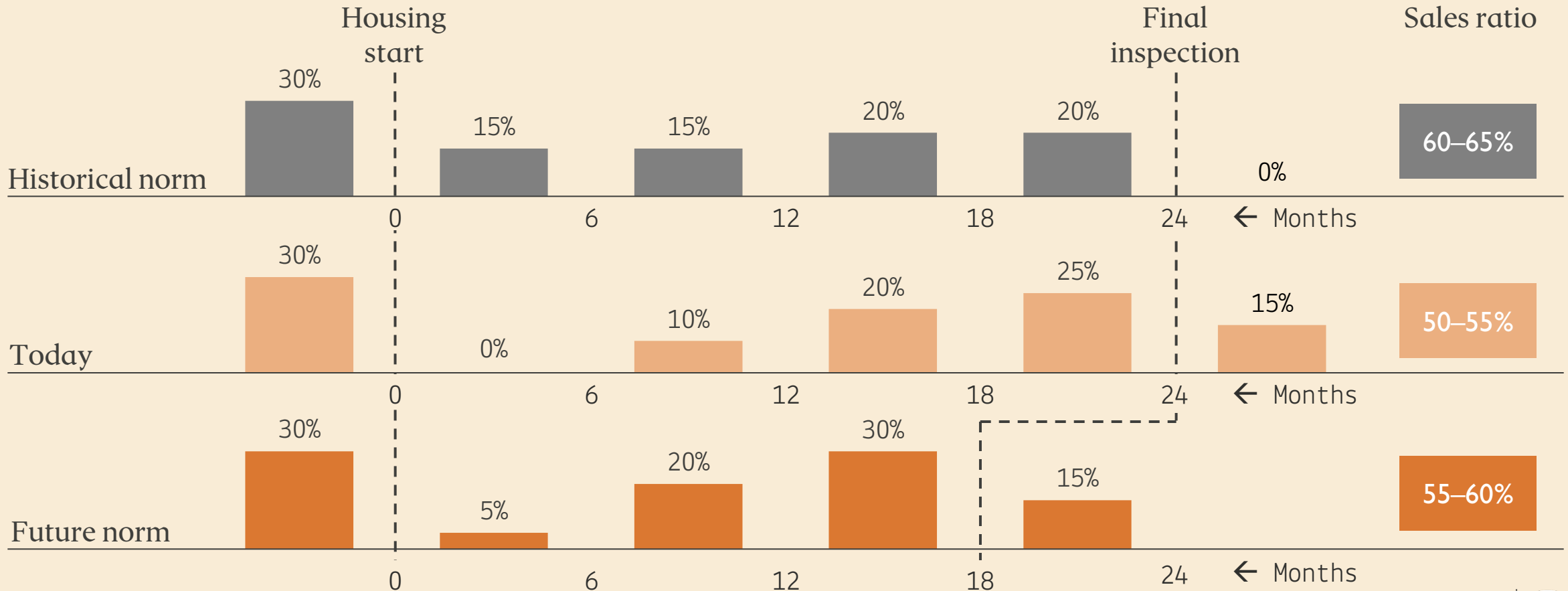
Scenario for operating margin*



Note: Segment reporting * 4 100 housing starts 2030, 3% price increase, 2% inflation SG&A constant until 6% of revenue (Holding Other Factors Constant)

Sales pattern future norm: 55–60% sales ratio

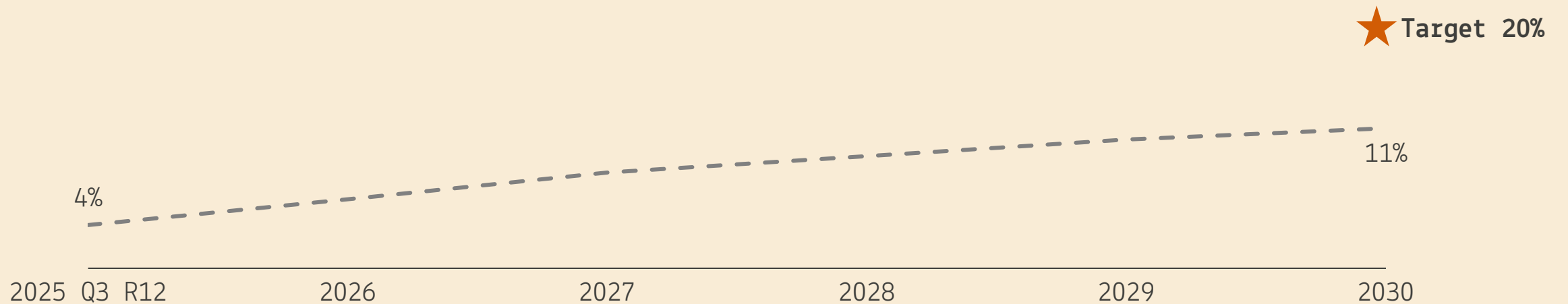
Sales distribution over the production period



More housing starts and higher margin still falls short of ROCE-target

Scenario analysis for return on capital employed (ROCE)

-- ROCE with constant capital turnover = 0.9 (Scenario)

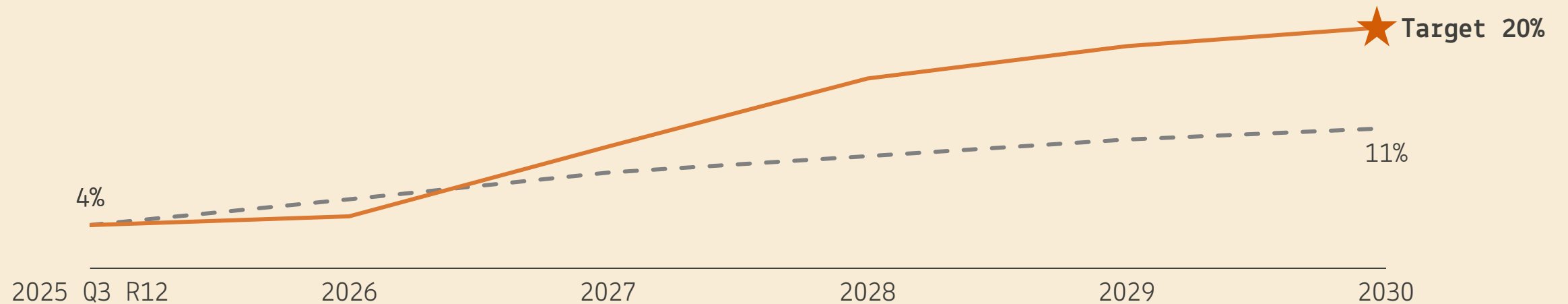


Note: capital employed = revenue/capital turnover. 4 100 housing starts, 12% operating margin 2030 and inventory affecting margins 2026 & 2027(Holding Other Factors Constant)

20% ROCE potential with improved capital turnover rate

Scenario analysis for return on capital employed (ROCE)

- ROCE with constant capital turnover = 0.9 (Scenario)
- ROCE with improved capital turnover = 1.5 from 2028 (Scenario)

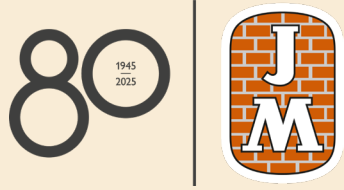


Note: capital employed = revenue/capital turnover. 4 100 housing starts, 12% operating margin 2030 and inventory affecting margins 2026 & 2027 (Holding Other Factors Constant)

Key take-aways

- **JM's strengths have helped to maintain margins** despite rising construction costs and limited price increases
- **Market outlook remains positive**, supported by high underlying housing demand and projected price growth
- **Plan in place on how to achieve long-term targets**





Thank you

