



Year-end Report January–December 2023

JANUARY 30, 2024



JM Group¹⁾

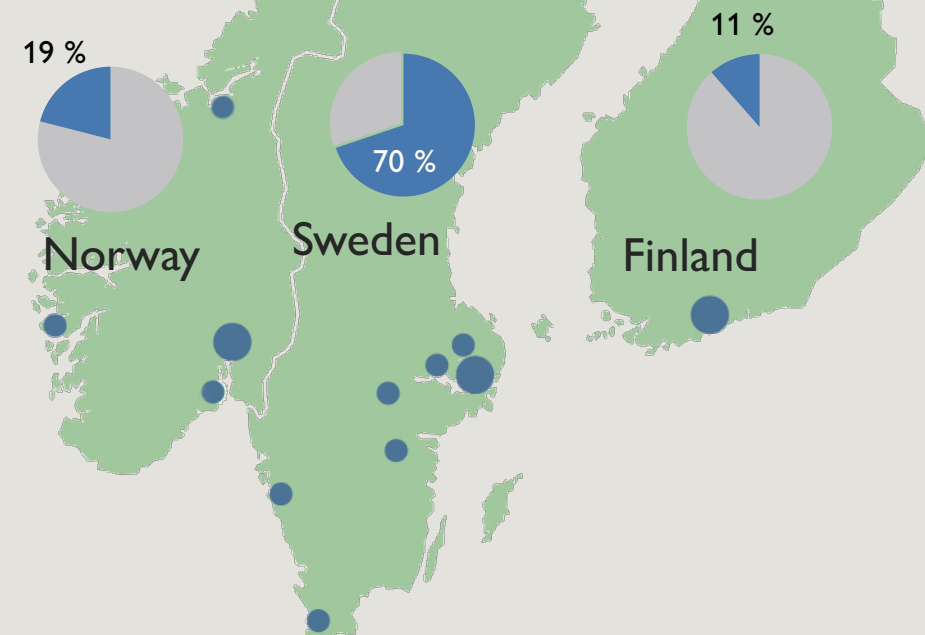
Revenue: SEK 13.9 billion

Total assets: SEK 16.8 billion

No. of building rights: 39,100

No. of employees: 2,193

Market Cap: SEK 10.6 billion²⁾



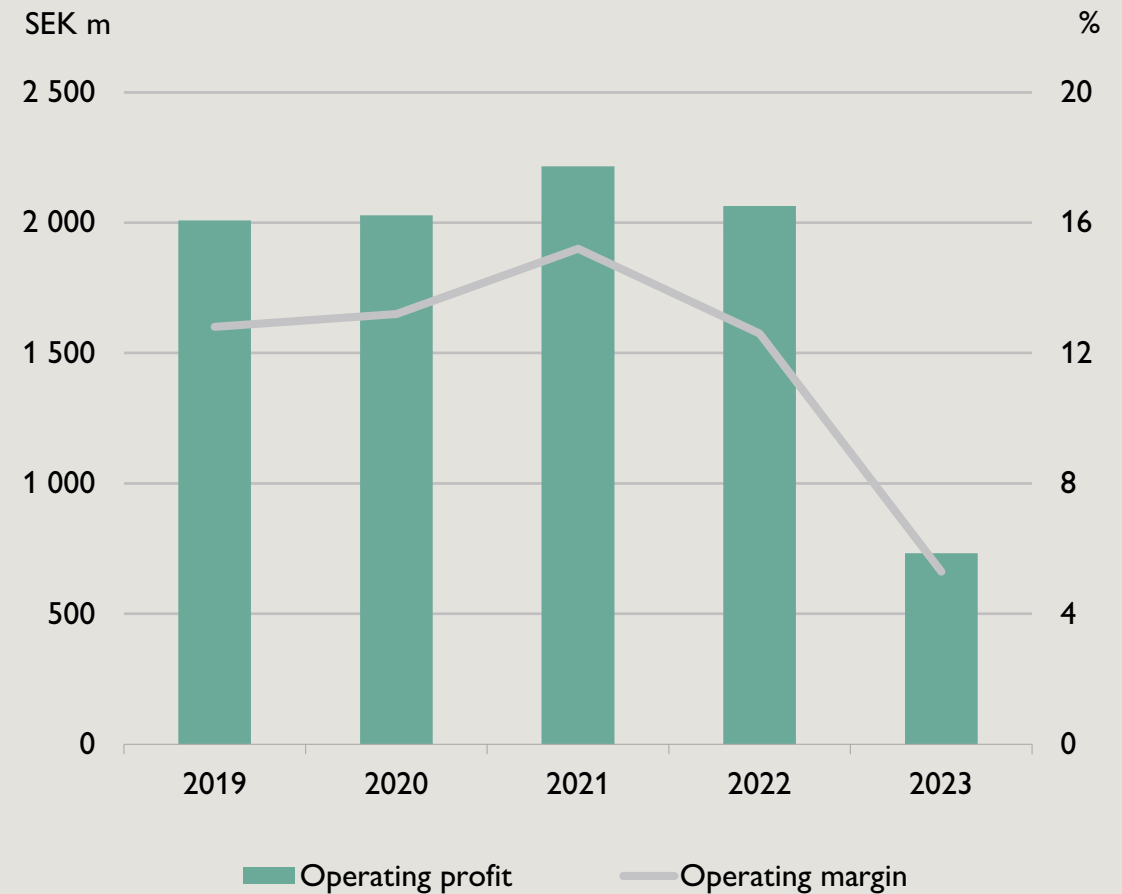
¹⁾ According to segment reporting over a 12-month period

²⁾ SEK 164 per share, January 29, 2024

Group Summary ¹⁾

JANUARY–DECEMBER 2023

- 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 (-).
- Operating margin decreased to 5.3 percent (12.6).
- Profit before tax decreased to SEK 632m (1,994).
- Earnings per share amounted to SEK 6.70 (23.40).
- Return on equity amounted to 5.0 percent (17.9).



¹⁾ According to segment reporting.



Group Summary ¹⁾

JANUARY–DECEMBER 2023

- Cash flow from operations amounted to SEK -48m (-261).
- According to IFRS, revenue amounted to SEK 15,969m (14,577) and earnings per share to SEK 16.00 (22.20).
- Market value of development properties amounts to SEK 14.1bn (15.2) with a surplus value of 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.

¹⁾ According to segment reporting.



Asunto Oy Helsingin Konalankuja 2 (Konala ARA), Finland 121 residential units



Origo, 32 residential units, Lomma

Group Summary

JANUARY–DECEMBER 2023

- Number of residential units sold decreased to 1,901 (2,659).
- Number of housing starts decreased to 1,609 (3,113).
- During the fourth quarter, the number of residential units sold increased to 773 (462) and the number of housing starts amounted to 740 (898).
- Number of residential units in current production decreased to 6,033 (8,078).
- Residential building rights portfolio amounted to 39,100 (39,500).

Good liquidity and significant surplus values

- Continued low demand and activity level in all our markets during the year. Despite this sales increased in the fourth quarter.
- During the year, the housing market in the Group's markets has been negatively affected by high inflation, high interest rates and a large supply on the existing home market.
- Revenue, operation profit and margin decreased throughout the Group, primarily due to price reductions, increased costs in current production, and impairment in properties.
- Lower level of housing starts in the Group, primarily attributable to decline in sales.
- Residential units in current production with share of sold/reserved units amounted to 54 percent (62), with normal level within the interval of 60–65 percent.
- Good liquidity and significant surplus values in our development properties, SEK 5.6bn

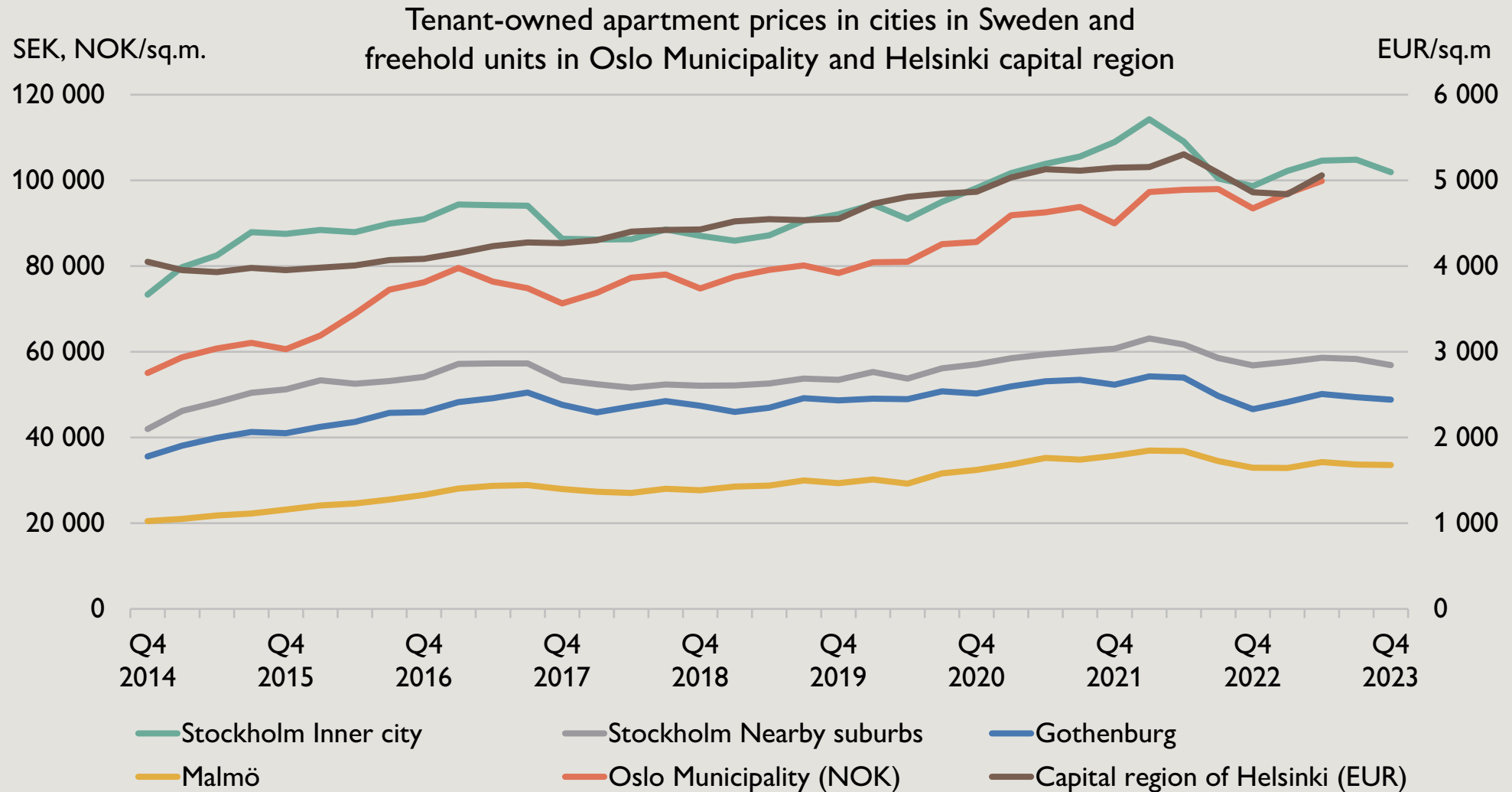


Operating profit and operating margin



According to segment reporting	January – December			
	2023		2022	
	SEK m	%	SEK m	%
JM Residential Stockholm	112	2.6	720	14.5
JM Residential Sweden	139	4.0	682	15.2
JM Norway	149	5.7	238	7.0
JM Finland	140	8.8	158	9.2
JM Property Development	248	17.0	306	25.0
JM Construction	8	1.0	12	1.1
Group-wide expenses	-64		-53	
Total	732	5.3	2 064	12.6
<i>Of which impairment in development and project properties</i>	-258		-	
<i>Of which sale of properties</i>	7		-	
<i>Of which joint venture</i>	-5		-11	

Prices on the existing home market

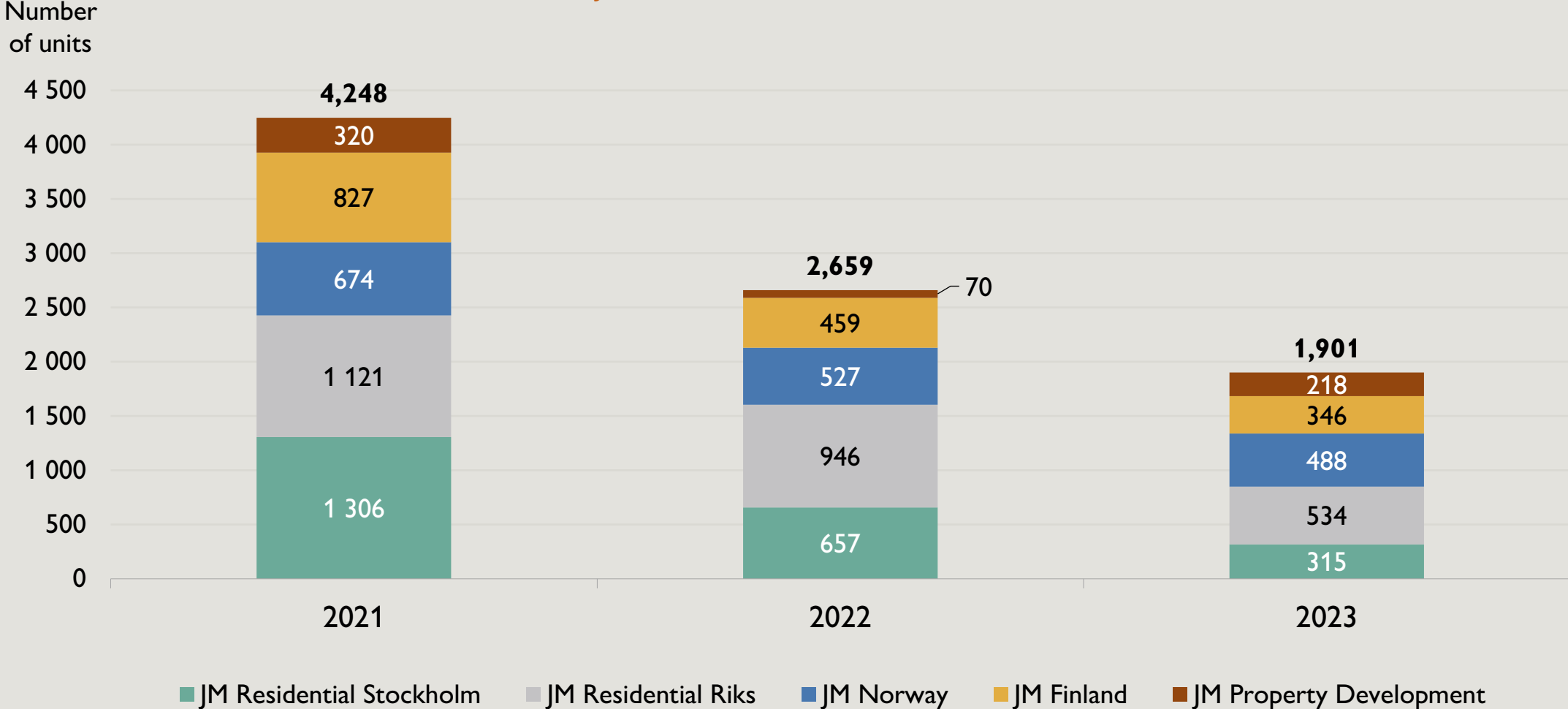


Source: Mäklarstatistik and WSP



Very low level of sold residential units

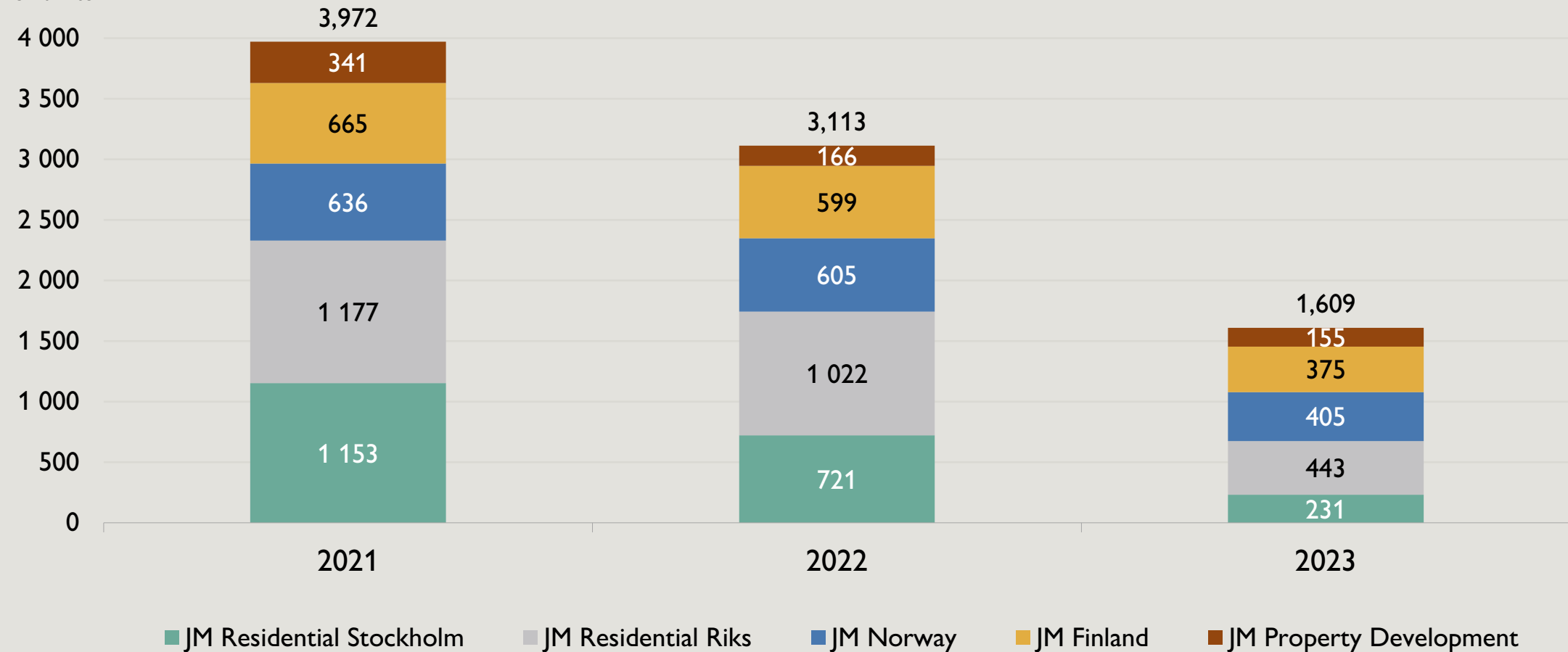
JANUARY – DECEMBER



Very low level of housing starts

JANUARY – DECEMBER

Number
of units



Tegelbruket

EKERÖ



Number of housing starts Q4 2023 98

Completed in 2025



Safjället, freehold apartments

MÖLNDAL



Number of housing starts Q4 2023 72

Completed in 2025



Granitten, rental housing

OSLO, NORWAY



Number of housing starts Q4 2023 156

Completed in 2026



Aurinkotuuli ja Kuunhohde

ESPOO, FINLAND



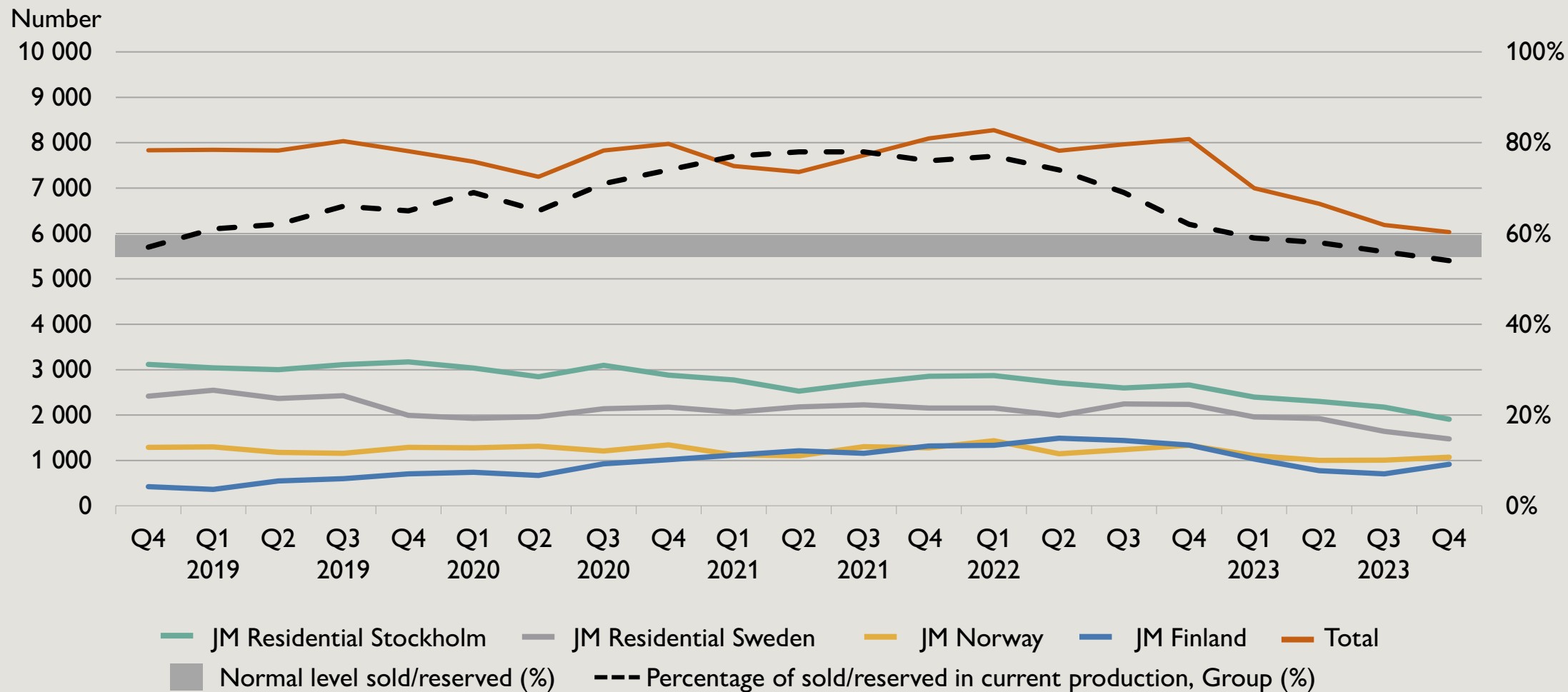
Number of housing starts Q4 2023 109

Completed in 2025



Number of residential units in production 6,033¹⁾

PERCENTAGE SOLD/RESERVED IMPLICATES NORMAL RISK IN CURRENT PRODUCTION IN Q4 2023

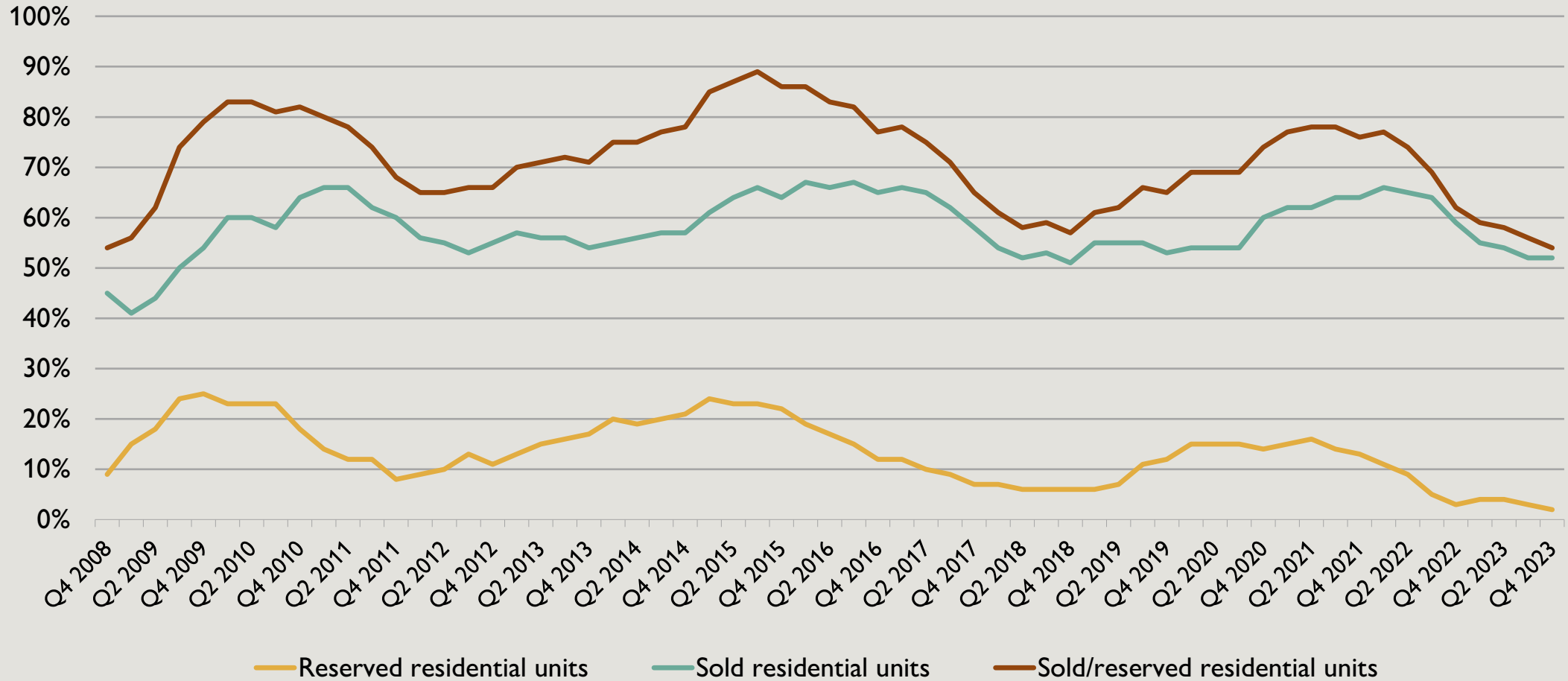


¹⁾ Including 662 rental and residential care units within JM Property Development – where rental units intended for sale are included in percentage sold/reserved



Percentage of sold and reserved residential units in current production

GROUP



Residential units in production

JM GROUP

	Dec 31 2023	Dec 31 2022
Number of residential units ¹⁾	6,033	8,078
Number of residential units sold ²⁾	1,901	2,659
Number of residential units reserved	135	250
Sold residential units, %	52	59
Reserved residential units, %	2	3
Sold/reserved residential units, %	54	62
Completed production, no. of unsold units ³⁾	308	91
Number of unsold units in the balance sheet	235	63
¹⁾ Including rental and residential care units within JM Property Development – not included in percentage sold/reserved	662	507
²⁾ Including rental and residential care units within JM Property Development – not included in percentage sold/reserved	444	-
³⁾ After final occupancy according to plan		



JM Residential Stockholm

SEK m	January – December		October – December	
	2023	2022	2023	2022
Revenue	4,248	4,966	1,022	1,344
Operating profit ¹⁾	112	720	-118	188
Operating margin, %	2.6	14.5	-11.5	14.0
Number of available building rights	12,300	12,400		
Number of residential units sold	315	657	124	61
Number of housing starts	231	721	98	265
Number of residential units in current production	1,906	2,665		
¹⁾ Of which impairment in development properties	-75	-	-75	-



Backtimjan, Stockholm



- Lower level of revenue and lower operating margin. Impairment in development properties of SEK 75m have burdened the profit in the quarter.
- Lower level of sold residential units and housing starts for the whole year but increased sales in the fourth quarter.
- The supply of newly produced residential units continued to be at a low level.
- The willingness of customers to sign a contract early in the process was low.
- Cash flow for the year weakened compared to the previous year, which was primarily attributable to a lower operating profit while the change in working capital was positive.

JM Residential Sweden

SEK m	January – December		October – December	
	2023	2022	2023	2022
Revenue	3,476	4,500	726	1,156
Operating profit ¹⁾	139	682	-71	171
Operating margin, %	4.0	15.2	-9.7	14.8
Number of available building rights	11,900	11,500		
Number of residential units sold	534	946	142	92
Number of housing starts	443	1,022	145	148
Number of residential units in current production	1,477	2,234		
¹⁾ Of which impairment in development properties	-75	-	-75	-

- Lower level of revenue and lower operating margin. Impairment in development properties of SEK 75m have burdened the profit in the quarter.
- Lower level of sold residential units and housing starts for the whole year but increased sales in the fourth quarter.
- The supply of newly produced residential units continued to be at a low level with the exception of Gothenburg.
- The willingness of customers to sign a contract early in the process was low.
- Cash flow is burdened by increased working capital and an increased number of purchased residential units in the balance sheet.



Flaggspelet 25 freehold apartments and single-family homes, Lomma



JM Norway

SEK m	January – December		October – December	
	2023	2022	2023	2022
Revenue	2,589	3,392	751	960
Operating profit ¹⁾	149	238	34	51
Operating margin, %	5.7	7.0	4.5	5.3
Number of available building rights	6,400	7,100		
Number of residential units sold	488	527	196	100
Number of housing starts	405	605	156	189
Number of residential units in current production	1,071	1,335		
¹⁾ Of which impairment in development properties	-11	-	-11	-

- Lower level of revenue and lower operating margin. Impairment in development properties of SEK 11m burdened the profit in the quarter.
- Lower level of sold residential units and housing starts for the whole year but increased sales in the fourth quarter.
- Sales of newly produced residential units significantly lower than previous year.
- During the fourth quarter, production of the first phase started of the Granitten project in Oslo, which consists of 156 residential units. The project has been sold in its entirety to a real estate company.
- The cash flow is burdened by a lower operating profit together with investments in land.



Rydningen, Sandefjord



JM Finland

SEK m	January – December		October – December	
	2023	2022	2023	2022
Revenue	1,591	1,729	437	505
Operating profit ¹⁾	140	158	46	47
Operating margin, %	8.8	9.2	10.5	9.4
Number of available building rights	6,900	6,800		
Number of residential units sold	346	459	311	139
Number of housing starts	375	599	341	226
Number of residential units in current production	917	1,337		
¹⁾ Of which impairment in development properties	-3	-	-3	-

- Lower level of revenue and lower operating profit. Operating margin in line with previous year.
- Lower level of sold residential units and housing starts for the whole year. During the fourth quarter, JM started production on a total of 341 residential units in Helsinki and Espoo of which 290 to investors.
- Activity on the housing market has slightly increased during the fourth quarter.
- The price level on the existing home market stabilized during the fourth quarter.



Asunto Oy Helsingin Insinöörinkatu 16 (GWS 5), Helsingfors, 73 residential units



JM Property Development

SEK m	January – December		October – December	
	2023	2022	2023	2022
Revenue	1,458	1,224	336	1,064
Operating profit ¹⁾	248	306	46	326
Operating margin, %	17.0	25.0	13.7	30.6
Number of available building rights	1,600	1,700		
Number of residential units sold	218	70	-	70
Number of housing starts	155	166	-	70
Number of residential units in current production	662	507		
¹⁾ Of which impairment in development properties	-77	-	-77	-



Kvarter 8, Järfälla

- Increased revenue due to current production in the office project K1 Karlbergs Strand, rental property Kvarter 8 and the residential care building Pilhamns Gårdar.
- Impairment in project properties of SEK 77m have burdened the profit in the quarter.
- Production is ongoing in an additional three rental projects in JM's own balance sheet.
- Cash flow was strengthened by project financing, the down payment received for sold properties under construction and the property sale.

JM Construction

Mkr	January–december		October–december	
	2023	2022	2023	2022
Revenue ¹⁾	781	1,077	150	252
Operating profit	8	12	1	-
Operating margin, %	1.0	1.1	0.5	-
^{1) Of which intra-Group}	294	505	14	130

- Demand was stable, with competition for the assignments, but somewhat more cautious market.
- The operating result due to y due to lower recognized revenue.
- Cash flow for the year improved compared to the previous year, mainly due to a reduction in tied-up working capital.
- During the fourth quarter the business segment received a number of assignments, of which the largest is a collaboration on the civil engineering work in Täby.



Available building rights portfolio

Region	No. of building rights ¹⁾	
	12/31/2023	12/31/2022
Stockholm	13,900 ²⁾	14,100 ²⁾
Malmö/Lund ³⁾	3,800	3,600
Gothenburg ³⁾	3,600	3,600
Uppsala ³⁾	4,500	4,300
Norway	6,400	7,100
Finland	6,900	6,800
Total	39,100	39,500

¹⁾ Rounded to the nearest hundred

²⁾ Of which 1,600 and 1,700 building rights for rental units and residential care units

³⁾ Refers to JM Residential Sweden regions South, West and East



Slightly increased level of development properties

BUILDING RIGHTS IN BALANCE SHEET

SEK m	2020	2021	2022	2023
Opening balance	8,938	7,831	8,205	8,465
New purchases	1,022	1,754	1,700	1,628
Transferred to production	-1,888	-1,388	-1,538	-829
Sold	-21	-	-	-313
Impairment	-	-	-	-181
Reclassification and revaluation	-220	8	97	-266
Closing balance	7,831	8,205	8,465	8,504



Approx. 14 years production in Balance Sheet

No. of residential building rights 12/31/2023	In Balance Sheet	Housing starts ¹⁾	Average period, years ²⁾
JM Residential Stockholm	6,700	231	29.0
JM Residential Sweden	8,000	443	18.1
JM Norge	3,900	405	9.6
JM Finland	3,500	375	9.3
JM Property Development (project properties)	600	155	3.9
Group	22,700	1,609	14.1

¹⁾ 12-month period

²⁾ Guideline value 5 years



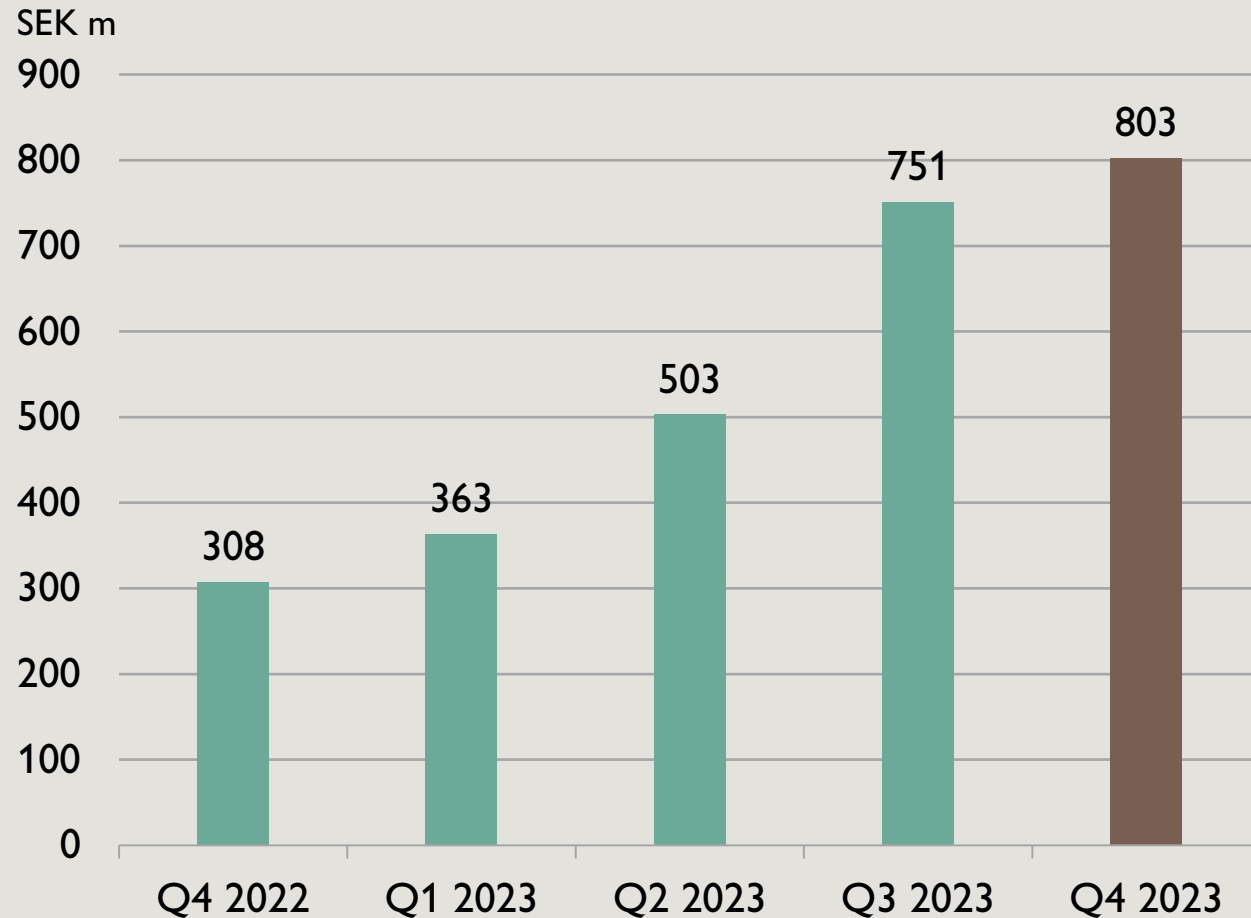
Continued large surplus value in development properties

VALUATION DEVELOPMENT PROPERTIES

SEK billion	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	1.0	0.9
JM Finland	1.5	1.1	0.4	1.6	1.1	0.5
Total	14.1	8.5	5.6	15.2	8.5	6.7

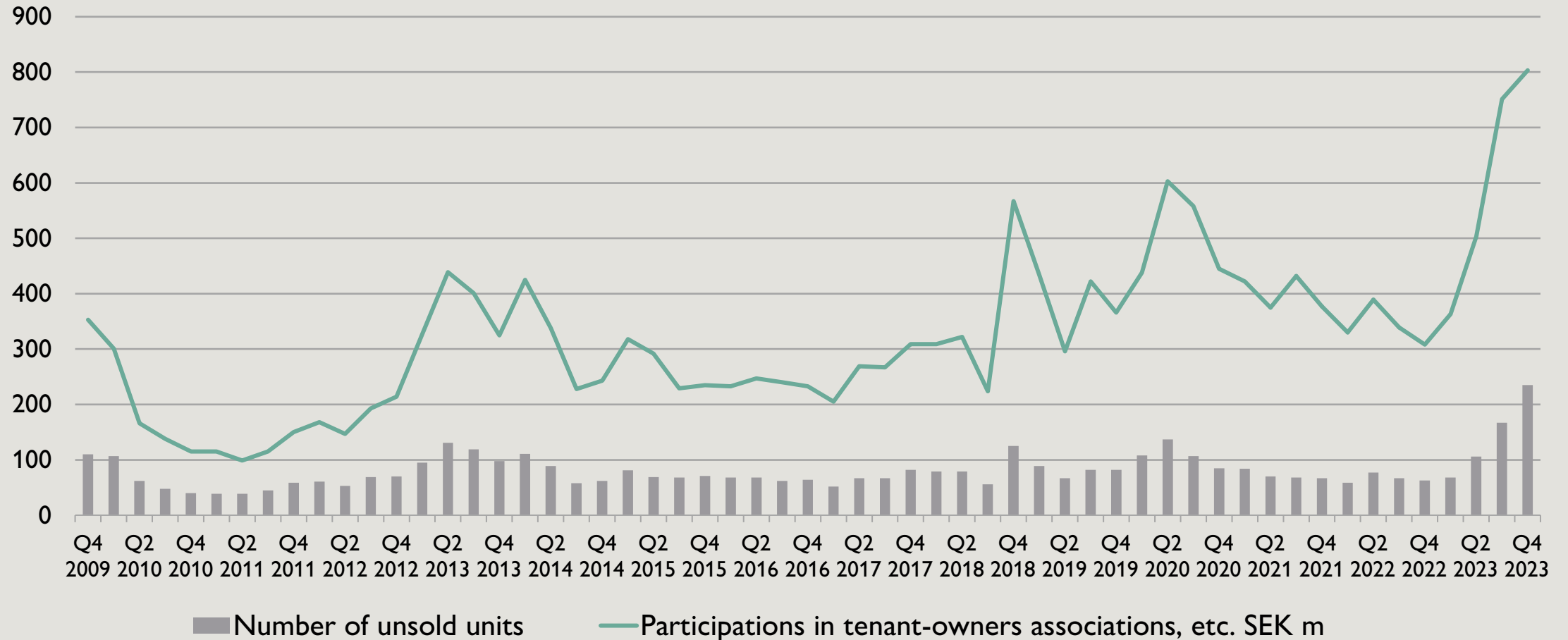


235 unsold residential units in Balance Sheet, for an amount of SEK 803m



According to segment reporting.

Unsold residential units in Balance Sheet



According to segment reporting.



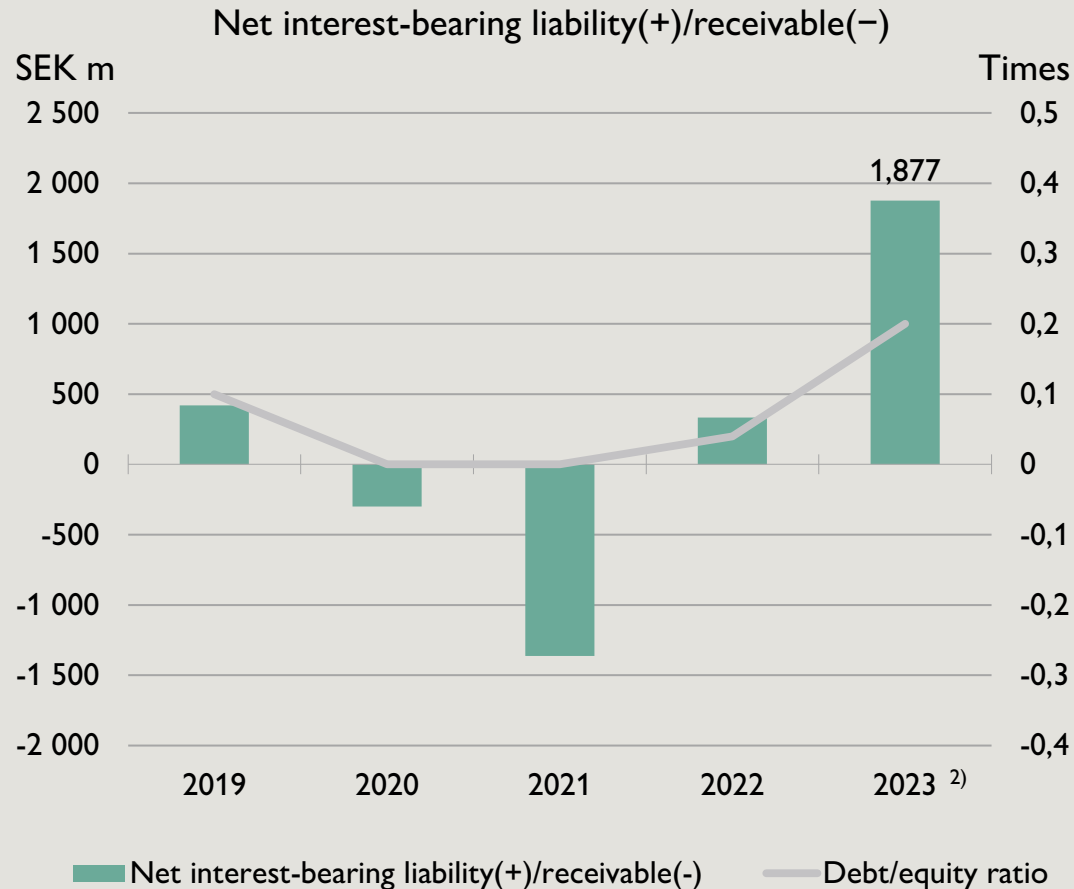
Cash flow

Cash flow statement, SEK m	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
From operating activities before change in working capital and taxes ¹⁾	533	170	138	-205	214
Paid tax	-116	-153	-96	-65	-30
Net investment development properties	219	162	-470	-107	168
Net investment project properties	-178	-149	-158	-61	-16
Change in current liabilities/receivables	-105	762	-557	337	68
From operating activities	354	792	-1,143	-101	404
From investing activities	-28	1	-1	-	-2
From financing activities	-394	-39	-737	138	466
Total cash flow for the quarter	-68	753	-1,881	37	869
Cash and cash equivalents end of period	1,840	2,577	699	742	1,582
¹⁾ Of which net investment in participations in tenant-owners associations and freehold residential units	7	-143	-102	-257	17

According to segment reporting



Strong financial position ¹⁾



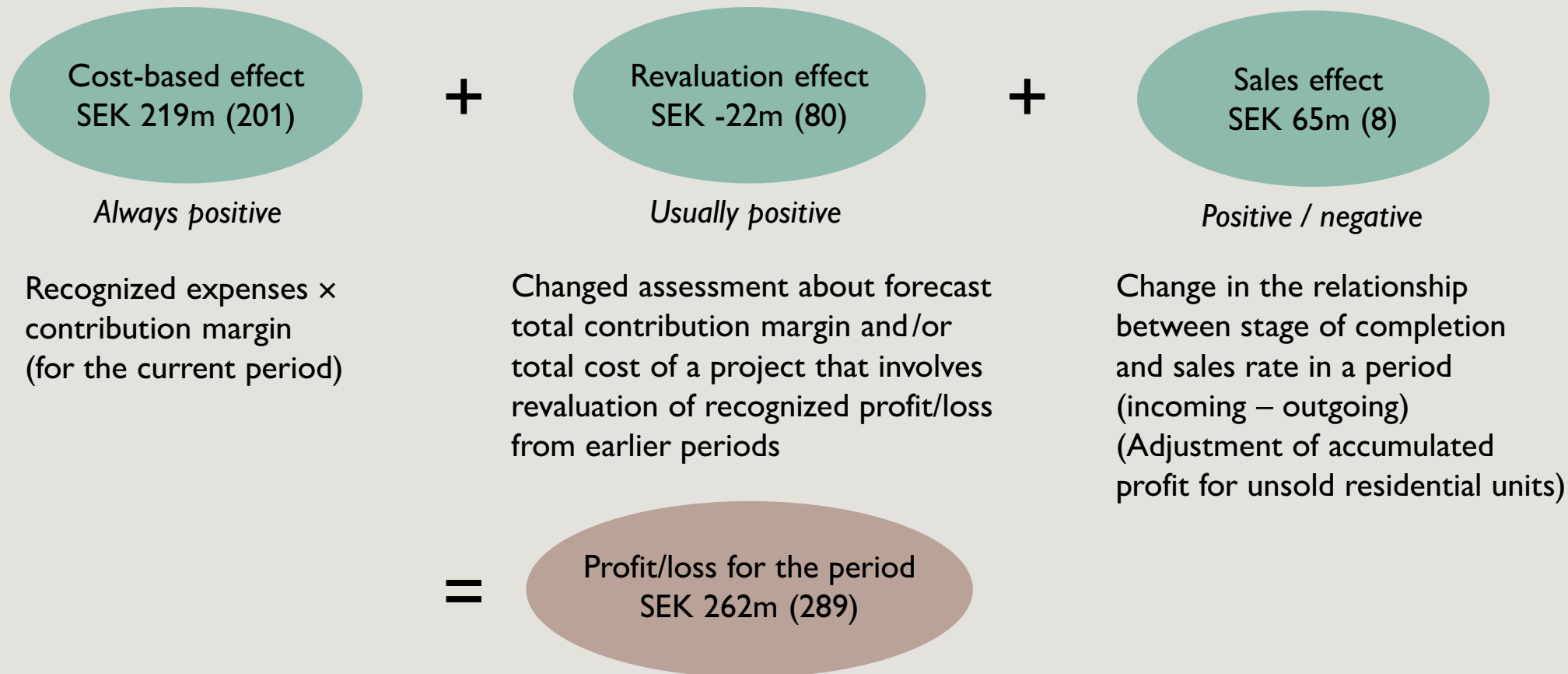
- Equity/Assets ratio 50 percent (53).
- Available liquidity SEK 4,382m (4,640) of which cash and cash equivalents SEK 1,582m (1,840).
- Unutilized overdraft facilities and credit lines SEK 2,800m (2,800).
- Credit lines of SEK 2,400m have an average maturity of 2.7 years (3.5).

¹⁾ According to segment reporting

²⁾ Non-interest-bearing liabilities for completed property acquisitions amounted to SEK 782m (492)

Components of profit/loss – housing business

PERCENTAGE OF COMPLETION METHOD (GROSS) Q4 2023 (Q3 2023)



Revaluation effects – housing business

SEK m	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Group	-22	80	168	231	434
Business segment	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
JM Residential Stockholm	-60	10	27	53	134
JM Residential Sweden	12	15	70	118	188
JM Norway	35	29	49	39	73
JM Finland	-9	26	22	21	38

The net of positive and negative revaluation effects in residential projects during Q4 2023 totaled SEK -22m, with current assessment of market conditions for the actual forecast period.



Sustainability

SUSTAINABILITY WORK CONTINUES EVEN DURING ECONOMIC DOWNTURNS

- Tests of climate-improved concrete with 15-30% lower carbon dioxide emissions are carried out in Finland.
- The climate impact of each of the Group's new projects is calculated at an early stage of the project development.
- All JM employees completed a mandatory course on business ethics and JM's code of conduct.
- Annual "Safety week" was carried out with the theme of safety culture.
- All completed residential units produced in JM's own operations during the year were certified in accordance with Nordic Swan Ecolabel.



JM today

- Customer focused – strong brand
- 39,100 building rights in attractive locations
- Good long-term conditions
- Sustainable urban planning
- Cautious housing market
- Cost inflation
- Strong balance sheet offers freedom of action
- Well-balanced risk profile
- Adaptation to prevailing market conditions.



Gökegårds höjd, Partille 16 single-family homes

Thank you

