

PRESS RELEASE | 2019-02-22

Notice of JM AB's Annual General Meeting on March 28, 2019

JM AB is announcing via this press release the notice of Annual General Meeting on March 28, 2019. The notice will be published on JM's website on Wednesday, February 27. The notice will also be published in Post- och Inrikes Tidningar (Swedish Official Gazette) on the same day, and information that the notice has been published will be announced in Svenska Dagbladet.

NOTICE OF ANNUAL GENERAL MEETING

Shareholders in JM AB (publ) are hereby invited to attend the Annual General Meeting to be held at 4:00 p.m. on Thursday, March 28, 2019, at JM's head office, located at Gustav III:s boulevard 64 in Solna, Sweden.

NOTIFICATION

Shareholders who wish to participate in the Annual General Meeting *in part* must be entered in the register of shareholders maintained by Euroclear Sweden AB by Friday, March 22, 2019, and, *in part* must have informed the Company of their intention to participate by Friday, March 22, 2019, using one of the following channels:

JM AB's website: www.jm.se (only for private individuals)

Mail: Computershare AB, JM AB's Annual General Meeting, Box 610, SE-182 16 Danderyd, Sweden

Telephone: +46 (0)8-518 01 551

In order to be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the name of a nominee must request that their shares be temporarily registered in their own name in the register of shareholders by Friday, March 22, 2019.

Admission cards to the Annual General Meeting will be sent out.

PROXY

Shareholders represented by proxy must issue a power of attorney for the proxy. If the power of attorney is issued by a legal person, a certified copy of a valid registration certificate for the legal person must be appended. The power of attorney in the original and the registration certificate (if required) must be sent well in advance of the Annual General Meeting to JM AB, Legal Affairs and Development, SE-169 82 Stockholm, Sweden.



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A power of attorney form is available on the JM AB website, www.jm.se/en. The power of attorney form will also be mailed to those shareholders who request it and provide their mailing address.

SHARES AND VOTES

JM AB's share capital amounts to SEK 69,583,262 , equivalent to 69,583,262 ordinary shares and 0 Class C shares. Ordinary shares carry one vote and Class C shares carry one-tenth of a vote. On February 27, 2019, the Company holds no ordinary shares.

DOCUMENTS

The accounts, the auditor's report, the Board of Directors' reasoned statements in accordance with Chapter 18, section 4 of the Swedish Companies Act, the auditor's statement in accordance with Chapter 8, section 54 of the Swedish Companies Act and the Board of Directors' complete proposal for resolution as set forth in items 14 and 15 below will be available no later than March 7, 2019, at JM AB's head office, Gustav III boulevard 64, Solna, Sweden, and on JM AB's website, www.jm.se/en under the tab "About JM – Corporate Governance". The documents referred to above will also be mailed to those shareholders who request them and provide their mailing address. They will also be available at the Annual General Meeting.

Shareholders are advised that the evaluations of

- current programs for variable compensation for senior management as well as those that were concluded during the year,
- the application of the guidelines for benefits to senior executives adopted by the 2018 Annual General Meeting, and
- current compensation structures and compensation levels within the JM Group are presented on JM AB's website under the tab "About JM – Corporate Governance" in compliance with point 10.3 of the Swedish Code of Corporate Governance. The evaluations in question were carried out by the Compensation Committee, which was established by the Board of Directors of JM AB. The conclusion of the evaluations is that the programs for variable remuneration for executive management that were resolved by the 2018 Annual General Meeting are applied and are suitable and in line with JM's compensation target.

OTHER

Upon request by any shareholder and where the Board believes that such may take place without significant harm to the Company, the Board and the President shall provide information at the Annual General Meeting in respect of

- any circumstances which may affect the assessment of a matter on the agenda, and



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- any circumstances which may affect the assessment of the company's financial position.

Personal data regarding shareholders that was obtained from the register of shareholders, the notification of participation in the Annual General Meeting, and information provided about proxies and representation will be used for registration at entry, to prepare the electoral roll for the Meeting and, where necessary, in the minutes for the Meeting. Personal data is processed in accordance with the General Data Protection Regulation (GDPR). For more information about JM's processing of personal data, see JM AB's website, www.jm.se/en under the heading "Links". If you are not satisfied with JM's processing of personal data, please contact JM's Customer Service, kundservice@jm.se.

AGENDA

1. Call to order and election of Chairperson.
2. Preparation and approval of voting list.
3. Election of two people to verify the minutes.
4. Determination of whether the meeting has been duly convened.
5. Approval of the agenda.
6. The Chairperson of the Board's report on the work of the Board and committees since the 2018 Annual General Meeting. The Chief Executive Officer's report on business operations for 2018, presentation of the annual report and the auditors' report, and the consolidated accounts and the auditors' report on the consolidated accounts, and resolutions concerning adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet.
7. Resolution about allocation of the Company's profit.
8. Resolution to discharge the Board and the President from liability.
9. Resolution on the number of Board Directors.
10. Determination of remuneration to the Board of Directors.
11. Adoption of remuneration to the auditing company.
12. Election of Chairperson of the Board and other Directors.
13. Election of the auditing company.
14. Motion for resolutions on guidelines for salary and other remuneration to senior executives.
15. Motion for resolution on JM Convertibles 2019/2023.

Nomination Committee:

The Nomination Committee consists of Åsa Nisell, Chairperson (Swedbank Robur Fonder), Daniel Kjørberg Siraj (OBOS BBL), Hans Ek (SEB Investment Management AB), Eva Gottfridsdotter-Nilsson (Länsförsäkringar Fondförvaltning AB) and Fredrik Persson, Chairperson of the Board of Directors of JM AB.



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Motions for resolution:

Item 1. The Nomination Committee proposes that Fredrik Persson is appointed Chairperson of the Annual General Meeting.

Item 7. The Board of Directors proposes that a dividend of SEK 12.00 per share be paid to shareholders. The proposed record date for the dividend is Monday, April 1, 2019. If the Annual General Meeting resolves to adopt the proposal, the dividend will be sent by Euroclear Sweden AB on April 4, 2019.

Items 9 – 13. The Nomination Committee proposes the following:

Item 9. Seven members elected by the Annual General Meeting.

Item 10.

Board fees

It is proposed that remuneration to the Chairperson remains unchanged at SEK 840,000 for work on the Board, and remuneration to Members who are not employed by the Company remains unchanged at SEK 335,000.

Committee fees

Members who are not employed by the Company receive fees for work on committees as follows:

Chairperson of the Audit Committee: SEK 125,000

Members on the Audit Committee: SEK 95,000

Chairperson of the Compensation Committee: SEK 65,000.

Members of the Compensation Committee: SEK 65,000.

Chairperson of the Investment Committee: SEK 100,000.

Members on the Investment Committee: SEK 75,000.

Remuneration proposed to the 2019 Annual General Meeting pertaining to seven paid Members amounts to SEK 3,610,000 (3,530,000), including remuneration for work on committees. In total, this is the equivalent of an increase in fees of approximately 2.3 percent.

The Nomination Committee also recommends that the Board of Directors adopt a policy that Members elected by the Annual General Meeting are expected over a five-year period to build up holdings of JM shares at market value that correspond to at least one year's remuneration before tax (excluding remuneration for committee work).

Item 11. Fees to the auditors will be paid as per invoices issued by the auditing company and approved by JM AB.

Item 12. Re-election of Fredrik Persson as Chairperson of the Board (elected 2017), re-election of Board Members Kaj-Gustaf Bergh (elected 2013), Olav Line (elected 2017), Eva Nygren (elected 2013) and Thomas Thuresson (elected 2016) and new election of Kerstin



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Gillsbro and Annica Ånäs. Kia Orback Pettersson (elected 2010) and Åsa Söderström Winberg (elected 2007) have declined re-election.

Kerstin Gillsbro holds a MSc in Engineering and has been the CEO of Jernhusen AB since 2011. Prior to this, Kerstin Gillsbro was at NCC, most recently as the CEO of NCC Boende AB. Kerstin Gillsbro holds Board Member positions at Stena Fastigheter AB, Christian Berner Tech Trade AB, Förtroenderådet SNS and Sweden Green Building Council.

Annica Ånäs is an LL.M. and B.Sc. (Econ.). Since 2016, Annica Ånäs has been the CEO of Atrium Ljungberg AB after previously holding the position of CFO. Annica Ånäs has also previously been CFO of Hemsö AB and an auditor at Deloitte. She also has experience from various Board assignments, for example at the listed Finnish real estate company Technopolis Oyj.

Information about all Members proposed for re-election and new election to JM AB's Board as well as the reasoned statement of the Nomination Committee pertaining to the motion is available on JM AB's website, www.jm.se/en, under the tab "About JM – Corporate Governance". These documents will be mailed to those shareholders who request them and provide their mailing address. They will be available at the Annual General Meeting.

Item 13. The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, the re-election of PricewaterhouseCoopers AB. In accordance with Swedish law, the term of service runs until the end of the 2020 Annual General Meeting. PricewaterhouseCoopers AB has announced its intention to appoint Ann-Christine Hägglund auditor-in-charge if the Annual General Meeting elects PricewaterhouseCoopers AB to be the auditing company.

Item 14. The Board of Directors proposes that the Annual General Meeting approve the following guidelines for salary and other compensation to senior executives.

Compensation to the CEO and other senior executives will consist of a fixed component, short- and long-term variable components, pension benefits and other benefits. "Other senior executives" refers to Executive Management. Total compensation must be at market rates and competitive in the labor market in which the executive works. Fixed salary and short-term variable salary program will be related to the executive's responsibilities and authorities. The short-term variable salary program for senior executives will be capped at 50 percent of fixed salary. The short-term variable salary program will be based on performance in relation to established targets, which is usually the externally reported operating profit before tax, earnings per share and Customer Satisfaction Index. Long-term variable salary programs can be equity and/or cash-related and will be performance-based and, at the time of commitment, be capped at 50 percent of fixed salary. Termination of employment is normally subject to a mutual period of notice of six months. If notice of termination is given by JM, severance pay equivalent to six months' salary should also be payable. Pension benefits shall be either defined-benefit or defined-contribution, or a combination thereof, and the normal retirement age is 65.

The Compensation Committee shall draft and the Board of Directors shall approve the compensation policy for the President and senior executives.



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The Board shall have the right to depart from the guidelines if extenuating circumstances are present in the individual case.

Item 15. The Board of Directors proposes that the Annual General Meeting resolve that JM raise a convertible debenture loan with a maximum nominal value of SEK 160,000,000 by issuing a maximum of 700,000 convertibles aimed at all employees in Sweden.

The convertibles' issue price shall correspond to the nominal amount. It will be possible to convert each convertible to an ordinary share, at a conversion price equivalent to 125 percent of the latest noted average price paid for ordinary shares in JM on the official exchange list of the Nasdaq Stockholm's for the period from March 29, 2019 to April 11, 2019.

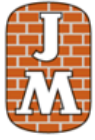
Conversion may commence on June 1, 2022 through April 21, 2023, with the exclusion of the period January 1 through the record date for dividends each year, or if the Annual General Meeting should not resolve on a dividend during a year, the third business day after the Annual General Meeting. In the event of full participation in the offer as well as full conversion, JM's share capital could increase by a maximum of SEK 700,000, through the issue of a maximum of 700,000 ordinary shares, each with a quota value of SEK 1. This corresponds to dilution of about 1.00 percent of shares and votes in JM.

The term of the convertibles will begin on May 23, 2019, and fall due for payment on May 22, 2023, insofar as conversion has not already been undertaken. The interest rate is annual and based in part on the conversion rate and the estimated market value for the convertibles at issuance. The interest rate on the convertible bonds is determined biannually, the first time on May 21, 2019 (for the period May 23, 2019 to November 22, 2019). For subsequent biannual interest periods, Swedbank will set the interest rate two banking days prior to the beginning of each interest period. Assuming an average share price of SEK 178.00 during the benchmark period and a conversion price of SEK 222.50, the interest rate would be STIBOR 6M plus 2.49 percentage points.

Interest is paid annually in arrears and is calculated using the actual/360 method. Interest falls due for payment on May 22 every year, or on the closest subsequent banking day if the due date should fall on a holiday or weekend; the first time on May 22, 2020. Rights to interest cease on conversion, effective from the due date immediately prior to conversion.

Only a wholly owned subsidiary of JM shall be entitled to subscribe to the convertibles, with waiver of shareholders' rights of pre-emption. The subsidiary must subscribe and pay for the convertibles during the period commencing on May 21, 2019 through May 23, 2019. The subsidiary shall be entitled and obligated during the period April 25, 2019 through May 10, 2019 to offer those who as of March 28, 2019, are employees in the JM Group in Sweden, on market-based terms, the right to acquire convertibles.

The Board cited the following reasons for waiving the shareholders' rights of pre-emption: Since employees comprise an important component in JM's development, the Board of Directors' proposal is to offer employees a long-term incentive program consisting of convertibles in accordance with what was previously offered during the period 2007-2018.



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The employee's ownership commitment enhances and strengthens interest in JM's operations and future financial performance. It is the Board of Directors' assessment that increased employee motivation and participation in JM's operations is in the interest of the Company, the employees and existing stockholders.

Everyone entitled to subscribe to convertibles will be guaranteed a nominal amount of SEK 39,160, though a maximum of 176 convertibles.

In order for a resolution by the Annual General Meeting to be valid it must be supported by shareholders with at least nine-tenths of both the specified votes and the shares represented at the Meeting.

Stockholm, February 2019

Board of Directors for JM AB (publ)

For more information, please contact:

Maria Bäckman, Chief Legal Counsel, JM, +46 (0)8-782 85 31

This information is information that JM AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 2019-02-22.

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 the project development of commercial premises and contract work, primarily in the Greater Stockholm area. JM should promote long-term sustainability work in all of its operations. Annual sales total approximately SEK 16 billion and the company has approximately 2,600 employees. JM AB is a public limited company listed on NASDAQ Stockholm, Large Cap segment. For more information www.jm.se/en.