

**JATKE**



# **Annual Review and ESG Report 2021**

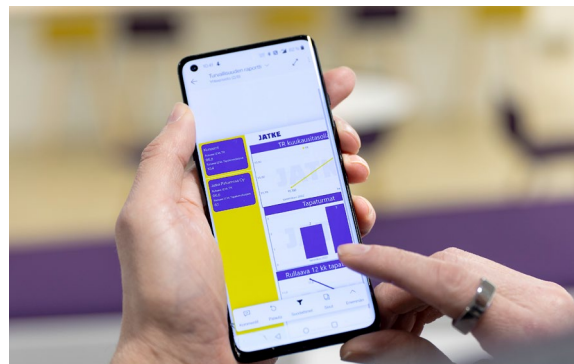


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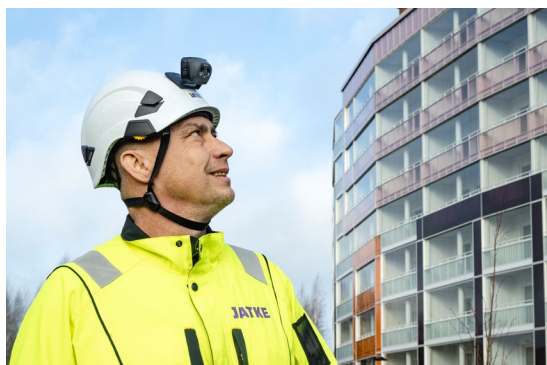


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# Jatke in brief

Founded in 2009, Jatke is a trusted and privately owned Finnish construction company. We build homes and workspaces that people feel inspired to be in and live in. We construct and develop commercial and residential buildings and renovation projects. Jatke Group consists of the parent company Jatke Oy and Jatke Toimitilat Oy, Jatke Uusimaa Oy, Jatke Länsi-Suomi Oy, Jatke Pirkanmaa Oy and Jatke Julkisivut Oy. Our offices are located in Helsinki, Tampere, Turku and Kouvola. Jatke employs 350 construction professionals.

## What we value



We are a company with a great work environment.



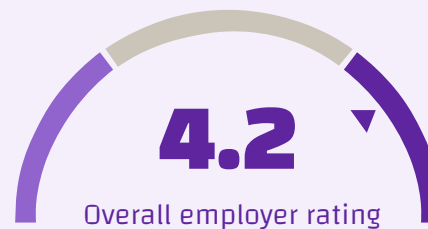
We always deliver on our agreements.



Our employees make independent decisions and take responsibility for their work.



At Jatke, quality means that the client receives the finished product on schedule.



Personnel survey 2021,  
on a scale of 1-5

**11.6** Accident  
frequency



Offices in  
Helsinki, Tampere, Turku and Kouvola

**345** employees



# Events during the year



We carried out a survey for Jatke employees in September and October 2021. Based on the results, 97% of Jatke employees were very satisfied or fairly satisfied with their workplace. The net promoter score was 50, and the overall grade given to the employer was 4.2 on a scale of 1–5.



We invested heavily in developing our operations. While we are still a construction company first and foremost, we see digital development as an important part of the employee experience. The purpose of development activities is to improve things and serve our employees, not the other way around. We approach things from the perspective of the employee experience. The most important thing in system development is that the tools form an easy-to-use and mutually compatible whole that is developed in dialogue with employees.



We constructed sports and hobby facilities for children and young people. We signed an agreement with Kameleonten Ab on the construction of the Kameleonten sports centre in Leppävaara, Espoo. We constructed sports centre in Viiala, Pirkanmaa and the Pirkkola sports park in Helsinki. The new Urhea sports centre was completed in Helsinki in August.

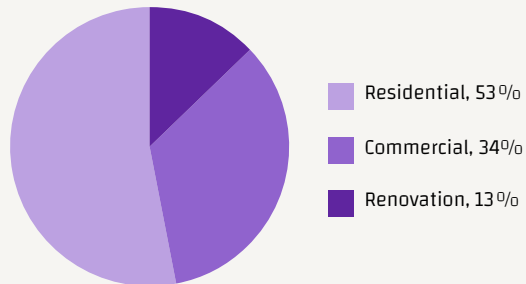


During 2021, we began construction of about 1,100 apartments. About 700 new homes pleasant to live in and enjoy were completed in the Helsinki Metropolitan Area, Pirkanmaa and Turku.



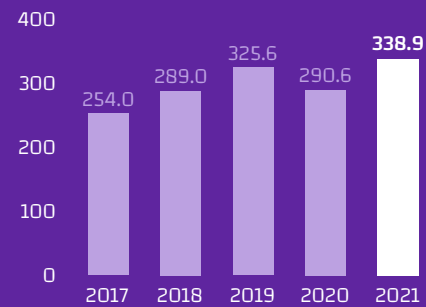
# Key figures for 2021

Business segments, %



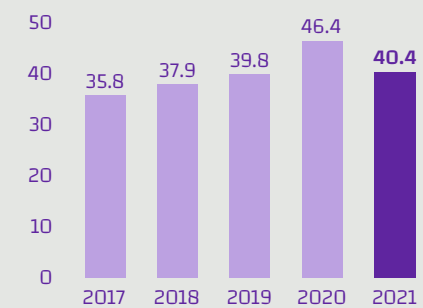
## 338.9

Net sales in 2021, EUR million



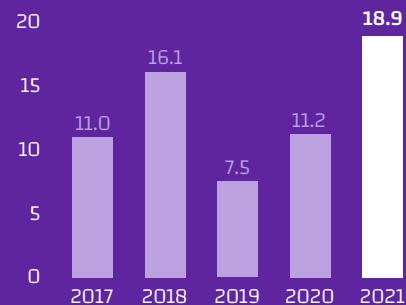
## 40.4

Equity ratio, %



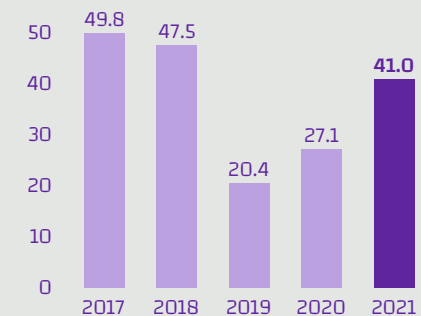
## 18.9

Operating profit in 2021, EUR million



## 41.0

Return on equity, %





# The best in building

We continued our growth in line with our strategy in 2021. We returned to profitable growth following the decrease in net sales in the previous year. Our operations continued in the Helsinki Metropolitan Area, Turku and Tampere.

The year 2021 was a successful one for Jatke, and our investments in both personnel and development of the company began to pay off. We were able to increase our net sales to EUR 339 million, and our profitability improved to reach an operating profit of EUR 18.9 million (5.6%).

## **Jatke 2.0 - Towards better competitiveness**

In 2021, we continued our Jatke 2.0 development programme. We invested heavily in our people and management system and in providing the best employee experience in the industry. We launched our own ESG programme to better meet the demands of clients and our

operating environment. We also invested in using information technology and digitalisation as part of our operations. We will continue carrying out our development programme throughout 2022 as well.

The key themes of our strategy are profitability, growth, expertise and brand image. The aim of the development programme is to clarify management structures and strengthen co-operation between the Group's companies and segments. We want to further improve identified best practices and use them to support the operations of the entire Group.

## **Year of successes**

The pandemic continued to affect our operations. Despite this, we have learned to operate in the new circumstances. We strengthened our company's expertise with several new employees. In particular, we strengthened our commercial construction organisation



In 2021, we invested heavily in our people and management system and in providing the best employee experience in the industry. We also launched our first ESG programme.

”

**Strong finances and order book help us cope with changed circumstances.**

in the Helsinki Metropolitan Area. We believe that the new experts will help Jatke grow with determination towards our strategic goals and even stronger co-operation.

In 2021, we achieved another excellent score in our employee survey. Despite strong growth, new employees and the impact of the pandemic, we were able to keep our personnel satisfied. In 2021, we also learned how to act effectively in the unusual conditions created by the pandemic. Hopefully, we will be able to enjoy working together normally going forward.

Our personnel have done an excellent job on construction sites, which has also enabled us to reach our occupational safety targets. Our development efforts in reporting and predicting occupational safety as well as in increasing transparency have also paid off.

In Tampere, Jatke Pirkanmaa Oy achieved a very good result for the second year in a row. Jatke Uusimaa Oy's operating result from residential construction in the Helsinki Metropolitan Area improved clearly. Commercial construction in the Helsinki Metropolitan Area also remained highly profitable. Jatke Julkisivut Oy continued its stable profitable performance. The Group's challenges in the operations of Jatke Länsi-Suomi Oy

in the Turku region continued. However, we believe that operations in the Turku region will again be profitable by the end of 2022.

#### **Stable finances, strong order book**

As of 1 January 2022, we incorporated commercial construction in the Helsinki Metropolitan Area to a new subsidiary, Jatke Toimitilat Oy. The company's financial standing has remained good, and we have managed to acquire a strong order book for the next few years. However, the Ukraine crisis that began in February puts the entire construction sector in a difficult position. It is difficult to assess the long-term impact of the crisis in detail. We have taken good care of the company. Our significant cash reserves help us cope with changed circumstances.

We want to thank all our employees and clients for the year 2021. Our employees have performed profitably and responsibly. By maintaining a positive atmosphere within the company, we can face the challenges ahead.

#### **After all, we're the best in building!**

**Hannu Anttonen**  
Group CEO

## JATKE

Commercial

Renovation

Our goal is to provide the best employee experience in the industry.

## VISION

Jatke is to become known as one of the best Finnish construction companies in the 2020s.

Helsinki

Tampere

Turku

Residential

## MISSION

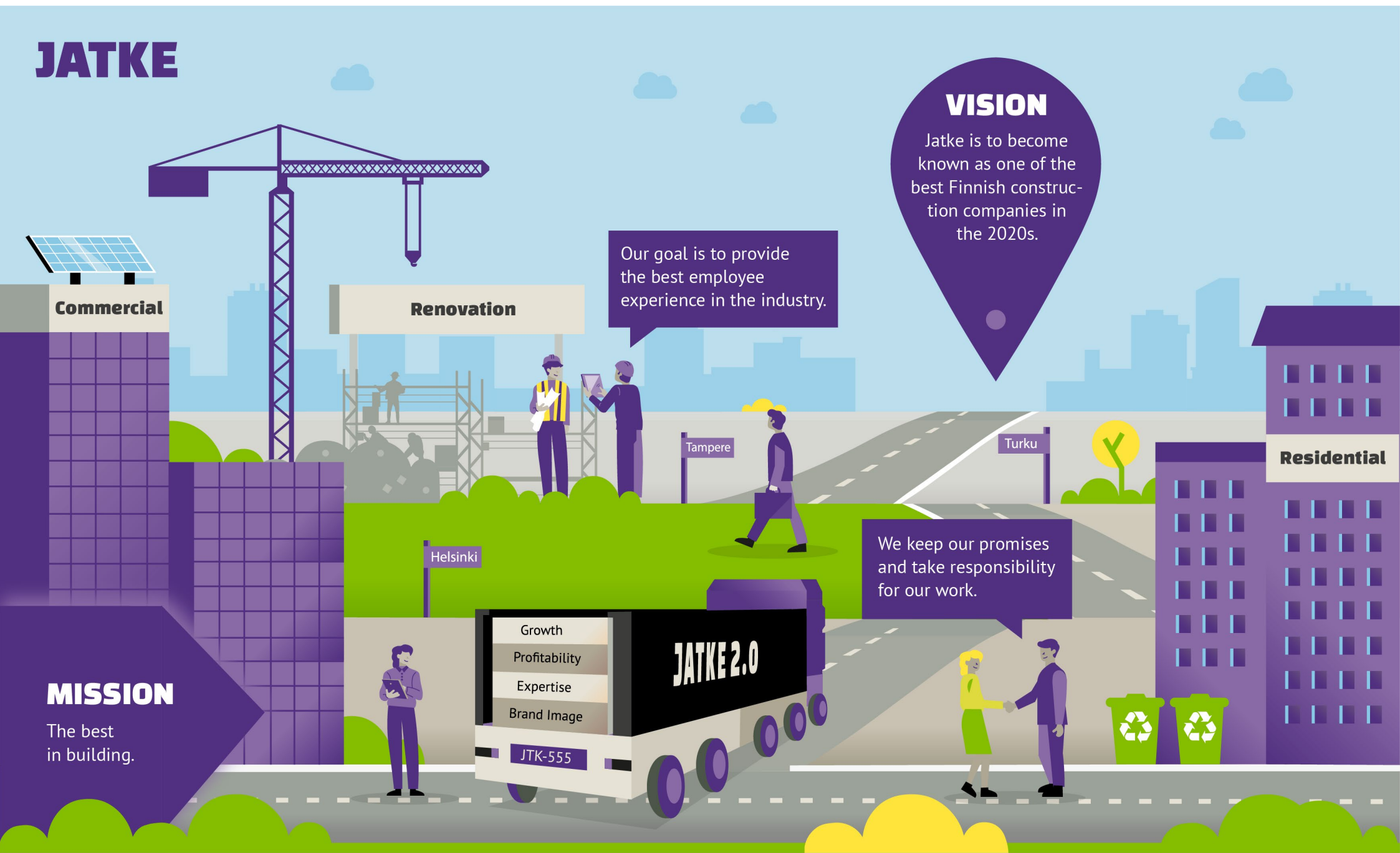
The best in building.

We keep our promises and take responsibility for our work.

Growth  
Profitability  
Expertise  
Brand Image

JATKE 2.0

JTK-555







**A CONSTRUCTION COMPANY IS  
ONLY AS GOOD AS ITS LATEST  
BUILDING.**

**THAT'S WHY WE BUILD LIKE IT  
WOULD BE FOR OURSELVES.**

# Commercial construction, Jatke Oy

Our commercial construction business has performed excellently over the last few years, and this success continued in 2021. The large-scale Cramo operations centre project was completed in Vantaa in the spring of 2021. We acted as the main contractor for the Urhea sports centre, which was completed in Helsinki in the summer. We signed an agreement with the LocalTapiola Group on the construction of a logistics centre for Logitri Oy in Tuusula. For Jatke, the project was the fifth site constructed for Logitri. A fourth service warehouse for Logitri Oy opened in June.

Towards the end of the year, we prepared for the incorporation of our commercial construction business. Jatke Toimitilat Oy began its operations at the start of 2022. It has been a pleasure to build the new company together with skilled and committed employees. The new corporate structure enables an even wider range of services for our clients. Our strong expertise in the construction of logistics, commercial premises and renovation was supplemented by expertise in public and joint venture construction, for which a new unit was established.



Antti Raunemaa, CEO, Jatke Toimitilat Oy

## 128.5

Net sales in 2021,  
EUR million

## 13.6

Jatke Länsi-Suomi net sales  
in 2021, EUR million

## 72.8

Jatke Pirkanmaa net sales  
in 2021, EUR million



Jukka Hannus, CEO, Jatke Pirkanmaa Oy  
and Jatke Länsi-Suomi Oy

# Jatke Pirkanmaa Oy and Jatke Länsi-Suomi Oy

The year was very good for Jatke Pirkanmaa Oy. We strengthened our organisation with 20 new employees. We were successful in competitive tenders and established a strong order book for 2022. We achieved an excellent result and exceeded our net sales target. We are currently building over 1,000 new homes in Pirkanmaa. In addition, construction began on the G021 office building, the largest project in the company's history in which we act as the developer.

For Jatke Länsi-Suomi Oy, the year was challenging, and we fell well short of our net sales target. Although our projects were profitable, the result was negative due to low net sales. However, we managed to secure a solid order book for 2022. Work on the Turku Technology Properties renovation project will begin in early 2022. In November, we launched a self-development project of three blocks of flats in Puutarhakatu Street. We also won the tender for an apartment building for Lumo, the construction of which will begin in spring 2022.



Timo Mikkola, CEO, Jatke Julkisivut Oy

**27.0**Net sales in 2021,  
EUR million

## Jatke Julkisivut Oy

Our position going into 2021 was favourable due to our existing order book and maintenance backlogs carried over from the previous year due to the pandemic. Our tendering was at a good level, and we succeeded in winning several contracts. We achieved our net sales target and managed to exceed our profit target. After two years, the largest façade renovation project in our history, Asunto Oy Linnanrinne in Turku, was handed over to the client in December 2021.

We also experienced several unexpected situations and changes during the year. In addition to the COVID-19 pandemic, rising prices of building materials as well as problems with availability and delivery times posed challenges. Still, we avoided major disruptions on our sites with the help of our determined employees.

The outlook for façade construction is stable. We are constantly developing our operations in order to respond to future changes in the construction industry and the needs of clients.

## Jatke Uusimaa Oy

Our order book was at a good level, and the market for residential construction was positive. We built homes for people in co-operation with S-Bank, Sato and the Finnish Youth Housing Association, among other partners.

Our skilled and committed personnel are our company's strength now and in the future. Employee satisfaction has traditionally been at a good level in our company, and this continued in 2021. In the latest personnel survey, our net promoter score (NPS) improved even further. Customer satisfaction was also excellent. Based on customer satisfaction surveys carried out, the promoter score was a full 100.

Jatke Uusimaa is a reliable construction company, and our clients value our co-operation skills. Thanks to a good order book, the year 2022 also appears positive. This year, we will launch several self-development projects that will form a solid base for the future.

**116.0**Net sales in 2021,  
EUR million

Janne Mökkönen, CEO, Jatke Uusimaa Oy





**Site** Kiinteistö Oy Tuusulan  
Högberginhaara

**Location** Jussla industrial  
park, Tuusula

**Building** Logistics centre,  
five stages, 58,000 m<sup>2</sup>

**Timetable**  
4/2017-9/2022

# Putting the user first in the construction of large-scale logistics centres in Tuusula

Logitri in Tuusula is one of the largest logistics centres in the Uusimaa region. Jatke Oy has been involved in the centre's construction as the turnkey contractor since the beginning. Construction of the first stage of the logistics centre began in 2017, and the fourth service warehouse opened in June 2021. Construction of the latest project phase, stage 5, was agreed in co-operation with the LocalTapiola Group in autumn 2021. The first four projects were carried out in collaboration with OP Real Estate Investment.

'Logitri Oy is a carbon neutral company as of 2022. Net zero emissions is possible for us as environmental concerns have been taken into account already in the designs of all buildings in the logistics centre. Each building is equipped with rooftop solar panels, and the projects have focused on sustainable

construction from the get-go. The huge yard area of 70 000 square metres of the logistics centre has been asphalted with a so-called low energy coating whose production consumes significantly less fossil fuels,' says **Jarno Hanhinen**, CEO of Logitri Oy.

'We are very pleased with our co-operation with Jatke. Co-operation was seamless during the construction phase, and we have always been able to trust that everything is available for use on schedule once the project is finished and the centre is opened. We have been pleased with the shared operating models and practices on the site. Jatke is an efficient and flexible partner that understands the client's needs. Even though the pace of work has been fast at times, the agreed deadlines have been kept while maintaining a positive attitude,' Jarno says.



Jarno Hanhinen, CEO, Logitri Oy



**Site** As Oy Tampereen  
Tammelan Puistokatu 33

**Location** Tammelan  
Puistokatu 33, Tampere

**Building** Residential  
building, 95 units,  
3,171.5 m<sup>2</sup>

**Timetable**  
7/2020–4/2022



Antero Tenhunen, Portfolio Manager, OP-Rental Yield non-UCITS fund

## Jatke is a trusted partner for real estate investors

The residential building built by Jatke Pirkanmaa Oy for the OP-Rental Yield non-UCITS fund will be completed in Tampere in spring 2022. The 95 high-quality homes and two retail dealers located at the address Tammelan Puistokatu 33 have attracted a great deal of interest. As the building nears completion, only a few rental units remain vacant.

‘Tammelan Puistokatu 33 is a large and exciting project for us. Its excellent location in the city centre near the railway station makes it highly attractive and accessible for residents. The project meets our goal of constructing high-quality homes in locations that promote sustainable mobility in the form of pedestrian and bicycle traffic and public transport. The excellent location also helps ensure positive development of the property’s value in the future,’ says **Antero Tenhunen**, Portfolio Manager at OP-Rental Yield non-UCITS fund.

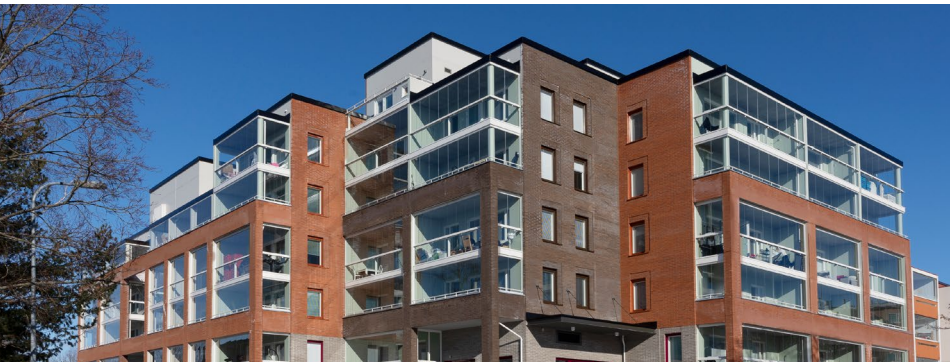
‘Co-operation with Jatke has been excellent since the start of the project. Our requests have been met flexibly, and we were able to implement the changes we had hoped

for without difficulties. Once the project progressed to the construction phase, everything continued smoothly. Jatke’s employees have made progress on the project proactively and on schedule, and activities at the site have been exceptionally efficient. There’s no sign of last-minute panic, and enough time has been set aside to finish up and do the final touches,’ Mr Tenhunen adds.

OP-Rental Yield non-UCITS fund collaborates with a few established large and medium-sized construction companies. ‘Over time, the most reliable companies – such as Jatke – have been selected as our partners. The choice of partner ultimately depends on people and trust,’ Mr Tenhunen says and adds: ‘With Jatke, collaboration on projects is effortless and we can be confident that promises are kept. Tammelan Puistokatu 33 was one of several projects we have carried out with Jatke. All our expectations were met, and we hope to work on similar projects in the future.’



Juho Santaharju, Fund Manager, S-Bank Housing non-UCITS fund



**Site** As Vantaan Oy Peltolan Tähti

**Location** Keltamotie 25, Vantaa, Tikkurila

**Building** Residential building, 79 units and a retail premises,  
6,046 m<sup>2</sup> gross floor area

**Timetable** 9/2020–3/2022

**Site** As Oy Niittykallion Graniitti, Espoo

**Location** Niittykummuntie 4, Espoo, Niittykumpu

**Building** Residential building, 86 units, 4,200 m<sup>2</sup> floor area

**Timetable** 9/2020–12/2021

# Quality, reliability and open communication as the basis for co-operation

The residential projects by Jatke Uusimaa Oy for the S-Bank Housing non-UCITS in Tikkurila, Vantaa and Niittykumpu in Espoo provide a total of 165 high-quality new rental homes to the neighbourhoods. Both sites are in line with the fund's strategy of owning new, high-quality housing close to good public transport connections and services.

'Construction of the projects went very smoothly, and both sites were almost fully rented out already at the time of completion. We have received plenty of positive feedback from tenants about the apartments. Although there are many rental apartments available in Tikkurila, for example, the high-quality homes have proven to be very popular. For example, the bathrooms have fine aspen panelled ceilings, a detail not often found in rental flats,' says **Juho Santaharju**, Fund Manager at S-Bank Housing non-UCITS fund.

'We build long-term partnerships that emphasise the quality of workmanship, reliability and the importance of open communication. Co-operation with Jatke has been effortless. Jatke employs professionals who are passionate about their work. The general foremen of both projects deserve special praise for their excellent work. They have systematically taken the projects forward and have paid attention to minor details important to the client. As the fund's manager, it is important to me to be able to visit the site personally during the project and get to know the people in charge. With Jatke, the bar for contact is low, and as the client, I can be confident that potential challenges are communicated openly ahead of time. Jatke also always offers several alternatives for potential solutions,' Santaharju says.





ESG

**WE KEEP OUR PROMISES  
AND TAKE RESPONSIBILITY  
FOR OUR WORK**

# ESG at Jatke Group

As a construction company, we have both the opportunity and the duty to build a more sustainable future. Assuming responsibility has always been at the core of our work at Jatke. We are a company with a great work environment for our employees. We follow through on what we've agreed with clients and take responsibility for our work.

In spring 2021, we commissioned an independent study on the current state of ESG at Jatke. Based on the study, we outlined Jatke's first ESG targets and metrics. Our ESG targets address environmental issues, personnel and good governance.

We pay special attention to material efficiency at our sites. At Jatke, this means cutting down the amount of waste from building materials and improving the processes for sorting and recycling. In our construction, we strive for sustainable and energy efficient solutions and minimize the environmental impact of our operations throughout the building's lifecycle.

In 2022, we will begin calculating the carbon footprint of our self-development projects.

Ensuring a safe work environment for each employee at Jatke's offices and sites is our top priority. We are committed to developing occupational safety and wellbeing at work. We genuinely care about our personnel and work to ensure that our employee satisfaction remains at an excellent level. We develop our systems and practices by listening to our employees, and our goal is to provide the best employee experience in the industry. We offer traineeships and work opportunities in the construction industry for students in the field.

At Jatke, good governance means open and transparent operations. We are committed to sustainable procurements, and require our partners to also act sustainably. We observe Jatke's Corporate Governance Code in all our decision-making.



Theme	Target	Metric	Result in 2021
Resource-efficient construction	Reduction of waste	Recycling rate	Reporting 2022
		Amount of waste	
	Reduction of emissions	Energy consumed on sites	Reporting 2022
		Energy efficiency	
		Carbon footprint of self-developments	



Theme	Target	Metric	Result in 2021
Best employee experience in the industry	Occupational safety	Accident frequency	11.6
		Serious accidents	0
	Employee experience	Employee satisfaction	4.2
		Employee net promoter score	50
	Student co-operation	Number of trainees	49



Theme	Target	Metric	Result in 2021
Responsible governance	Combatting the shadow economy	Suppliers admitted to the Supplier Register	Reporting 2022
	Transparent business	Processed cases of abuse	Reporting 2022

# Sustainable and safe construction



Anni Hatakka

## An inspiring traineeship as the start to a career

Every year, we hire dozens of young people for traineeships in site management, construction and administration. For construction students, traineeships are both an opportunity to get to know the field and the first stepping stone in their career. **Anni Hatakka** started as an intern at Jatke in 2020 and completed her master's thesis in co-operation with the Commercial Construction business segment. After graduating, Anni's career at Jatke is continuing in design co-ordination and ESG. 'It was particularly important that my wishes regarding my career were listened to throughout my traineeship,' Anni says.

## Safer work sites

We developed the safety culture of the entire Group by launching inter-site measurements to study workplace safety. We improved the reporting and transparency of occupational safety with tools developed in-house. Transparency, systematic reporting and co-operation between parties brought results. Serious accidents were avoided, and accident frequency dropped throughout the year. The accident frequency of our own personnel and subcontractors was 11.6. Our goal was to achieve a result of 95‰ in the measurement, which was met with an average of 95.7‰.

## Guaranteed sustainability

Jatke Pirkanmaa Oy is applying for the highest platinum level of the LEED® environmental certificate for its self-developed G021 office building already during the construction phase. The certificate is proof that we build according to sustainable principles. In practice, this means solutions such as energy efficient HVAC and lighting, low-flow plumbing fixtures, solar panels, and health-safe materials. As part of the certificate, we also commit to the sustainable maintenance of the building, which is reflected in affordable and predictable maintenance costs.



Lidl Riihimäki

## Low-carbon construction from wood

Many of our clients look for climate-friendly ways to build. In our projects, we also take into account the impact of emissions tied to building materials. We completed construction of the first wooden Lidl grocery store in Finland in November 2021. All steel structures in the building above the floor level were replaced by wood, which reduced CO2 emissions from construction by almost a quarter compared to using steel or reinforced concrete.





Personnel and work community

**WE ARE A COMPANY WITH  
A GREAT WORK ENVIRONMENT**

# Aiming for the best employee experience in the industry



We actively invest in improving our employee experience. In 2021, we recruited dozens of new professionals and renewed our recruitment and orientation processes in order to improve the onboarding experience for new employees. During 2021, all our branch locations moved to new, modern and ergonomic offices, which has helped intensify collaboration during this challenging period. Ensuring employee well-being in addition to a safe work environment at both offices and sites is our top priority.

**97%**

satisfied with Jatke as an employer

**4.2**

Overall employer rating 4.2  
(on a scale of 1-5)

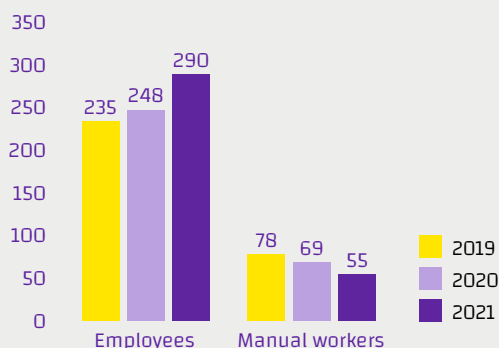
In the personnel survey conducted in autumn 2021, the overall rating given to Jatke as an employer was 4.2, as in the previous year. Our success is also demonstrated by the fact that 97% of our employees were very or fairly satisfied with Jatke as an employer. The net promoter score was 50 (on a scale of -100 to 100). According to the survey, we were particularly successful in supervisory work.



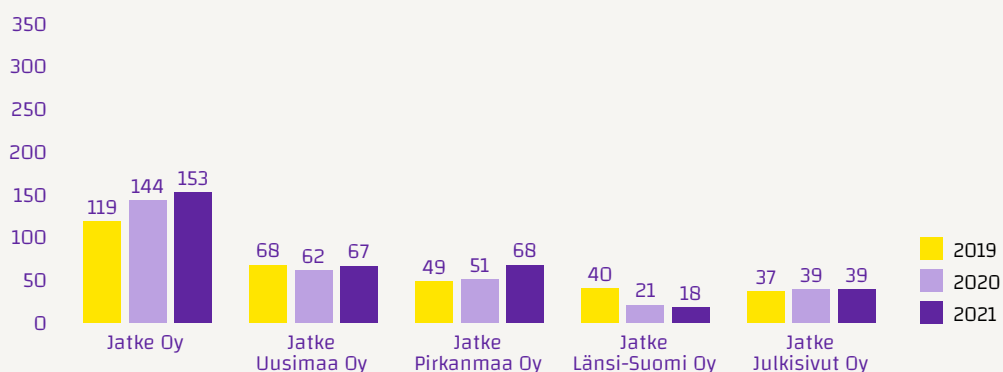
We employed 49 summer employees in 2021. Each year, we offer dozens of traineeships and work opportunities for construction students. We take delight in the fact that many trainees return to us the following summer. The net promoter score given to us by summer trainees is 75.

# Key personnel figures

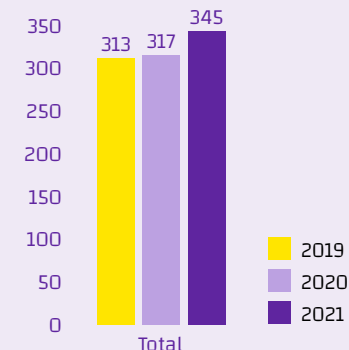
Number of personnel by employee group as of 31 December 2021



Number of personnel by company as of 31 December 2021



Total number of personnel as of 31 December 2021



As of 31 December 2021, Jatke employed 345 personnel, 291 of whom were men and 54 women.

**291**

Men



**290**

Employees

**54**

Women

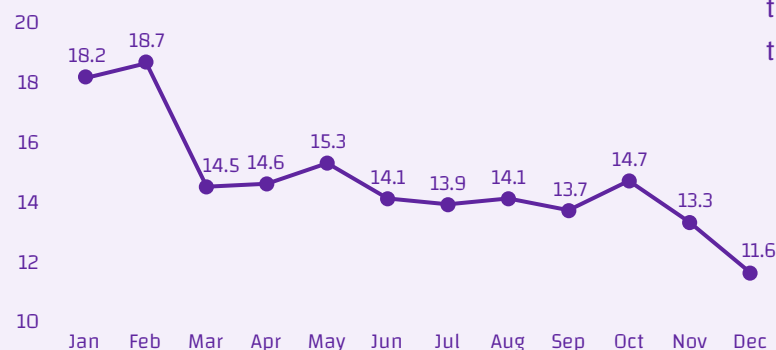


**55**

Manual workers

The Group employed 290 employees and 55 manual workers.

Rolling 12-month accident frequency



Accident frequency among personnel and subcontractors decreased throughout the year and was 11.6.



# Organisation as of 1 January 2022

<b>Jatke Group</b> GROUP CEO, CEO JATKE OY Hannu Anttonen					
<b>Jatke Oy</b> GROUP FUNCTIONS	<b>Jatke Toimitilat Oy</b> CEO Antti Raunemaa	<b>Jatke Pirkanmaa Oy</b> CEO Jukka Hannus	<b>Jatke Länsi-Suomi Oy</b> CEO Jukka Hannus	<b>Jatke Uusimaa Oy</b> CEO Janne Mönkkönen	<b>Jatke Julkisivut Oy</b> CEO Timo Mikkola
PROJECT DEVELOPMENT					
FINANCIAL ADMINISTRATION					
DEVELOPMENT	Helsinki	Tampere	Turku	Helsinki	Helsinki
PROCUREMENT	Metropolitan area			Metropolitan area	Metropolitan area Turku
HUMAN RESOURCES					
IT ADMINISTRATION					
COMMUNICATIONS					
LEGAL AFFAIRS	C R	H C R	H C R	H	R
QUALITY					
SECURITY					

# Board of Directors



**'Jatke was successful in 2021 by posting an excellent operating result and achieving profitable growth. We are securely on the path to becoming the best Finnish construction company by the end of the decade. I want to extend my sincere thanks to every Jatke employee for their outstanding work and professionalism. We will continue to fulfil our promises to clients and partners and take responsibility for everything we do.'**

–Juha Pekka Ojala, Chair of the Board of Directors of Jatke Group

## Board of Directors 2021

**Esa Eloranta**  
Chair, 1 January–29 April 2021

**Juha Ojala**  
Vice chair, 1 January–29 April 2021;  
Chair, 29 April–31 December 2021

**Petteri Pousi** Member  
1 January–29 April 2021;  
Vice chair, 29 April–31 December 2021

**Eero Saastamoinen**  
1 January–31 December 2021

**Hans Sten**  
1 January–31 December 2021

**Kari Vanhalakka**  
1 January–31 December 2021

**Hannu Anttonen** served as the company's CEO from 1 January to 31 December 2021

The company's accounts have been audited by Deloitte Oy with Hannu Mattila, APA, as the principal auditor.



Annual report

**WE DARE TO SPEAK  
OF OUR PASSION FOR  
QUALITY BUILDING.  
WITHOUT IT, THERE WOULD  
BE NO JATKE.**

# Significant events during the reporting period

Jatke Group's net sales increased and profitability improved during the period. The Group's net sales amounted to EUR 338,899,598.16, an increase of 16.6% from the previous reporting period. The Group's net sales grew due to the increase in net sales of the subsidiaries Jatke Pirkanmaa Oy and Jatke Uusimaa Oy. The Group's residential and renovation constructions increased, whilst the number of commercial constructions remained unchanged from the previous year.

During the reporting period, Jatke Group's operations were divided as follows: approximately 13% of operations were renovation construction (2020: 12%), approximately 34% commercial construction (2020: 39%) and approximately 53% residential construction (2020: 49%).

Renovation and commercial constructions were mainly contracted projects. During the financial year 2021, one self-developed commercial construction and two negotiated contracts were launched.

During the period, one so-called "RS" site was completed by the Group. As of the date of the financial statements, there were seven completed unsold residential units. There were four RS sites under construction as of the date of the financial statements with a total of 208 units. The sales situation of RS sites under construction is good. In addition to RS sites, the construction of several residential projects and negotiated contracts was launched. In total, the Jatke Group had just over 2,550 residential units under construction as of the date of the financial statements.

The Group's net sales for the period were slightly below target, but profit for the period exceeded the target.

## Incorporation

On 17 December 2021, Jatke Oy signed an agreement with Jatke Toimitilat Oy on a transfer of assets, under which all new construction by Jatke Oy in the Helsinki Metropolitan Area and renovation of commercial and residential buildings were transferred to Jatke Toimitilat Oy as

of 1 January 2022. According to the signed agreement of the transfer, all of Jatke Oy's assets, liabilities, provisions and employees related to the business in question were transferred to Jatke Toimitilat Oy.

Jatke Toimitilat Oy is a subsidiary established by Jatke Oy on 15 September 2021. The purpose of establishing the subsidiary and transferring assets is to improve the development of the business segment concerned and to facilitate the financial monitoring of the business operations.

After the transfer of assets, Jatke Oy's operations as the Group's parent company consist of providing administrative services to its subsidiaries.

## Significant events after the reporting period and forecast of likely future developments

At the end of the reporting period, Jatke Group had several renovation, commercial and residential construction projects as well as four RS construction sites underway. After the end of the period, Jatke Group has signed several contracts.

As of the date of the annual report, the Group's unrecognised order backlog stood at approximately EUR 619 million. For RS sites under construction, the share of flats sold has been included in the order backlog.

Jatke Group will continue the development and contract construction of renovation, commercial and residential projects. The aim is to increase the volume of self-development cautiously, taking into account the overall market situation.

A record-strong order backlog gives Jatke Group a good starting point for 2022. We therefore expect both the Group's net sales and profit to increase from the previous year.

The COVID-19 pandemic, which began in spring 2020, did not cause significant problems for the operations of Jatke Group during financial year 2021. During the pandemic, we have learned to operate within the imposed restrictions. We expect the impact of the pandemic on the operations of Jatke Group to remain unchanged.



The crisis caused by the war in Ukraine has created uncertainty for the future. The crisis has pushed up the prices of building materials and reduced their availability. However, predicting and identifying the impact of the crisis on the construction sector and investments is difficult.

#### Assessment of operational risks and uncertainties

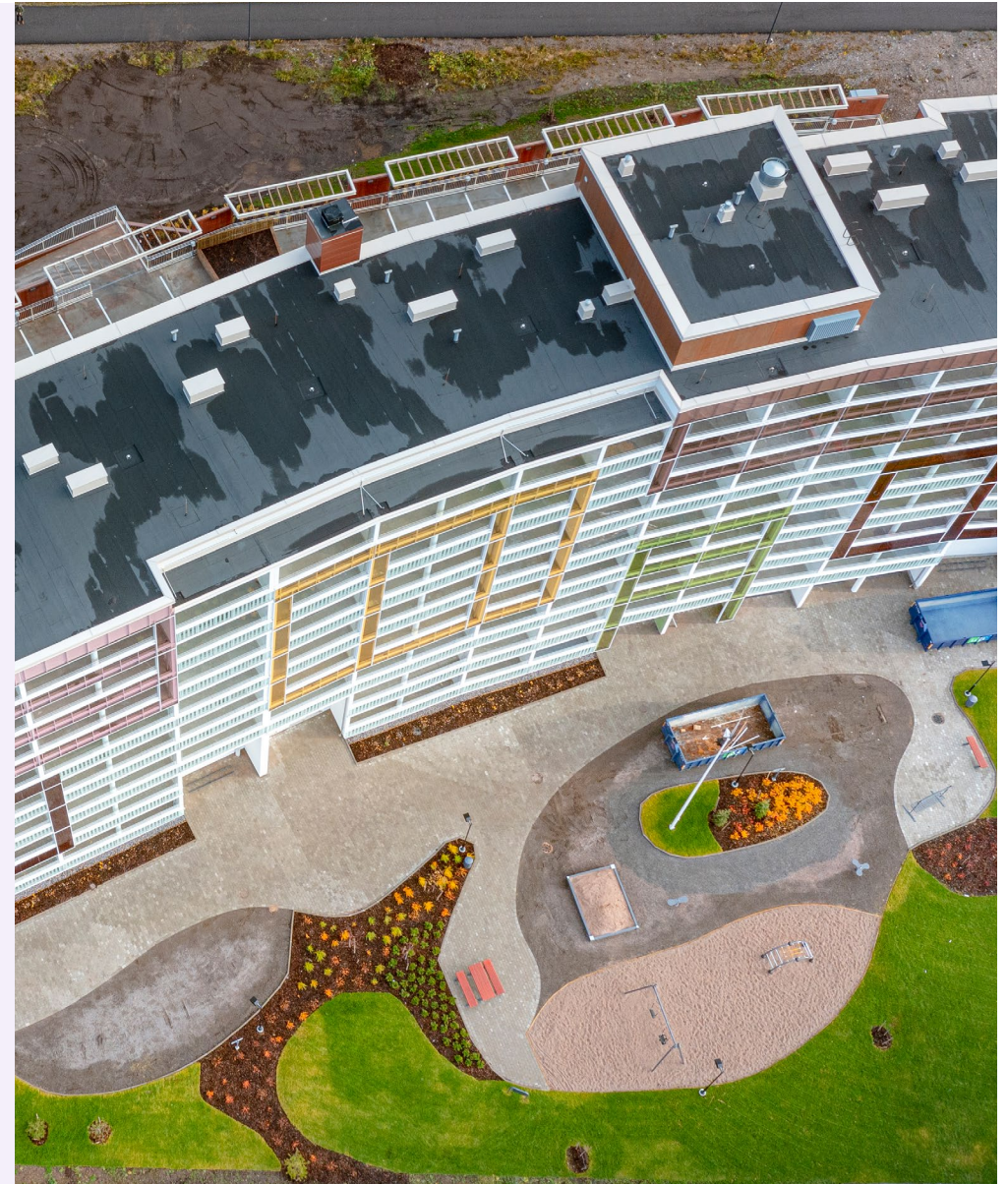
Identified risk factors include changing social and market situations; the overall market situation in the construction sector, the market situation in the real estate investment sector, the COVID-19 pandemic, and the crisis caused by the war in Ukraine. Other identified risk factors include the project development costs required for self-developed projects, the need for significant amounts of equity, and the availability and stability of skilled personnel.

We anticipate and manage market risk factors by continuously analysing our market environment and, if necessary, carrying out rapid operational adjustments to meet the prevailing market situation.

With respect to the COVID-19 pandemic, our goal is to continue our operations and projects with minimal disruption. We are seeking find solutions to possible problems, while respecting the restrictions and recommendations issued by the authorities.

In our view, the crisis caused by the war in Ukraine does not pose a significant risk to the net sales or financial performance of Jatke Group in 2022. The impact of a prolonged crisis on the construction sector as a whole is difficult to predict.

We manage the risks associated with self-development by limiting the number of projects underway at a time and their financial value. During financial year 2022, Jatke Group will continue to focus mainly on contract construction and negotiated contracts. New self-development construction projects will not constitute a significant share of overall operations. This way, the amount of capital committed to operations of Jatke Group will not be oversized and the Group will not be exposed to significant sales risk. Jatke Group has comprehensive insurance against risk of loss or damage.



# Income Statement

Currency EURO	1.1.2021 -31 December 2021	1.1.2020 -31 December 2020
<b>NET SALES</b>	<b>338 899 598,16</b>	<b>290 574 593,83</b>
Finished and unfinished products increase (+) or decrease (-) in stocks	-4 076 292,19	3 739 128,04
Other income from operations	3 500,00	40 750,00
Materials and services		
Materials, supplies and goods		
Purchases during the period	-81 038 060,86	-67 638 194,94
Increase/decrease in stocks	6 952 983,88	-4 024 388,45
External services	-202 709 671,88	-175 789 132,55
<b>Total</b>	<b>-276 794 748,86</b>	<b>-247 451 715,94</b>
Personnel costs		
Salaries and fees	-23 584 689,94	-20 428 996,45
Indirect personnel costs		
Pension contributions	-4 137 931,43	-3 264 124,82
Other indirect personnel costs	-1 088 479,22	-1 135 818,28
<b>Total</b>	<b>-28 811 100,59</b>	<b>-24 828 939,55</b>
Write-offs and depreciation		
Scheduled depreciation and amortization	-199 199,49	-118 084,82
Depreciation of noncurrent assets	-58 522,57	0,00
Impairment of consolidated goodwill	-155 096,11	-155 096,11
<b>Total</b>	<b>-412 818,17</b>	<b>-273 180,92</b>
Other operating expenses	-9 951 589,03	-10 552 847,42

Currency EURO	1.1.2021 -31 December 2021	1.1.2020 -31 December 2020
<b>NET OPERATING PROFIT</b>	<b>18 856 549,32</b>	<b>11 247 788,04</b>
Financial income and expenses		
Other financial income in total	125 117,46	161 625,29
Total financial expenses	-688 106,26	-406 263,06
<b>Total</b>	<b>-562 988,80</b>	<b>-244 637,77</b>
<b>PROFIT BEFORE APPROPRIATIONS AND TAX</b>	<b>18 293 560,52</b>	<b>11 003 150,27</b>
Income taxes		
Taxes for the period	-3 348 989,15	-2 492 883,97
<b>Total</b>	<b>-3 348 989,15</b>	<b>-2 492 883,97</b>
Minority interest	-2 912 064,35	-965 773,70
<b>PROFIT FOR THE PERIOD</b>	<b>12 032 507,02</b>	<b>7 544 492,60</b>

# Balance Sheet

Currency EURO	31.12.2021	31.12.2020
<b>ASSETS</b>		
<b>NONCURRENT ASSETS</b>		
Intangible assets		
Consolidated goodwill	288 413,61	443 509,72
Other long-term expenses	278 058,90	102 575,01
<b>Total</b>	<b>566 472,51</b>	<b>546 084,73</b>
Tangible assets		
Machinery and equipment	197 514,36	204 957,65
Other tangible assets	6 650,00	6 650,00
<b>Total</b>	<b>204 164,36</b>	<b>211 607,65</b>
Investments		
Shares in Group companies	359 725,10	3 825,00
Other investments	55 000,00	75 880,00
<b>Total</b>	<b>414 725,10</b>	<b>79 705,00</b>
<b>CURRENT ASSETS</b>		
Inventories		
Unfinished products	10 995 409,98	12 407 158,84
Marketable securities	3 430 903,61	6 095 446,94
Other inventories	12 640 642,82	5 687 658,94
<b>Total</b>	<b>27 066 956,41</b>	<b>24 190 264,72</b>
Receivables		
Long-term		
Other receivables	449 365,74	536 885,03
Short-term		
Deferred tax assets	280 483,75	1 000 528,87
Accounts receivable	43 370 485,98	26 788 843,46
Other receivables	7 915 569,24	3 841 167,75
Accrued income	4 454 611,99	12 097 979,03
<b>Total</b>	<b>56 470 516,70</b>	<b>44 265 404,14</b>

Currency EURO	31.12.2021	31.12.2020
Financial securities		
Other securities	100 000,00	100 000,00
Cash and cash equivalents	49 857 163,16	31 511 454,76
<b>TOTAL ASSETS</b>	<b>134 679 998,24</b>	<b>100 904 521,00</b>
<b>LIABILITIES</b>		
<b>EQUITY</b>		
Share capital	200 000,00	200 000,00
Reserve for invested non-restricted equity	4 018 820,96	4 018 820,96
Profit (loss) from previous periods	17 790 004,98	19 338 958,08
Profit (loss) for the period	12 032 507,02	7 544 492,60
<b>Total</b>	<b>34 041 332,96</b>	<b>31 102 271,64</b>
<b>MINORITY INTEREST</b>	<b>4 850 947,29</b>	<b>2 988 882,94</b>
<b>COMPULSORY RESERVES</b>	<b>3 235 291,76</b>	<b>3 075 514,25</b>
<b>CURRENT LIABILITIES</b>		
Long-term		
Other liabilities	10 752,63	10 752,63
<b>Total</b>	<b>10 752,63</b>	<b>10 752,63</b>
Short term		
Loans from financial institutions	3 506 881,75	6 540 003,28
Advances received	38 460 105,16	27 422 622,07
Accounts payable	26 728 933,22	10 934 306,39
Other liabilities	16 033 839,54	11 370 924,28
Deferred tax liabilities	0,00	335 153,88
Deferred liabilities	7 811 913,93	7 124 089,65
<b>Total</b>	<b>92 541 673,60</b>	<b>63 727 099,55</b>
<b>TOTAL LIABILITIES</b>	<b>134 679 998,24</b>	<b>100 904 521,00</b>



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