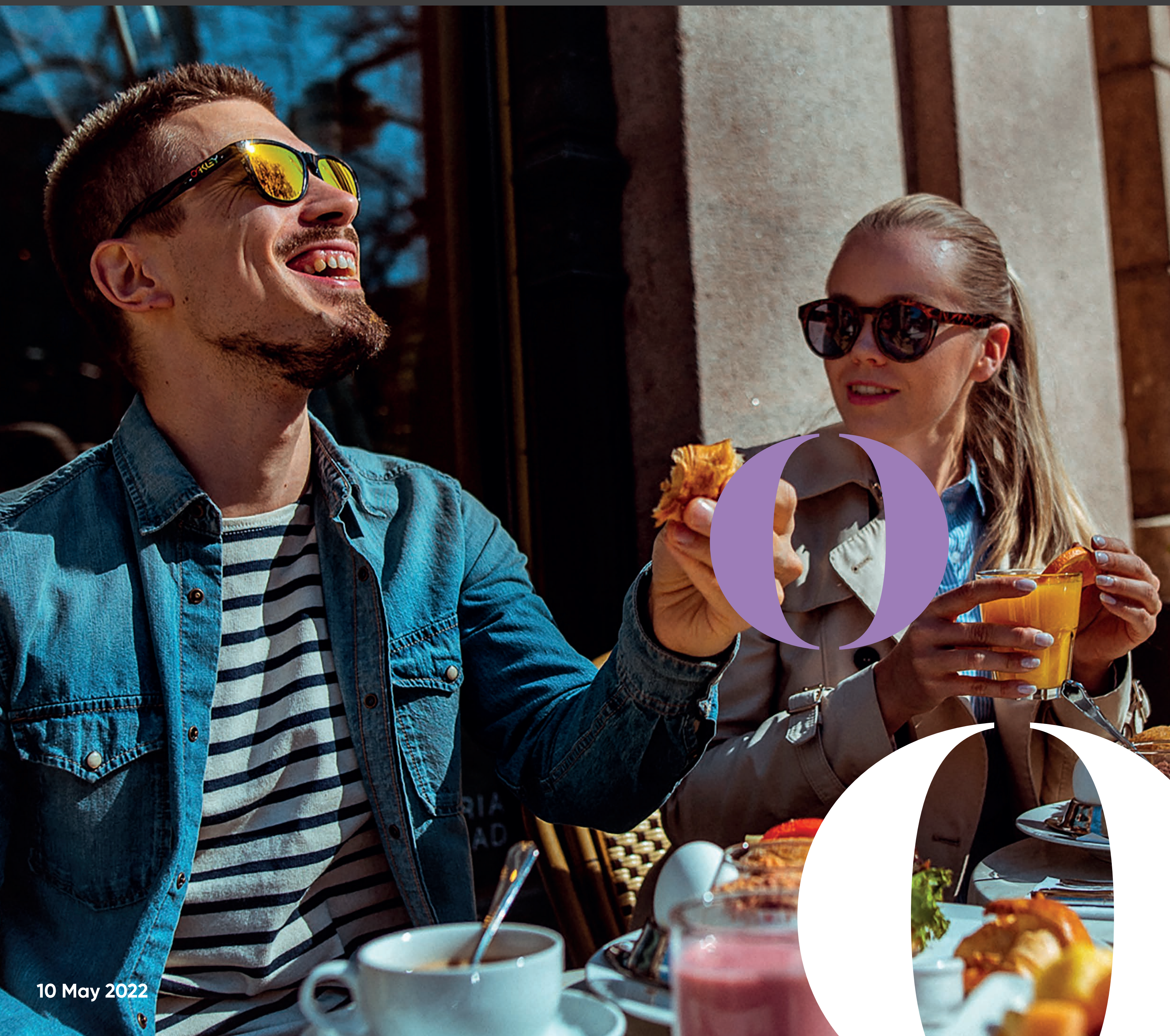
NoHo

NORDIC HOSPITALITY PARTNERS

Interim Report

Q1/2022



10 May 2022

NOHO PARTNERS PLC'S INTERIM REPORT 1 JANUARY–31 MARCH 2022

Restaurant demand recovery faster than expected – the company expects its turnover to increase to approximately MEUR 300 already this year

JANUARY–MARCH 2022 IN BRIEF

Entire Group

- Turnover increased by 140.6% to MEUR 48.5 (MEUR 20.2).
- EBIT increased by 86.6% to MEUR -1.3 (MEUR -9.7).
- The EBIT percentage was -2.7% (-48.3%).
- The result for the financial period was MEUR -3.6 (MEUR -10.8), an increase of 66.9%.
- Earnings per share were EUR -0.18 (EUR -0.49), an increase of 63.4%.
- The operational EBITDA* increased by 116.0% to MEUR 1.1 (MEUR -6.7).

Finnish operations

- Turnover increased by 86.2% to MEUR 37.3 (MEUR 20.1).
- EBIT increased by 69.1% to MEUR -2.4 (MEUR -7.6).
- The EBIT percentage was -6.3% (-38.1%).
- Operational EBITDA* increased by 85.6% to MEUR -0.8 (MEUR -5.5).

International business

- Turnover increased by 8,014.6% to MEUR 11.2 (MEUR 0.1).
- EBIT increased by 150.1% to MEUR 1.1 (MEUR -2.1).
- The EBIT percentage was 9.4% (-1,517.4%).
- Operational EBITDA* increased by 250.6% to MEUR 1.9 (MEUR -1.2).

Unless otherwise stated, figures in parentheses refer to the corresponding period last year.

KEY FIGURES

NoHo Partners Group, total

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	Change	1 Jan.–31 Dec. 2021
Turnover	48.5	20.2	140.6%	186.1
Operational EBITDA*	1.1	-6.7	116.0%	11.3
EBIT	-1.3	-9.7	86.6%	-0.9
EBIT, %	-2.7 %	-48.3%		-0.5%
Result of the financial period	-3.6	-10.8	66.9%	-10.3
Earnings per share (EUR) for the review period attributable to the owners of the company	-0.18	-0.49	63.4%	-0.55
Interest-bearing net liabilities excluding IFRS 16 impact	148.7	169.9	-12.5%	151.9
Gearing ratio excluding IFRS 16 impact, %	208.0%	227.4%		203.1%
Material margin, %	74.1%	70.8%		74.4%
Personnel expenses, %	37.8%	48.3%		36.0%

Finnish operations

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	Change	1 Jan.–31 Dec. 2021
Turnover	37.3	20.1	86.2%	158.1
Operational EBITDA*	-0.8	-5.5	85.6%	9.3
EBIT	-2.4	-7.6	69.1%	1.0
EBIT, %	-6.3%	-38.1%		0.6%

International business

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	Change	1 Jan.–31 Dec. 2021
Turnover	11.2	0.1	8 014.6%	28.0
Operational EBITDA*	1.9	-1.2	250.6%	2.0
EBIT	1.1	-2.1	150.1%	-1.9
EBIT, %	9.4%	-1 517.4%		-6.6%

* The company will use the term operational EBITDA for the operating cash flow in the future. The calculation formula is shown in the section "Calculation formulas for key figures" at the end of the interim report.

FUTURE OUTLOOK

PROFIT GUIDANCE AS OF 10 MAY 2022:

NoHo Partners estimates that, during the financial period 2022, it will achieve a total turnover of approximately MEUR 300 and an EBIT margin of approximately 7% in the restaurant business.

The Group aims to achieve a turnover of approximately MEUR 400 and an EBIT margin of approximately 10% during 2024. The company aims for the ratio of net debt to operational EBITDA, adjusted for IFRS 16 lease liability, to be under 3 and for dividends to be paid during the strategy period 2022–2024.

The Group will update the estimate for the next financial period on an annual basis in conjunction with the publication of the financial statements release. The company will also provide monthly reports on the development of its business during the second quarter of 2022.

PREVIOUS PROFIT GUIDANCE (AS OF 17 FEBRUARY 2022):

The company will issue its turnover and profitability forecast for 2022 at the latest in connection with the January–March 2022 interim report.

The company will also provide monthly reports on the development of its business under these exceptional circumstances until further notice.

THE MARKET

The COVID-19 pandemic has had a considerable impact on the company's market and the restaurant industry as a whole, and it has significantly affected the company's operations. In the first quarter of 2022, the company operated in a strictly restricted or closed business environment in all of its operating countries. Following the lifting of the restrictions, private consumption recovered rapidly and demand has been strong, exceeding the level of the year before the pandemic.

The business outlook for the tourism and catering sector has clearly improved as the pandemic eased. However, consumer confidence in financial development has been undermined by the tightening geopolitical situation and the general rise in costs. The company expects consumer demand to remain at a good level during the financial period 2022, business and event sales to gradually recover and the market to return to normal during the second quarter of 2022.

BUSINESS SEGMENTS

As of 1 January 2022, NoHo Partners' business consists of two business segments, which will be reported separately:

- Finnish operations
- International business

NoHo Partners reports its financial result for the first quarter of 2022 in accordance with the new segment structure.

REVIEW BY THE CEO

The beginning of 2022 was overshadowed by strict restaurant restrictions in all of our operating countries. However, as the restrictions were gradually lifted, our business was already cash flow positive in mid-February, and in March, when the market opened up, we were already making a good profit. It did not save the result for the first quarter, but this provides a good starting point for the recovery, which was further strengthened by April's sales and operational EBITDA.

On the whole, I look at the rest of the year with confidence, even though the uncertainty in the general economic situation created by the crisis in Ukraine, cost increases and staff availability put pressure on our business. However, compared to the limited business environment of the past two years, these are ordinary operational challenges in business operations, to which our scale benefits and pricing power offer clear security and competitive advantage.

In line with our growth strategy 2024, we aim to achieve a turnover of approximately MEUR 400. This year, we are seeking a turnover of approximately MEUR 300 and, therefore, the objective for the next two years is to continue to grow by approximately MEUR 100. Growth comes mainly from three strategic priorities: 1. From Norway, 2. From the scaling of the Friends & Brgrs chain and 3. From major flagship projects, such as Nokia Arena in Tampere. In the future, we will report more accurately on the progress of our profitable growth strategy and also publish the key figures of our international business on a quarterly basis. With this, we want to better serve our investors and open up our growth rate towards a turnover of MEUR 400 and 10% EBIT margin.

Our profitable growth is fuelled mainly by strong cash flow and negative working capital fed by growth. Over the next 12 months, the focus in terms of cash flow will be on the framework we have set for the normalisation of our loan level (net debt to EBITDA ratio), and already next year, we will be able to invest even more strongly in financing growth with our free cash flow. In addition, we still aim to divest Eezy Plc's ownership once we feel that the company's valuation is at a sufficient level. From the point of view of our company's value creation, we see the reinvestment of this asset in our international growth as a sensible strategy.

For this year, we expect the market to accelerate in the second quarter and believe that our portfolio will be relatively resilient to weakening purchasing power of domestic consumption. After two difficult years, Finnish restaurant culture has started to flourish, but it is clear that only excellent customer experience and good price-performance ratio can guarantee success in competition. We will invest in customer-oriented training of our personnel, immediate supervisor work and remuneration structures. It is estimated that this year's turnover will be approximately MEUR 300 and the EBIT will be approximately 7%. For the rest of the year, this represents a turnover of more than MEUR 250 and EBIT of approximately 9%.

Aku Vikström
CEO, NoHo Partners

IMPLEMENTATION OF THE STRATEGY

When the restrictions were lifted in February–March 2022, the company turned its attention back to implementing its profitable growth strategy.

Strategic priorities:

- Profitable growth in the Norwegian restaurant market through acquisitions
- Scaling up the Friends & Brgrs chain to a national level
- Large and profitable urban projects

The return of the Norwegian business to a strong profit performance following the lifting of the restrictions provides a strong starting point for future growth in the Norwegian restaurant market. The company's goal is to accelerate growth in Norway through acquisitions, and in order to enable this, the company has been actively identifying potential acquisitions.

In accordance with its strategy, the company has continued to scale the Friends & Brgrs chain by opening four new restaurants during the first half of the year 2022. The company's goal is to scale around 10 new restaurants in the chain on an annual basis.

For large and profitable urban projects, the full capacity of Nokia Arena in Tampere, Finland, was utilised in the lively spring of the ice hockey playoffs, which creates an excellent starting point for the upcoming Ice Hockey World Championship in May.

TURNOVER AND INCOME

JANUARY–MARCH 2022

The Group's turnover in January–March 2022 was MEUR 48.5, representing growth of 140.6 per cent compared to the corresponding period in 2021 and amounting to roughly 91 per cent of the turnover in the corresponding period in 2019, before the COVID-19 pandemic. In January–February, the operations took place in a partially restricted business environment during both the review period and the comparison period. In March 2022, restaurant restrictions were lifted completely, which was reflected in strong customer demand and growth in turnover. In March, the turnover was stronger than expected, especially in the company's strategic growth areas in Norway, and the Nokia Arena and Friends & Brgrs launches. In March, the turnover grew by approximately 515 per cent from the previous year and accounted for 77 per cent of the total January–March turnover growth.

The operational EBITDA turned positive in February after the partial lifting of the restrictions, and after the total lifting of the restrictions in March, it was EUR 3.5 million positive. The operational EBITDA for the whole review period was EUR 1.1 million, an increase of 116 per cent compared to the same period last year.

In a normal operating environment in the restaurant business, most of the profits are made during the second half of the year due to the seasonal nature of the business. The second quarter of 2022 is expected to be stronger than usual due to the pent-up demand and the Ice Hockey World Championship to be played in the company's main domestic markets, Helsinki and Tampere.

APRIL 2022 IN BRIEF

The Group's turnover for April 2022 was MEUR 28.9, which represents an increase of 608 per cent from the reference month of 2021 and 36 per cent from the reference month of 2019 prior to the pandemic. The operational EBITDA in April was approximately MEUR 4.5.

OUTLOOK FOR MAY–JUNE 2022

Turnover in May 2022 is expected to be MEUR 29–32 and operational EBITDA is expected to be MEUR 4.5–5.5. Turnover in June 2022 is expected to be MEUR 27–30 and operational EBITDA is expected to be MEUR 3.5–4.5.

TURNOVER BY BUSINESS AREAS

FINNISH OPERATIONS	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Restaurants			
Turnover (MEUR)	15.3	8.7	68.7
Percentage of the total turnover	31.6%	43.2%	36.9%
Change in turnover	76.8 %		
Units, number	76	80	75
Entertainment venues			
Turnover (MEUR)	11.4	3.1	49.5
Percentage of the total turnover	23.6%	15.3%	26.6%
Change in turnover	263.2 %		
Units, number	72	64	72
Fast casual restaurants			
Turnover (MEUR)	10.5	8.2	39.9
Percentage of the total turnover	21.7%	40.9%	21.4%
Change in turnover	28.1%		
Units, number	64	50	66

INTERNATIONAL BUSINESS	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Turnover (MEUR)	11.2	0.1	28.0
Percentage of the total turnover	23.1%	0.7%	15.1%
Change in turnover	8,014.6%		
Units, number	38	39	40

BUSINESS SEGMENTS

Finnish operations

In Finland, business was severely restricted from January to mid-February. The operations of the restaurants and entertainment venues were restricted while the turnover was mainly formed by the fast casual business area and the take-away sales. After the easing of the restrictions in the middle of February, the positive operational EBITDA was sufficient to turn the EBITDA for the whole month positive. In March, following the lifting of the restrictions, consumer demand recovered strongly and has continued strong, with a further focus on weekends. The strong EBIT for March was not enough to turn the EBIT for the entire review period positive, totalling MEUR 2.4 negative.

No grants from the Finnish state were recorded in the review period. Support for the period during which business was restricted or completely blocked as a result of the orders of the authorities is still under consideration by the Finnish parliament.

KEY FIGURES, FINNISH OPERATIONS				
MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	Change	1 Jan.–31 Dec. 2021
Turnover	37.3	20.1	86.2%	158.1
Operational EBITDA	-0.8	-5.5	85.6%	9.3
EBIT	-2.4	-7.6	69.1%	1.0
EBIT, %	-6.3 %	-38.1%		0.6%
Material margin, %	73.5%	72.2%		74.6%
Personnel expenses, %	36.3%	42.2%		34.7%

International business

In January, international business activities were limited both in Norway and Denmark. Business recovered quickly at the beginning of February after the restrictions were lifted. In March, demand was strong and business returned to pre-pandemic levels. The government support continued for the duration of the restrictions and totalled approximately MEUR 2.1 during the review period. With the strong recovery in demand and the existing state support mechanisms, the operational EBITDA and EBIT for the review period were strongly positive.

KEY FIGURES, INTERNATIONAL BUSINESS MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	Change	1 Jan.–31 Dec. 2021
Turnover	11.2	0.1	8,014.6%	28.0
Operational EBITDA	1.9	-1.2	250.6%	2.0
EBIT	1.1	-2.1	150.1%	-1.9
EBIT, %	9.4%	-1,517.4%		-6.6%
Material margin, %	76.3%	-128.0%		73.4%
Personnel expenses, %	42.5%	945.0%		43.7%

THE IMPACT OF THE COVID-19 PANDEMIC ON THE GROUP'S BUSINESS

The COVID-19 pandemic has had a significant impact on the Group's business since March 2020. The restrictions imposed on the restaurant industry by governments in order to mitigate the pandemic and the impacts of the pandemic on customer demand have had a highly negative effect on NoHo Partners' business operations and financial results. The company has taken determined action to reduce the pandemic's impacts, uncertainties and risks and to secure the Group's financial position and sufficient financing.

In Finland, strict restaurant restrictions were in force in January. Alcohol service ended at 5 p.m. and the opening hours of restaurants primarily serving alcohol at 6 p.m. Restaurants were allowed to be open until 8 p.m. for those who had a COVID-19 passport. As of 12 January 2022, all restaurants in the country had to be closed at 6 p.m. with alcohol service ending at 5 p.m. After the beginning of February, alcohol service hours of restaurants were extended until 8 p.m. and opening hours until 9 p.m. while the restrictions of the restaurants primary serving alcohol remained unchanged. The restrictions continued until 14 February 2022, after which alcohol service ended at 11 p.m. and opening hours ended at midnight for all restaurants. At the same time, restrictions on assembly were lifted. The restaurant restrictions were lifted completely on 1 March 2022.

In Denmark, restaurants had to close at 11 p.m., with alcohol service ending at 10 p.m. in January. Customer capacity was restricted to half of normal and the nightclubs were closed. All restaurant restrictions were lifted as of 1 February 2022.

In Norway, the ban on the sale of alcohol lasted one month and ended on 14 January 2022, after which all restaurants were allowed to serve alcohol until 11 p.m. and stay open until midnight. The customer capacity was limited to 50 per cent and only table service was allowed. The restaurant restrictions, with the exception of the prohibition on dancing and of the one-metre safe distance, were lifted in Norway on 1 February 2022. The remaining restrictions were lifted on 12 February 2022.

A report on the impacts of the pandemic and changes in restaurant restrictions for the comparison period 2021 is presented in the section Accounting principles, page 25, Note 1 of the Financial statements release 2021.

Government assistance during the state of emergency

The company did not receive government grants from the Finnish state during the review period. On 7 April 2022, the Finnish Government proposed to extend the uncovered fixed expense support under the Act on Support for Business Costs. The aid is intended primarily for medium-sized and large enterprises for the period from December 2021 to February 2022, during which business activities were restricted or completely blocked by government orders. The proposal is currently debated in committees. Possible support may have a positive one-off effect on the company's second quarter results.

The support received from the Danish state in January–March 2022 amounted to approximately MEUR 0.7 and the support received from the Norwegian state amounted to MEUR 1.3. The financial support received by the Group totalled approximately MEUR 2.1.

A more detailed account of government assistance and the distribution thereof is presented in Note 4 Government grants in the interim report.

CASH FLOW, INVESTMENTS AND FINANCING

The Group's operating net cash flow in January–March 2022 was MEUR 8.7 (MEUR 0.3). There was no significant change in working capital when comparing the situation between the beginning and the end of the review period, although an exceptionally large change occurred when restaurants reopened during the review period.

The investment net cash flow in January–March 2022 was MEUR 1.8 (MEUR -0.2) including MEUR 4.2 of positive cash flow from the sale of Eezy Plc's shares, which were classified as held for sale. The investment net cash flow included the opening of two new Friends & Brgrs restaurants and the acquisition of the restaurant Origo in Hanko, Finland. Financial cash flow amounted to MEUR -14.8 (MEUR -0.3), including MEUR 2.0 in amortisation of financial institution loans under the amortisation programme that started in February and a prepaid amortisation of MEUR 4.0.

The Group's interest-bearing net liabilities, excluding the impact of IFRS 16 liabilities, continued to decline to MEUR 148.7 and, when adjusted by the market value of Eezy's holding at the end of the review period, to less than MEUR 120. IFRS 16 liabilities totalled MEUR 170.3. The Group's gearing ratio excluding the impact of IFRS 16 liabilities was 208.0%. Adjusted net finance costs in January–March were MEUR 3.4 (MEUR 3.0), of which the share of IFRS 16 interest expenses was MEUR 1.8 (MEUR 1.4).

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

RESTRICTIONS TIGHTENED IN FINLAND

The ministerial working group to coordinate the COVID-19 measures of the Finnish Government, announced on 7 January 2022 that all restaurants in the country had to be closed at 6 p.m. from 12 January 2022, with alcohol service ending at 5 p.m. On 18 January 2022, the Finnish Government outlined that the restrictions on restaurants, events and customer spaces as well as the use of COVID-19 passports were to be extended for two weeks until mid-February.

SPECIAL SHARE ISSUE

On 27 January 2022, NoHo Partners Plc announced that it will issue 40,503 new shares in a special issue. The number of shares subscribed for in the share issue corresponded to approximately 0.2 per cent of the share capital of NoHo Partners after the registration of the new shares. The issue was offered to the Norwegian company Carpe Diem AS as part of an arrangement through which NoHo Partners' subsidiary NoHo Partners International Oy acquired an additional 6% share in the Norwegian company NoHo Norway AS. After the transaction, NoHo Partners International Oy owns a total of 86% of NoHo Norway AS' share capital. In the transaction, in addition to the Shares, the Seller received a total of approximately EUR 294,000 in receivables from NoHo Norway AS. The subscription price per Share was EUR 7.993, which corresponds to the three (3) months' volume weighted average price of the NoHo Partners share. The shares were registered in the Trade Register on 28 January 2022, admitted to trading on Nasdaq Helsinki Oy on 31 January 2022. With the subscriptions, the number of NoHo Partners shares increased to 19,262,773 shares.

RESTRICTIONS EASED IN FINLAND

The Finnish Government announced on 27 January 2022 that alcohol service hours of restaurants will be extended until 8 p.m. and opening hours until 9 p.m. as of 1 February 2022. There was no change to stopping alcohol service at 5 p.m. and staying open until 6 p.m. of restaurants primarily serving alcohol. The COVID-19 passport could not be used to circumvent the restrictions concerning alcohol serving, opening hours and number of seats, and the limitations of its use were extended. The Government announced on 2 February 2022 that the restrictions will continue in Finland until 14 February 2022, after which alcohol service ended at 11 p.m. and opening hours ended at midnight for all restaurants. The restrictions on assembly were lifted.

RESTRICTIONS LIFTED IN DENMARK AND NORWAY

All restaurant restrictions were lifted in Denmark as of 1 February 2022. The restaurant restrictions in Norway were lifted as of 1 February 2022, with the exception of the prohibition on dancing and of the and one-metre safe distance. The remaining restrictions were lifted in Norway on 12 February 2022.

RESTRICTIONS LIFTED IN FINLAND

All the restaurant restrictions were lifted in Finland on 1 March 2022.

EXTENSION OF THE SHARE-BASED INCENTIVE SCHEME'S THIRD EARNING PERIOD

NoHo Partners announced on 22 March 2022 that its Board of Directors has decided to extend the third earning period of the long-term share-based incentive scheme for key personnel due to the restaurant restrictions tightened in December 2021. The third earning period lasts 16 months and it started on 1 December 2021 and will end on 31 March 2023. In accordance with the previous decision, a maximum of 281,828 NoHo Partners Plc shares may be paid to the key employees for the third earning period. The value of the maximum reward at the mid-market rate of the trading day preceding the stock exchange release would be approximately MEUR 2.3. The Board of Directors anticipates that if the reward for the third earning period was paid fully in shares, the maximum dilutive effect on the number of the company's registered shares would be 1.44%.

NEW RESTAURANTS:

- Restaurant Origo, Hanko, Finland
- Friends & Brgrs, Lahti, Finland, and Myyrmanni Vantaa, Finland

EVENTS AFTER THE REPORTING PERIOD

DECISIONS BY THE ANNUAL GENERAL MEETING

NoHo Partners Plc's Annual General Meeting was held in Tampere, Finland, on 27 April 2022. In addition to attending the meeting, the shareholders were offered the opportunity to vote in advance on certain items on the agenda of the Annual General Meeting and to ask questions on the agenda of the Annual General Meeting. The shareholders also had the opportunity to watch the Annual General Meeting via a webcast.

The AGM approved all of the proposals submitted to the AGM and approved the Remuneration Report. The AGM adopted the financial statements for 2021 and discharged the company's management from liability for the financial period 1 January 2021–31 December 2021. The AGM decided that, based on the balance sheet adopted for the financial period that ended on 31 December 2021, no dividends will be distributed. The AGM decided that the Board of Directors comprise six (6) members and selected Ernst & Young Oy as the company's auditor. The decisions of the Annual General Meeting are presented in more detail in the stock exchange release published on 27 April 2022.

ESTABLISHMENT OF COMMITTEES

On 10 May 2022, the company announced that its Board of Directors has decided to establish a Nomination and Remuneration Committee and an Audit Committee. The Chairman of the Nomination and Remuneration Committee is Yrjö Närhinen and the members are Timo Laine and Mia Ahlström. The Chairman of the Audit Committee is Kai Seikku and the member is Petri Olkinuora.

NEW RESTAURANTS

- Friends & Brgrs, Lauttasaari Helsinki, Itäkeskus Helsinki, Finland
- Hook, Jyväskylä, Finland
- Babylon Club & Garden, Helsinki, Finland

PERSONNEL

In the period 1 January–31 March 2022, the restaurant operations of the NoHo Partners Group employed on average 998 (544) full-time employees and 549 (487) part-time employees converted into full-time employees as well as 227 (82) rented employees converted into full-time employees.

Depending on the season, some 2,100 people converted into full-time employees work at the Group at the same time under normal circumstances.

NEAR-TERM RISKS AND UNCERTAINTIES

The near-term risks and uncertainties described in this section can potentially have a significant impact on NoHo Partners' business, financial results and future outlook over the next 12 months. The table describes the risks as well as measures to prepare for them and minimise them.

Geopolitical situation	The tightening of the geopolitical situation may have an impact on the company's market environment. For the time being, the company does not see an essential impact on demand in its operating countries. The increase in cost levels caused by the current global situation has an impact on the company's business. In order to mitigate the impact, the company has prepared itself for the rise in raw material prices, for example, through centralisation of purchase agreements and price increases.
COVID-19 pandemic	The restaurant industry is a cyclically sensitive sector that reacts quickly to economic cycles, seasonal variation and external disruptions. The COVID-19 pandemic is a good example of an external factor that significantly impacts the industry and its development. The COVID-19 pandemic has had a significant impact on the business operations of NoHo Partners in all of the countries in which it operates. **The key risks caused by the pandemic have been related to the health and safety of the Group's employees and customers as well as loss of turnover, cash flow, liquidity, solvency and profit.** For the financial period 2022, a significant risk is related to the negative business impacts of the pandemic due to possible emerging of new virus variants and the potential resulting business restrictions. The pandemic situation, restrictions imposed by the authorities and related news coverage may still have a significant impact on consumer behaviour. The protection provided by vaccinations has a significant impact on the recovery of the restaurant industry in the company's operating countries. **The prolonged duration of the COVID-19 pandemic and its impacts on the market, customer behaviour, the demand for restaurant services, the national economy and the financial markets are all factors that increase uncertainty in the near term and the longer term.** If the restrictions were to be further tightened by the Finnish Government due to a deteriorating pandemic situation or if the Finnish Government decides to again declare a state of emergency and orders restaurants to close, leading to the sudden stoppage of business operations, working capital could eat into cash assets due to the resulting demand shock. Possible restriction measures can lead to a deterioration of the cash position and impaired equity of the company due to lower profitability. The Group has prepared for this eventuality with the financing package it negotiated, by steering its operations with a focus on the cash flow, by reassessing the amount and timing of future investments and other financing arrangements. The cumulative cash flow of operations as well as existing liquid assets and available limits cover working capital required by the Group. The Group's new financing package, which was negotiated with its financing providers in February 2021, secures the Group's long-term financial position and facilitates the measures of the reconstruction programme.
General financial situation and changes in customer demand	The sales and profitability of restaurant services are affected by the financial situation of households and the development of purchasing power and corporate sales. The growth outlook weakened rapidly due to the COVID-19 pandemic in early 2020 in all of the Group's operating countries. In 2021, the economic growth and demand outlook as well as consumer confidence in the economy improved substantially. At the beginning of 2022, consumers' confidence in the economy in Finland was at an average level, while in March and April 2022 it weakened significantly. Uncertainties related to the recovery of the restaurant industry constitute a risk to the development of NoHo Partners' turnover and cash flow. Adjusting operating costs and the ability to mount an agile response to changes in customer demand are key ways for the Group to influence the development of turnover and EBIT.
Liquidity risk	NoHo Partners aims to ensure adequate financial assets to meet its business and financing needs. When the COVID-19 pandemic hit, the Group shifted from profit-oriented decision-making to cash flow-oriented decision-making. As the pandemic eased and the market opened up, the company returned from cash flow-oriented decision-making to profit-oriented decision-making. The Group's financing needs will be covered by optimising working capital and through external financing arrangements to ensure that the Group has sufficient liquidity or unwithdrawn committed credit arrangements at its disposal. The operational monitoring and management of liquidity risk are centralised in the Group's finance department, where the sufficiency of financing is managed based on rolling forecasts. However, unexpected legislative amendments, such as the temporary implementation of the Emergency Powers Act and lockdown, might have a negative effect on the company's liquidity. According to the present view of the Group's management, the Group's current financing arrangements together with the cumulative cash flow of operations as well as existing liquid assets and available limits cover the Group's working capital requirements for the next 12 months, in spite of the potential prolongation of the uncertain market situation caused by the COVID-19 pandemic.

Financial risks	The Group strives to assess and track the amount of funding required by the business during the exceptional circumstances, for example by performing a weekly analysis of the utilisation rate of the restaurants and the development of sales, in order to ensure that the Group has sufficient working capital and liquid assets to fund the operations and repay loans that fall due. The aim is to ensure the availability and flexibility of Group financing through sufficient credit limit reserves, a balanced loan maturity distribution and sufficiently long loan periods as well as using several financial institutions and forms of financing, when necessary. Changes in the macroeconomic environment or the general financing market situation may negatively affect the company's liquidity as well as the availability, price and other terms and conditions of financing.
Amendments to legislation	Changes in regulations governing the restaurant business in the Group's various markets may have a negative impact on the Group's operations. Regulatory changes concerning, for example, alcohol legislation, food legislation, labour legislation and value added taxation may affect the Group's business.
Rent level development	Business premises expenses constitute a significant share of NoHo Partners' operating expenses. The Group's business premises are primarily leased, so the development of the general level of rents has a major impact on the Group's operations.
Labour market situation and labour supply	Due to the pandemic, the labour market situation in the Group's operating countries is challenging, which may also influence NoHo Partners' operations in the future. There is a labour shortage in the restaurant industry due to the pandemic, and the future availability of labour can be seen as one uncertainty factor.
Goodwill write-off risk	The Group has a significant amount of goodwill on the consolidated balance sheet, which is subject to a write-off risk in the event that the Group's expected future cash flows decline permanently due to the COVID-19 pandemic or other internal or external factors.

Tampere, 10 May 2022

NOHO PARTNERS PLC

Board of Directors

More information is available from:
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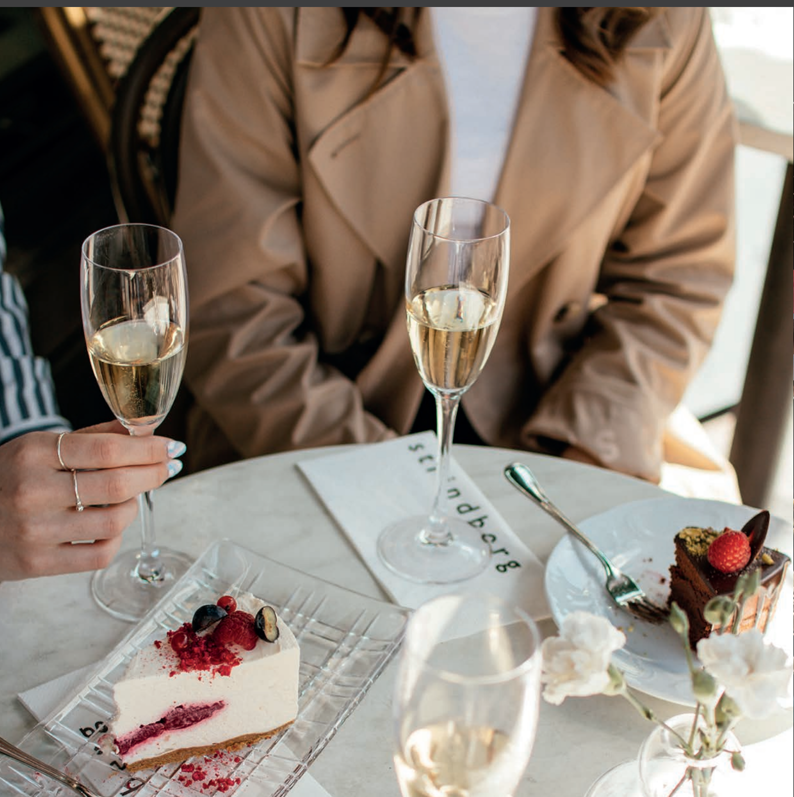
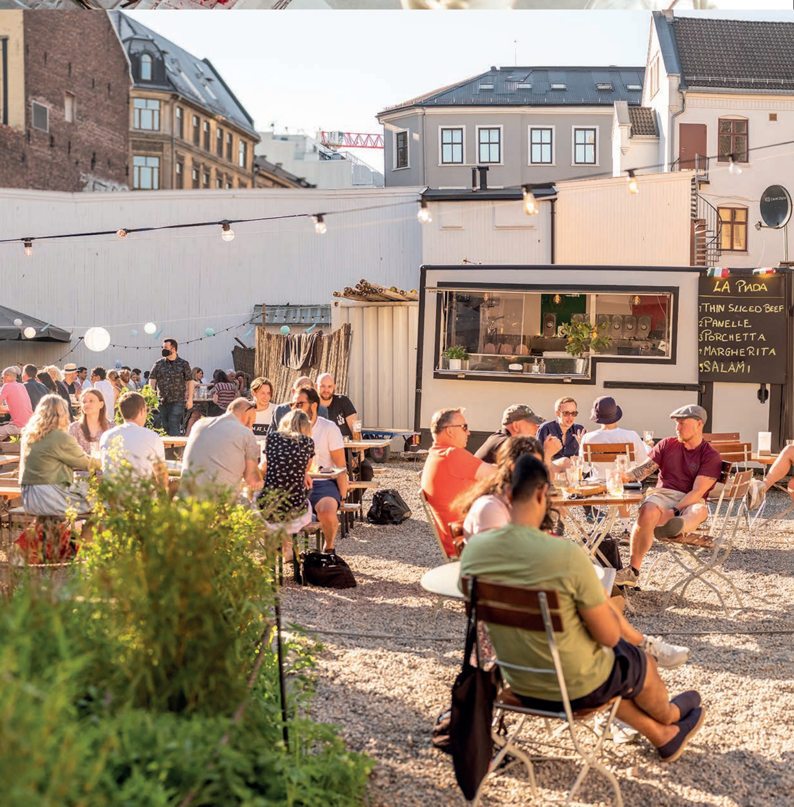
NOHO PARTNERS PLC is a Finnish group established in 1996, specialising in restaurant services. The company, which was listed on NASDAQ Helsinki in 2013 and which became the first Finnish listed restaurant company, has continued to grow strongly throughout its history. The Group companies include some 250 restaurants in Finland, Denmark and Norway. The well-known restaurant concepts of the company include Elite, Savoy, Teatteri, Stefan's Steakhouse, Palace, Löyly, Hanko Sushi, Friends & Brgrs, Campingen and Cock's & Cows. Depending on the season, the Group employs approximately 2,100 people converted into full-time employees. The Group aims to achieve turnover of MEUR 400 by the end of 2024. The company's vision is to be the leading restaurant company in Northern Europe.

Interim Report 1 January – 31 March 2022:

Table Section and Notes



Interim Report 1 January – 31 March 2022: Table Section and Notes

The information presented in the Interim Report has not been audited

Consolidated statement of profit or loss and other comprehensive income (IFRS)

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Turnover	48.5	20.2	186.1
Other operating income	3.7	5.0	17.5
Raw materials and supplies	-16.3	-7.3	-63.8
Employee benefits	-15.1	-8.7	-52.7
Other operating expenses	-10.4	-7.4	-41.1
Depreciation, amortisation and impairment losses	-11.7	-11.4	-47.1
Share of profit of associated company	0.0	-0.1	0.3
EBIT	**-1.3**	**-9.7**	**-0.9**
Financial income	0.5	0.7	1.1
Finance costs	-3.5	-3.0	-13.0
Net finance costs	-3.0	-2.3	-11.9
Profit before tax	**-4.3**	**-12.1**	**-12.8**
Tax based on the taxable income from the financial period	-0.7	-0.1	-1.2
Change in deferred taxes	1.4	1.4	3.7
Income tax expense	0.7	1.3	2.4
Profit for the period	**-3.6**	**-10.8**	**-10.3**
Profit for the period attributable to:			
Owners of the Company	-3.5	-9.4	-10.6
Non-controlling interests	-0.1	-1.3	0.3
Total	**-3.6**	**-10.8**	**-10.3**
Earnings per share calculated from the result of the review period for owners of the Company			
Basic earnings per share (EUR)	-0.18	-0.49	-0.55
Diluted earnings per share (EUR)	-0.18	-0.49	-0.55
Consolidated statement of comprehensive income			
Result of the financial period	**-3.6**	**-10.8**	**-10.3**
Other comprehensive income (after tax):			
Foreign currency translation differences, foreign operations	0.1	0.1	-0.2
Other comprehensive income items that may be subsequently reclassified to profit or loss, total	0.1	0.1	-0.2
Total comprehensive income for the period	**-3.5**	**-10.6**	**-10.5**
Distribution of the comprehensive income for the financial period			
Owners of the Company	-3.4	-9.3	-10.8
Non-controlling interests	-0.1	-1.3	0.3
Total	**-3.5**	**-10.6**	**-10.5**

Non-recurring items for the financial period 1 January–31 March 2022

The MEUR 0.4 gain from the sale of Eezy Plc shares is included in other operating income. The Group's 2021 financial statements release includes additional information on the classification of Eezy Plc.

The result for the financial period includes approximately MEUR 0.4 (0.7) in unrealised exchange rate gains.

Consolidated balance sheet (IFRS)

MEUR	31 March 2022	31 March 2021	31 December 2021
ASSETS			
Non-current assets			
Goodwill	137.8	136.2	137.1
Intangible assets	39.4	44.1	40.4
Property, plant and equipment	47.0	47.2	47.2
Right-of-use assets	162.9	156.4	162.2
Shares in associated companies and joint ventures	0.1	38.0	0.0
Other investments	0.3	0.1	0.3
Loan receivables	0.3	0.1	0.6
Other receivables	2.7	2.7	2.7
Deferred tax assets	15.9	10.5	10.3
Non-current assets	**406.3**	**435.3**	**400.8**
Current assets			
Inventories	5.3	3.0	5.0
Loan receivables	1.0	0.3	0.8
Trade and other receivables	13.9	12.6	16.2
Cash and cash equivalents	2.1	2.9	6.4
Current assets total	**22.3**	**18.8**	**28.4**
Non-current assets held for sale	**26.4**	**0.0**	**30.1**
TOTAL ASSETS	**455.0**	**454.1**	**459.3**
EQUITY AND LIABILITIES			
Equity			
Share capital	0.2	0.2	0.2
Invested unrestricted equity fund	58.7	58.4	58.4
Retained earnings	2.1	8.2	5.8
Total equity attributable to owners of the parent company	**61.0**	**66.8**	**64.4**
Non-controlling interests	4.6	3.4	5.0
Total equity	**65.6**	**70.2**	**69.4**
Non-current liabilities			
Deferred tax liabilities	9.5	7.7	5.3
Financial liabilities	100.8	151.7	113.2
Liabilities for right-of-use assets	140.4	133.6	139.6
Other payables	2.9	4.7	3.6
Non-current liabilities	**253.6**	**297.8**	**261.8**
Current liabilities			
Financial liabilities	51.3	22.3	46.4
Provisions	0.0	0.2	0.1
Liabilities for right-of-use assets	29.9	28.4	29.4
Income tax liability	2.4	1.3	2.3
Trade and other payables	52.2	34.0	49.9
Current liabilities	**135.8**	**86.1**	**128.1**
Total liabilities	**389.4**	**383.9**	**389.9**
TOTAL EQUITY AND LIABILITIES	**455.0**	**454.1**	**459.3**

Consolidated statement of changes in equity

Consolidated statement of changes in equity

	Equity attributable to owners of the Company						
2022 MEUR	Share capital	Invested unrestricted equity fund	Translation difference	Retained earnings	TOTAL	Non-controlling interests	EQUITY, TOTAL
Equity at 1 January	**0.2**	**58.4**	**-0.1**	**5.9**	**64.4**	**5.0**	**69.4**
Total comprehensive income for the period							
Result of the financial period				-3.5	**-3.5**	-0.1	**-3.6**
Other comprehensive income items (after taxes)							
Foreign currency translation differences, foreign operations			0.1		**0.1**	0.0	**0.1**
Total comprehensive income for the period	**0.0**	**0.0**	**0.1**	**-3.5**	**-3.4**	**-0.1**	**-3.5**
Transactions with shareholders							
Contributions and distributions							
Issue of ordinary shares		0.3			**0.3**		**0.3**
TOTAL	**0.0**	**0.3**	**0.0**	**0.0**	**0.3**	**0.0**	**0.3**
Changes in ownership interests							
No change in control				-0.3	**-0.3**	-0.4	**-0.7**
TOTAL	**0.0**	**0.0**	**0.0**	**-0.3**	**-0.3**	**-0.4**	**-0.7**
Total transactions with owners of the Company	**0.0**	**0.3**	**0.0**	**-0.3**	**0.0**	**-0.4**	**-0.4**
Equity at 31 March	**0.2**	**58.7**	**0.0**	**2.1**	**61.0**	**4.6**	**65.6**

Consolidated statement of changes in equity

	Equity attributable to owners of the Company						
2021 MEUR	Share capital	Invested unrestricted equity fund	Translation difference	Retained earnings	TOTAL	Non-controlling interests	EQUITY, TOTAL
Equity at 1 January	**0.2**	**58.4**	**0.0**	**17.5**	**76.1**	**4.8**	**81.0**
Total comprehensive income for the period							
Result of the financial period				-9.4	**-9.4**	-1.3	**-10.8**
Other comprehensive income items (after taxes)							
Foreign currency translation differences, foreign operations			0.1		**0.1**	0.0	**0.1**
Total comprehensive income for the period	**0.0**	**0.0**	**0.1**	**-9.4**	**-9.3**	**-1.3**	**-10.6**
Transactions with shareholders							
Contributions and distributions							
Issue of ordinary shares					**0.0**		**0.0**
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Changes in ownership interests							
No change in control					**0.0**	-0.1	**-0.1**
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-0.1**	**-0.1**
Total transactions with owners of the Company	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-0.1**	**-0.1**
Equity at 31 March	**0.2**	**58.4**	**0.2**	**8.1**	**66.8**	**3.4**	**70.2**

Consolidated statement of cash flows (IFRS)

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Cash flows from operating activities			
Result of the reporting period	-3.6	-10.8	-10.3
Adjustments to the result of the reporting period			
Non-cash transactions	-1.9	0.5	-1.8
Depreciation, amortisation and impairment losses	11.7	11.4	47.1
Net finance costs	3.0	2.3	11.9
Tax expense	-0.7	-1.3	-2.4
Share of profit of associated company	0.0	0.1	-0.3
Cash flow before change in working capital	**8.5**	**2.3**	**44.1**
Changes in working capital			
Trade and other receivables	2.5	0.8	-1.9
Inventories	-0.2	0.7	-1.3
Trade and other payables	1.6	-0.9	15.7
Changes in working capital	**3.9**	**0.6**	**12.5**
Dividend income	0.0	0.0	0.9
Interest paid and other finance costs	-3.4	-2.5	-11.2
Interest received and other finance income	0.0	0.0	0.1
Income taxes paid	-0.3	-0.1	-1.3
Net cash from operating activities	**8.7**	**0.3**	**45.0**
Cash flows from investing activities			
Acquisition of tangible and intangible assets	-1.5	-1.0	-9.2
Change in other non-current receivables	-0.3	-0.1	-0.2
Acquisition of subsidiaries with time-of-acquisition liquid assets deducted	-0.1	0.0	-3.5
Business acquisitions	-0.6	-0.3	-1.1
Business divestment	0.1	0.0	0.3
Sales of shares of associated companies	4.2	1.2	9.0
Net cash from investing activities	**1.8**	**-0.2**	**-4.7**
Cash flows from financing activities			
Proceeds from non-current loans and borrowings	0.0	7.3	7.0
Payment of non-current loans and borrowings	-6.0	0.0	-12.1
Proceeds from/repayments of current loans and borrowings	-1.6	-1.3	-4.2
Current commercial papers repaid	0.0	0.0	-0.5
Acquisition of non-controlling interests	-0.1	-0.1	-0.6
Payment of liabilities for right-of-use assets	-7.1	-6.3	-25.9
Dividend distribution	0.0	0.0	-0.7
Net cash from financing activities	**-14.8**	**-0.3**	**-37.1**
Change in cash and cash equivalents	**-4.3**	**-0.2**	**3.3**
Cash and cash equivalents at the beginning of the financial period	**6.4**	**3.1**	**3.1**
Cash and cash equivalents at the end of the reporting period	**2.1**	**2.9**	**6.4**
Change in cash and cash equivalents	**-4.3**	**-0.2**	**3.3**

Notes

1. Accounting Principles

This unaudited interim report has been prepared observing the IAS 34 Interim Financial Reporting standard. The interim report should be read together with the 2021 IFRS consolidated financial statements. The interim report has been prepared by observing the same accounting principles as with the 2021 IFRS consolidated financial statements, with the exception of the new amendments to the IFRS standards effective as of 1 January 2022. The changes are described in the 2021 IFRS consolidated financial statements.

Preparing the consolidated financial statements under the IFRS requires the use of the management's estimates and assumptions, which affects the amounts of assets and liabilities as well as revenue and costs on the balance sheet. Although the assessments are based on the management's best perception at the moment, it is possible that realisations may deviate from the original assessments and presumptions. Due to uncertainty caused by the COVID-19 pandemic, the management has to exercise more discretion in assessing certain estimated items and the going concern status.

All figures are presented as millions of euros (MEUR) and have been rounded to the nearest 0.1 million euros; thus the sum of individual figures may deviate from the total sum presented.

Segment Information

NoHo Partners has begun to disclose restaurant business figures broken down into the business in Finland and the international business. Segment-specific information is presented in Note 3.

Going concern assumption

In the two previous years, NoHo Partners has taken determined action to reduce the COVID-19 pandemic's impacts, uncertainties and risks and to secure the Group's financial position and sufficient financing.

In February 2021, the Group negotiated a financing agreement with its financing providers, securing the Group's financial position for the coming years and facilitating measures to be taken in the rebuilding phase. As the ultimate duration and overall impacts of the pandemic are difficult to predict, its effects on NoHo Partners' future turnover, result, cash flow and financial position may deviate from the current estimates and assumptions of the management.

According to the management, the cumulative cash flow of operations, the funding agreement negotiated in 2021 as well as existing liquid assets and available limits cover the Group's working capital requirements for the next 12 months. In addition, the Group has a shareholding in Eezy Plc that has a market value of approximately MEUR 30 and is classified as an asset held for sale. Through the gradual reduction of its shareholding and the positive cash flow produced by the Group, the Group aims to finance the growth targets for the strategy period 2022–2024 and simultaneously strengthen the Group's balance sheet position. The view of the Group management is that there are grounds for assuming that the business operations of NoHo Partners Group will continue.

If, going forward, the restaurant operations are restricted significantly and for a long time, due to the pandemic or another similar external factor by the government, and the Group is not able to secure adequate additional financing or support from the government, and cannot renegotiate loan amortisation plans or receive sufficient additional debt or equity financing or support for its operations from the market, there may be uncertainty concerning the continuity of the Group's operations.

Measurement of associated company Eezy Plc

NoHo Partners Plc reduced its shareholding in Eezy Plc during the review period. On 31 March 2022, the Group owned 5,139,745 shares in Eezy Plc, corresponding to a holding of approximately 20.5 per cent. The book value of the shares on NoHo Partners Plc's balance sheet is MEUR 26.4, corresponding to EUR 5.14 per share. The closing price of the Eezy share at the end of March was EUR 5.86.

On 11 June 2021, the Group published its updated strategy and financial targets for the strategy period 2022–2024. In connection with this, the Group decided to classify its shareholding in Eezy Plc as an asset held for sale. The Group plans to gradually reduce its shareholdings in Eezy to finance future growth projects and, if necessary, strengthen its balance sheet position.

Non-current assets are classified as held for sale if the amount equivalent to their carrying amount will primarily accumulate from the sale of the assets rather than their continued use. The prerequisites for classification as held for sale are considered to be met when the sale is highly probable and the asset item can be immediately sold in its present condition using common terms, and when the management is committed to the sale and the sale is expected to take place within one year from the classification.

Immediately before the classification, the asset items classified as held for sale are measured according to the applicable IFRS standards. Starting from the moment of classification, the asset items held for sale are measured at carrying amount or fair value less the costs of selling, whichever is lower. Depreciation on these asset items is discontinued and the share of the associated company's result is no longer recognised after the classification. Assets held for sale are presented separately from other assets on the balance sheet.

2. Turnover

DISTRIBUTION OF TURNOVER BETWEEN GOODS AND SERVICES

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Sale of goods	44.3	18.9	170.7
Sale of services	4.2	1.3	15.3
Total	**48.5**	**20.2**	**186.1**

DISTRIBUTION OF TURNOVER BY BUSINESS AREA

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Restaurants	15.3	8.7	68.7
Entertainment venues	11.4	3.2	49.5
Fast casual restaurants	10.5	8.2	39.9
International restaurants	11.2	0.1	28.0
Total	**48.5**	**20.2**	**186.1**

The sale of goods primarily comprises food and beverage sales by restaurant operations to private and corporate customers. The services include restaurants' service sales and marketing support payments received. The Group has sales in Finland, Denmark and Norway.

Asset and debt items based on contracts with customers

The Group has no asset items recognised for the costs of obtaining or fulfilling contracts with customers. The Group's contracts with customers do not include restitution or repayment obligations or special warranty terms.

Restaurants sell gift cards, which are presented in current liabilities. Gift card revenue is recognised when the card is used. On 31 March 2022, the value of gift cards sold was EUR 2.5 million, and they are expected to be recognised as revenue during the next 12 months.

3. Segment Information

During the COVID-19 pandemic, the Group has started to separately monitor the profitability figures for the Group's Finnish operations and its international business. With the restrictions related to the pandemic being lifted and the business returning to normal, the Group has made the decision to divide its operations into two operational reported segments: the Finnish operations and the international business. At the same time, NoHo Partners has begun to monitor the segments' business operations separately and they are managed as separate units. The Country Managers of the international business are responsible for their business areas and participate in the international business steering group work on their business areas. Selections, product pricing and marketing measures are decided at the country level.

Business management needs vary from segment to segment, as the maturity of the business operations is very different. The company's position in the Finnish market has stabilised and, in addition to managing daily operational activities, it focuses on seeking growth in accordance with its strategy, both from the scaling up of the Friends & Brgrs chain to the national level as well as from large and profitable urban projects. With regard to international business operations, the company focuses on the implementation of the Danish profitability programme and the acceleration of Norwegian growth through acquisitions.

The Group's supreme operational decision-maker, NoHo Partners' Executive Team, is responsible for resource allocation and income estimates. The segment information presented by the Group is based on the management's internal reporting that is prepared in accordance with the IFRS standards. The pricing between segments is based on a fair market price.

The Group's evaluation of profitability and decisions concerning the resources to be allocated to a segment are based on the segments' EBIT. It is the understanding of the management that this is the most suitable benchmark for comparing the profitability of the segments with other companies in their respective fields. Financial income and expenses are not monitored at the segment level, as the Group's financing mainly manages the Group's liquid assets and financial liabilities.

SEGMENT REPORTING

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Turnover			
Finland	37.3	20.1	158.1
International	11.2	0.1	28.0
Eliminations	0.0	0.0	0.0
Group	**48.5**	**20.2**	**186.1**
Other operating income			
Finland	1.5	1.9	9.4
International	2.2	3.1	8.1
Eliminations	0.0	0.0	0.0
Group	**3.7**	**5.0**	**17.5**
Depreciation, amortisation and impairment losses			
Finland	-9.0	-8.9	-36.4
International	-2.7	-2.5	-10.7
Eliminations	0.0	0.0	0.0
Group	**-11.7**	**-11.4**	**-47.1**
EBIT			
Finland	-2.4	-7.6	1.0
International	1.1	-2.1	-1.9
Eliminations	0.0	0.0	0.0
Group	**-1.3**	**-9.7**	**-0.9**
Operational EBITDA			
Finland	-0.8	-5.5	9.3
International	1.9	-1.2	2.0
Group	**1.1**	**-6.7**	**11.3**
Assets			
Finland	395.6	398.2	400.6
International	107.9	101.7	106.3
Eliminations	-48.5	-45.7	-47.6
Group	**455.0**	**454.1**	**459.3**
Liabilities			
Finland	318.3	319.4	319.7
International	119.6	110.1	117.8
Eliminations	-48.5	-45.7	-47.6
Group	**389.4**	**383.9**	**389.9**

4. Government grants

The impacts of the COVID-19 on the Group's business operations are described above on page 7 of the commentary section.

Finland

The company did not receive government grants from the Finnish state during the review period.

On 7 April 2022, the Finnish Government proposed to extend the uncovered fixed expense support under the Act on Support for Business Costs. The aid is intended primarily for medium-sized and large enterprises for the period from December 2021 to February 2022, during which business activities were restricted or completely blocked by government orders. The proposal is currently debated in committees. Possible support may have a positive one-off effect on the company's second quarter results.

Norway

In January 2022, while the restrictions were in force, the Norwegian state covered up to 85 per cent of fixed expenses if turnover decreased by more than 30 per cent compared to the corresponding period in 2019. Waste was reimbursed at a rate of 100% and the turnover of cancelled events at a rate of 70%. The wage subsidy was 80 per cent (up to NOK 30,000 per month).

Denmark

In Denmark, while the restrictions were in force, the state supported companies in the restaurant industry by covering approximately 80 per cent of their fixed expenses, relative to the decline in turnover. In January 2022, in addition to this, the wage subsidy was 90 per cent of the wages of hourly paid workers and 75 per cent of the salaries of monthly wage earners.

SPECIFICATION OF GOVERNMENT GRANTS

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Finland			
Compensation for restriction of operations/closure compensation *	0.0	0.0	1.8
Business cost support/compensation for fixed expenses **	0.0	1.0	2.5
Development grant/Ministry of Education and Culture general grant	0.0	0.0	0.2
Norway			
Compensation for fixed expenses	1.0	1.3	3.8
Compensation related to wage expenses	0.3	0.0	0.4
Denmark			
Compensation for fixed expenses	0.5	0.9	2.5
Compensation related to wage expenses	0.2	0.8	1.1
Total	**2.1**	**4.0**	**12.2**

*** Includes closure compensation for medium-sized and large companies in 2021.**
**** Includes compensation for uncovered fixed expenses in accordance with the 2021 EU state subsidy programme and business cost support.**

Government grants are recognised when it is reasonably certain that the related conditions are met and the grants will be received. The management estimates that the aforementioned conditions are satisfied for the grants recognised during the financial period. The Group has not received direct benefits from government support of any other type.

Government grants related to expenses are entered on the balance sheet as deferred income and recognised through profit or loss under other operating income for the periods corresponding to the expenses that they cover.

5. Changes in Group Structure

ACQUIRED SUBSIDIARIES AND BUSINESSES

Acquired company or business	Transfer of the right of ownership and management	Shareholding acquired
Restaurant business, Restaurant Origo	3 January 2022	-

TOTAL VALUE OF THE ASSETS AND LIABILITIES ACQUIRED BY THE GROUP AT THE MOMENT OF TRANSFER OF CONTROL

MEUR	Restaurant Origo
Assets	
Intangible assets	0.1
Tangible assets	0.1
Inventories	0.0
Assets in total	**0.3**
Liabilities	
Other payables	0.0
Net assets	**0.2**
Total purchase consideration at time of acquisition:	
Share of purchase consideration consisting of cash and cash equivalents	0.6
Total purchase consideration in total	**0.6**
Generation of goodwill through acquisitions:	
Total purchase consideration	0.6
Net identifiable assets of the acquired entity	0.2
Goodwill	**0.4**

The acquisition cost calculations are preliminary. The acquisition does not involve material costs of external expert services.

IFRS 16 RIGHT-OF-USE ASSETS OF THE ACQUIRED BUSINESSES

MEUR	Total acquisitions
Restaurant Origo	0.6

Determination of contingent transaction prices

The amount of the transaction price for Dubliners, DOD, MEO, Rådhuskroken, SFB and Complete Security, acquired in 2019, that was paid at the time of acquisition was MEUR 7.2. The contracts between NoHo Partners and Crea Diem AS include put and call options, due in 2023, for redeeming shares in non-controlling interests' possession. The company has estimated that the probability of exercising the options is high. The shareholding of non-controlling interests, MEUR 1.4, is presented as a contingent additional transaction price under liabilities. According to the contracts, the fair value of the companies will be determined in 2023.

Of the transaction price for the acquisition of The Bird Mother ApS, acquired in 2018, a total of MEUR 1.4 was paid at the time of acquisition. The remainder of the transaction price will be determined according to the actual EBITDA for January–December 2022 and the multiplier stipulated by the acquisition agreement. The estimated earn-out amounts to MEUR 0.5.

SOLD BUSINESS OPERATIONS

GROUP'S SHARES IN SUBSIDIARIES AND BUSINESSES SOLD DURING THE FINANCIAL PERIOD

Name	Shareholding sold	Location	Date of control transfer
Restaurant business, Ravnsborggade 14	-	Copenhagen	1 January 2022
Restaurant business, Kuopio	-	Kuopio	1 January 2022
Restaurant business, Skatten	-	Oslo	1 March 2022

TOTAL VALUE OF THE ASSETS AND LIABILITIES SOLD BY THE GROUP AT THE MOMENT OF TRANSFER OF CONTROL:

Goodwill 0.1
Intangible fixed assets 0.0
Property, plant and equipment 0.0
Right-of-use assets 1.0
Other asset items 0.1
Liabilities for right-of-use assets .... -1.0
Net assets, total 0.1

Gains on disposal totalling MEUR 0.1 were recognised in the income statement.

6. Intangible and Tangible Assets

MEUR Goodwill	31 March 2022	31 March 2021	31 December 2021
Book value at the beginning of the period	137.1	135.2	135.2
Business acquisitions	0.4	0.5	1.1
Deductions	-0.1	0.0	-0.3
Translation differences	0.4	0.6	0.6
Transfers between account types	0.0	0.0	0.4
Book value at the end of the review period	**137.8**	**136.2**	**137.1**

Intangible assets	31 March 2022	31 March 2021	31 December 2021
Book value at the beginning of the period	40.4	44.6	44.6
Business acquisitions	0.1	0.5	0.8
Increase	0.0	0.0	0.1
Depreciation, amortisation and impairment losses	-1.2	-1.4	-5.0
Deductions	0.0	0.0	-0.3
Translation differences	0.1	0.4	0.2
Book value at the end of the review period	**39.4**	**44.1**	**40.4**

Tangible assets	31 March 2022	31 March 2021	31 December 2021
Book value at the beginning of the period	47.2	48.5	48.5
Business acquisitions	0.1	0.2	0.7
Increase	1.8	1.0	10.2
Depreciation, amortisation and impairment losses	-2.3	-2.4	-11.8
Deductions	-0.1	-0.3	-0.8
Translation differences	0.3	0.3	0.3
Book value at the end of the review period	**47.0**	**47.2**	**47.2**

7. Lease agreements

During the review period, the Group's rent concessions amounted to approximately MEUR 0.5. Most of the rent concessions concern international businesses. The Group has applied the practical expedient stipulated by the amendment to not treat rent concessions granted due to the COVID-19 pandemic as changes in leases under IFRS 16. Starting from the fourth quarter of 2021, the Group has applied a practical relief to equipment leases, in accordance with which the Group combines leases with similar characteristics in the portfolio. The Group regularly assesses the size and composition of the portfolio of equipment leases. The incremental borrowing rate applied to new leases is 5%.

RIGHT-OF-USE ASSETS

MEUR	31 March 2022	31 March 2021	31 December 2021
Book value at the beginning of the period	162.2	148.0	148.0
Increase	4.6	2.7	21.5
Reassessments and modifications	4.4	12.1	22.0
Depreciation, amortisation and impairment losses	-8.2	-7.6	-30.3
Deductions	-1.0	0.0	-0.3
Translation differences	0.9	1.2	1.3
Book value at the end of the review period	**162.9**	**156.4**	**162.2**

CHANGE IN LEASE LIABILITY

MEUR	31 March 2022	31 March 2021	31 December 2021
Lease liability at the beginning of the period	169.0	153.2	153.2
Net increases	8.0	14.7	43.2
Rent payments	-8.8	-7.7	-31.8
Rent concessions, COVID-19	-0.5	-0.8	-2.8
Interest expenses	1.8	1.4	5.9
Translation differences	0.8	1.2	1.3
Lease liability at the end of the period	**170.3**	**162.0**	**169.0**

LEASE LIABILITY

MEUR	31 March 2022	31 March 2021	31 December 2021
Non-current	140.4	133.6	139.6
Current	29.9	28.4	29.4
Total	**170.3**	**162.0**	**169.0**

LEASES IN THE INCOME STATEMENT

MEUR	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Rent concessions, COVID-19	0.5	0.8	2.8
Expenses related to short-term leases, leases for underlying assets of low value and variable leases	-1.4	-1.1	-4.9
Depreciation of right-of-use assets	-8.2	-7.6	-30.3
Interest expenses on lease liabilities	-1.8	-1.4	-5.9
Total	**-10.9**	**-9.2**	**-38.3**

8. Impairment testing

The Group tests goodwill annually in order to identify any impairment. Furthermore, the Group tracks internal and external indications of any impairment of goodwill. The COVID-19 pandemic has had a significant negative impact on the business operations of NoHo Partners.

In June 2021, the Group updated its long-term financial targets for the strategy period 2022–2024. Impairment testing was carried out on 31 December 2021 using the book values and calculations of future cash amounts valid at the time. On 31 December 2021, the recoverable cash flow based on value-in-use calculations exceeded the book value by more than MEUR 30. The impairment tests on 31 December 2021 did not indicate a need for impairment of goodwill or intangible rights with an indefinite useful life. The impairment testing is described in NoHo Partners' consolidated financial statements for 2021.

THE GROUP'S GOODWILL, BRANDS WITH AN INDEFINITE USEFUL LIFE, NAME-USE-RIGHTS, NON-COMPETITION AGREEMENTS AND LEASES

MEUR	31 March 2022	31 December 2021
Goodwill	137.8	137.1
Brands and name-use-rights	21.8	21.8
Non-competition agreements	0.1	0.1
Leases	2.7	2.7

The restrictions imposed by governments due to the coronavirus pandemic were lifted as of the beginning of March 2022, and demand has recovered quickly after the restriction period in all of the countries where the Group operates. The Group's management has assessed that, on 31 March 2022, there were no indications of impairment that would create the need to update impairment testing compared to the situation on 31 December 2021.

9. Financial liabilities

The implementation of NoHo Partners' strategy and the financing of its business growth is partly dependent on outside financing. The company continuously strives to assess and monitor the amount of financing required for business in order to have sufficient liquidity to finance operations and repay maturing loans. Changes in the macroeconomic environment or the general financing market situation may negatively affect the company's liquidity as well as the availability, price and other terms and conditions of financing. Changes in the availability of equity and credit capital financing and in the terms and conditions of available financing may affect the company's ability to invest in business development and growth in the future. The COVID-19 pandemic has had a significant negative impact on the business operations and liquidity of NoHo Partners.

The company negotiated a long-term financing package in February 2021.

During the review period, the Group extended its commercial paper programme at the amount of MEUR 4.0 until June 2022.

The next covenant review will take place on 30 June 2022.

MATURITY DISTRIBUTION OF FINANCIAL LIABILITIES

MEUR	Balance sheet value	Less than 1 year Q2/2022	Q3/2022	Q4/2022	Q1/2023	1 to less than 2 years	2–5 years	More than 5 years
Finnish Industry Investment Ltd	11.7	11.7						
Commercial paper programme	4.0	4.0						
Other loans	132.2	2.6	6.6	9.6	16.6	11.4	84.4	1.0
Total	**147.9**	**18.3**	**6.6**	**9.6**	**16.6**	**11.4**	**84.4**	**1.0**

Account limits in use *	4.2
Total	**152.1**

*** The account limits in use are in effect indefinitely and no due date has been specified for them. The account limits are classified as current liabilities.**

The table indicating the maturity dates of financial liabilities includes all interest-bearing financial liabilities as well as other liabilities classified as financial liabilities. The maturities of interest on financial liabilities, trade payables and non-interest-bearing transaction price liabilities are presented on the next page.

MATURITY DISTRIBUTION OF INTEREST ON FINANCIAL LIABILITIES

MEUR	Less than 1 year	1 to less than 2 years	2–5 years	More than 5 years
Interest on financial liabilities	4.0	3.0	5.2	0.2

The Group has made interest payments on loans in accordance with the normal terms of the financing agreement. Interest on the loan from Finnish Industry Investment Ltd will be capitalised.

TRADE PAYABLES AND LIABILITIES FOR RIGHT-OF-USE ASSETS, MATURITY DISTRIBUTION

MEUR	Discounted balance sheet value	Undiscounted value	Less than 1 year	1 to less than 2 years	2–5 years	More than 5 years
Transaction price liabilities	2.0	2.2	0.2	0.5	1.5	
Trade payables	22.8	22.8	22.8			
Liabilities for right-of-use assets	170.3	199.6	36.5	34.3	72.3	56.5
Total	**195.1**	**224.6**	**59.5**	**34.8**	**73.8**	**56.5**

The Group does not have material extended debt repayment periods in effect.

On 31 March 2022, the Group's cash and cash equivalents totalled MEUR 2.1 and the unwithdrawn loan and account limits available to the Group amounted to MEUR 8.8. In addition, on 31 March 2022, the Group owned 5,139,745 shares in the listed company Eezy Plc, corresponding to a holding of 20.5 per cent. At the closing share price on 31 March 2022, the market value of this shareholding was approximately MEUR 30.

10. Related party transactions

The Group's related parties are the parent company, subsidiaries, associated company and the key management personnel. Key management personnel includes the members of the Board of Directors, the Group's Executive Team, the Chief Executive Officer and his/her deputy, as well as their close family members. Furthermore, related entities include any owners who can exercise control or significant influence in NoHo Partners, the companies where the said owners have a controlling interest, and companies where a person exercising control over NoHo Partners exercises significant influence or works in the management of the company or its parent company.

TRANSACTIONS WITH RELATED ENTITIES

MEUR	31 March 2022	31 March 2021	31 December 2021
Sales	0.0	0.0	0.1
Lease costs	0.1	0.1	0.3
Purchases	2.6	0.9	13.5
Rent income	0.0	0.1	0.1
Receivables	0.1	0.4	0.2
Liabilities	2.2	0.7	2.1

Eezy Plc's share of related party transactions	31 March 2022	31 March 2021	31 December 2021
Purchases	2.3	0.8	10.4
Liabilities	2.2	0.6	2.0

Transactions with related entities have been completed applying the same terms as transactions with independent parties.

SHARE-BASED INCENTIVE SCHEME FOR KEY PERSONNEL

On 30 November 2021, NoHo Partners Plc announced the extension of the share-based incentive scheme aimed at the company's key employees and the third earning period of the share-based remuneration scheme. According to the stock exchange release of 22 March 2022, the company's Board of Directors decided to extend the third earning period of the long-term share-based incentive scheme for key personnel due to the restaurant restrictions tightened in December 2021. The third earning period lasts 16 months and it started on 1 December 2021 and will end on 31 March 2023. The introduction of the share-based incentive scheme was announced on 30 November 2018.

The earning criteria for the third earning period are based on NoHo Partners Plc's relative EBIT. The share-based incentive scheme covers eight persons in the third earning period.

In accordance with the previous decision, a maximum of 281,828 NoHo Partners Plc shares may be paid to the key employees for the third earning period. According to the average rate of 21 March 2022, the value of the maximum remuneration would be approximately MEUR 2.3. The Board of Directors anticipates that was the reward for the third earning period paid fully in shares, the maximum dilutive effect on the number of the company's registered shares would be 1.44%.

Costs from the share-based incentive plan are recognised as staff expenses over time and in equity under earnings. Based on the management's estimate, MEUR 1.0 of benefits paid in shares has been cumulatively recognised as expenses for open earning periods by 31 March 2022.

11. Contingent Assets and Liabilities and Commitments

GUARANTEES AND CONTINGENT LIABILITIES

MEUR	31 March 2022	31 March 2021	31 December 2021
Liabilities with guarantees included on the balance sheet			
Loans from financial institutions, non-current	95.2	133.3	101.9
Loans from financial institutions, current	35.0	23.0	29.4
Total	**130.2**	**156.3**	**131.3**
Guarantees given on behalf of the Group			
Collateral notes secured by a mortgage	37.5	37.5	37.5
Real estate mortgage	5.1	4.3	4.3
Subsidiary shares	103.9	103.5	103.9
Other shares	30.1	39.4	35.1
Bank guarantees	9.6	9.2	9.6
Other guarantees	3.2	5.3	3.0
Total	**189.4**	**199.1**	**193.3**
Purchase commitments			
Eezy Plc	**47.4**	**59.2**	**49.7**
Contingent transaction prices	**2.0**	**2.5**	**2.1**

The Eezy Plc shares pledged as security for liabilities have been measured at market price.

Information on the unsecured loan of MEUR 10 from Finnish Industry Investment Ltd is presented in NoHo Partners' consolidated financial statements for 2021.

12. Key Figures

MEUR, unless otherwise stated	1 Jan.–31 Mar. 2022	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2021
Group key figures			
Earnings per share, EUR	-0,18	-0.49	-0.55
EBIT, %	-2.7 %	-48.3 %	-0.5 %
Material margin, %	74.1 %	70.8 %	74.4 %
Personnel expenses, %	37.8 %	48.3 %	36.0 %
Average personnel			
Registered personnel			
Full-time personnel	998	544	951
Part-time personnel converted into full-time personnel	549	487	546
Rented workforce, converted to full-time equivalents	227	82	262
Return on equity, % (p.a.)	-21.1 %	-56.9 %	-13.7 %
Return on investment % (p.a.)	-1.1 %	-8.9 %	0.0 %
Equity ratio, %	14.4 %	15.5 %	15.1 %
Gearing ratio, %	486.7 %	472.7 %	462.4 %
Interest-bearing net liabilities	319.0	332.0	320.9
Adjusted net finance costs	3.4	3.0	12.5
Key figures excluding the IFRS 16 effect			
Gearing ratio, %	208.0 %	227.4 %	203.1 %
Interest-bearing net liabilities	148.7	169.9	151.9
Operational EBITDA, bridge calculation			
EBIT	-1.3	-9.7	-0.9
Depreciation, amortisation and impairment losses	11.7	11.4	47.1
Share of profit of associated company	0.0	0.1	-0.3
Translating IFRS 16 lease expenses to be cash flow based	-9.3	-8.5	-34.6
Operational EBITDA	**1.1**	**-6.7**	**11.3**

CALCULATION FORMULAS FOR KEY FIGURES

Key figures required by the IFRS standards

Earnings per share

$$\frac{\text{Parent company owners' share of profit for the period}}{\text{Average number of shares}}$$

Earnings per share (diluted)

$$\frac{\text{Parent company owners' share of profit for the period}}{\text{Diluted average number of shares}}$$

Alternative performance measures

New guidelines from the European Securities and Markets Authority (ESMA) on alternative performance measures entered into force on 3 July 2016. An alternative performance measure is a financial key figure which is different from those defined or named in the IFRS accounting standards or from an epithet or key figure presented and specified in the IFRS financial statements.

NoHo Partners presents certain comparable financial key figures (alternative performance measures) that are not included in the IFRS standards. The alternative performance measures presented by NoHo Partners should not be reviewed separately from the corresponding IFRS key figures and should be read together with the most closely corresponding IFRS key figures.

Return on equity %

$$\frac{\text{Profit (profit attributable to owners of the Company + profit belonging to NCIs)}}{\text{Equity on average (attributable to owners of the Company and NCIs)}} * 100$$

Equity ratio %

$$\frac{\text{Equity (attributable to owners of the Company and NCIs)}}{\text{Total assets – advances received}} * 100$$

Return on investment %

$$\frac{\text{Profit before taxes + finance costs}}{\text{Equity (attributable to owners of the Company and NCIs) + interest-bearing financial liabilities on average}} * 100$$

Interest-bearing net financial liabilities

Interest-bearing liabilities – non-current interest-bearing receivables – cash and cash equivalents

Interest-bearing net financial liabilities excluding IFRS 16

Interest-bearing liabilities without IFRS 16 liabilities – non-current interest-bearing receivables – cash and cash equivalents

Gearing ratio %

$$\frac{\text{Interest-bearing net financial liabilities}}{\text{Equity (attributable to owners of the Company and non-controlling interests)}} * 100$$

Gearing ratio % excluding IFRS 16

$$\frac{\text{Interest-bearing net financial liabilities excluding IFRS 16}}{\text{Equity (attributable to owners of the Company and NCIs) – depreciations, amortisations, lease costs and finance costs recorded in the income statement with regard to IFRS 16}} * 100$$

Personnel expenses %

$$\frac{\text{Employee benefits + leased labour}}{\text{Turnover}} * 100$$

Material margin %

$$\frac{\text{Turnover – raw materials and consumables}}{\text{Turnover}} * 100$$

Adjusted net finance costs

Financial income – finance costs (adjusted by acquisition-related entries in accordance with the IFRS standards and the exchange rate differences of financial items)

Operational EBITDA *

EBIT + depreciation and impairment – share of associated company's result – adjustment of IFRS 16 lease expenses to cash flow based

*** The term "Operating cash flow" previously used by the company has been replaced with "Operating EBITDA". The content of the indicator has not changed.**

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