

TIVOLI

TIVOLI INTERIM REPORT FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2023

TIVOLI A/S • VESTERBROGADE 3 • 1630 COPENHAGEN V, DENMARK

VAT NO: 38704916

Financial highlights

DKK mill.	2023	2022	2023	2022	2022	2023	2022
	3. qtr.	3. qtr.	1/1 - 30/9	1/1 - 30/9	1/1 - 31/12	Last 12 month	Last 12 month
Revenue incl. tenants and lessees	602.3	543.0	1,201.6	1,082.9	1,610.5	1,729.1	1,437.8
Comprehensive income							
Net revenue	429.4	385.4	845.4	773.3	1,130.1	1,202.2	1,053.6
Costs before depreciation and amortisation	-287.4	-257.9	-719.4	-650.4	-925.1	-994.1	-876.4
Other operating income	0.0	0.0	0.0	9.7	11.7	2.0	31.1
Earnings before interest, tax, depreciation and amortisation (EBITDA)	142.0	127.5	126.0	132.6	216.7	210.1	208.3
Depreciation, amortisation and impairment	-27.3	-27.7	-82.0	-83.8	-119.2	-117.4	-117.3
Earnings before interest and tax (EBIT)	114.7	99.8	44.0	48.8	97.5	92.7	91.0
Net financials	-1.9	-2.9	-5.9	-7.7	-9.7	-7.9	-10.9
Profit before tax	112.8	96.9	38.1	41.1	87.5	84.6	80.3
Profit for the year	87.9	75.6	29.7	32.1	65.1	62.7	58.0
Comprehensive income for the year	91.0	87.0	31.1	78.9	111.8	64.0	106.9
Balance							
Non-current assets			1,508.0	1,503.6	1,490.4	1,508.0	1,503.6
Current assets			169.3	135.5	183.2	169.3	135.5
Total assets			1,677.3	1,639.0	1,673.6	1,677.3	1,639.0
Share capital (Tivoli A/S)			57.2	57.2	57.2	57.2	57.2
Equity			1,003.2	955.5	988.4	1,003.2	955.5
Non-current liabilities			373.5	388.0	392.0	373.5	388.0
Current liabilities			300.6	295.5	293.2	300.6	295.5
Cash flows							
Cash flow from operation activities			137.2	122.2	186.8	201.8	287.7
Cash flow from investing activities			-96.0	-65.4	-83.6	-114.2	-79.5
Herof invested in property, plant and equipment			-83.8	-31.1	-68.2	-120.9	-37.2
Cash flow from financing activities			-49.4	-43.6	-53.0	-58.8	-216.2
Total cash flows			-8.2	13.2	50.2	28.8	-8.0
Financial ratios							
DKK mill.					2022	2023	2022
					1/1 - 31/12	Last 12 month	Last 12 month
EBIT-margin					9%	8%	9%
Solvency ratio					59%	60%	58%
Return on equity (ROE)					7%	6%	6%
Stakeholder information							
Earnings per share (EPS), in DKK					11.4	11.0	10.1
Dividend per share, in DKK					2.8	0.0	0.0
Stock exchange price, latest, in DKK					758	709	751
Number of employees					983	1,014	974

Management review

Tivoli has experienced solid progress in its business, and the summer of 2023 has produced the best profits in Tivoli's history.

The first months of 2023 saw extensive maintenance and preparation work ahead of the start of the season at the end of March and was followed by a well-attended summer season. The summer has given Tivoli and the experience industry in general several challenges; July had a record-breaking rainfall and the two major neighboring markets, Sweden and Norway, caused a significant decrease in the number of guests due to their weakened economy and purchasing power. Despite these conditions, the number of guests for the period 1 January to 30 September 2023 was 2,694,000, which is 8% higher than the same period last year, aided by seven extra days open.

Tivoli's core product and new guest formats are gaining ground, and both amusement guests, cultural guests in Tivoli's halls and on the Open Air stages as well as guests at Nimb Hotel, have contributed positively to this summer's pleasing results. Throughout the summer season, Tivoli has experienced great interest in the Gardens' wide range of cultural offerings, including the Tivoli Garden and Flower Festival, the Tivoli Revue, and live concerts. The Garden reopened for Halloween on October 12th, and welcomes guests to 'cozy spooky' until November 5th.

There is still uncertainty about the macroeconomic developments and how developments in our neighboring countries will affect the proportion of tourists from the larger neighboring markets for the rest of the year. Tivoli's business is well equipped however, based on the winter's investments, a successful summer season and a great opening of Halloween in Tivoli, for a strong end to 2023 with a well-planned Christmas season, which includes a new, spectacular ice rink.

In addition to the massive ongoing maintenance, Tivoli continues to work on the development of several new amusement areas in the Gardens, which will create major changes in Tivoli in the years to come.

Development in activities and financial conditions

Tivoli's net revenue for the period 1 January to 30 September 2023 amounts to DKK 845.4 million against DKK 773.3 million in 2022 (9%). Revenue is positively impacted by the fact that the opening of the Gardens is declining earlier than last year, and that Tivoli's activities were closed at the beginning of 2022. Furthermore, the level of activity has generally been higher than in the same period last year.

Staff expenses and other external expenses for the period 1 January to 30 September 2023 total DKK 719.4 million compared to DKK 650.4 million in 2022 (11%). The higher cost level is primarily due to higher activity in the Gardens as well as wage increases, which is largely due to the collective bargaining during the spring.

Other operating income for the period 1 January to 30 September 2023 amounts to DKK 0.0 million compared to DKK 9.7 million in 2022, which composed of fixed cost compensation received from the Danish Government.

Depreciation and amortisation charges for the period 1 January to 30 September 2023 amount to DKK 82.0 million compared with DKK 83.8 million in 2022 (-2%). Thus, the depreciation for the period is on par with last year.

The net financials for the period 1 January to 30 September 2023 represent a total cost of DKK 5.9 million compared to DKK 7.7 million in 2022 (-23%). The decrease is due to lower expenses of interest on loan facilities, which were utilized to a greater extent in 2022.

Tivoli's profit before tax for the period 1 January to 30 September 2023 amounts to DKK 38.1 million compared with DKK 41.1 million in the same period in 2022 and is thus DKK 3.0 million lower than last year. The lower result is due to more expenses related to investments in Tivoli's business, as well as fixed cost compensation received in 2022 as a result of the COVID-19 pandemic.

Cash flow from operating activities for the period 1 January to 30 September 2023 amounts to DKK 137.2 million compared with DKK 122.2 million in the same period last year, primarily due to changes in working capital.

Cash flow for investment activity for the period 1 January to 30 September 2023 amounts to DKK -96.0 million compared with DKK -65.4 million in the same period last year. The larger investments in 2023 include rebuilding the Glass Hall Theatre restaurant, establishing several garden/terrace facilities as well as the next phase of a larger sewer renovation in the Garden.

The balance sheet total as of 30 September 2023 amounts to DKK 1,677.3 million against DKK 1,639.0 million on 31 December 2022.

Equity as of 30 September 2023 amounts to DKK 1,003.2 million against DKK 955.5 million on 31 December 2022. The comprehensive income for the period amounts to DKK 31.1 million compared to DKK 78.9 million last year. The comprehensive income for the period consists of the profit for the period of DKK 29.7 million and other comprehensive income of DKK 1.4 million (market value adjustment of financial instruments).

Expectations for 2023

Tivoli's good start to 2023 has continued through the summer season, where the consumption-related slowdown has been less than expected. Tivoli's most recent expectation was revenue around 1,150 million DKK and a profit before tax in the range of 70-90 million DKK. As a result of the summer's record high revenue and profit, as well as the expectations for the rest of the year, Tivoli is now raising the expectations to revenue around DKK 1,200 million DKK and a profit before tax in the range of DKK 100 million DKK.

Events after the end of the interim period

No significant events occurred after the end of the period.

Income statement

DKK mill.	2023	2022	2023	2022	2022
	3. qtr.	3. qtr.	1/1 - 30/9	1/1 - 30/9	1/1 - 31/12
Net revenue	429.4	385.4	845.4	773.3	1,130.1
Revenue	429.4	385.4	845.4	773.3	1,130.1
Other external expenses	-143.4	-122.0	-340.6	-300.9	-420.8
Staff expenses	-144.0	-135.9	-378.8	-349.5	-504.3
Expenses	-287.4	-257.9	-719.4	-650.4	-925.1
Other operating income	0.0	0.0	0.0	9.7	11.7
EBITDA	142.0	127.5	126.0	132.6	216.7
Depreciation, amortisation and impairment	-27.3	-27.7	-82.0	-83.8	-119.2
EBIT	114.7	99.8	44.0	48.8	97.5
Share of profit from investments	0.0	0.0	0.0	0.0	-0.2
Financial income	0.6	0.3	0.9	0.4	0.8
Financial expenses	-2.5	-3.2	-6.8	-8.1	-10.6
Profit before tax	112.8	96.9	38.1	41.1	87.5
Tax on profit for the year	-24.9	-21.3	-8.4	-9.0	-22.4
Net profit	87.9	75.6	29.7	32.1	65.1
Earnings per share (EPS), in DKK	15.4	13.2	5.2	5.7	11.4

Statement of comprehensive income

DKK mill.	2023	2022	2023	2022	2022
	3. qtr.	3. qtr.	1/1 - 30/9	1/1 - 30/9	1/1 - 31/12
Net profit	87.9	75.6	29.7	32.1	65.1
Items that will be reclassified to the income statement					
Value adjustments: Value adjustment hedging instruments	4.0	14.6	1.8	60.0	60.0
Other adjustments: Tax on value adjustments hedging instruments	-0.9	-3.2	-0.4	-13.2	-13.3
Total comprehensive income	90.9	87.0	31.0	78.9	111.8

Balance sheet

DKK mill.	2023	2022	2022
	30/9	30/9	31/12
ASSETS			
Intangible assets	45.5	43.8	43.2
Property, plant and equipment	1,367.0	1,356.9	1,344.2
Leasing assets	74.4	82.0	82.6
Investment in associated company	15.2	15.6	15.2
Deposits	5.9	5.2	5.2
Total non-current assets	1,508.0	1,503.6	1,490.4
Finished goods	15.8	15.2	14.1
Trade receivables	35.8	28.5	33.3
Other receivables	61.6	65.0	72.1
Cash and cash equivalents	56.0	26.7	63.7
Total current assets	169.3	135.5	183.2
Total assets	1,677.3	1,639.0	1,673.6

DKK mill.	2023	2022	2022
	30/9	30/9	31/12
LIABILITIES			
Share capital	57.2	57.2	57.2
Retained earnings	946.1	898.3	914.9
Proposed dividend	0.0	0.0	16.3
Total equity	1,003.2	955.5	988.4
Mortgage loans	265.1	275.7	275.4
Leasing debt	56.0	62.0	63.2
Deferred tax liabilities	52.4	50.4	53.4
Total non-current liabilities	373.5	388.0	392.0
Mortgage loans	17.5	22.8	17.5
Leasing debt	13.5	13.8	13.4
Trade payables	47.0	38.8	45.4
Tax payable	12.2	20.2	2.5
Other payables	210.5	199.9	214.4
Total current liabilities	300.6	295.5	293.2
Total liabilities and equity	1,677.3	1,639.0	1,673.6

Statement of changes in equity

DKK mill.	Share capital	Retained earnings	Proposed dividend	Total
Equity at 1. January 2022	57.2	819.4	0.0	876.6
Profit of the year	0.0	32.1	0.0	32.1
Value adjustment hedging instruments	0.0	46.8	0.0	46.8
Total comprehensive income	0.0	78.9	0.0	78.9
Dividends paid	0.0	0.0	0.0	0.0
Equity at 30. September 2022	57.2	898.3	0.0	955.5
Equity at 1. January 2023	57.2	914.9	16.3	988.4
Profit of the year	0.0	29.7	0.0	29.7
Value adjustment hedging instruments	0.0	1.4	0.0	1.4
Total comprehensive income	0.0	31.1	0.0	31.1
Dividends paid	0.0	0.0	-16.3	-16.3
Equity at 30. September 2023	57.2	946.1	0.0	1,003.2

Cash flow statement

DKK mill.	2023	2022	2023	2022	2022
	3. qtr.	3. qtr.	1/1 - 30/9	1/1 - 30/9	1/1 - 31/12
EBITDA	142.0	127.5	126.0	132.6	216.7
Change in working capital	-9.4	-26.4	17.2	1.8	12.4
Cash flows from operating activities before financial income and expenses	132.5	101.1	143.1	134.4	229.1
Financial income	0.6	0.3	0.9	0.4	0.8
Financial expenses	-2.5	-3.2	-6.8	-8.1	-10.6
Cash flows from operating activities before tax	130.6	98.2	137.2	126.7	219.3
Income tax received/paid	0.0	-4.5	0.0	-4.5	-32.5
Cash flows from operating activities	130.6	93.7	137.2	122.2	186.8
Acquisition of property, plant and equipment and intangible assets	-20.2	-15.9	-96	-65.4	-83.6
Cash flow to investment activities	-20.2	-15.9	-96.0	-65.4	-83.6
Raising/instalments - mortgage loans	-3.2	-5.5	-10.2	-17	-22.7
Raising/instalments - leasing debt	-3.5	-2.8	-9.9	-8.4	-12.0
Raising/instalments - shareholder loans	-20.0	-20.0	0.0	0.0	0.0
Raising/instalments - A-tax loans	0.0	0.0	-13.0	-18.2	-18.3
Raising/instalments - Bank debt	-42.6	-37.7	0.0	0.0	0.0
Dividends paid	0.0	0.0	-16.3	0.0	0.0
Cash flows from financing activities	-69.3	-66.0	-49.4	-43.6	-53.0
Cash flows for the year	41.1	11.8	-8.2	13.2	50.2
Cash and cash equivalents, beginning of year	14.9	14.9	64.2	13.5	13.5
Cash and cash equivalents, end of year	56.0	26.7	56.0	26.7	63.7



Notes

Note 1 – Introduction and accounting policies

1.1 Accounting policies

The Interim Report was prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies. The Interim report is prepared in accordance with the same accounting policies as the latest annual report for 2022.

The annual report for 2022 contains the full description of accounting policies.

1.2 Accounting estimates

The preparation of interim reports requires that Management makes accounting estimates and judgements, which affect the accounting policies applied as well as recognized assets, liabilities, revenues and expenses.

The assessments and estimates made are based on historical experience and other factors which the Management deems justifiable in the circumstances, but which are inherently uncertain and unpredictable.

The assumptions may be incomplete or inaccurate and unexpected events or circumstances may occur. Furthermore, Tivoli is subject to risks and uncertainties which may lead to actual outcomes deviating from these estimates.

It may be necessary to change the assessments and estimates made as a result of changes in the conditions that formed the basis of the previous estimates or on due to new knowledge or subsequent events. Changes in estimates is recognized in the period in which the relevant estimate is revised.

The key accounting estimates and judgments made by Management in applying the Company’s accounting policies and the most material uncertainties related to these were the same when preparing the condense Interim Report as when preparing the Annual Report on 31 December 2022.

1.3 Seasonality

The profit before tax is typically lower in the first half year of the year, compared with other quarters. This development is caused by the fact that the Tivoli Gardens is closed during first quarter, furthermore maintenance and development of the Gardens is performed during the same period. Cash flow from operations is also typically negative during first quarter, caused by the negative result.

1.4 Transactions with related parties

During the period of January 1 to September 30 2023, there have been very limited transactions with related parties. Please refer to the description in the 2022 annual report.

Tivoli have the following significant transactions with related parties:

	2023	2022
	1/1 - 30/9	1/1 - 30/9
Utilization of facility from Chr. Augustinus Fabrikker A/S	0.0	0.0
Sponsorship of artistic events from Augustinus Fonden	4.6	2.6
Interest to Chr. Augustinus Fabrikker A/S	0.4	0.0
Purchase of furniture at Fritz Hansen A/S	0.2	0.0



2.1 Segment information

Segment reporting 1. January 2023 - 30. September 2023

DKK mill.	Games	Food & beverage	High-End	Enterprise rental	Sales	Culture	Total	Not allocated*	Total
Total revenue	18.7	143.9	145.0	51.7	429.6	46.8	835.7	9.7	845.4
EBITDA	3.8	32.3	27.6	50.0	329.3	-57.5	385.5	-259.5	126.0
Depreciation, amortisation and impairment								-82.0	-82.0
Net financials and share of profit from investments								-5.9	-5.9
Profit before tax									38.1

Segment reporting 1. January 2022 - 30. September 2022

DKK mill.	Games	Food & beverage	High-End	Enterprise rental	Sales	Culture	Total	Not allocated*	Total
Total revenue	22.0	139.0	147.3	39.5	386.2	27.6	761.6	11.7	773.3
EBITDA	7.0	30.7	32.0	38.2	302.5	-55.8	354.6	-222.0	132.6
Depreciation, amortisation and impairment								-83.8	-83.8
Net financials and share of profit from investments								-7.7	-7.7
Profit before tax									41.1

*) The "Not allocated" category comprises administration functions as well as operation and maintenance of the Garden. These functions have no business activities and generate only limited revenue. In 2022 "not allocated" includes, among other things, compensation for fixed costs, royalty income as well as invoicing of architects, cleaning and renovation.

Accounting policies

Tivolis management responsibility is divided into 11 principal activities. Six of the activities generate revenue whereas the remaining five represent administrative functions related to IT, Finances, Marketing, HR and the operation and maintenance of the Gardens. Only the first six activities are considered liable to report, cf. IFRS 8.

Expenses for administrative functions as well as operation and maintenance of the Gardens are not allocated to the other main areas. Expenses for the Garden orchestras, Friday Rock, performances at the Pantomime Theatre and other events in the Gardens, are allocated to Culture. Earnings from entrance fees are allocated to Sales. Culture does not receive any share of entrance fees and is a loss-making segment viewed separately, whereas earnings are very high in Sales. Food & Beverage operates Tivoli's own eateries, while High-End operates the 5-star boutique hotel Nimb house with 38 rooms, Nimb Club with fitness, pool and spa facilities as well as 12 restaurants within the Nimb-brand. Income derived from leased restaurant is reported in tenants and leases, including Tivoli Food hall etc.

Depreciation, amortisation and financial expenses are not allocated to the main areas. Therefore "EBITDA" has been chosen as a performance measure in the segment reporting. Similarly, the balance sheet has not been broken down into main areas; therefore, total assets by main area are not presented.



2.2 Net revenue

		2023	2022	2023	2022	2022
DKK mill.		3. qtr.	3. qtr.	1/1 - 30/9	1/1 - 30/9	1/1 - 31/12
Revenue by type	Revenue by type					
Sales of goods	Sales of goods	119.5	114.0	246.7	242.6	355.9
Service	Service	263.1	232.1	494.6	439.6	640.8
Rent	Rent	25.1	23.1	54.0	47.1	72.2
Sponsorships	Sponsorships	12.2	10.4	28.6	26.5	35.4
Royalties	Royalties	4.7	4.2	13.0	12.5	16.4
Other revenue	Other revenue	4.9	1.6	8.5	5.0	9.4
Total		429.4	385.4	845.4	773.3	1,130.1
Time of recognition of revenue						
At a certain time		374.7	336.8	729.4	665.8	976.5
Over time		54.7	48.6	116.0	107.5	153.6
Total		429.4	385.4	845.4	773.3	1,130.1



Accounting policies

Revenue consists of net revenue and other operational income, cf. the definitions below.

Net revenue consists of revenue and other operating income, the majority of which is from sales of goods, services and rent. Sales of goods consist of sales from outlets. Services include admission to the Garden, income from the sale of Tivoli tickets, income from rides and income from cultural activities. Rental income includes the letting of buildings, premises, etc., which for the most part depends on the tenant's income. Net revenue also includes royalties received as well as grants and sponsorships received.

Income is recognized in the income statement if delivery and risk transfer have taken place before the end of the year and if the income can be calculated reliably and is expected to be received. All revenue has been generated in Denmark.

Revenue from sales of annual cards, etc. is accrued, where the service is provided over several accounting periods. Net revenue is measured at fair value excl. VAT and taxes charged on behalf of third parties. All types of discounts made are recognized in net revenue. Revenue from cash games is presented after deduction of payout and gaming tax to the state. Costs for obtaining contracts are not capitalized, since contracts do not run for more than 12 months and are not assessed materially.

3.1 Securing future cash flows

Financial instruments total (interest swaps)

	2023		2022	
	Contract amount	Fair value at 30. September	Contract amount	Fair value at 30. September
Securing future cash flows				
Total financial instruments (interest rate swaps)	282.6	-31.9	298.5	-30.1

The value of the interest rate swap is composed of two agreements, which are recognized as Other receivables (DKK 33.0 million) and Other payables (DKK 1.1 million) based on their fair value respectively.



Accounting policies

Derivative financial instruments are recognized in the balance sheet at cost on the trading day and subsequently measured at market value. Market value of derivative financial instruments is included in other receivables or other debt. Offsetting positive and negative values is done only when the company has the right, and the intention is to settle several financial instruments net. Market values for derivative financial instruments are calculated based on current market data and recognized valuation methods.

Changes in the market value of derivative financial instruments classified as and meeting the criteria for hedging the market value of a recognized asset or liability are recognized in the income statement together with changes in the value of the hedged asset or liability in respect of the part that is secured.

Fair value hierarchy for financial instruments measured at fair value in the balance sheet

Financial commitments	Prices quoted	Observable inputs	Not observable inputs	Total
	(Level 1)	(Level 2)	(Level 3)	
30. September 2023	0.0	-31.9	0.0	-31.9
30. September 2022	0.0	-30.1	0.0	-30.1

Changes in the part of the market value of derivative financial instruments that are classified as and meet the conditions for hedging future cash flows, and which effectively hedge changes in the value of the hedged item are recognized in other comprehensive income. When the hedged transaction is realized, gains or losses relating to such hedging transactions are transferred from other comprehensive income and recognized in the same item as the hedged item.

For derivative financial instruments that do not meet the conditions for treatment as hedging instruments, changes in market value are recognized on an ongoing basis in the income statement under financial items. Changes in deferred tax due to changes in tax rates are recognized in the income statement.

Management statement

The Executive and Supervisory Boards have today considered and adopted the Interim Report of Tivoli A/S for the period 1 January to 30 September 2023.

The Interim Report, which has not been audited or reviewed by the Group’s auditors, was prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional Danish disclosure requirements for interim financial reporting of listed companies.

In our opinion, the Interim Report gives a true and fair view of the Group’s financial position on 30 September 2023 and of the results of the Group’s operations and cash flow for the period 1 January to 30 September 2023. Furthermore, it is our opinion, that the Management’s Review gives a true and fair view of the development in the Group’s activities and financial position, profit for the period and the financial position of the Group as a whole, together with a description of the significant risks and uncertainties facing the Group.

Apart from what is indicated in the interim report, there are not any changes in the Group’s significant risks and uncertainties regarding what was stated in the 2022 Annual Report.

Copenhagen, 26 October 2023

EXECUTIVE BOARD

Susanne Mørch Koch
CEO

Martin Bakkegaard
CFO

BOARD OF DIRECTORS

Tom Knutzen
Chairman

Gregers Wedell-Wedellsborg
Deputy Chairman

Claus Gregersen

Esben Thykier

Marie Nipper

Tue Krogh-Lund

