NoHo

NORDIC HOSPITALITY PARTNERS

Interim Report

Q1/2021

NOHO PARTNERS INTERIM REPORT 1 JANUARY–31 MARCH 2021

The first quarter was dominated by strict restrictions and the closure of restaurants – the demand outlook for the summer has improved after the difficult spring

NoHo Partners' business was subject to strict restrictions in the first quarter of 2021 and, following an order issued by the Finnish Government, restaurant operations in Finland were shut down starting from 8 March 2021 in the regions where the COVID-19 pandemic was in the acceleration or community transmission phase. The Group's turnover in January–March 2021 was MEUR 20.2, which represents a decrease of approximately 60 per cent compared to the corresponding period in 2020. NoHo Partners continued to implement determined adjustment measures to manage the negative impacts of the strict restrictions and shutdown on its business operations. Operating cash flow for the review period amounted to MEUR -6.7.

The financing agreement negotiated in February 2021 secures the company's financial position for the next couple of years and facilitates the implementation of its rebuilding programme. Although the market situation remains uncertain, the demand outlook for the summer has improved. The Group expects that the market will begin to recover and operating cash flow will begin to turn positive towards the end of the second quarter of 2021.

JANUARY–MARCH 2021 IN BRIEF

- Turnover declined by 59.8% to MEUR 20.2 (MEUR 50.1).
- EBIT fell by 47.5% to MEUR -9.7 (MEUR -6.6).
- The EBIT percentage was -48.3% (-13.2%), a decrease of 266.5%.
- The result for the financial period was MEUR -10.8 (MEUR -8.9), a decrease of 21.5%.
- Earnings per share were EUR -0.49 (EUR -0.45), a decrease of 8.8%.
- Operating cash flow fell by 104.2% to MEUR -6.7 (MEUR -3.3).
- The gearing ratio excluding the impact of IFRS 16 liabilities was 227.4%. Interest-bearing net liabilities excluding the impact of IFRS 16 amounted to MEUR 169.9. IFRS 16 liabilities totalled MEUR 162.0. The gearing ratio including the impact of IFRS 16 was 472.2%.
- Government grants for January–March 2021: Denmark approx. MEUR 1.7, Norway approx. MEUR 1.3 and Finland MEUR 1.0.

SIGNIFICANT EVENTS IN THE REVIEW PERIOD

- CBO and Executive Team member Eemeli Nurminen left NoHo Partners on 1 January 2021.
- Development Director and Executive Team member Perttu Pesonen left NoHo Partners' Executive Team on 1 February 2021.
- The company announced on 5 January 2021 that its co-operation negotiations resulted in changes in the organisational structure, reduction of 55 jobs and 15 jobs being made part-time in the Group Executive Team, management and administrative specialist positions, as well as part-time and full-time temporary lay-offs concerning approximately 600 at the time.
- NoHo Partners acquired the restaurant business of Allas Sea Pool on 1 February 2021, which also made the company a tenant of the spa.
- The company announced on 15 February 2021 that it had completed negotiations on a new long-term financing agreement with its main financing providers to secure its financial position and support the implementation of its rebuilding programme.
- On 25 February 2021, the Finnish Government announced that it would order restaurants to be closed for in areas where the pandemic was in the acceleration and community transmission phase, with effect from 8 March 2021.
- NoHo Partners immediately entered into new negotiations under the Act on Co-operation within Undertakings on 25 February 2021 to adapt its operations to the tighter restrictions.
- On 26 February 2021, the Parliament approved the Finnish Government's legislative proposal temporarily amending the Communicable Diseases Act, whereby the validity of the legislation on restrictions of restaurant operations was to be extended until the end of June 2021.

SIGNIFICANT EVENTS AFTER THE REVIEW PERIOD

- The closure of restaurants in Finland continued until 18 April 2021. Thereafter, restaurants were allowed to open subject to strict restrictions, with alcohol service being required to end at 5 p.m. in the regions where the pandemic is in the acceleration or community transmission phase.
- The national prohibition of alcohol service at restaurants in Norway was cancelled on a regional basis on 16 April 2021.
- In Denmark, the restaurant closure ended on 21 April 2021, with restaurants being allowed to open thereafter, subject to restrictions.

NUMBER OF RESTAURANTS

- Total number of restaurants on 31 March 2021: 233
  - Restaurants: 80
  - Entertainment venues: 64
  - Fast casual restaurants: 50
  - International restaurants: 39

DESCRIPTION OF ACCOUNTING PRINCIPLES

- Unless otherwise stated, figures in parentheses refer to the corresponding period last year.
- The Group adopted operating cash flow as a new performance measure effective from 1 April 2020. (Calculation formula: EBIT + depreciation and impairment – share of associated company's result – adjustment of IFRS 16 lease expenses to cash flow based.) This performance measure presents the cash flow generated by the company before investments, taxes and finance costs. It is intended to illustrate the cash flow generated by the restaurant business.

Future outlook

THE MARKET

The economic outlook and consumer confidence have improved quickly during the spring. Nevertheless, the first months of the year have been very difficult for the restaurant industry, and the situation will not improve significantly as long as the restrictions on restaurants remain in place. The drastic adjustment of costs has continued. With regard to demand, there are many encouraging factors and the outlook for the summer gives cause for cautiously optimism, but the company's profit performance will depend significantly on the development of the epidemiological situation and the restrictions imposed by the authorities.

PROFIT GUIDANCE

At this time, the company will not issue a turnover and profitability forecast for 2021 due to the uncertain market situation. The financial impact of the pandemic on the Group's business and outlook cannot be fully determined at present because the timetable for the lifting of restaurant restrictions imposed by governments remains unknown.

The profit guidance for 2021 will be updated when visibility is improved and the overall impact of the COVID-19 pandemic on the operating environment and the Group's business can be assessed more accurately. The Group expects to be able to provide more detailed information in connection with the half-year report 2021.

The company will also provide monthly reports on the development of its business during these exceptional circumstances.

FINANCIAL TARGETS

The Group's long-term financial targets for the strategy period 2022–2024 will be published on 17 June 2021.

KEY FIGURES

NoHo Partners Group, total

(EUR 1,000)	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
KEY FIGURES, ENTIRE GROUP			
Turnover	20,160	50,089	156,771
EBIT	-9,730	-6,596	-23,880
EBIT, %	-48.3%	-13.2%	-15.2%
Result of the financial period	-10,754	-8,852	-29,469
Earnings per share (EUR) for the review period attributable to the owners of the Company	-0.49	-0.45	-1.44
Operating cash flow, EUR	-6,707	-3,284	-5,124
Interest-bearing net liabilities excluding IFRS 16 impact, EUR	169,946	139,922	163,431
Gearing ratio excluding IFRS 16 impact, %	227.4%	138.2%	192.0%
Interest-bearing net liabilities, EUR	331,978	288,817	316,621
Gearing ratio, %	472.7%	286.8%	391.0%
Equity ratio, %	15.5%	22.6%	18.1%
Return on investment, %, (p.a.)	-8.9%	-6.6%	-5.9%
Adjusted net finance costs*, EUR	3,032	1,798	10,197
Material margin, %	70.8%	71.7%	72.0%
Personnel expenses, %	48.3%	33.2%	38.0%

*** The changed calculation formula can be found at the end of the interim report.**

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 purpose of the "Operating cash flow" key figure, introduced on 1 April 2020, is to improve the understanding prevailing on the market as well as among analysts and investors regarding the cash flow generated by the restaurant business before investments, taxes and finance costs.

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. The calculation formulas for key figures can be found at the end of the interim report.

Review by the CEO

The first quarter of the year was dominated by the third wave of the COVID-19 pandemic and the tighter restrictions imposed by the authorities in response to it. For the first two months of the year, which are also the quietest months in the restaurant industry, we operated in a highly restricted business environment. Approximately 40 per cent of our restaurant capacity was in use, with one-third of our restaurants being closed entirely and the remaining restaurants operating under restricted opening hours and limited customer capacity. The restaurant closure order that entered into effect in Finland on 8 March 2021 forced us to close our remaining restaurants and bring our entire business to a halt once again. This was naturally reflected in our turnover and result for the quarter, as the focus of our operations remained on ensuring our employees' ability to cope with the situation and securing our cash flow. We managed to reduce our operating expenses and negative operating cash flow compared to the final quarter of 2020 (MEUR -7.2). In the period under review, the operating cash flow amounted to approximately MEUR -6.7 in spite of the restaurant closure in March. In March, operating cash flow was weighed down by additional costs arising from the closure of operations. The operating cash flow for March also included MEUR 1 in business cost support from the Finnish state.

In February, we completed financing negotiations and announced a new financing package of MEUR 141, which secures the Group's financial position for the next few years and enables the implementation of our post-pandemic rebuilding programme. Due to the unpredictability of the market situation and the government restrictions in particular, we have strengthened our short-term liquidity by reducing our holdings in Eezy by selling Eezy shares for a total value of MEUR 6.2. Taking this into account, our liquid assets after the review period, at the end of April, amounted to approximately MEUR 9, which we expect to be sufficient even if the pandemic and the related restrictions continue into the summer. Due to the prolonged pandemic, operating cash flow in May will be negative. In June, we expect operating cash flow to be positive.

We are prepared to resume our business operations as the restrictions are lifted. We expect restrictions to begin to be relaxed starting from 13 May outside the Helsinki Metropolitan Area and also gradually in the Helsinki Metropolitan Area. We expect that business will normalise during June and we are cautiously optimistic about the coming summer as the epidemiological situation improves and the vaccination programme moves ahead. Consumer confidence has increased significantly during the spring. Consumer confidence has not been this strong since spring 2018. In recent times, households have focused on saving instead of consumption, and the saving rate has risen to an exceptionally high level. Although international tourism will gradually recover, most Finns are likely to spend their summer holiday in Finland and consume domestic services.

As the future outlook becomes clearer, we will specify our plans for the coming years in more detail. We will publish our strategy and long-term financial targets until 2024 on 17 June 2021. We also aim to provide more specific guidance for this year in connection with our reporting on the second quarter.

Aku Vikström
CEO, NoHo Partners

Turnover and Income

JANUARY–MARCH 2021 IN BRIEF

The Group's turnover in January–March 2021 was MEUR 20.2, a decrease of 59.8 per cent year-on-year. Personnel expenses were 48.3 per cent and the material margin was 70.8 per cent.

Depreciation, amortisation and impairment totalled MEUR -11.4. EBIT was MEUR -9.7, a decrease of 47.5 per cent. Operating cash flow was MEUR -6.7, a decrease of 104.2 per cent. Adjusted net finance costs totalled MEUR 3.0. The result was MEUR -10.8, a decrease of 21.5 per cent, and earnings per share amounted to EUR -0.49, down by 8.8 per cent year-on-year.

APRIL 2021 IN BRIEF

The Group's turnover in April 2021 was approximately MEUR 4.7, which is roughly 22 per cent of the turnover for the corresponding period in 2019. Operating cash flow in April was on a par with March 2021 and amounted to approximately MEUR 3 in the negative.

Based on the current estimate of the lifting of the restrictions, turnover in May 2021 is expected to double compared to April and operating cash flow is expected to be approximately MEUR 2 in the negative.

Turnover in the business areas of the restaurant business

	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
RESTAURANTS			
Turnover (MEUR)	**8.7**	**19.1**	**58.0**
Percentage of the total turnover	43.2%	38.1%	37.0%
Change in turnover	-54.6%		-24.3%
Units, number	80	79	77
Turnover/unit (MEUR)	0.11	0.24	0.75
ENTERTAINMENT VENUES			
Turnover (MEUR)	**3.1**	**14.7**	**43.9**
Percentage of the total turnover	15.3%	29.3%	28.0%
Change in turnover	-79.1%		-35.2%
Units, number	64	64	67
Turnover/unit (MEUR)	0.05	0.23	0.66
FAST CASUAL RESTAURANTS			
Turnover (MEUR)	**8.2**	**6.5**	**31.2**
Percentage of the total turnover	40.9%	13.0%	19.9%
Change in turnover	26.4%		24.7%
Units, number	50	47	53
Turnover/unit (MEUR)	0.14	0.14	0.59
INTERNATIONAL RESTAURANTS			
Turnover (MEUR)	**0.1**	**9.9**	**23.6**
Percentage of the total turnover	0.7%	19.7%	15.1%
Change in turnover	-98.6%		-16.5%
Units, number	39	39	40
Turnover/unit (MEUR)	0.25	0.25	0.59

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 spread of the pandemic, the restrictions imposed by the Finnish Government on the restaurant industry to mitigate it and the impacts of the pandemic on customer demand have had a highly negative effect on NoHo Partners' business operations and financial results. 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. The Group 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 January–March 2021, the Group operated in all of its operating countries in a strictly restricted business environment, where the nightclub, event venue and international business were at a standstill. At the beginning of March, the restaurant business in Finland was brought to a nearly complete halt.

In Finland, stricter restrictions on restaurants were introduced in November 2020 due to the deterioration of the pandemic. Alcohol service was ordered to end at midnight nationwide and restaurants could stay open until 1 a.m. In the regions where the pandemic was in the acceleration phase, alcohol service was permitted until 10 p.m. and restaurants that primarily serve alcohol could stay open until 11 p.m. In nightclubs, bars and pubs, the customer capacity was restricted to half of the normal capacity. In restaurants that primarily serve food, the permitted customer capacity was 75 per cent and they could stay open until midnight. In regions where the pandemic was in the community transmission phase, restaurants that primarily serve food had to close at 11 p.m. With a legislative proposal approved by the Parliament on 26 February 2021, the validity of the restrictions on restaurant operations was extended until the end of June 2021.

In February 2021, the Group completed negotiations on 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.

In March, following the acceleration of the pandemic situation, the Finnish Government ordered the closure of restaurants on 8 March 2021 in regions where the pandemic was in the acceleration or community transmission phase. From that date onwards, only take-away sales were allowed. NoHo Partners immediately entered into new negotiations under the Act on Co-operation within Undertakings in order to adapt its operations to the tighter restrictions. The co-operation negotiations concerned all of the Group's employees, totalling approximately 1,250 employees in Finland. The restrictions on restaurants also indirectly impact the approximately 2,000 people working for the Group as leased staff.

The three-week closure order was extended until 18 April 2021. Pursuant to an order issued by the Finnish Government, restaurants could be opened on 19 April 2021 subject to strict restrictions on opening hours, alcohol service and customer capacity. In regions where the pandemic is in the acceleration or community transmission phase, restaurants serving alcohol are allowed to stay open until 6 p.m. and restaurants that serve food are allowed to stay open until 7 p.m. Alcohol service is ordered to end at 5 p.m. in both types of restaurants. Areas in the baseline phase of the pandemic returned to restricting alcohol service to 10 p.m. The restrictions will continue for the time being.

On 30 April 2021, the Finnish Government issued a proposal to the parliament on the temporary amendment of the Communicable Diseases Act to extend the validity of the temporary regulations until 31 December 2021.

In the first quarter of 2021, the Group recognised business cost support from the Finnish state in the amount of MEUR 1.0 based on costs that arose during the period 1 November 2020–28 February 2021.

In Denmark, due to the acceleration of the COVID-19 pandemic, restaurants were closed across the country on 9 December 2020, with only take-away sales allowed. In response to the improved pandemic situation, Denmark allowed restaurants to reopen, subject to restrictions, starting from 21 April 2021. Customers can enter restaurants by having a COVID-19 passport and making a reservation for a table. Alcohol serving hours are restricted to 10 p.m. and opening hours to 11 p.m. Customer capacity is limited to approximately half of normal capacity. For indoor events, a gradual reopening plan has been drawn up in Denmark: Starting from 6 May, parties of 25 people at most are allowed to get together in restaurants within their normal opening hours. The maximum group size will increase to 50 persons on 21 May and 100 persons on 11 June. This will enable longer selling hours after 11 p.m. at a reduced customer capacity.

In Denmark, the state has supported companies in the restaurant industry during the crisis by covering 80 per cent of their fixed expenses, relative to the decline in turnover. In addition to fixed expenses, the Danish state has also covered 80 per cent of wage expenses starting from March 2021. The compensation schemes by the Danish state will remain in effect until the end of

June 2021. The state will also pay employees' wages for the first seven days starting from the reopening of restaurants on 21 April 2021.

In Norway, alcohol sales in restaurants were prohibited entirely effective from 9 November 2020. The company's restaurants in Norway are primarily entertainment venues, and they were closed. The restriction on serving alcohol was cancelled regionally in the third week of January 2021. However, in Oslo, for example, the ban on serving alcohol continued until 2 March 2021, when restaurants in Oslo were ordered to close entirely. The prohibition of alcohol service in Norway was reinstated nationally effective from 26 March 2021. It was subsequently cancelled on a regional basis on 16 April 2021. From that date onwards, restaurants in certain municipalities have been allowed to stay open until 10:30 p.m., with alcohol service ending at 10:00 p.m. Customer capacity is limited to approximately half of normal capacity. In Oslo, the prohibition of alcohol service remains in effect for the time being.

The Norwegian state's compensation for fixed costs was 80 per cent during the review period. The compensation policy is expected to remain in effect for as long as the restrictions are in place, until at least the end of June 2021. Companies are also paid additional financial support in Norway through municipalities. NoHo Partners' share of the additional financial support during the review period was approximately MEUR 0.4. The state-run organisation Arts Council Norway also has a compensation scheme for companies that have had to cancel events. If the restrictions are extended, the distribution of additional financial support to restaurants will also continue. The Norwegian State also supports employment by paying 50 per cent of the wages of re-employed personnel until the end of June 2021.

Government assistance during the state of emergency

In January–March 2021, the Group received support amounting to approximately MEUR 1.7 from the Danish state, approximately MEUR 1.3 from the Norwegian state and MEUR 1.0 from the Finnish state. The financial support received by the Group from the Danish, Norwegian and Finnish governments for the period 1 January–31 March 2021 totalled approximately MEUR 4.0.

A more detailed account of government assistance and the distribution thereof is presented in Note 3 Government grants in the interim report (page 30).

Summary

The sudden market changes caused by the COVID-19 pandemic and the strict restrictions on the restaurant industry had a significant impact on the Group's result in the first quarter of 2021.

In January–February 2021, the Group operated in a very restricted operating environment, with approximately 40 per cent of its restaurant capacity in use. One-third of the restaurants were closed completely and the remaining restaurants operated under restricted opening hours and limited customer capacity. Due to the restaurant restrictions imposed by the Finnish Government, restaurants in Finland were ordered to be closed on 8 March 2021 in the regions where the pandemic was in the acceleration or community transmission phase. Thereafter, the Group's turnover was generated by the takeaway sales of 47 restaurants in Finland.

The Group's turnover for January–March 2021 was approximately MEUR 20.2, which is roughly 40 per cent of the turnover for the corresponding period the previous year. The Group estimates that it lost more than MEUR 40 in turnover due to the pandemic during the review period. The Group's EBIT for January–March was about MEUR 9.7 negative and operating cash flow was approximately MEUR 6.7 negative.

By reacting quickly and implementing cost savings, the Group minimised the negative impacts on operating cash flow from the strict restrictions, restaurant shutdown and the scaling down of operations.

Turnover in April 2021 was approximately MEUR 4.7, which is roughly 22 per cent of the turnover for the corresponding period in 2019. Operating cash flow in April was on a par with March 2021 and amounted to approximately MEUR 3 in the negative.

Based on the current estimate of the lifting of the restrictions, turnover in May 2021 is expected to double compared to April and operating cash flow is expected to be approximately MEUR 2 in the negative.

The Group recognised approximately MEUR 4.0 in financial support from the Finnish, Danish and Norwegian governments for the period 1 January–31 March 2021. Reductions in rent totalled approximately MEUR 0.8 in January–March 2021.

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.

Cash flow, Investments and Financing

The Group's operating net cash flow in January–March 2021 was MEUR 0.3 (MEUR 3.8).

NoHo Partners made a growth investment in the first quarter of 2021 by acquiring the restaurant business of Allas Sea Pool, which is located in Helsinki's Katajanokka district, starting from 1 February 2021.

The Group's gearing ratio excluding the impact of IFRS 16 liabilities was 227.4%. Interest-bearing net liabilities excluding the impact of IFRS 16 amounted to MEUR 169.9. IFRS 16 liabilities totalled MEUR 162.0. The Group's interest-bearing net liabilities (including IFRS 16 liabilities) at the end of March 2021 were MEUR 332.0 (MEUR 288.8). Adjusted net finance costs in January–March 2021 were MEUR 3.0 (MEUR 1.8). The equity ratio was 15.5% (22.6%) and the gearing ratio was 472.7% (286.8%).

Significant Events During the Review Period

CHANGES IN NOHO PARTNERS' EXECUTIVE TEAM

CBO and Executive Team member Eemeli Nurminen left NoHo Partners on 1 January 2021.

NoHo Partners announced on 4 January 2021 that Perttu Pesonen, the Development Director and Executive Team member of the company, is leaving his post on 1 February 2021, and will continue as an associate of NoHo Partners and as a shareholder of a new company that will be announced at a later date.

NOHO PARTNERS' COOPERATION NEGOTIATIONS AND ORGANISATIONAL RESTRUCTURING COMPLETED

NoHo Partners announced on 5 January 2021 that it had completed negotiations in accordance with the Act on Cooperation within Undertakings in order to adapt its operations to the strict restrictions on the restaurant industry put in place by the Finnish Government. The negotiations were aimed at minimising the financial impacts caused by COVID-19 and adjusting the Group's costs to correspond with the decline in volume due to the restrictions on restaurants. The negotiations concerned all of the Group's employees in Finland, totalling approximately 1,300 employees.

The negotiations led to changes in the organisational structure, reductions in jobs in the Executive Team, the supervisory level and administrative duties as well as part-time and full-time temporary layoffs.

As a result of the negotiations, the Group's organisation was restructured primarily with regard to senior management, administration and supervisory jobs. The restructuring led to a reduction of 55 jobs as well as 15 jobs being made part-time. The reductions in jobs concerned two positions in the Group Executive Team as well as management and other jobs in restaurants as well as administrative specialist positions in sales and marketing. The reductions in jobs were achieved through voluntary arrangements and redundancies as well as the termination of employment concerning employees who are called in to work on an irregular basis. The part-time or full-time temporary layoffs concerned approximately 600 employees when the negotiations ended.

NOHO PARTNERS IS THE NEW RESTAURANT OPERATOR OF ALLAS SEA POOL

On 29 January 2021, NoHo Partners announced that it had been selected as the restaurant operator for the Allas Sea Pool centre located in Helsinki's Katajanokka district. Going forward, NoHo Partners will be responsible for the diverse restaurant and alcohol service operations of this popular urban oasis. The joint goal of the operators is to invest in the vitality of urban culture and its development. Allas Sea Pool's restaurant operations will be transferred to NoHo Partners, which became Allas Sea Pool's tenant as of 1 February 2021. Allas Sea Pool's restaurant employees were transferred to the new restaurant operator as existing employees.

THE VALIDITY OF THE LEGISLATIVE PROVISIONS CONCERNING THE RESTAURANT BUSINESS WAS EXTENDED UNTIL THE END OF JUNE 2021

The Parliament approved the Finnish Government's legislative proposal submitted to the Parliament on 4 February 2021, whereby the validity of the legislative provisions concerning the restriction of restaurant operations will be extended until the end of June 2021. The President of the Republic ratified the legislation on 26 February 2021.

NEGOTIATIONS ON FINANCING PACKAGE COMPLETED

NoHo Partners announced on 15 February 2021 that it had completed the financing negotiations on the company's long-term financing solution. As the outcome of the negotiations, the company agreed on a financing package of MEUR 141 with its current financing providers in order to rearrange the existing loans. The financing package will secure the company's financial position for the next couple of years and facilitate the implementation of the rebuilding programme to recover from the COVID-19 pandemic.

RESTAURANT RESTRICTIONS TIGHTENED IN FINLAND

On 25 February 2021, the Finnish Government announced that restrictions on restaurants would be tightened in response to the deterioration of the pandemic situation. On 1 March 2021, the Government, in cooperation with the President of the Republic, declared a state of emergency in Finland. The relevant legislation entered into force on 8 March 2021, ordering restaurants in regions where the pandemic was in the acceleration or community transmission phase to be closed until 28 March 2021. The three-week closure order was extended until 18 April 2021, after which restaurants could be reopened subject to strict restrictions on alcohol service and opening hours.

NOHO PARTNERS ENTERED INTO NEW NEGOTIATIONS UNDER THE ACT ON CO-OPERATION WITHIN UNDERTAKINGS

On 25 February 2021, NoHo Partners Plc announced it was commencing new negotiations in accordance with the Act on Co-operation within Undertakings in order to adapt its Finnish operations to the restaurant closures imposed by the Finnish Government effective from 8 March 2021. The purpose of the negotiations was to minimise the financial impacts of the COVID-19 pandemic. The co-operation negotiations concerned all of the Group's employees, totalling approximately 1,250 employees in Finland.

NOHO PARTNERS REDUCED ITS HOLDINGS IN EEZY

NoHo Partners Plc reduced its holdings in Eezy Plc in March 2021 by selling 246,029 shares. On 31 March 2021, the Group owned 7,274,881 shares in Eezy Plc, corresponding to a holding of 29.28 per cent. The book value of the shares on NoHo Partners' balance sheet is MEUR 37.5, corresponding to EUR 5.15 per share. The closing price of the Eezy share at the end of March was EUR 5.42.

Events After the Review Period and New Projects

NOHO PARTNERS REDUCED ITS HOLDINGS IN EEZY

On 7 April 2021, NoHo Partners Plc sold 1,000,000 Eezy Plc shares. Following this transaction, the Group owns 6,274,881 shares in Eezy Plc, corresponding to approximately 25.25 per cent of Eezy Plc's shares. The total transaction price for the shares was MEUR 5.0.

DECISIONS BY THE ANNUAL GENERAL MEETING

NoHo Partners' Annual General Meeting was held in Tampere on 21 April 2021. Due to the COVID-19 pandemic, attending the meeting in person was not possible. Shareholders and their proxies could attend the AGM and exercise their shareholder rights only by voting in advance and by submitting counter-proposals and questions in advance. Shareholders who registered for the meeting had the opportunity to watch the AGM online via a video broadcast.

Financial statements

The AGM adopted NoHo Partners Plc's financial statements and discharged the members of the Board of Directors and the CEO from liability for the 2020 financial period.

Dividend

The Board of Directors decided that no dividends will be distributed for the financial period that ended on 31 December 2020.

Remuneration Report for Governing Bodies

The AGM approved the company's Remuneration Report for Governing Bodies for 2020.

Board of Directors

The AGM decided that the number of members of the Board of Directors will be six (6). The AGM decided that the current members of the Board of Directors, Timo Laine, Petri Olkinuora, Mika Niemi, Mia Ahlström, Tomi Terho and Saku Tuominen, be re-elected as members of the Board of Directors for a term of office concluding at the end of the first AGM following the election. The AGM elected Timo Laine as Chairman of the Board and Petri Olkinuora as Vice-Chairman.

The Annual General Meeting decided that, for the term of office concluding at the end of the first Annual General Meeting following their election, the annual remuneration of the Chairman of the Board of Directors be EUR 40,000, the Vice-Chairman EUR 30,000 and the other members of the Board of Directors EUR 20,000.

No separate attendance allowances will be paid. In an exception to the above, if the Board of Directors decides to establish a separate audit committee, the chairman of the committee shall be paid EUR 800 per meeting and the members EUR 400 per meeting.

Travel expenses will be reimbursed in accordance with the company's travel rules.

Auditor

The AGM selected Ernst & Young Oy, a firm of authorised public accountants, as the company's auditor for a term of office concluding at the end of the first AGM following the selection. Juha Hilmola, APA, will act as the company's responsible auditor.

In accordance with the Board's proposal, the AGM decided that the auditor's remuneration will be paid based on the invoice approved by the company.

Authorisation to purchase the company's own shares

The AGM decided to withdraw the previous unused authorisations to purchase the company's own shares and authorise the Board to decide upon the purchase of a maximum of 800,000 of the company's own shares in one or several tranches using the company's unrestricted equity under the following conditions:

The shares shall be purchased in public trading organised by Nasdaq Helsinki Oy and, therefore, the purchase takes place by private placing and not in proportion to the shares owned by the shareholders, and the consideration to be paid for the shares shall be the market price of NoHo Partners Plc's share at the time of purchasing. The shares shall be purchased for financing or carrying out possible corporate acquisitions or other arrangements, to implement incentive schemes within the company or for other purposes decided upon by the Board of

Directors. The maximum amount of the shares to be purchased is equivalent to approximately 4.2 per cent of all the shares and votes of the company calculated using the share count on the publication date of the notice of the AGM.

The Board of Directors shall decide on the other matters related to the purchase of treasury shares.

The authorisation will remain in force until the end of the next AGM, but for no more than 18 months from the AGM's resolution on the authorisation.

Authorisation to decide on issuance of shares and/or the issuance of option rights and other special rights entitling to shares

The AGM decided to withdraw previous share issue authorisations and authorise the Board of Directors to decide on the issuance of shares and/or option rights or other special rights entitling to shares as follows:

Under the authorisation, a maximum total of 3,000,000 shares may be issued in one or more tranches, corresponding to approximately 15.6 per cent of all of the company's registered shares calculated using the share count on the publication date of the notice of the Annual General Meeting.

Share issues and/or the issue of option rights or other special rights can be carried out in deviation from the shareholders' pre-emptive subscription right (special share issue).

The authorisation can be used, for example, to implement mergers or acquisitions or financing arrangements, to develop the company's equity structure, to improve the liquidity of the company's shares, to implement the company's incentive schemes or for other purposes decided by the company's Board of Directors. Under the authorisation, a maximum of 568,950 shares may be issued for the implementation of the company's incentive schemes, which corresponds to approximately 3.0% of all registered shares in the company on the date of the notice convening the AGM.

Under the authorisation, the Board of Directors may issue new shares or transfer shares held by the company. The Board of Directors is authorised to decide on all other conditions of the issuance of shares and/or option rights or other special rights.

The authorisation will remain in force until the end of the next AGM, but for no more than 18 months from the AGM's resolution on the authorisation.

CANCELLATION OF THE PROHIBITION OF ALCOHOL SALES IN NORWAY

In Norway, the prohibition of alcohol sales by restaurants was cancelled on a regional basis on 16 April 2021. From that date onwards, restaurants in certain municipalities are allowed to stay open until 10:30 p.m., with alcohol service ending at 10:00 p.m. Customer capacity is limited to approximately half of normal capacity. In Oslo, the prohibition of alcohol service by restaurants remains in effect for the time being.

RESTAURANTS REOPENED IN DENMARK

In response to the improved pandemic situation, the Danish State allowed restaurants to reopen, subject to restrictions, starting from 21 April 2021. Customers can enter restaurants by having a COVID-19 passport and making a reservation for a table. Alcohol serving hours are restricted to 10 p.m. and opening hours to 11 p.m. Customer capacity is limited to approximately half of normal capacity.

LEGISLATIVE PROPOSAL ISSUED BY THE FINNISH GOVERNMENT TO EXTEND THE REGULATIONS ON RESTAURANT RESTRICTIONS UNTIL THE END OF 2021

On 30 April 2021, the Finnish Government issued a proposal to the parliament on the temporary amendment of the Communicable Diseases Act to extend the validity of the temporary regulations until 31 December 2021.

Personnel

During the period 1 January–31 March 2021, the restaurant operations of NoHo Partners Group employed on average 544 (1,044) full-time employees and 487 (550) part-time employees converted into full-time employees as well as 82 (348) leased 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 restaurant industry is a cyclically sensitive sector that reacts quickly to economic cycles, seasonal variation and external disruptions. The COVID-19 pandemic, which began in March 2020 and grew into an international epidemic, is a good example of an external factor that significantly impacts the industry and its development. 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 COVID-19 pandemic has had a significant impact on NoHo Partners' operations in all of the Group's operating countries starting from March 2020. The key risks caused by the COVID-19 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. The predictability of business development over the coming months is still subject to significant uncertainty. During the next few months, the most significant risk is related to the negative business impacts of the pandemic following the third wave of the pandemic and the resulting business closures and restrictions imposed by the national authorities in all of the Group's markets. The pandemic situation, restrictions imposed by the authorities and related news coverage may have a significant impact on consumer behaviour. The rate of vaccine distribution will have 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. 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. During the spring of 2021, the outlook for economic growth and customer demand, as well as consumer confidence in the economy, has clearly strengthened.

Uncertainties related to the duration of the COVID-19 pandemic and the measures aimed at mitigating the spread of the disease and 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.

Restrictions imposed by the governments of the operating countries and their extension have a negative impact on operations and cash flow if lessors do not agree to lease accomodations for the time period during which operations have been restricted or prohibited by government decree and if the country does not compensate at all the losses caused by the restrictions it imposes.

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.

If the pandemic were to accelerate and the restrictions were to be further tightened by the Finnish Government, which would significantly influence consumer behaviour, 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.

Should it be further prolonged, the COVID-19 pandemic and related 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. In February 2021, the company completed negotiations on a new financing package with its financing providers, securing the company's long-term financial position and facilitating the measures of the reconstruction programme.

The Group has implemented purposeful adjustment measures during the pandemic, including, for example, several negotiations pursuant to the Act on Cooperation within Undertakings concerning all of the personnel in Finland.

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.

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.

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. The future availability of labour can also be seen as one uncertainty factor.

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, 11 May 2021

NOHO PARTNERS PLC

Board of Directors

More information available from:
Aku Vikström, CEO, tel. +358 44 011 1989
Jarno Suominen, Deputy CEO, tel. +358 40 721 5655

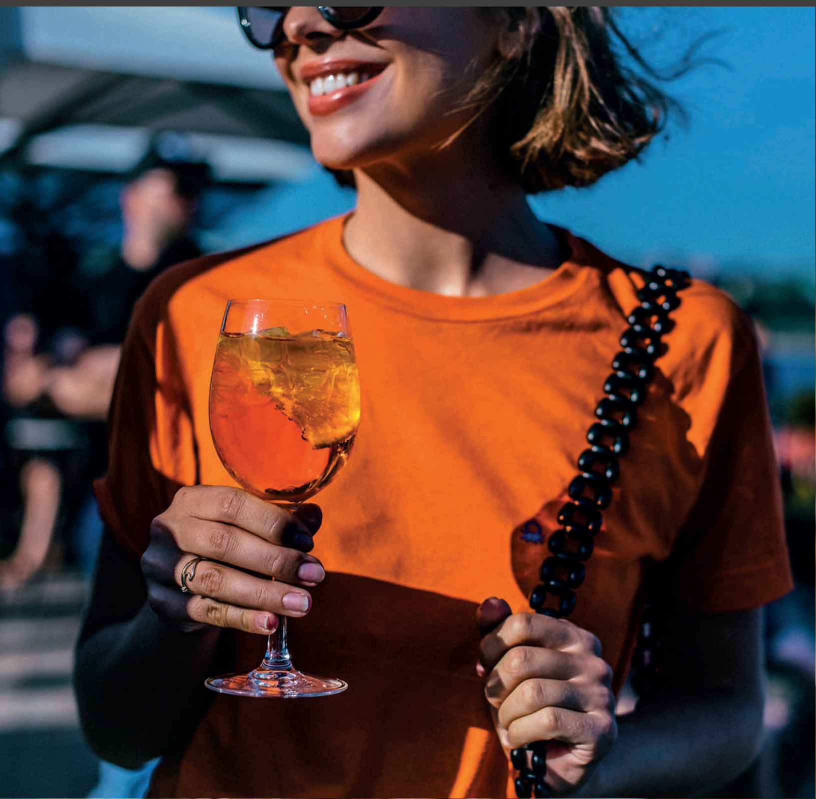
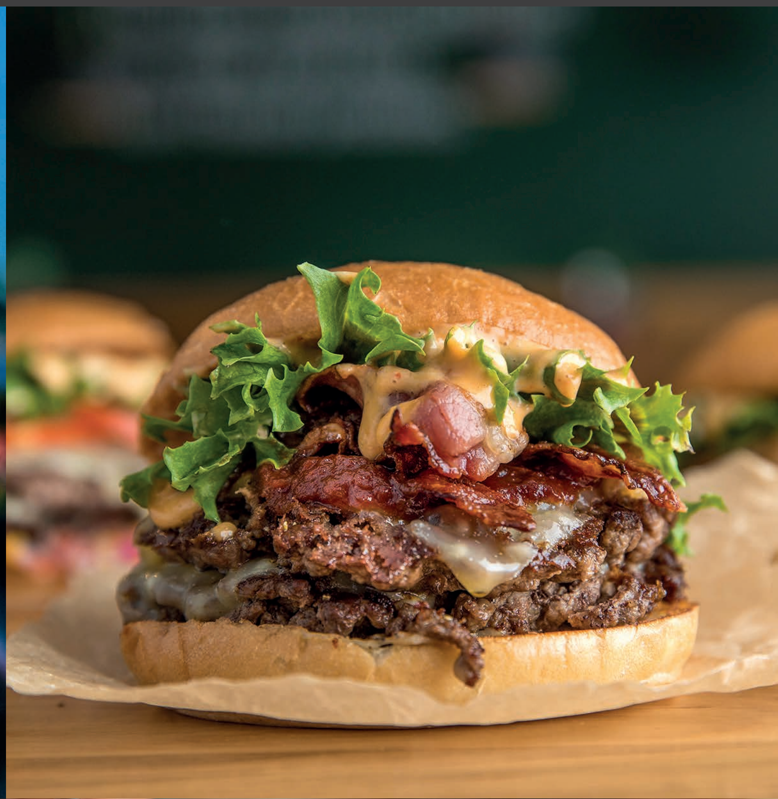
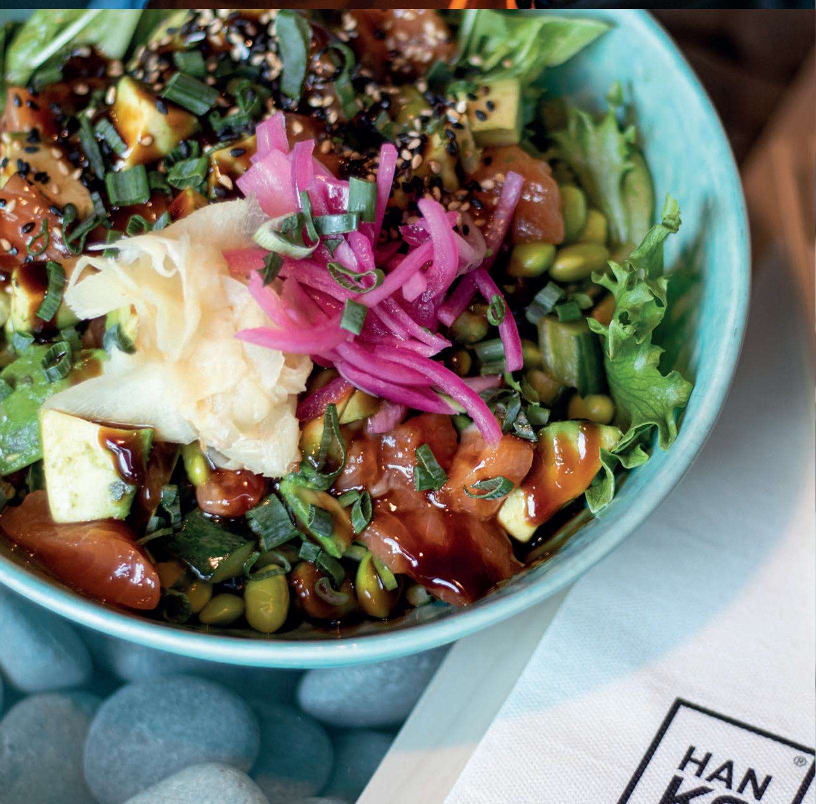
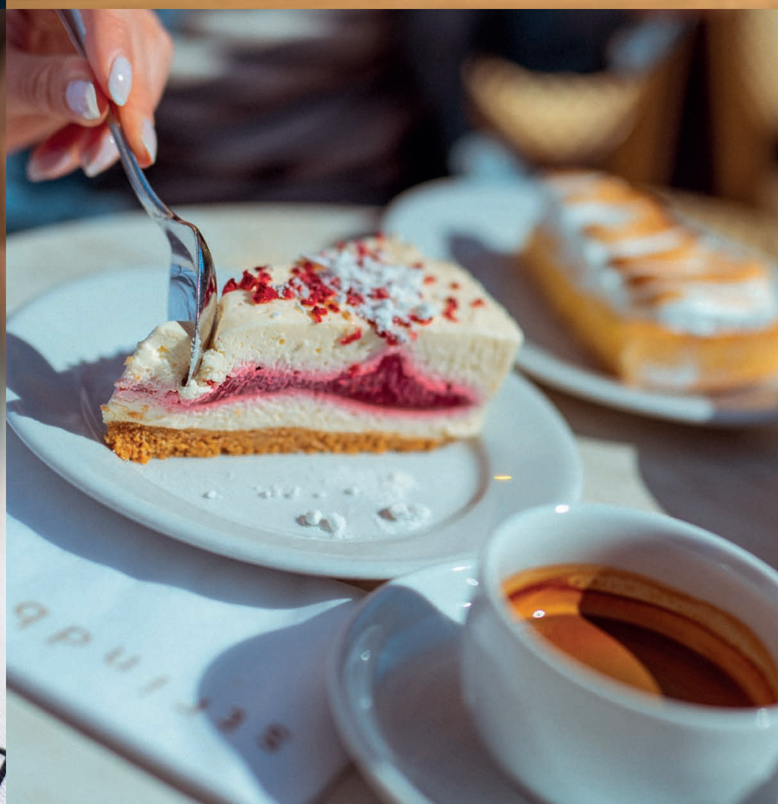
NoHo Partners Plc
Hatanpään valtatie 1 B
FI-33100 Tampere

WWW.NOHO.FI

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 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 and Cock's & Cows. Depending on the season, the Group employs approximately 2,100 people converted into full-time workers. The company's vision is to be the most significant restaurant company in Northern Europe. **www.noho.fi**

Interim Report 1 January–31 March 2021:

Table Section and Notes

Interim Report 1 January-31 March 2021: 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)

EUR 1,000	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
Turnover	20,159.5	50,089.3	156,770.8
Other operating income	5,011.4	2,173.6	16,904.5
Raw materials and supplies	-7,348.2	-18,998.6	-57,867.2
Employee benefits	-8,679.5	-15,318.3	-47,660.6
Other operating expenses	-7,350.8	-13,545.1	-40,595.0
Depreciation, amortisation and impairment losses	-11,419.6	-11,024.6	-51,956.7
Share of profit of associated company	-102.5	27.8	524.2
EBIT	**-9,729.7**	**-6,596.0**	**-23,880.0**
Financial income	709.6	2.6	322.8
Finance costs	-3,045.9	-3,298.3	-11,282.0
Net finance costs	-2,336.3	-3,295.7	-10,959.2
Profit before tax	**-12,066.0**	**-9,891.6**	**-34,839.2**
Tax based on the taxable income from the financial period	-136.6	-109.7	-1,110.7
Change in deferred taxes	1,448.8	1,148.9	6,481.1
Income tax expense	1,312.2	1,039.2	5,370.4
Profit for the period	**-10,753.8**	**-8,852.5**	**-29,468.8**
Profit for the period attributable to:			
Owners of the Company	-9,423.4	-7,961.1	-26,825.2
Non-controlling interests	-1,330.4	-891.4	-2,643.6
Total	**-10,753.8**	**-8,852.5**	**-29,468.8**
Earnings per share calculated from the result of the review period for parent company shareholders			
Basic earnings per share (EUR)	-0.49	-0.45	-1.44
Diluted earnings per share (EUR)	-0.49	-0.45	-1.44
Consolidated statement of comprehensive income			
Profit for the period	**-10,753.8**	**-8,852.5**	**-29,468.8**
Other comprehensive income (after tax):			
Foreign currency translation differences, foreign operations	135.5	-956.1	175.3
Other comprehensive income items that may be subsequently reclassified to profit or loss, total	135.5	-956.1	175.3
Total comprehensive income for the period	**-10,618.3**	**-9,808.6**	**-29,293.5**
Distribution of the comprehensive income for the financial period			
Owners of the Company	-9,287.9	-8,917.2	-26,649.9
Non-controlling interests	-1,330.4	-891.4	-2,643.6
Total	**-10,618.3**	**-9,808.6**	**-29,293.5**

A statement of non-recurring items is presented on the next page.

Non-recurring items recognised during the financial period 1 January–31 March 2021 and the effect of the associated company Eezy Plc on the Group's result

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

In the first quarter, the Group's rent concessions amounted to approximately MEUR 0.8, mostly taking place during the restaurant closures in March.

The result of the associated company Eezy Plc for the review period was MEUR -0.0 million, of which the loss on the sale of shares accounted for MEUR -0.0. Eezy Plc's effect on the result was MEUR 0.1 in the comparison period 1 January–31 March 2020 and MEUR 0.6 in the period 1 January–31 December 2020.

Non-recurring items for the financial period 1 January–31 March 2020

Unrealised foreign exchange losses on loans were recognised in financial expenses in the amount of EUR 1.5 million.

Non-recurring items recorded during the financial period from 1 January to 31 December 2020

The consolidated income statement includes approximately MEUR 1.6 of non-recurring items comprised of salary expenses from redundancies resulting from the cooperation negotiations, expenses relating to expiring leases and credit losses recognised during the financial period 2020. In addition, the income statement includes more than MEUR 1 of costs associated with the closure and reopening of business functions.

The result for the review period includes approximately MEUR 6.5 of non-recurring depreciation, amortisation and impairment comprised of discontinued units and units whose revenue generating capacity is expected to decline in the future as well as IFRS 16 impacts of expiring leases.

Government grants across all of the countries in which the company operates totalled approximately MEUR 12.5 for January–December 2020.

The finance costs for January–December 2020 include an exchange rate difference item of approximately MEUR 0.6 recognised due to a change in the rate of the Norwegian krone.

Consolidated Balance Sheet (IFRS)

EUR 1,000	31 March 2021	31 March 2020	31 December 2020
ASSETS			
Non-current assets			
Goodwill	136,247.0	129,970.1	135,169.0
Intangible assets	44,051.4	45,367.0	44,609.4
Property, plant and equipment	47,167.9	56,818.5	48,508.5
Right-of-use assets	156,378.6	146,137.3	148,024.4
Shares in associated companies and joint ventures	37,962.5	39,271.9	39,212.3
Other investments	137.9	257.0	137.9
Loan receivables	129.1	388.5	125.0
Other receivables	2,736.9	2,828.4	2,921.9
Deferred tax assets	10,495.5	991.1	8,944.4
Non-current assets	**435,306.7**	**422,029.8**	**427,652.9**
Current assets			
Inventories	2,972.6	4,824.0	3,690.3
Loan receivables	286.3	270.6	296.4
Trade and other receivables	12,627.4	18,296.7	13,540.2
Cash and cash equivalents	2,944.7	896.6	3,122.9
Current assets total	**18,831.0**	**24,288.0**	**20,649.9**
TOTAL ASSETS	**454,137.7**	**446,317.8**	**448,302.8**
EQUITY AND LIABILITIES			
Equity			
Share capital	150.0	150.0	150.0
Invested unrestricted equity fund	58,425.1	57,670.4	58,425.1
Retained earnings	8,248.2	36,017.7	17,562.2
Total equity attributable to owners of the Company	**66,823.3**	**93,838.1**	**76,137.3**
Non-controlling interests	3,408.9	6,868.4	4,840.0
Total equity	**70,232.2**	**100,706.6**	**80,977.4**
Non-current liabilities			
Deferred tax liabilities	7,724.0	4,703.4	7,640.1
Financial liabilities	151,721.3	100,686.1	94,111.6
Liabilities for right-of-use assets	133,646.3	122,479.6	126,068.2
Other payables	4,727.0	5,485.1	3,688.4
Non-current liabilities	**297,818.6**	**233,354.2**	**231,508.3**
Current liabilities			
Financial liabilities	22,280.5	41,372.7	73,556.9
Provisions	151.7	0.0	356.4
Liabilities for right-of-use assets	28,386.3	26,414.6	27,121.6
Trade and other payables	35,268.4	44,469.6	34,782.2
Current liabilities	**86,086.9**	**112,256.9**	**135,817.1**
Total liabilities	**383,905.5**	**345,611.2**	**367,325.4**
TOTAL EQUITY AND LIABILITIES	**454,137.7**	**446,317.8**	**448,302.8**

Consolidated statement of changes in equity

Consolidated statement of changes in equity

2021 EUR 1,000	Share capital	Invested unrestricted equity fund	Translation difference	Retained earnings	Hybrid bond	TOTAL	Non-controlling interests	EQUITY, TOTAL
	Equity attributable to the owners of the Company							
Equity at 1 January	**150.0**	**58,425.1**	**46.7**	**17,515.5**	**0.0**	**76,137.3**	**4,840.0**	**80,977.4**
Total comprehensive income for the period								
Result of the financial period				-9,423.4		**-9,423.4**	-1,330.4	**-10,753.8**
Other comprehensive income items (after taxes)								
Foreign currency translation differences, foreign operations			135.5			**135.5**	0.0	**135.5**
Total comprehensive income for the period	**0.0**	**0.0**	**135.5**	**-9,423.4**	**0.0**	**-9,287.9**	**-1,330.4**	**-10,618.3**
Other changes total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Transactions with shareholders								
Contributions and distributions								
Equity loans						**0.0**		**0.0**
Dividend distribution						**0.0**	-27.0	**-27.0**
Share-based payments						**0.0**		**0.0**
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-27.0**	**-27.0**
Changes in ownership interests								
Changes in minority shareholders' shares without a change in controlling interest				-26.3		**-26.3**	-73.7	**-100.0**
Changes in NCI with a change in control						**0.0**		**0.0**
TOTAL	**0.0**	**0.0**	**0.0**	**-26.3**	**0.0**	**-26.3**	**-73.7**	**-100.0**
Total transactions with owners	**0.0**	**0.0**	**0.0**	**-26.3**	**0.0**	**-26.3**	**-100.7**	**-127.0**
Equity at 31 March	**150.0**	**58,425.1**	**182.3**	**8,065.9**	**0.0**	**66,823.3**	**3,408.9**	**70,232.2**

Consolidated statement of changes in equity

2020 EUR 1,000	Share capital	Invested unrestricted equity fund	Translation difference	Retained earnings	Hybrid bond	TOTAL	Non-controlling interests	EQUITY, TOTAL
	Equity attributable to the owners of the Company							
Equity at 1 January	**150.0**	**57,670.4**	**-128.6**	**46,571.0**	**25,000.0**	**129,262.8**	**7,760.4**	**137,023.2**
Total comprehensive income for the period								
Result of the financial period				-7,961.1		**-7,961.1**	-891.4	**-8,852.5**
Other comprehensive income items (after taxes)								
Foreign currency translation differences, foreign operations			-956.1			**-956.1**		**-956.1**
Total comprehensive income for the period	**0.0**	**0.0**	**-956.1**	**-7,961.1**	**0.0**	**-8,917.2**	**-891.4**	**-9,808.6**
Other changes total	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Transactions with shareholders								
Contributions and distributions								
Equity loans				-1,992.4	-25,000.0	**-26,992.4**		**-26,992.4**
Share-based payments				225.0		**225.0**		**225.0**
TOTAL	**0.0**	**0.0**	**0.0**	**-1,767.4**	**-25,000.0**	**-26,767.4**	**0.0**	**-26,767.4**
Changes in ownership interests								
Changes in minority shareholders' shares without a change in controlling interest				259.9		**259.9**	-10.2	**249.7**
Changes in NCI with a change in control						**0.0**	9.7	**9.7**
TOTAL	**0.0**	**0.0**	**0.0**	**259.9**	**0.0**	**259.9**	**-0.5**	**259.4**
Total transactions with owners	**0.0**	**0.0**	**0.0**	**-1,507.5**	**-25,000.0**	**-26,507.5**	**-0.5**	**-26,508.0**
Equity at 31 March	**150.0**	**57,670.4**	**-1,084.7**	**37,102.5**	**0.0**	**93,838.1**	**6,868.4**	**100,706.6**

Consolidated statement of cash flows (IFRS)

EUR 1,000	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
Operating net cash flow			
Result of the financial period	-10,753.8	-8,852.5	-29,468.8
Adjustments:			
Non-cash transactions	546.1	499.3	8.8
Depreciation, amortisation and impairment losses	11,419.6	11,024.6	51,956.7
Net finance costs	2,336.4	3,295.7	10,959.2
Tax expense	-1,312.1	-1,039.2	-5,370.4
Share of profit of associated company	102.4	-27.8	-524.2
Cash flow before change in working capital	**2,338.6**	**4,900.2**	**27,561.3**
Changes in working capital:			
Trade and other receivables	832.1	5,402.5	9,921.8
Inventories	739.7	1,104.6	2,319.4
Trade and other payables	-937.5	-5,311.8	-20,250.0
Changes in working capital	**634.3**	**1,195.3**	**-8,008.8**
Dividends received	0.0	0.0	752.1
Interest paid and other finance costs	-2,506.3	-1,720.1	-9,265.2
Interest received and other finance income	12.5	4.8	39.9
Income taxes paid	-147.4	-535.6	-2,644.5
Operating net cash flow	**331.7**	**3,844.6**	**8,434.8**
Cash flows from investing activities			
Acquisition of tangible and intangible assets	-968.8	-2,133.5	-6,072.8
Change in other non-current receivables	-118.1	-141.6	160.0
Acquisition of subsidiaries, net of cash acquired	0.0	-247.4	-3,564.9
Acquisition of business operations	-321.4	-1,515.4	-1,223.1
Disposal of business operations	0.0	69.0	148.7
Sales of shares of associated companies	1,227.7	0.0	0.0
Net cash from investing activities	**-180.6**	**-3,968.9**	**-10,552.1**
Cash flows from financing activities			
Proceeds from non-current loans and borrowings	7,314.2	30,000.0	45,945.9
Payment of non-current loans and borrowings	0.0	-2,200.9	-4,400.4
Proceeds from current loans and borrowings	-1,252.7	3,950.1	31,064.9
Current commercial papers repaid	0.0	0.0	-17,500.0
Acquisition of non-controlling interests	-76.0	0.0	-566.6
Repayment of hybrid bond	0.0	-27,498.0	-27,528.0
Payment of liabilities for right-of-use assets	-6,287.8	-6,847.4	-24,623.5
Dividends paid	-27.0	-1.1	-770.2
Net cash from financing activities	**-329.3**	**-2,597.2**	**1,622.1**
Change in cash and cash equivalents	**-178.2**	**-2,721.5**	**-495.2**
Cash and cash equivalents at 1 January	**3,122.9**	**3,618.1**	**3,618.1**
Change	**-178.2**	**-2,721.5**	**-495.2**
Cash and cash equivalents at 31 March/31 December	**2,944.7**	**896.6**	**3,122.9**

On 16 January 2020, the company announced that it will redeem the MEUR 25 hybrid bond issued on 29 March 2019. The redemption was carried out on 17 February 2020 with a redemption price in accordance with section 7.3 of the terms and conditions of the hybrid bond, which was 102% of the principal plus accrued interest. The hybrid bond enabled the Smile arrangement as well as the entry into the Norwegian restaurant market. The redemption of the hybrid bond ahead of schedule enables the utilisation of more affordable financial arrangements in the future.

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 2020 IFRS consolidated financial statements. The interim report has been prepared by observing the same accounting principles as with the 2020 IFRS consolidated financial statements, with the exception of the new amendments to the IFRS standards effective as of 1 January 2021. The changes are described in the 2020 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 thousands of euros and have been rounded to the nearest 0.1 thousand euros; thus the sum of individual figures may deviate from the total sum presented.

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 spread of the pandemic, the restrictions imposed by the Finnish Government on the restaurant industry to mitigate it and the impacts of the pandemic on customer demand have had a highly negative effect on NoHo Partners' business operations and financial results. 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. The Group 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 January–March 2021, the Group operated in all of its operating countries in a strictly restricted business environment, where the nightclub, event venue and international business were at a standstill. At the beginning of March, the restaurant business in Finland was brought to a nearly complete halt.

In Finland, stricter restrictions on restaurants were introduced in November 2020 due to the deterioration of the pandemic. Alcohol service was ordered to end at midnight nationwide and restaurants could stay open until 1 a.m. In the regions where the pandemic was in the acceleration phase, alcohol service was permitted until 10 p.m. and restaurants that primarily serve alcohol could stay open until 11 p.m. In nightclubs, bars and pubs, the customer capacity was restricted to half of the normal capacity. In restaurants that primarily serve food, the permitted customer capacity was 75 per cent and they could stay open until midnight. In regions where the pandemic was in the community transmission phase, restaurants that primarily serve food had to close by 11 p.m. With a legislative proposal approved by the Parliament on 26 February 2021, the validity of the restrictions on restaurant operations was extended until the end of June 2021.

In February 2021, the Group completed negotiations on 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.

In March, following the acceleration of the pandemic situation, the Finnish Government ordered the closure of restaurants on 8 March 2021 in regions where the pandemic was in the acceleration or community transmission phase. From that date onwards, only takeaway sales were allowed. NoHo Partners immediately entered into new negotiations under the Act on Co-operation within

Undertakings in order to adapt its operations to the tighter restrictions. The co-operation negotiations concerned all of the Group's employees, totalling approximately 1,250 employees in Finland. The restrictions on restaurants also indirectly affected the approximately 2,000 people working for the Group as leased staff.

The three-week closure order was extended until 18 April 2021. Pursuant to an order issued by the Finnish Government, restaurants could be opened on 19 April 2021 subject to strict restrictions on opening hours, alcohol service and customer capacity. In areas where the pandemic is in the acceleration and community transmission phases, restaurants serving alcohol are allowed to stay open until 6 p.m. and restaurants that serve food are allowed to stay open until 7 p.m. Alcohol service is ordered to end at 5 p.m. in both types of restaurants. Areas in the baseline phase of the pandemic returned to restricting alcohol service to 10 p.m. The restrictions will continue for the time being.

On 30 April 2021, the Finnish Government issued a proposal to the parliament on the temporary amendment of the Communicable Diseases Act to extend the validity of the temporary regulations until 31 December 2021.

In the first quarter of 2021, the Group recognised business cost support from the Finnish state in the amount of MEUR 1.0 based on costs that arose during the period 1 November 2020–28 February 2021.

In Denmark, due to the acceleration of the COVID-19 pandemic, restaurants were closed across the country on 9 December 2020, with only take-away sales allowed. In response to the improved pandemic situation, Denmark allowed restaurants to reopen, subject to restrictions, starting from 21 April 2021. Customers can enter restaurants by having a COVID-19 passport and making a reservation for a table. Alcohol serving hours were restricted to 10 p.m. and opening hours to 11 p.m. Customer capacity was limited to approximately half of normal capacity. For indoor events, a gradual reopening plan has been drawn up in Denmark: Starting from 6 May, parties of 25 people at most are allowed to get together in restaurants within their normal opening hours. The maximum group size will increase to 50 persons on 21 May and 100 persons on 11 June. This will enable longer selling hours after 11 p.m. at a reduced customer capacity.

In Denmark, the state has supported companies in the restaurant industry during the crisis by covering 80 per cent of their fixed expenses, relative to the decline in turnover. In addition to fixed expenses, the Danish state has also covered 80 per cent of wage expenses starting from March 2021.The compensation schemes by the Danish state will remain in effect until the end of June 2021. The state will also pay employees' wages for the first seven days starting from the reopening of restaurants on 21 April 2021.

In Norway, alcohol sales in restaurants were prohibited entirely effective from 9 November 2020. The company's restaurants in Norway are primarily entertainment venues, and they were closed. The restriction on serving alcohol was cancelled regionally in the third week of January 2021. However, in Oslo, for example, the ban on serving alcohol continued until 2 March 2021, when restaurants in Oslo were ordered to close entirely. The prohibition of alcohol service in Norway was reinstated nationally effective from 26 March 2021. It was subsequently cancelled on a regional basis on 16 April 2021. From that date onwards, restaurants in certain municipalities have been allowed to stay open until 10:30 p.m., with alcohol service ending at 10:00 p.m. Customer capacity is limited to approximately half of normal capacity. In Oslo, the prohibition of alcohol service remains in effect for the time being.

The Norwegian state's compensation for fixed costs was 80 per cent during the review period. The compensation policy is expected to remain in effect for as long as the restrictions are in place, until at least the end of June 2021. Companies are also paid additional financial support in Norway through municipalities. NoHo Partners' share of the additional financial support during the review period was approximately MEUR 0.4. The state-run organisation Arts Council Norway also has a compensation scheme for companies that have had to cancel events. If the restrictions are extended, the distribution of additional financial support to restaurants will also continue. The Norwegian state also supports employment by paying 50 per cent of the wages of re-employed personnel until the end of June 2021.

Going concern assumption

The impacts of the COVID-19 on the Group's business operations are described in the section above. The Group has continued to take determined action to reduce the pandemic's impacts, uncertainties and risks and to secure the Group's financial position and sufficient financing.

In February 2021, the Group completed negotiations on 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. The financing arrangements are described in more detail in Note 8.

The Group has continued negotiations on lease agreements with its lessors. In the first quarter of 2021, the Group's rent concessions amounted to approximately MEUR 0.8.

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 new funding agreement, as well as existing liquid assets and available limits cover the Group's working capital requirements for the next 12 months. The view of the Group management is that there are currently grounds for assuming that the business operations of NoHo Partners Group will continue.

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

Measurement of associated company Eezy Plc

NoHo Partners Plc reduced its holdings in Eezy Plc in March 2021 by selling 246,029 shares. On 31 March 2021, the Group owned 7,274,881 shares in Eezy Plc, corresponding to a holding of 29.28 per cent. The book value of the shares on NoHo Partners Plc's balance sheet is MEUR 37.5, corresponding to EUR 5.15 per share. The closing price of the Eezy share at the end of March was EUR 5.42.

At the beginning of April 2021, NoHo Partners Plc sold 1,000,000 Eezy Plc shares. Following this transaction, the Group owns 6,274,881 shares in Eezy Plc. After these transactions, the Group's holding amounts to 25.25%.

Government grants

The Group has received government grants in Finland, Norway and Denmark to mitigate the negative impacts of the COVID-19 pandemic. The government grants are recognised at fair value when receiving the grant is fairly certain and the Group meets the relevant conditions. More information on the accounting treatment of government grants is provided in Note 3.

2. Turnover

DISTRIBUTION OF TURNOVER BETWEEN GOODS AND SERVICES

EUR 1,000	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
Sale of goods	18,851.3	44,703.6	144,473.7
Sale of services	1,308.2	5,385.7	12,297.1
Total	**20,159.5**	**50,089.3**	**156,770.8**

DISTRIBUTION OF TURNOVER BY BUSINESS AREA

EUR 1,000	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
Restaurants	8,666.6	19,084.7	57,994.6
Entertainment venues	3,151.6	14,665.0	43,920.4
Fast casual restaurants	8,203.0	6,488.6	31,239.2
International restaurants	138.3	9,851.0	23,616.7
Total	**20,159.5**	**50,089.3**	**156,770.8**

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

Of asset items based on contracts, EUR 18 thousand in IFRS 9 credit loss provisions was recognised during the period 1 January–31 March 2021.

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 2021, the value of gift cards sold was approximately EUR 2,140 thousand, and they are expected to be entered as income during this year.

3. Government grants

The impacts of the COVID-19 on the Group's business operations are described above in Note 1.

The Group has received government grants in the first quarter of 2021 in Norway, Denmark and Finland to mitigate the negative impacts of the COVID-19 pandemic.

The application period for the third round of business cost support granted by the Finnish state began on 27 April 2021. The maximum amount of business cost support is MEUR 1.0 if a company's turnover has decreased by more than 30% during the period 1 November 2020–28 February 2021 compared to the corresponding period last year. In the first quarter of 2021, the Group recognised business cost support from the Finnish state in the amount of MEUR 1.0 based on costs that arose during the period 1 November 2020–28 February 2021.

The Norwegian state's compensation for fixed costs was 80 per cent during the review period. The compensation policy is expected to remain in effect for as long as the restrictions are in place, until at least the end of June 2021. Companies are also paid additional financial support in Norway through municipalities. NoHo Partners' share of the additional financial support during the review period was approximately MEUR 0.4. The state-run organisation Arts Council Norway also has a compensation scheme for companies that have had to cancel events. If the restrictions are extended, the distribution of additional financial support to restaurants will also continue.

In Denmark, the state has supported companies in the restaurant industry during the crisis by covering 80 per cent of their fixed expenses, relative to the decline in turnover. In addition to fixed expenses, the Danish state has also covered 80 per cent of wage expenses starting from March 2021. The compensation schemes by the Danish state will remain in effect until the end of June 2021. The state will also pay employees' wages for the first seven days starting from the reopening of restaurants on 21 April 2021.

SPECIFICATION OF GOVERNMENT GRANTS

EUR 1,000	1 Jan.–31 Mar. 2021	1 Jan.–31 Dec. 2020
Finland		
Compensation for restriction of operations	0.0	4,192.0
Cost support	1,000.0	0.0
Re-employment support	0.0	800.0
Development aid	0.0	146.9
Norway		
Compensation for fixed expenses	1,285.1	2,791.3
Denmark		
Compensation for fixed expenses	913.9	2,958.3
Compensation related to wage expenses	758.1	1,586.4
Total	**3,957.1**	**12,474.8**

With regard to international operations, the grant model continues at the time of publication of the interim report. Information on potential grants from the Finnish state and their exact amount was not available for the restriction period.

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.

4. Changes in Group Structure

ACQUIRED SUBSIDIARIES AND BUSINESSES

Acquired company or business	Transfer of the right of ownership and management	Shareholding acquired
Restaurant business, Allas Sea Pool	1 February 2021	-

Allas Sea Pool restaurant business

On 29 January 2021, the Company published a media release on the Allas Sea Pool business acquisition. Allas Sea Pool's restaurant operations were transferred to NoHo Partners, which became Allas Sea Pool's tenant, effective from 1 February 2021.

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

EUR 1,000	Allas Sea Pool
Assets	
Intangible assets	472.7
Tangible assets	172.5
Assets in total	**645.2**
Net assets	**645.2**
Total purchase consideration at time of acquisition:	
Share of purchase consideration consisting of cash and cash equivalents	300.0
Share of debt	850.0
Total purchase consideration in total	**1,150.0**
Generation of goodwill through acquisitions:	
Total purchase consideration	1,150.0
Net identifiable assets of the acquired entity	645.2
Goodwill	**504.8**

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

EUR 1,000	Total acquisitions
Allas Sea Pool	2,461.8

Determination of contingent transaction prices

Of the transaction price for the acquisition of The Bird Mother ApS, acquired in 2018, a total of EUR 1,409 thousand was paid at the time of acquisition. The remainder of the transaction price will be determined according to the actual EBITDA for July 2021–December 2021 and the multiplier stipulated by the acquisition agreement. The estimated earn-out amounts to EUR 1,008 thousand.

SOLD BUSINESS OPERATIONS

The Group did not divest any businesses or shares in subsidiaries during the first quarter.

5. Intangible and Tangible Assets

EUR 1,000 Goodwill	31 March 2021	31 March 2020	31 December 2020
Book value 1 Jan.	135,169.0	128,831.6	128,831.6
Business acquisitions	504.8	1,213.0	7,450.9
Deductions	0.0	-74.5	-266.5
Translation differences	573.1	-1,308.3	-847.0
Book value at the end of the review period	**136,247.0**	**129,970.1**	**135,169.0**

Intangible assets	31 March 2021	31 March 2020	31 December 2020
Book value 1 Jan.	44,609.4	48,461.4	48,461.4
Business acquisitions	472.7	0.0	1,861.0
Increase	6.3	208.6	745.3
Depreciation, amortisation and impairment	-1,427.1	-1,222.0	-6,307.5
Decrease	0.0	-68.3	0.0
Translation differences	390.3	-704.5	-249.7
Transfers between account types	0.0	0.0	98.8
Book value at the end of the review period	**44,051.4**	**45,367.0**	**44,609.4**

Tangible assets	31 March 2021	31 March 2020	31 December 2020
Book value 1 Jan.	48,508.5	57,008.4	57,008.4
Business acquisitions	172.5	185.0	1,272.7
Increase	959.8	3,484.0	6,522.1
Depreciation, amortisation and impairment	-2,415.0	-2,618.7	-14,915.5
Decrease	-337.6	-267.0	-925.4
Translation differences	279.7	-979.6	-359.5
Transfers between account types	0.0	6.2	-94.3
Book value at the end of the review period	**47,167.9**	**56,818.5**	**48,508.5**

6. Lease agreements

The Group has continued negotiations on lease agreements with its lessors. In the first quarter of 2021, the Group's rent concessions amounted to approximately MEUR 0.8. 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. The incremental borrowing rate applied to the changes in leases is 5.0%.

RIGHT-OF-USE ASSETS

EUR 1,000	31 March 2021	31 March 2020	31 December 2020
Book value 1 Jan.	148,024.4	159,077.4	159,077.4
Increase	2,670.7	0.0	20,216.6
Reassessments and modifications	12,062.4	-2,071.4	2,649.6
Depreciation, amortisation and impairment	-7,577.5	-7,184.0	-30,733.7
Decrease	0.0	-168.5	-1,574.9
Translation differences	1,198.6	-3,516.3	-1,610.6
Book value at the end of the review period	**156,378.6**	**146,137.3**	**148,024.4**

CHANGE IN LEASE LIABILITY

EUR 1,000	31 March 2021	31 March 2020	31 December 2020
Lease liability at the beginning of the period	153,189.8	161,299.3	161,299.3
Net increases	14,733.1	-2,239.9	21,291.3
Rent payments	-7,698.3	-7,418.3	-29,516.9
Rent concessions, COVID-19	-801.0	0.0	-3,128.0
Interest expenses	1,384.6	1,035.9	4,886.2
Translation differences	1,224.4	-3,782.7	-1,642.1
Lease liability at the end of the period	**162,032.6**	**148,894.3**	**153,189.8**

LEASE LIABILITY

EUR 1,000	31 March 2021	31 March 2020	31 December 2020
Non-current	133,646.3	122,479.6	126,068.2
Current	28,386.3	26,414.6	27,121.6
Total	**162,032.6**	**148,894.3**	**153,189.8**

LEASES IN THE INCOME STATEMENT

EUR 1,000	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
Rent concessions, COVID-19	801.0	0.0	3,128.0
Expenses related to short-term leases, leases for underlying assets of low value and variable leases	-1,068.9	-978.5	-3,261.0
Depreciation of right-of-use assets	-7,577.5	-7,184.0	-30,733.7
Interest expenses on lease liabilities	-1,384.6	-1,035.9	-4,886.2
Total	**-9,230.0**	**-9,198.3**	**-35,752.9**

7. 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.

Impairment testing was carried out on 31 December 2020 using the book values and calculations of future cash amounts valid at the time. On 31 December 2020, the recoverable cash flow based on value-in-use calculations exceeded the book value by more than EUR 20 million. The impairment tests on 31 December 2020 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 2020.

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

EUR 1,000	31 March 2021	31 December 2020
Goodwill	136,247.0	135,169.0
Brands and name-use-rights	21,757.9	21,757.9
Non-competition agreements	120.0	120.0
Leases	2,736.1	2,736.1

The restrictions imposed by the national authorities in response to the COVID-19 pandemic are temporary, and the Group's management estimates that business will again recover quickly once the restrictions are lifted. The Group's management has assessed that, on 31 March 2021, there were no indications of impairment that would create the need to update impairment testing compared to the situation on 31 December 2020.

8. 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. In spring 2020, the Group negotiated a financing package with its current financing partners for the duration of the exceptional coronavirus pandemic situation and a refinancing programme for maturing loans as part of the overall financing package. The financing arrangements are described in NoHo Partners' consolidated financial statements for 2020.

The company and its main financiers negotiated a financing package, signed on 15 February 2021, in which the bridge financing, which was negotiated at the beginning of the COVID-19 pandemic, and the current financiers' existing loans were combined into one long-term financing package. The financing package consists of a five-year programme in which loan instalments are MEUR 6 during the 2021 financial period and MEUR 22 during the 2022 financial period. The purpose of the financing package negotiated is to secure the company's long-term financing position and enable implementing the reconstruction programme after the COVID-19 pandemic. In addition to the new financing programme, the due date of the convertible loan of MEUR 10 Finnish Industry Investment Ltd (Tesi) granted in spring 2020 was moved to May 2022.

MATURITY DISTRIBUTION OF FINANCIAL LIABILITIES, 31 MARCH 2021

EUR 1,000	Balance sheet value	Less than 1 year Q2/2021	Less than 1 year Q3/2021	Less than 1 year Q4/2021	Less than 1 year Q1/2022	1 to less than 2 years	2–5 years	More than 5 years
Finnish Industry Investment Ltd	10,599.1					10,599.1		
Commercial paper programme	4,500.0	4,500.0						
Other loans	150,290.0	117.9	114.3	6,614.3	2,321.3	38,706.7	100,754.7	1,660.8
Total	**165,389.1**	**4,617.9**	**114.3**	**6,614.3**	**2,321.3**	**49,305.8**	**100,754.7**	**1,660.8**

Account limits in use *	8,612.7
Total	**174,001.8**

*** 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, 31 MARCH 2021

EUR 1,000	Less than 1 year	1 to less than 2 years	2–5 years	More than 5 years
Interest on financial liabilities	5,658.1	4,746.8	8,363.7	299.0

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 31 MARCH 2021

EUR 1,000	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	5,858.8	6,148.7	3,848.7	901.6	1,398.4	
Trade payables	12,386.7	12,386.7	12,386.7			
Liabilities for right-of-use assets	162,032.6	194,488.3	33,589.5	31,034.7	65,328.2	64,535.9
Total	**180,278.1**	**213,023.7**	**49,824.9**	**31,936.4**	**66,726.6**	**64,535.9**

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

On 31 March 2021, the Group's cash and cash equivalents totalled EUR 2.9 million and the unwithdrawn loan and account limits available to the Group amounted to EUR 4.3 million. In addition, on 31 March 2021, the Group owned 7,274,881 shares in the listed company Eezy Plc, corresponding to a holding of 29.28 per cent. At the closing share price on 31 March 2021, the market value of this shareholding exceeded EUR 39 million. At the beginning of April 2021, NoHo Partners Plc sold 1,000,000 Eezy Plc shares. Following this transaction, the Group owns 6,274,881 shares in Eezy Plc. The total transaction price for the shares was MEUR 5.0.

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. 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.

The COVID-19 pandemic and the restrictions introduced by governments have had a significant impact on consumer behaviour. Due to the relatively low level of business operations as a result of the strict restriction measures, working capital has declined significantly and is considerably lower than in the pre-pandemic period. Compared to the demand shock caused by the first wave of the COVID-19 pandemic in spring 2020, the Group's management expects that the current situation will not involve a similar change in consumer behaviour that would cause an unexpected liquidity risk due to negative working capital becoming payable. 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 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, assuming the government does not significantly restrict the Group's abilities to carry out its restaurant operations as described in Note 1 under "Going concern assumption".

9. Related party transactions

The Group's related parties are the parent company, subsidiaries, associated company, the parent company's subsidiaries 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

EUR 1,000	Sales	Lease costs	Acquisitions	Lease income	Receivables	Liabilities
31 March 2021	4.8	79.6	890.6	71.8	400.9	677.0
31 March 2020	27.7	137.9	3,274.8	19.3	1,859.1	2,479.0
31 December 2020	294.2	331.2	9,545.9	24.7	407.7	813.3

Eezy Oyj's share of related party transactions						
31 March 2021	1.1	0.0	820.8	7.8	0.0	600.0
31 March 2020	24.0	0.0	3,116.8	19.3	0.7	2,392.0
31 December 2020	48.0	0.0	9,074.4	24.7	3.3	654.9

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 December 2019, the company announced that the second 24-month earning period of the long-term share-based incentive plan for the key personnel will start on 1 January 2020 and end on 31 December 2021. A maximum number of 354,668 NoHo Partners Plc's shares may be paid to the key employees during the second earning period based on the achieved key goals in terms of the business operations set by the Board of Directors. The earning criteria set for the second earning period are the EBIT % of NoHo Partners Plc's Finnish operations, the company's share price development and the EBIT % of the foreign operations during the second earning period.

The Board of Directors anticipates that the maximum dilutive effect on the number of the company's registered shares is approximately 1.83%. The share-based incentive scheme covered 11 key employees of the company's Executive Team at the start of the second earning period.

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, for the second earning period, EUR 900 thousand in benefits paid in shares had been entered as expenses by 31 March 2021 during the 15-month monitoring period.

MEMBERS OF THE EXECUTIVE TEAM OF NOHO PARTNERS PLC ON 31 MARCH 2021

Aku Vikström
CEO, Chairman of the Executive Team

Jarno Suominen
Deputy CEO

Jarno Vilponen
CFO

Juha Helminen
Director of International Operations

Anne Kokkonen
HR Director

Benjamin Gripenberg
CBO, Restaurants, Helsinki Metropolitan Area

Tanja Virtanen
CBO, Restaurants, rest of Finland

Paul Meli
CBO, Entertainment Venues

Tero Kaikkonen
CBO, Fast casual restaurants

10. Contingent Liabilities and Assets and Commitments

GUARANTEES AND CONTINGENT LIABILITIES

EUR 1,000	31 March 2021	31 March 2020	31 December 2020
Liabilities with guarantees included on the balance sheet			
Loans from financial institutions, non-current	133,268.2	94,627.0	78,004.7
Loans from financial institutions, current	23,011.5	15,503.3	70,315.2
Total	**156,279.7**	**110,130.2**	**148,319.9**
Commercial papers, current	**4,500.0**	**22,000.0**	**4,500.0**
Guarantees given on behalf of the Group			
Collateral notes secured by a mortgage	37,457.6	34,885.4	37,457.6
Real estate mortgage	4,268.8	4,364.5	4,268.8
Subsidiary shares	103,513.1	97,657.8	103,435.9
Other shares	39,429.9	11,130.9	44,373.4
Bank guarantees	9,156.8	8,611.8	9,156.8
Other guarantees	5,313.4	5,198.9	5,161.2
Total	**199,139.5**	**161,849.3**	**203,853.7**
Purchase commitments			
Eezy Plc	59,230.1	69,285.8	60,050.9
Total	**59,230.1**	**69,485.8**	**60,050.9**
Contingent liabilities and assets	**2,486.4**	**1,447.8**	**2,736.1**

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

The remaining transaction price liability arising from the acquisition of Friends & Brgrs Ab Oy includes a Friends & Brgrs Ab Oy's share pledge to the sellers. The share pledge agreement expired in April 2021.

Information on the unsecured loan of EUR 10 million from Finnish Industry Investment Ltd is presented in NoHo Partners' consolidated financial statements for 2020.

11. Events After the Reporting Period

On 7 April 2021, NoHo Partners Plc sold 1,000,000 Eezy Plc shares. Following this transaction, the Group owns 6,274,881 shares in Eezy Plc. The total transaction price for the shares was MEUR 5.0.

12. Key Figures

EUR 1,000	1 Jan.–31 Mar. 2021	1 Jan.–31 Mar. 2020	1 Jan.–31 Dec. 2020
Earnings per share, EUR	-0.49	-0.45	-1.44
EBIT, %	-48.3%	-13.2%	-15.2%
Material margin, %	70.8%	71.7%	72.0%
Personnel expenses, %	48.3%	33.2%	38.0%
Average personnel			
Registered personnel			
Full-time personnel	544	1,044	721
Part-time personnel converted into full-time personnel	487	550	501
Rented workforce, converted to full-time equivalents	82	348	236
Return on equity, % (p.a.)	-56.9%	-29.8%	-27.0%
Return on investment % (p.a.)	-8.9%	-6.6%	-5.9%
Equity ratio, %	15.5%	22.6%	18.1%
Gearing ratio, %	472.7%	286.8%	391.0%
Interest-bearing net liabilities, EUR	331,978.3	288,816.7	316,621.2
Adjusted net finance costs*, EUR	3,032.3	1,798.3	10,196.7
Operating cash flow, EUR	-6,706.9	-3,283.8	-5,124.0
Key figures excluding the IFRS 16 effect			
Gearing ratio, %	227.4%	138.2%	192.0%
Interest-bearing net liabilities, EUR	169,945.7	139,922.5	163,431.4
Operating cash flow, bridge calculation			
EBIT	-9,729.7	-6,596.0	-23,880.0
Depreciation, amortisation and impairment	11,419.6	11,024.6	51,956.7
Share of profit of associated company	102.5	-27.8	-524.2
Translating IFRS 16 lease expenses to be cash flow based	-8,499.3	-7,684.7	-32,676.5
Operating cash flow	**-6,706.9**	**-3,283.8**	**-5,124.0**

*** The changed calculation formula can be found at the end of the interim report.**

CALCULATION FORMULAS FOR KEY FIGURES

Key figures required by the IFRS standards

Earnings per share

$$\frac{\text{Parent Company owners' share of profit from the financial period} - \text{hybrid bond interest}}{\text{Average number of shares}}$$

Earnings per share (diluted)

$$\frac{\text{Share of the net income for the financial period attributable to owners of the Parent Company} - \text{interest on hybrid bond}}{\text{Diluted average number of shares}}$$

Alternative performance measures

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 %

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

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 %

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

Gearing ratio % excluding IFRS 16

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

Personnel expenses %

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

Material margin %

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

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)

Operating cash flow

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

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