NoHo

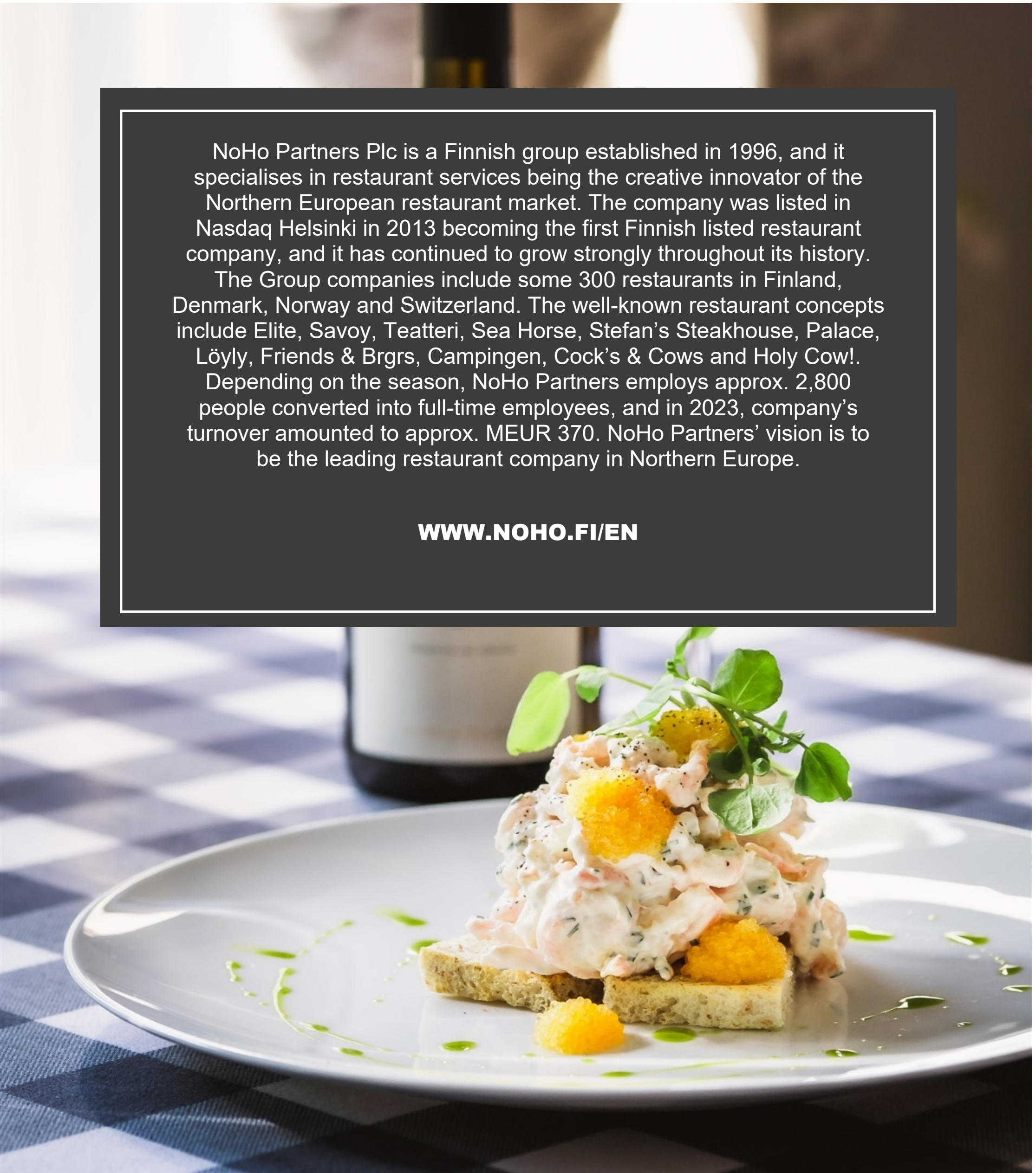
NORDIC HOSPITALITY PARTNERS

ANNUAL REPORT

2023

CONTENTS

NOHO PARTNERS IN A NUTSHELL



NoHo Partners Plc is a Finnish group established in 1996, and it specialises in restaurant services being the creative innovator of the Northern European restaurant market. The company was listed in Nasdaq Helsinki in 2013 becoming the first Finnish listed restaurant company, and it has continued to grow strongly throughout its history. The Group companies include some 300 restaurants in Finland, Denmark, Norway and Switzerland. The well-known restaurant concepts include Elite, Savoy, Teatteri, Sea Horse, Stefan's Steakhouse, Palace, Löyly, Friends & Brgrs, Campingen, Cock's & Cows and Holy Cow!. Depending on the season, NoHo Partners employs approx. 2,800 people converted into full-time employees, and in 2023, company's turnover amounted to approx. MEUR 370. NoHo Partners' vision is to be the leading restaurant company in Northern Europe.

WWW.NOHO.FI/EN

NORDIC HOSPITALITY PARTNERS

NORDIC

- Our future growth market is Northern Europe, where we pursue market leadership
- Our name represents globally renowned Nordic quality and sustainability

HOSPITALITY

- We want to expand beyond the conventional restaurant business, into the market of gaming and entertainment
- Digitalisation makes it possible to offer increasingly comprehensive experiences

PARTNERS

- The partner model is the cornerstone of all operations and our key competitive advantage – it commits the entrepreneurs of our restaurants and helps to create meaningful brands
- Our partners' valuable local expertise and experience create the preconditions for our success in different target markets

Restaurants **234**

Cities **28**

Restaurants **23**

Cities **6**

Restaurants **17**

Cities **5**

Restaurants **16**

Cities **12**

THE YEAR 2023 IN FIGURES

MEUR 372.4
Turnover

19.0%
Turnover growth

MEUR 35.9
EBIT

10.1%
EBIT margin*

3.0
Net debt ratio**

EUR 0.43
Dividend***

2,800
Employees
(FTE)

91%
Employee satisfaction
(employee survey 08/2023)

* Comparable EBIT margin adjusted by BBS transaction costs
** The ratio of net debt to operational EBITDA, adjusted for IFRS 16 lease liability.
*** The Board of Directors' proposal to the Annual General Meeting to be held on 10 April 2024.

REVIEW BY THE CEO

> **"NoHo Partners had a successful year in 2023 on multiple fronts."**
>
> Aku Vikström, CEO

NoHo Partners had a successful year in 2023 on multiple fronts. The company continued its profitable growth in Finland, and profitability also increased significantly in international operations. The company's profitability was at the targeted level of 10% for the second consecutive year.

NoHo Partners' excellent profitability development is driven by the sustainable structural changes the company has made over the past two years with regard to its restaurant portfolio and fixed costs. A continuous focus on the development of operational excellence in Finland and foreign markets strengthens the company's competitive advantage, even in an erratic demand environment.

"The company's profitability was at the targeted level of 10% for the second consecutive year."

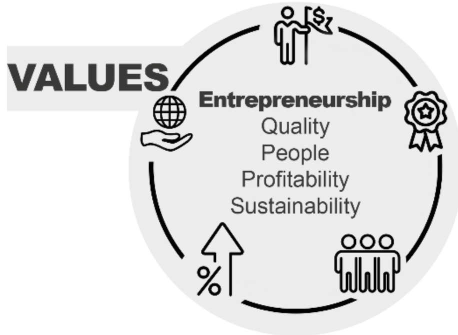
In 2023, NoHo Partners focused on the core components of its strategy in all areas. In Norway, the company returned to acquisition-driven growth by acquiring five profitable units that have already proved their effectiveness. The company also completed the final stage of its large and profitable urban projects when the restaurant operations of Helsinki Expo and Convention Centre were transferred to NoHo Partners in July. Friends & Brgrs became part of the Better Burger Society company, which was established under the Group. Through Better Burger Society, NoHo Partners also successfully expanded to a new market, Switzerland, during the review period. The business operations of the Holy Cow! burger chain acquired in the Swiss market have developed even better than expected, and the integration has progressed excellently. After the review period, NoHo Partners divested its shareholdings in Eezy Plc. The changes to ownership structures prepare the company for the next strategy period and continued profitable growth.

Good profit performance and a strong financial position enable investments in growth and the payment of dividends to shareholders. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.43 per share be paid for the financial year 2023. The company's objective is to continue to pay increasing dividends in the future.

The weak outlook of the Finnish economy creates uncertainty with regard to the outlook of the restaurant market in 2024. The positive development of the restaurant market continues, but we expect that the pressures on consumer purchasing power will be reflected particularly in the spending of students and families in the first half of the year. At the same time, the most significant inflationary pressures on ingredients have eased, and labour availability is at a good level. Our guidance for 2024 is a turnover of approximately MEUR 430 and an EBIT margin of approximately 9.5%. The company will publish its strategic targets for 2026 at the Capital Markets Day to be held in Helsinki on 22 May.

Aku Vikström
CEO

VISION AND STRATEGY



FINANCIAL TARGETS

The Group aims to achieve turnover of approx. MEUR 430 and an EBIT margin of approx. 9.5% during 2024. In the long-term, the company aims to keep the ratio of net debt to operational EBITDA, adjusted for IFRS 16 lease liability, under 3 and distribute annually increasing dividend.

The Group has announced that it will reach the goals defined for the strategy period ending in 2024 ahead of time. Long-term strategic and financial targets for the next strategy cycle 2024–2026 shall be published in the Capital Markets Day on 22 May 2024.

The Group's focus areas during the strategy period 2022–2024 have been:

GROWTH	PROFITABILITY	NET DEBT
• Profitable international growth in Norway and Denmark through acquisitions • Scaling up the Friends & Brgrs chain to a national level • Large and profitable urban projects	• Operational efficiency improvement • Portfolio development • Improving profitability level of international business	• Strong future operating cash flow • Maintaining the net debt to operational EBITDA ratio on a target level (below 3) • Divestment of Eezy Plc • Use of treasury shares in acquisitions

GROWTH DRIVERS IN 2023

NORWAY

- Attractive growth market
- Reasonable valuations in acquisitions
- High synergy potential with NoHo Partners' operating model

FRIENDS & BRGRS AND HOLY COW!

- Strong demand drivers
- Scalable concept and business model
- Major potential in the development of the brand and digital sales

LARGE AND PROFITABLE URBAN PROJECTS

- Large urban culture projects with an annual turnover of more than MEUR 5 and EBITDA potential of more than MEUR 1

UNIQUE OPERATING MODEL AS A COMPETITIVE ADVANTAGE

The company has a unique operating model that combines strong local brands and concepts with great dining experiences. Significant benefits of scale, decades of experience, operational excellence and responsible operating practices create a recipe for success for profitable growth in the future. The entrepreneurial partner model and corporate culture are key competitive advantages of the company, also in international markets.

Local brands and consumer concepts

Entrepreneurial partner model and corporate culture

Significant scalability benefits and synergies

Unique acquisition model and experience

Operational expertise

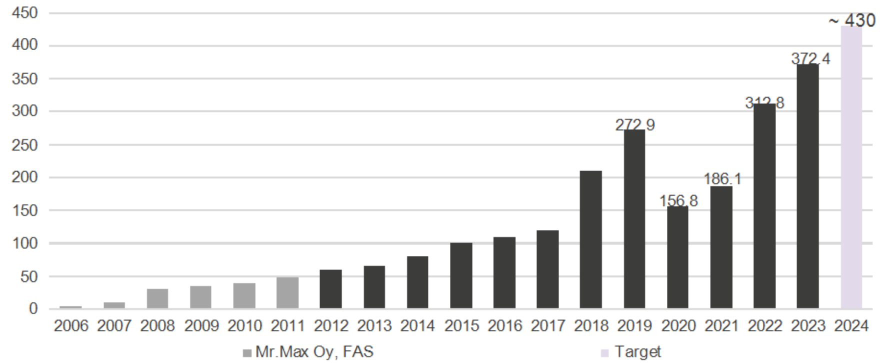
Sustainable practices and good governance

BUSINESS SEGMENTS

NoHo Partners is a growth company with approximately 300 restaurants and entertainment venues in Finland, Norway, Denmark and Switzerland. Strong brands offer memorable experiences for everyday life and special occasions 24 hours a day. The offering covers the entire spectrum of restaurants, from fast food to fine dining, sauna experiences to gaming venues and pubs to nightclubs. In addition, our event venues host meetings, seminars, private celebrations and other events.

NoHo Partners' business consists of two business segments, which are reported separately, and which are further divided into business areas. The **Finnish operations** include three business areas: restaurants, entertainment venues and fast food restaurants. The **international business** includes three business areas: Norway, Denmark and Switzerland.

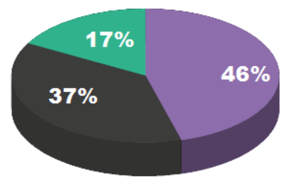
DEVELOPMENT OF GROUP TURNOVER 2006-2023



TURNOVER DISTRIBUTION 2023

Finnish operations

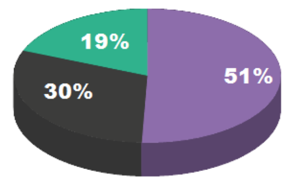
MEUR 292.6



- Restaurants
- Entertainment venues
- Fast food -restaurants

International business

MEUR 79.7



- Norway
- Denmark
- Switzerland*

*Included in Group figures from 1.9.2023

Our portfolio of some 300 restaurants includes several well-known restaurant brands, among others

BUSINESS HIGHLIGHTS Q1-Q4 2023

Profitable growth continued in Norway

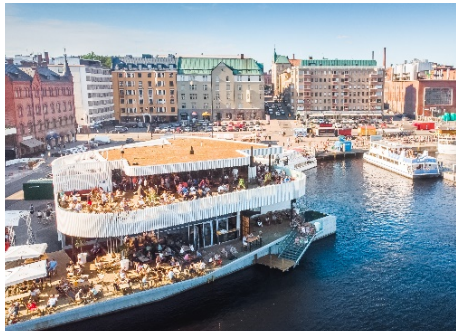
- Acquisition of five companies
- Clarifying the portfolio and strengthening operational activities

Scaling Friends & Brgrs chain

- 6 new restaurant openings
- Development of digital sales
- **Establishing Better Burger Society company and expanding to Switzerland with the Holy Cow! acquisition**

Large and profitable urban projects

- Helsinki Expo and Convention Centre opening (15 restaurants, Q3)
- Kulttuurikasarmi cultural centre opening (4 restaurants, Q4)



Strengthening the core business

- Leading position in the Helsinki entertainment and nightclub market (Maxine, Apollo Live Club, Kaivohuone, Surf House)
- In restaurants, profitable growth through acquisitions (Kuuma, Fat Lizard, Sushibar + Wine)

NOHO PARTNERS AS AN INVESTMENT

1.

GROWING AND FRAGMENTED MARKET

- Attractive, rapidly growing international market
- Favourable long-term trends supporting growth
- The restaurant business is more defensive than other service or retail industries

2.

BUSINESS MODEL SUPPORTING GROWTH

- Strong cash flow, negative working capital and controlled debt leverage to finance growth
- Diverse restaurant portfolio and a stable operational model supports in seasonal and cyclical fluctuations

3.

PARTNER MODEL A CRITICAL COMPETITIVE ADVANTAGE

- Unique customer experience
- Entrepreneurial culture
- Local brands and consumer concepts

4.

SYNERGIES OF A LEADING PLAYER

- Acquisition model and experience
- Significant scalability benefits and synergies
- Operational expertise and efficiency
- Sustainability

INFORMATION FOR SHAREHOLDERS

FINANCIAL REPORTING AND ANNUAL GENERAL MEETING 2024

NoHo Partners Plc publishes financial reports for 2024 as follows:

- Interim report for January-March on Tuesday 7 May 2024
- Half-year report for January-June on Tuesday 6 August 2024
- Interim report for January-September on Tuesday 5 November 2024

NoHo Partners Plc's Annual General Meeting is planned to be held on 10 April 2024.

PROPOSAL OF THE BOARD OF DIRECTORS CONCERNING ACTIONS TO BE TAKEN REGARDING THE PROFIT OF THE PARENT COMPANY

NoHo Partners Plc's distributable assets on 31 December 2023 were EUR 103,750,156.08, of which the share of the financial period's result is EUR -5,181,668.54.

NoHo Partners Plc's Board of Directors proposes to the Annual General Meeting convening on 10 April 2024 that, a dividend of EUR 0.43 (0.40) per share will be paid based on the adopted balance sheet of the financial period ending on 31 December 2023.

The Board of Directors proposes that the dividend shall be paid in three instalments. The first instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 May 2024. The payment date proposed by the Board of Directors for this instalment is 16 May 2024.

The second instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 August 2024. The payment date proposed by the Board of Directors for this instalment is 15 August 2024.

The third instalment of EUR 0.15 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 7 November 2024. The payment date proposed by the Board of Directors for this instalment is 14 November 2024.

At the time of the financial statements on 31 December 2023, the total number of shares was 20,975,678.

BOARD OF DIRECTORS' REPORT

BOARD OF DIRECTORS' REPORT

KEY FIGURES 2021 - 2023

MEUR	2023	2022	2021
Turnover	372.4	312.8	186.1
Operational EBITDA	44.7	41.6	11.3
EBIT	35.9	31.6	-0.9
EBIT, %	9.7 *	10.1	-0.5
Result of the financial period	10.4	4.9	-10.3
Earnings per share for the review period attributable to the owners of the company, EUR	0.38	0.07	-0.55
Earnings per share adjusted by entries related to Eezy Plc shares, EUR	0.73	0.56	
Interest-bearing net liabilities excluding IFRS 16 impact	134.6	121.0	151.9
Gearing ratio excluding IFRS 16 impact, %	116.2	135.1	203.1
Ratio of net debt to operational EBITDA excluding IFRS 16 impact	3.0	2.9	13.5
Adjusted equity ratio, %	29.7	29.1	24.0
Material margin, %	75.2	75.3	74.4
Personnel expenses, %	32.5	33.2	36.0

*Comparable EBIT margin 10.1%

The calculation formulas for key figures are presented on page 120.

BUSINESS MODEL

NoHo Partners Plc is a Finnish group established in 1996, and it specialises in restaurant services being the creative innovator of the Northern European restaurant market. The company was listed in Nasdaq Helsinki in 2013 becoming the first Finnish listed restaurant company, and it has continued to grow strongly throughout its history. The Group companies include some 300 restaurants in Finland, Denmark, Norway and Switzerland. The well-known restaurant concepts include Elite, Savoy, Teatteri, Sea Horse, Stefan's Steakhouse, Palace, Löyly, Friends & Brgrs, Campingen, Cock's & Cows and Holy Cow!. Depending on the season, NoHo Partners employs approx. 2,800 people converted into full-time employees, and in 2023, company's turnover amounted to approx. MEUR 370. NoHo Partners' vision is to be the leading restaurant company in Northern Europe.

The company's business model combines scale benefits gained from growth and size together with an entrepreneurial operational model and an up-to-date data-driven management approach.

MARKET ENVIRONMENT

The business outlook for the tourism and restaurant sector are on a good level but the decline in consumers' purchasing power due to the general increase in costs and interest rates weakens the outlook and consumer confidence at the beginning of the year. The group continues to take active measures to prepare for potentially rapid changes in the market situation by actively monitoring operational efficiency and pricing, using centralised procurement agreements and engaging in regular dialogue with suppliers and other partners. The pressure on customer demand is estimated to be at its highest in the first half of the year, after which the situation is expected to stabilize during the second half of the year. In the long term, the restaurant market is expected to develop positively and the growth is expected continue.

In a normal operating environment, most of the profits in the restaurant business are made during the second half of the year due to the seasonality of the business. The demand for restaurant services is usually less susceptible to cyclical fluctuations compared to other service and retail industries. The group's size and large portfolio protect it from the strongest fluctuations.

STRATEGY IMPLEMENTATION

NoHo Partners announced in July 2023 that it will reach the goals defined for the strategy period ending in 2024 ahead of time. The group has been aiming for to achieve turnover of approximately MEUR 400 and an EBIT margin of approximately 10% during 2024. In the long-term, the group aims to keep the ratio of net debt to operational EBITDA, adjusted for IFRS 16 lease liability, under 3 and distribute annually increasing dividend.

The company will update its long-term strategic and financial targets for the next strategy cycle 2024–2026 and publish them in the Capital Markets Day that will be held on 22 May 2024.

NoHo Partners' growth strategy focuses on the three areas:

- Profitable growth in the Norwegian restaurant market through acquisitions (50 million growth target)
- Scaling up the Friends & Brgrs chain in Finland (30 million growth target)
- Large and profitable urban projects (30 million growth target)

The core of the company's strategy has been on profitable growth, which sets a clear framework on the acquisition targets. Profitability will not be sacrificed for excessively aggressive growth.

In Norway, the company returned to acquisition-driven growth by acquiring five profitable and proven units, while strengthening the local management with an experienced professional in the restaurant and event industry. The acquired total turnover is estimated to be approximately MEUR 10.

During the review period, Friends & Brgrs became part of the Better Burger Society joint venture established with the private equity investor Intera Partners. It aims for a leading position in the growing European premium burger market. The first acquisition of Better Burger Society was the Swiss burger chain Holy Cow!. With the chain brand business centralised in a single separate company, NoHo Partners can more efficiently expand its premium burger business into the large European market. The figures of Holy Cow! were consolidated into the company's international business segment as of 1 September 2023.

The last phase of large profitable urban projects was realised during the review period, as the restaurant operations of the Helsinki Expo and Convention Centre were taken over by NoHo Partners as of 1 July 2023. The fully upgraded Helsinki Expo and Convention Centre restaurants opened their doors to the public in mid-September. In November, the Kulttuurikasarmi cultural centre with its four restaurants was opened in the heart of Helsinki.

SIGNIFICANT EVENTS OF THE REPORTING PERIOD

Q1 2023

NoHo Partners selected as the main supplier for restaurant services by Helsinki Expo and Convention Centre

On 18 January 2023, NoHo Partners announced that company NoHo Partners has been selected as the main supplier for restaurant services by Helsinki Expo and Convention Centre (brand name Messukeskus) as of 1 July 2023. Helsinki Expo and Convention Centre is the largest venue for exhibitions, meetings and congresses in Finland, hosting national and international events for about a million visitors annually. The annual revenue from the restaurant services at the convention centre is approximately EUR 15 million.

NoHo Partners becomes market leader in the Helsinki entertainment and nightclub market through a strategic acquisition

On 27 March 2023, NoHo Partners Plc announced that it had signed an agreement through which the Helsinki nightlife classics, Apollo Live Club, nightclub Maxine and Kaivohuone restaurant, transfer under the ownership of the Group's subsidiary Stadin Night Oy. The seller in the transaction is Night People Group, a Finnish restaurant Group. The businesses are recorded in Group figures as of 1 April 2023.

Q2 2023

Decisions by NoHo Partners Plc's Annual General Meeting and first instalment of dividend payment

The Annual General Meeting of NoHo Partners Plc was held on 19 April 2023. The AGM approved all of the proposals submitted to the AGM and approved the Remuneration Report. The AGM adopted the financial statements for 2022 and discharged the company's management from liability for the financial period 1 January–31 December 2022. The decisions of the Annual General Meeting were disclosed with a stock exchange release and are available at the company's website. According to the decision by the AGM, the first instalment of the dividend of EUR 0.20 per share was paid on 24 May 2023. The second instalment of EUR 0.20 per share was decided to be paid no later than 20 October 2023.

NoHo Partners acquires the popular Sauna Restaurant Kuuma in Tampere, Finland

On 27 April 2023, NoHo Partners Plc announced that the company acquired Sauna Restaurant Kuuma located in Tampere in central Finland. 100% of the shares of the company to be acquired, Lumo Laukontori Oy, transferred into NoHo Partners' ownership as of 1.6.2023.

A directed share issue without payment to the company's key employees based on the share-based incentive plan

On 3 May 2023, NoHo Partners Plc announced that the Board of Directors of the company resolved on a directed share issue without payment to the key employees of the company in order to pay the reward for the third earning period of the long-term share-based incentive plan from 1 December 2021 to 31 March 2023. The share issue resolution is based on the authorization given by the Annual General Meeting on 19 April 2023. A total of 106 877 new shares were issued without payment in the share issue to eight key employees participating in the share-based incentive plan. As a result of the share issue, the total number of shares in NoHo Partners Oyj will be 20,806,678. The new shares were registered with the Trade Register on 5 May 2023. The new shares were admitted to trading on the official list of Nasdaq Helsinki Ltd. on 9 May 2023.

NoHo Partners acquires majority of the popular Sushibar + Wine -chain

On 15 June 2023, NoHo Partners announced that the company acquired the business operations of Sushibar + Wine chain together with Matti Sarkkinen, one of the two founders. Sushibar + Wine transfers into the NoHo Partners Group as of 1 August 2023.

Q3 2023

NoHo Partners acquired the leading Swiss premium burger chain Holy Cow! in collaboration with Intera Partners

On 6 July 2023, NoHo Partners announced that the company has, together with private equity investor Intera Partners, established Better Burger Society, a company targeting a leading position in the growing premium burger market in Europe. As part of the transaction, NoHo Partners' share ownership in Friends & Brgrs was invested into the new company. The first acquisition of Better Burger Society was the Swiss premium burger chain Holy Cow!. The transaction was closed on 14 August 2023. Holy Cow!'s figures are consolidated as part of the Group's International Business segment as of 1 September 2023.

The company issued a positive profit warning in July

On 6 July 2023, NoHo Partners announced it increased its profit guidance for 2023 concerning revenue in connection to the above-mentioned Holy Cow! acquisition. According to the new profit guidance, NoHo Partners estimates that, during the financial year 2023, it will achieve total turnover of approximately MEUR 380 and EBIT margin of approximately 9% in the restaurant business.

The directed share issue as a part of the acquisition of all the shares in two Norwegian restaurant companies

On 25 September 2023, The Board of Directors of the company has, by virtue of an authorisation granted by the company's annual general meeting on 19 April 2023, decided to issue 169,000 new shares in a directed share issue against payment. The New Shares corresponded to approximately 0.81 per cent of all shares in NoHo Partners before the share issue. The share issue relates to transactions whereby NoHo Skagstind Holding AS, a subsidiary of NoHo Partners, acquired all the shares in Norwegian restaurant companies Scene og Pubdrift AS and Klingenberg Bardrift AS. After the transaction, the companies are fully owned by NoHo Skagstind Holding AS.

The aggregate purchase price for all the shares in the companies was 4.9 million euros of which approximately 2.0 million euros was paid in cash in September 2023 and 1.4 million remains as an interest-bearing debt which shall be paid after six years. The rest of the purchase price was paid with new shares. Additionally, the seller is entitled to an earn out purchase price payable in cash subject to the fulfilment of certain criteria. As a result of the share issue, the aggregate number of shares in NoHo Partners increased to 20,975,678. The New Shares were registered with the Finnish Trade Register on 27 September 2023, and the trading began on 28 September 2023. The figures of the acquired companies have been consolidated as part of the Group's International Business -business segment as of 1 September 2023.

Q4 2023

Record date and payment date of NoHo Partners' second dividend instalment of EUR 0.20

On 4 October 2023, NoHo Partners announced the record date and payment date of NoHo Partner's second dividend instalment of EUR 0.20. The Board of Directors of NoHo Partners Plc decided on the payment of the second dividend instalment of EUR 0.20 per share for the financial year 2022, based on the authorization of the Annual General Meeting held on 19 April 2023.

The dividend was paid to shareholders who were registered in the shareholders' register maintained by Euroclear Finland Ltd on the dividend record date 13 October 2023. The dividend payment date was 20 October 2023. The first dividend instalment of EUR 0.20 per share was paid on 24 May 2023.

The company issued a positive profit warning in December

On 20 December 2023, NoHo Partners announced that it updates the guidance concerning EBIT margin for the year 2023. NoHo Partners estimated that, during the financial year 2023, it will achieve total turnover of approximately MEUR 370 and EBIT margin of over 9.5% in the restaurant business. The comparable EBIT was estimated to reach the 10% EBIT margin defined in the company's long-term financial targets. The strong profitability development is due to the business of Holy Cow!, acquired in July 2023, that has developed better than expected while the integration is progressing excellently. At the same time, the pre-Christmas season has met the company's expectations.

EVENTS AFTER THE REPORTING PERIOD

The company divested its ownership in Eezy Plc

In January, NoHo Partners divested its shareholding in Eezy Plc (5,052,856 shares) at a price of EUR 1.425 per share. The share price differed from the price per share at the closing date (1.67) by EUR 0.245 per share. The sales loss of EUR 1.2 million resulting from the changes in fair value has been recorded in the financial expenses of the income statement in 2024. As a result of the completed arrangement, the net liabilities decreased by EUR 7.2 million.

The Board of Directors of NoHo Partners Oyj has resolved on a directed share issue without payment to the company's key employees based on the share-based incentive plan

On 28 February 2024, NoHo Partners Plc announced that the Board of Directors of the company resolved on a directed share issue without payment to the CEO of the company and to the deputy of the CEO in order to pay the delayed earned reward for the third earning period that ended on 31 March 2023 of the long-term share-based incentive plan. The share issue resolution is based on the authorization given by the Annual General Meeting on 19 April 2023. A total of 34 037 new shares were issued without payment in the share issue related to the share-based incentive plan. As a result of the share issue the total number of shares in NoHo Partners Oyj will be 21 009 715. The new shares were registered with the Trade Register on 4 March 2024. The new shares are admitted to trading on the official list of Nasdaq Helsinki Ltd.

TURNOVER AND INCOME

In January–December 2023, the Group's turnover increased by 19.0% to MEUR 372.4 (312.8). Operational EBITDA increased by 7.6% compared to the corresponding period in the previous year and was MEUR 44.7 (41.6). EBIT was MEUR 35.9 (31.6) with an EBIT margin of 9.7% (10.1%). The result for the period was MEUR 10.4 (4.9). BBS transaction cost adjusted operational EBITDA was MEUR 46.3, EBIT MEUR 37.5 and EBIT margin 10.1%. The result adjusted by entries related to Eezy Plc shares and BBS transaction costs was MEUR 19.3 (14.8) and increased by 30.2%.

The company was able to balance the effects of inflation on its business through centralised purchasing agreements and price increases, and the general rise in prices did not significantly affect the material margin. With the effective operational control and revenue growth, personnel costs have remained at a competitive level.

BUSINESS SEGMENTS

NoHo Partners' business consists of two business segments, which are reported separately:

- Finnish operations
- International business

The business segments are divided into business areas for which turnover and number of units are reported. The Finnish operations include three business areas: restaurants, entertainment venues and fast food restaurants. The international business includes three business areas: Norway, Denmark and Switzerland. The business of the one Swedish unit is managed from Denmark and it is reported as a part of Denmark's business area.

FINNISH OPERATIONS

MEUR	2023	2022
Turnover	292.6	251.2
Operational EBITDA	35.6	34.8
EBIT	30.7	28.2
EBIT, %	10.5	11.2
Material margin, %	75.5	75.3
Personnel expenses, %	32.7	32.8

In January–December 2023, the turnover increased by 16.5% to MEUR 292.6 (251.2) compared to the previous year. Operational EBITDA was MEUR 35.6 (34.8). EBIT was MEUR 30.7 (28.2) with an 10.5% (11.2%) EBIT margin. Comparable BBS transaction cost adjusted operational EBITDA was MEUR 36.5 and EBIT was MEUR 31.5 with an 10.8% EBIT margin.

INTERNATIONAL BUSINESS

MEUR	2023	2022
Turnover	79.7	61.6
Operational EBITDA	9.1	6.8
EBIT	5.3	3.4
EBIT, %	6.6	5.5
Material margin, %	73.9	75.3
Personnel expenses, %	31.7	35.1

In January–December 2023, turnover increased by 29.5% from the previous year to MEUR 79.7 (61.6) Operational EBITDA was MEUR 9.1 (6.8). EBIT was MEUR 5.3 (3.4) with an 6.6% (5.5%) EBIT margin. Comparable BBS transaction costs adjusted operational EBITDA was MEUR 9.8 and EBIT was MEUR 5.9 with an 7.4% EBIT margin.

TURNOVER BY BUSINESS AREA

In accordance with the reorganisation measures announced on 9 June 2022, the company uses the term “fast food business” for the business that was previously referred to as the “fast casual” business. The allocation of units to the business area has been adjusted in accordance with the new structure, and this has also been taken into account in the comparison figures.

FINNISH OPERATIONS	2023	2022
Restaurants		
Turnover, MEUR	133.9	112.2
Share of total turnover, %	36.0	35.9
Change in turnover, %	19.4	-
Units at the end of period, number	106	93
Entertainment venues		
Turnover, MEUR	109.1	97.2
Share of total turnover, %	29.3	31.1
Change in turnover, %	12.2	-
Units at the end of period, number	73	71
Fast food -restaurants		
Turnover, MEUR	49.6	41.9
Share of total turnover, %	13.3	13.4
Change in turnover, %	18.5	-
Units at the end of period, number	55	52
Total, MEUR	**292.6**	**251.2**

INTERNATIONAL BUSINESS	2023	2022
Norway		
Turnover, MEUR	40.4	39.7
Share of total turnover, %	10.8	12.7
Change in turnover, %	1.7	-
Units at the end of period, number	23	21
Denmark		
Turnover, MEUR	24.3	21.9
Share of total turnover, %	6.5	7.0
Change in turnover, %	11.0	-
Units at the end of period, number	17	19
Switzerland*		
Turnover, MEUR	15.1	-
Share of total turnover, %	4.0	-
Change in turnover, %	-	-
Units at the end of period, number	16	-
Total, MEUR	**79.7**	**61.6**

*Included in Group figures from 1 September 2023

During the financial year, 55 new restaurants were opened and 16 restaurants were closed.

CASH FLOW, INVESTMENTS AND FINANCING

The Group's operating net cash flow in January–December was MEUR 71.1 (69.8). Cash flow before change in working capital was MEUR 89.2 and changes in working capital MEUR 4.1.

The investment net cash flow in January–December was MEUR -27.4 (-15.6) Acquisition of tangible and intangible assets in January–December included, for example investments in Helsinki Expo and Convention Centre and Kulttuurikasarmi cultural centre, the opening of six new Friends & Brgrs restaurants and twelve concept changes from Hanko Sushi restaurant to Hanko Aasia restaurant. Acquisitions of subsidiaries with time-of-acquisition liquid assets deducted included acquisitions of announced Swiss Holy Cow!, Norwegian Scene og Pubdrift AS:n and Klingenberg Bardrift AS and Lumo Laukontori Oy (Sauna Restaurant Kuuma).

Financial net cash flow amounted to MEUR -37.5 (-55.4), including MEUR 34.2 of IFRS 16 lease liability payments, MEUR 10.1 of dividend payments and MEUR 13.4 of amortisation of financial institution loans. New loans have been proceeded MEUR 21.5, from which MEUR 16.5 relates to BBS arrangement.

The Group's interest-bearing net liabilities excluding the impact of IFRS 16 liabilities increased during January–December by MEUR 13.6 and amounted to MEUR 134.6 at the end of the review period. The Group's gearing ratio excluding the impact of IFRS 16 liabilities decreased from 135.1% at the beginning of the financial period to 116.2%.

Adjusted net finance costs in January–December excluding the expense due to the decrease of the market value of Eezy Plc shares classified as assets held for sale were MEUR 17.0 (12.9). IFRS 16 interest expenses included in adjusted net finance costs in January–December were MEUR 8.7 (7.4).

CHANGES IN GROUP STRUCTURE

The significant acquisitions and divestments of subsidiaries and business operations, as well as the changes in minority shares during the financial year are presented page 76. The newly established companies during the financial year are presented on page 113.

RESEARCH AND DEVELOPMENT

The company does not engage in any actual research activities. The company's development activities mainly consist of developing new restaurant concepts and the further development of existing concepts.

PERSONNEL

Key figures describing the personnel of the parent company	2023	2022	2021
Average number of employees	200	158	122
Salaries and fees for the financial period	11.0	8.0	5.6

Key figures describing the personnel of the Group	2023	2022	2021
Average number of employees	2,041	1,891	1,497
Full-time personnel	1,380	1,211	951
Part-time personnel converted into full-time personnel	661	680	546
Salaries and fees	79.1	66.0	44.5

During January–December 2023, NoHo Partners Group employed on average 1,380 (1,211) full-time employees and 661 (680) part-time employees converted into full-time employees as well as 396 (386) rented employees converted into full-time employees.

Depending on the season, some 2,800 people converted into full-time employees work at the Group at the same time under normal circumstances.

GOVERNANCE

NoHo Partners Plc complies with the Finnish Corporate Governance Code with any possible exceptions. Additional information on the company's governance principles is available in the Corporate Governance Statement for 2023, which is part of this Annual Report.

Annual General Meeting 2023

NoHo Partners Plc's Annual General Meeting, held on 19 April 2023, adopted the financial statements for 2022 and discharged the company's management from liability for the 2022 financial year. The AGM decided that, based on the balance sheet adopted for the 2022 financial year, a dividend of EUR 0.40 per share will be paid at the time of dividend payment on shares owned by external shareholders.

The dividend was paid in two instalments. The first instalment of EUR 0.20 per share was paid to a shareholder who was registered in the company's shareholder list maintained by Euroclear Finland Ltd on the dividend record date 11 May 2023. The payment date for this instalment was 24 May 2023.

The second instalment of EUR 0.20 per share was paid to a shareholder who was registered in the company's shareholder list maintained by Euroclear Finland Ltd on the dividend record date 13 October 2023. The payment date for this instalment was 20 October 2023.

The AGM approved the Board's proposal to amend the Articles of Association regarding the general meeting so that the General Meeting of Shareholders may be held in Tampere, Helsinki, Espoo or Vantaa. In addition, the Board may decide that the General Meeting of Shareholders will be held without a meeting venue as a virtual meeting or as a hybrid meeting.

The AGM authorised the Board of Directors 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. The maximum amount of the shares to be purchased is equivalent to approximately 3.9% 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 AGM authorised the Board of Directors to decide on the issuance of shares and/or option rights or other special rights entitling to shares in one or more tranches. Under the authorisation, a maximum total of 3,000,000 shares may be issued, corresponding to approximately 14.5% of all of the company's registered shares calculated using the share count on the publication date of the notice of the AGM.

The organization, management and auditors of the company

During 2023, members of Noho Partners Plc's Board of Directors were Timo Laine (Chairman), Petri Olkinuora, Mika Niemi, Mia Ahlström, Kai Seikku and Yrjö Närhinen (Vice Chairman).

The auditors for the parent company and the Group were Ernst & Young Oy with APA Juha Hilmola as the responsible auditor.

The company's CEO is Aku Vikström. At the end of 2023, in addition to the CEO, the Group Executive Team included Deputy CEO Jarno Suominen, CFO Jarno Vilponen and CEO of BBS Group Tuomas Piirtola.

SHARE AND SHAREHOLDERS

NoHo Partners Plc has one series of shares where all shares carry an equal right to dividends. One share equals one vote at the general meeting. The share has no nominal value.

At the end of the 2023, NoHo Partners Plc's share capital totalled EUR 150,000 (150,000) and the total number of shares was 20,975,678 (20,699,801). The company did not hold any shares in NoHo Partners Plc at the end of the financial period.

According to the list of shareholders, the company had 10,953 (9,774) shareholders on 31 December 2023.

The company's ten largest shareholders on 31 December 2023

Shareholder	Number of shares	%
Laine Capital Oy*	5,262,844	25.1
Niemi Mika Rainer	2,236,789	10.7
Veikko Laine Oy	2,131,433	10.2
Pimu Capital Oy	1,049,024	5.0
Evli Finnish Small Cap Fund	940,123	4.5
Evli Finland Select Fund	573,624	2.7
Ilmarinen Mutual Pension Insurance Company	395,000	1.9
Elo Mutual Pension Insurance Company	271,566	1.3
Varma Mutual Pension Insurance Company	271,566	1.3
JS-Resta Oy**	249,347	1.2
Total	**13,381,316**	**63.9**

* Entity controlled by Board member Timo Laine
** Entity controlled by the member of the Executive Team Jarno Suominen

On 31 December 2023, members of the Board of Directors, the CEO, the Deputy CEO and members of the Group Executive Team as well as entities over which they exercise control held a total of 8,296,526 shares, which corresponds to 39.6% of the shares issued by the company.

Distribution of shareholding on 31 December 2023

Number of shares	Shareholders Number	Shareholders %	Shares Number	Shares %
1 - 100	5,661	51.7	232,345	1.1
101 - 1 000	4,585	41.9	1,559,503	7.4
1 001 - 10 000	639	5.8	1,647,167	7.9
10 001 - 100 000	49	0.4	1,587,592	7.6
100 001 - 1 000 000	14	0.1	3,216,388	15.3
> 1 000 000	5	0.0	12,213,837	58.2
Total	**10,953**	**100.0**	**20,456,832**	**97.5**
Nominee-registered shares total			518,846	2.5
Issued number			20,975,678	100.0

Sector	Shareholders Number	Shareholders %	Shares Number	Shares %
Corporate	393	3.6	10,808,672	51.5
Financial and insurance institutions	14	0.1	3,479,433	16.6
Households	10,543	96.3	6,149,927	29.3
Non-profit institutions serving households	3	0.0	18,800	0.1
Total	**10,953**	**100.0**	**20,456,832**	**97.5**
Nominee-registered shares total			518,846	2.5
Issued number			20,975,678	100.0

RELATED PARTY TRANSACTIONS

In 2023, NoHo Partners Plc, the parent company of NoHo Partners Group has granted EUR 109,2 (113.1) million in financial loans to Group companies. The parent company's MEUR 9.0 (8.0) bank guarantee limit related to leases also includes lease guarantees for the Group subsidiaries. In addition, the Group has a EUR 16.9 (33.4) million purchase commitment from the associated company Eezy Plc. The related party transactions of the Group are described on page 116.

ASSESSMENT OF RISKS AND UNCERTAINTIES RELATED TO THE COMPANY'S OPERATIONS

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

Geopolitical situation	The uncertain geopolitical situation may have an impact on the company's market environment. For the time being, the company does not see a significant impact on demand in its operating countries. The rise in the general cost level caused by the prevailing global situation has an impact on the company's business. To mitigate the impact, the company has prepared for increasing raw material prices, for example, through the centralisation of purchase and sales agreements as well as price increases.
General financial situation and changes in customer demand	The sales and profitability of restaurant services are affected by the financial situation of households and the development of purchasing power and corporate sales. The business outlook for the tourism and restaurant sector and consumer confidence have been weakened by the uncertain geopolitical climate and the general increase in costs and interest rate. Demand for restaurant services has, however, remained at a good level. Inflation and weakening consumer purchasing power and confidence constitute a risk to the development of NoHo Partners' turnover and cash flow. The adaptation of operating costs and the ability to mount an agile response to changes in customer demand are the key factors for the company to influence the development of turnover and EBIT.
Liquidity risk	The Group's financing needs will be covered by optimising working capital and through external financing arrangements so 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. Unexpected legislative amendments related to the company's business, might have a negative effect on the company's liquidity.
Financial risks	The Group strives to assess and track the amount of funding required by the business, for example by performing a monthly 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. Market interest rates may have a negative impact on the company's financial expenses. Changes in the macroeconomic environment or the general financing market situation may negatively affect the company's liquidity as well as the availability, price and other terms and conditions of financing.
Amendments to legislation	Changes in regulations governing the restaurant business in the Group's various markets may have a negative impact on the Group's operations. Regulatory changes concerning, for example, alcohol, food and labour laws and value-added taxation may affect the company's business.

Rent level development	Business premises expenses constitute a significant share of NoHo Partners’ operating expenses. The Group’s business premises are primarily leased, so the development of the general level of rents has a significant impact on the Group’s operations.
Labour market situation and labour supply	The availability of skilled part-time labour particularly during high seasons and on the weekends can be seen as an uncertainty factor, that may affect the company’s business operations.
Goodwill write-off risk	The Group has a significant amount of goodwill on the consolidated balance sheet, which is subject to a write-off risk in case the Group’s expected future cash flows decline permanently due to external or internal factors.

PROPOSAL OF THE BOARD OF DIRECTORS CONCERNING ACTIONS TO BE TAKEN REGARDING THE PROFIT OF THE PARENT COMPANY

NoHo Partners Plc’s distributable assets on 31 December 2023 were EUR 103,750,156.08, of which the share of the financial period’s result is EUR -5,181,668.54.

NoHo Partners Plc’s Board of Directors proposes to the Annual General Meeting convening on 10 April 2024 that, a dividend of EUR 0.43 (0.40) per share will be paid based on the adopted balance sheet of the financial period ending on 31 December 2023.

The Board of Directors proposes that the dividend shall be paid in three instalments. The first instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 May 2024. The payment date proposed by the Board of Directors for this instalment is 16 May 2024.

The second instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 August 2024. The payment date proposed by the Board of Directors for this instalment is 15 August 2024.

The third instalment of EUR 0.15 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 7 November 2024. The payment date proposed by the Board of Directors for this instalment is 14 November 2024.

At the time of the financial statements on 31 December 2023, the total number of shares was 20,975,678.

PROFIT GUIDANCE AS OF 15 FEBRUARY 2024

NoHo Partners estimates that, during the financial year 2024, it will achieve total turnover of approx. MEUR 430 and EBIT margin of approx. 9.5%.

The company will update its long-term strategic and financial targets for the next strategy cycle 2024–2026 and publish them in the Capital Markets Day that will be held on 22 May 2024.

KEY FIGURES DESCRIBING THE FINANCIAL POSITION AND NET INCOME

Key figures describing the financial position of the parent company (FAS)

MEUR	2023	2022	2021
Turnover	44.8	41.9	17.5
EBIT	5.2	0.6	-3.4
% of turnover	11.7	1.4	-19.4
Return on equity %	-4.7	2.6	-4.7
Equity ratio %	37.7	42.9	36.4

Key figures describing the financial position and net income of the Group

MEUR	2023	2022	2021
Turnover	372.4	312.8	186.1
Material margin	279.9	235.5	138.5
% of turnover	75.2	75.3	74.4
EBIT	35.9	31.6	-0.9
% of turnover	9.7	10.1	-0.5
Balance sheet total	576.4	453.2	459.3
Return on investment %	9.3	8.6	0.0
Return on equity %	11.0	6.5	-13.7
Equity ratio %	18.6	18.2	15.1
Gearing ratio %	326.4	353.1	462.4
Gearing ratio % excluding IFRS 16 impact	116.2	135.1	203.1
Personnel expenses, %	32.5	33.2	36.0
Net cash from investing activities	27.4	16.4	4.7

The calculation formulas for key figures are presented on page 120.

Share-based key figures

	2023	2022	2021
Earnings per share, undiluted, EUR	0.38	0.07	-0.55
Earnings per share, diluted, EUR	0.37	0.07	-0.55
Equity per share, EUR	3.72	3.61	3.35
Dividend per share, EUR *	0.43	0.40	0.00
Dividend/EPS, %	113.8	546.5	0.00
Effective dividend yield, %	5.0	6.0	0.00
Price to earnings ratio (P/E)	22.86	91.67	-13.77
Share price 31 December, EUR	8.64	6.71	7.62
Average share price, EUR	8.16	7.51	8.17
Highest share price during the financial period, EUR	9.60	8.60	9.45
Lowest share price during the financial period, EUR	6.57	5.70	6.68
Market capitalisation, EUR million	181.2	138.9	146.5
Volume of trading during the financial period	2,799,219	3,211,768	4,663,769
Share turnover, %	13.4	15.8	24.3

MEUR	2023	2022	2021
Adjusted average number of shares during the financial period	20,864,459	20,297,862	19,222,270
Adjusted number of shares on 31 December	20,975,678	20,699,801	19,222,270

* Proposal by the Board of Directors for the financial year 2023 to the Annual General Meeting to be held on 10 April 2024.

SUSTAINABILITY

SUSTAINABILITY

Non-financial information

Sustainability is one of the NoHo Partners' core values and a key component of our growth strategy. It leads our thinking and choices from a sustainable perspective. Our aim is to provide meaningful experiences for an increasing number of customers, while acting for the good of the environment. Sustainable business requires well-organised and managed actions that are realised together with internal and external stakeholders, employees, partners, suppliers, and customers.

ESG FOCUS AREAS

Our sustainability program consists of eight focus areas, which are divided into three environment, social, and governance (ESG) themes. These themes are Environment and Climate, People and Communality and Good Governance.

SUSTAINABLE AND PROFITABLE GROWTH – TOGETHER

In 2023, NoHo continued implementing the profitable growth strategy and the sustainability roadmap that was drawn up in 2021. The roadmap extends to 2025 and is divided into yearly sub-targets. The priorities of our program are sustainable procurement and mitigating environmental impact, responsibility for people, and good governance.

The goals for 2023 were the development of expertise and reporting. The planned measures were mainly implemented and the few goals set for 2024 were updated. Starting in 2024, NoHo must report sustainability information in accordance with the Corporate Sustainability Reporting Directive, CSRD* set by the European Union. Reporting in accordance with the directive was prepared by starting the double materiality assessment of ESG themes required by ESRS**. At the same time, it was decided to postpone the start of measuring the carbon footprint and food waste to 2024, so that the calculation methodologies comply with the ESRS requirements.

*CSRD: Corporate Sustainability Reporting Directive
**ESRS: European Sustainability Reporting Standard is a standard that defines all disclosure and application requirements that CSRD-obliged companies must follow in their sustainability reporting.

290
restaurants

approx.
70
partners

2,800
employees (FTE)

48%
employees under 27 years old

30
average age of employees

55%
females

45%
males

91%
job satisfaction (eNPS)

over
100
supplier contract partners

14.5
million customer visits

70.6
customer satisfaction (NPS)

172
accidents (registered personnel)

SUSTAINABILITY PROGRAM

FOCUS AREA	ENVIRONMENT AND CLIMATE	PEOPLE AND COMMUNITY	GOOD GOVERNANCE
GOALS	Sustainable procurement Mitigating environmental impact	Healthy and satisfied employees Excellent customer experience Enliven the city culture	Sustainable practices Enabling entrepreneurship and good work Impact on society
OPERATING PRINCIPLES	Product and service development Environmentally friendly solutions	Engagement, equality, well-being Meaningful experiences Communality	Sustainability integrated into operations Operational excellence Profitable growth
ACTIONS 2022-2024	Procurement principles Resource efficiency Carbon footprint	NoHo Academy training Utilization of customer data, new concepts Urban projects More balanced gender distribution in management positions	Code of Conduct, Whistleblowing Digital solutions Scaling of the operative competence and the partner model Growth that allows for employment, payment of taxes and dividends
KPIs	Following procurement principles Reducing CO_2 emissions Share of green electricity Minimizing food waste	Employee job satisfaction Gender equality in management and supervisory positions Customer satisfaction	Employee wellbeing survey results: sustainability section EBIT margin 10%
SDG IMPACT	**12.1.1** Sustainable production and consumption **12.3.1** Reduction of food waste **9.4.1** Decrease CO_2 emissions	**5.5.2** Increase gender equality in management **10.2.1** Increase the social, economic and political inclusion **8.1.1** Increase annual growth **8.5.2** Increase secure employment	**8.1.1** Increase annual growth **12.b.1** Increase of sustainable action planning
BUSINESS IMPACT	Growing competitive edge by following procurement principles Saving costs by minimizing food waste	Positive impact on growth through customers satisfaction Reduction of absences by developing employee satisfaction and well-being	Positive impact on growth through sustainability integration

ENVIRONMENT AND CLIMATE

The most significant environmental impacts of the restaurant industry are related to the procurement of food and beverage products, energy consumption on restaurant locations, food waste and recycling of waste. To decrease the environmental load throughout our supply chain, we need to make our procurement principles regarding products and services more sustainable.

In late autumn 2023, we started a double materiality assessment in order to find out the impacts of our own operations on the environment, social and governance (ESG) matters and, how external ESG themes affect NoHo's business. Based on the analysis completed in the spring 2024, we will specify the ESG impacts related to our operations and set the goals and metrics in accordance with the directive. During 2023, we mapped partners in order to calculate the carbon footprint, but we postponed the implementation to 2024, so that we can take into account the results of the double materiality assessment and perform the calculations directly in accordance with the ESRS reporting requirements.

GOALS	Sustainable procurement Mitigating environmental impact
OPERATING PRINCIPLES	Product and service development Environmentally friendly solutions
ACTIONS 2022-2024	Procurement principles Resource efficiency Carbon footprint
KPIs	Following procurement principles Reducing CO_2 emissions Share of green electricity Minimizing food waste
SDG IMPACT	**12.1.1** Sustainable production and consumption **12.3.1** Reduction of food waste **9.4.1** Decrease CO_2 emissions
BUSINESS IMPACT	Growing competitive edge by following procurement principles Saving costs by minimizing food waste

SUSTAINABLE PROCUREMENT

Quality of food and ingredients, origin and traceability are important factors for our customers. We offer products that are made of high quality and safe ingredients. We try to consider environmentally friendly options in our procurements, from food ingredients to energy, equipment and detergents.

Procurement is largely centralized at Group level. In 2023, approximately 93% of our food and beverage products were acquired from our contracted suppliers. We require actions from our partners to mitigate their environmental impact, and if necessary, exclude partners who violate national and international human rights treaties.

In 2023, we updated our ethical guidelines for our procurement partners, which included the minimum requirements related to procurements. The requirements will be taken into use gradually as contracts are renewed.

SUSTAINABILITY ACTION

At restaurant Nokka, sustainability has been at the heart of operations since the restaurant was founded. The long-term work was rewarded with a nomination at the Pro Gala as the sustainability actor of the year.

MITIGATING ENVIRONMENTAL IMPACT

Our restaurants in Finland mainly operate on rental premises and many of our leaseholders are providing environmentally friendly energy. Restaurant facilities covered by our own electricity contracts use stock exchange electricity. These energy sources are distributed as follows (2022 data): nuclear power 29.7%, hydropower 18.3%, wind power 14.2% and solar power 0.5%.

One of our most important sustainability goals is to reduce food waste more efficiently. The Natural Resource Institute of Finland (LUKE) estimates that the restaurant industry in Finland produces approximately 61 million kilograms of food waste, which means that one fifth of restaurant food ends up as waste. Waste is created especially during food preparation, as serving leftovers and dinersä plate leftovers. Reducing food-waste has a positive impact both economically and on climate change. As a result of the two-year project Mission Positive Handprint of Laurea University of Applied Sciences, we gained good lessons, practices and capabilities to both implement and obtain financial benefits from sustainable development measures. The Events unit started using the Ekokompassi tool, which guides, among other things, the reduction of food waste. The goals and metrics for mitigating food waste will be set in 2024 in accordance with the ESRS.

NoHo Partners follows existing laws and regulations when it comes to recycling and sorting waste but we want to do more. We are constantly looking for ways to adhere to circular economy principles with regard to materials. For example, Nokia Arena's restaurants have been testing Smart Crusher, which is a Finnish return and recycling innovation designed for event venues. It compresses bottles and cans into a fraction of their original sizes. Our restaurants have a coherent operation model for the recycling of frying oil. The oil is collected from the locations, processed in Finland and used as biofuel raw material in line with a sustainably certified operation model. Our restaurants have mainly moved to carton and biodegradable boxes and wrappers.

SUSTAINABILITY ACTION

The city of Rauma has granted **Bistromax Oy** the right to use the **Hinku – Towards Carbon Neutral Rauma icon.** The badge is awarded to a company that has participated in, for example, a resource efficiency walk, making resource calculations, cleantech mapping or by making a climate commitment.

PEOPLE AND COMMUNALITY

Skilled and passionate people are our greatest asset, with whom we can grow sustainably. Working towards sustainable practices is a shared journey with our employees, customers, partners and suppliers.

SUSTAINABILITY ACTION

Noho Awards, The Lifetime Achievement Award was awarded this year for the first time. It was deservedly received by Tapio Ojanen, occupational health and safety commissioner and steward who worked in the company for 40 years.

GOALS	Healthy and satisfied employees Excellent customer experience Enliven the city culture
OPERATING PRINCIPLES	Engagement, equality, well-being Meaningful experiences Communality
ACTIONS 2022-2024	NoHo Academy training Utilization of customer data, new concepts Urban projects Balanced gender distribution in management positions
KPIs	Employee job satisfaction Gender equality in management and supervisory positions Customer satisfaction
SDG IMPACT	5 GENDER EQUALITY: **5.5.2** Increase gender equality in management 8 DECENT WORK AND ECONOMIC GROWTH: **8.1.1** Increase annual growth **8.5.2** Increase secure employment 10 REDUCED INEQUALITIES: **10.2.1** Increase social, economic & political inclusion
BUSINESS IMPACT	Positive impact on growth through happy customers Saving costs by developing employee satisfaction and well-being

HEALTHY AND SATISFIED EMPLOYEES

NoHo Partners aims to take the best possible care of the personnel by investing in management, training and active communication.

We completed the management and supervisor trainings that started in 2022. More than 200 NoHo supervisors participated in the trainings over the course of two years. NoHo Academy's next educational themes, responsibility and quality, will start in 2024. In the employee satisfaction survey, the necessity of developing internal communication and information flow, as well as improving orientation training, has come up. In 2023, the ZIIK communication platform was introduced in Finland and it will be used for trainings, information transmission and distribution of training materials.

The goal of our occupational safety and health care is to guarantee a safe working environment. In 2023, the number of reported accidents were 172 (169). The main reasons for the accidents were cut wounds and slips. The occupational health and safety plan emphasize proactive approach to work safety and aims to systematically improve the working conditions and the level of work safety through planned precautionary actions, for example, by performing regular safety assessments in restaurants. Work safety is the result of collaboration between the occupational safety and health organisation, the restaurant units, and management. However, safety is everyone's common concern. In addition to the work equipment and work environment, safety is also affected by work methods and habits.

We offer our employees the best restaurant benefits in the Group restaurants. Also, through an extensive partner network, we offer our employees various recreational opportunities as well as product and service discounts, sports, cultural and wellbeing benefits. In an industry where there is general labour shortage, this is, in addition to competitive salary, an important advantage for engaging skilled personnel.

Group's annual occupational well-being survey is used to monitor staff satisfaction, and to create a basis for future development work. In 2023 91% of employees were very to fairly satisfied with NoHo as a workplace. The contributing factors to occupational wellbeing were especially good employee benefits, nice co-workers and being a good employer

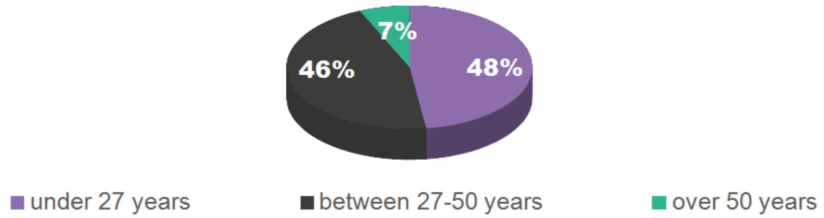
In 2023, we continued to monitor the importance of sustainability. According to the occupational well-being survey, employees generally know how they can act more sustainably at work (average value 4.1 on a scale of 1-5), but ESG matters could be discussed and communicated more (average value 3.4 on a scale of 1-5). NoHo will continue to monitor the relevance of sustainability in the future surveys in order to develop management and supervisory work and to improve daily practices and communication. The new communication platform ZIIK will be used for sustainability communication and training.

NoHo is a workplace where every member is accepted as they are. We are committed to promoting equality and inclusion in all our operations, and do not accept any kind of bullying, sexual harassment, or discrimination. In 2023, NoHo campaigned regarding inappropriate behavior and sexual harassment, and the topic was widely featured in the job well-being survey. According to the survey, 13 percent have experienced inappropriate behavior at work either by a customer or a colleague. Every single case is taken seriously. We handle all reports confidentially and appropriately and, if necessary, take the required measures. We have zero tolerance for any kind of bullying and harassment, as well as a process of how to act if you are the target of harassment. The Whistle Blow channel has been in use in NoHo since August 2022.

We want to build a culture of openness and ensure that all NoHo employees feel safe at the workplace. We emphasize equality also in the company's ethical principles, which were updated in 2023 and published in February 2024. Cultural diversity is extensive at NoHo, as in the restaurant industry in general. We encourage diversity when it comes to gender, age, and competence etc. In 2023, the Group's gender distribution in managerial or supervisory positions was fairly balanced: 48% men and 52% female.

Gender and age distribution

	Males, %	Females, %
Board of Directors	83	17
Group Executive Team	100	0
Executive Team Finland	67	33
Executive Team Denmark	60	40
Executive Team Norway	60	40
Managers	48	52



EXCELLENT CUSTOMER EXPERIENCE

We strive for excellent customer satisfaction in all our operations. A quality encounter is based on understanding and responding to customer needs and desires and providing new services and meaningful experiences. We want to strengthen customer satisfaction through our sustainable choices and decisions. We listen to our customers carefully. Our strength is to change our operations quickly, create new concepts and update old ones.

The customer satisfaction of restaurants as measured by the Net Promoter Score (NPS) was 70.6 (67.8). According to the NPS, 50-80 is considered excellent.

SUSTAINABILITY ACTION

The power of co-operation. Restaurant Bank has given its venue to the Mannerheim League for Child Welfare without charging rent, and when Brändö Seglare organized a gala for the Baltic Sea, NoHo donated the main prize of the raffle.

ENLIVEN THE CITY CULTURE

Our mission is to provide our customers with memorable experiences for everyday life and celebrations around the clock. In accordance with our strategy, NoHo Partners has been involved in building a vibrant and diverse urban culture, which includes extensive city projects and creating new concepts as well as nurturing traditional classic restaurants.

The event industry along with its restaurant operations are developing as people seek increasingly meaningful encounters. The business unit NoHo Events got closer to its goal of being the leading provider of events and experiences in the Nordics when it started co-operation with Messukeskus Fair Center. Messukeskus is the largest fair, meeting and congress center in Finland attracting annually for over one million visitors. The renovation of Messukeskus' restaurant operations at the beginning of 2023 has been positively received, which is reflected in the increase in visitor numbers and sales. Sustainable operating methods are at the core of organizing trade fairs. In restaurants, for example, mostly frozen coffee concentrate is used, so that no coffee grounds end up in bio waste. About 50 000 kilograms of bio-waste are saved per year.

At the beginning of November, Kulttuurikasarmi cultural center, which combines art, culture, concerts and events, opened in the premises of Helsinki's old bus station. NoHo is responsible for its restaurants, bars and terraces. NoHo also participates in activities aiming to develop Helsinki and other urban centres, for example, through collaboration with the development units of the cities and the Finnish Hospitality Association, MaRa ry.

SUSTAINABILITY ACTION

300 tickets to JVG's Stadion concert were donated to families who could not afford a ticket. The donation was made in cooperation with Mannerheim League for Child Welfare, Hope Ry, Brother Christmas and Icehearts.

GOOD GOVERNANCE

SUSTAINABLE PRACTICES

Sustainable practices, law and policy compliance, transparent reporting and governance make the foundation of our business. We practice strictly controlled liquor licensing. Our practices are aligned with all alcohol, liquor, food and employment laws, regulations and provisions. We encourage our personnel to more sustainable activities through training, guidance, and sharing of good practices and operating models.

GOALS	Sustainable practices Enabling entrepreneurship and good work Impact on society
OPERATING PRINCIPLES	Sustainability integrated into operations Operational excellence Profitable growth
ACTIONS 2022-2024	Code of Conduct, whistleblowing Digital solutions Scaling of the operative competence and the partner model Growth that allows for employment, payment of taxes and dividends
KPIs	Employee well-being survey results (sustainability section) EBIT margin 10%
SDG IMPACT	**8.1.1** Increase annual growth **12.b.1** Increase of sustainable action planning
BUSINESS IMPACT	Positive impact on growth through sustainability integration

ENABLING ENTREPRENEURSHIP AND GOOD WORK

At the core of our business is a partner model that emphasizes entrepreneurship, where restaurateurs together with strong brands and concepts enable meaningful experiences. NoHo is an attractive partner for ambitious entrepreneurs. Group is able to offer the support and extensive know-how which allows entrepreneurs to focus on developing restaurant services and everyday activities. Considerable economies of scale, decades of experience, excellent operative competence, and sustainable principles create the basis for successful growth in the future. Our partner model is the cornerstone of group´s operations and its key competitive advantage also in international markets. In 2023, the Group had approximately 70 (80) shareholder partners in Finland, Denmark, Norway and Switzerland.

We are one of the biggest employers in the restaurant business in all our current markets. Depending on the season, the Group has approximately 2 800 employees converted to fulltime workforce, but our employment impact extends to thousands of employees in numerous other industries. We invest in competence building of our employees through collaboration with our staff-leasing partners and educational institutions, providing training, offering more diverse working opportunities in different locations, and encouraging new talent to the industry, especially young people. For many young people, we are the first job and contact with working life. Out of the Group's employees in Finland, Norway, Denmark and Switzerland, 48% were under 27 years old. The average age of employees was approximately 30 (30) years. NoHo invests in the employment of young people and in ensuring that they get a good start when entering the industry. According to the occupational wellbeing survey 2023, young people experience NoHo as a safe work environment (average 4.3 on scale 1-5) and feel that they receive support from co-workers when needed (average 4.5 on scale 1-5).

Every year, the Group and its restaurants participate in various charity campaigns within their operating countries, with the aim to support both local communities and nationally significant activities. In 2023, our restaurants worked in partnership with WWF, No Fixed Abode Ry, Hope Ry, Mannerheim League for Child Welfare, Brother Christmas Ry and Icehearts. The aim is to grow and develop charitable activities. Collaboration will be tied especially to organisations with national-wide scope.

SUSTAINABILITY ACTION

Jasper's salmon soup does good

Jasper's salmon soup does good, because for every portion sold, restaurant Löyly donates €0.50 to the protection of the Baltic Sea. In 2023, more than 165,000 portions of salmon soup were sold.

IMPACT ON SOCIETY

We are a major domestic and international company and as one of the largest restaurant companies in the Nordic countries our operations have a wide-ranging impact on society as a whole.

Our vision is to be the leading restaurant company in Northern Europe and to grow in this role responsibly and profitably. NoHo Partners has continued implementing its profitable growth strategy. The company's goal has been to achieve a turnover of 400 million euros and an operating profit of about 10% during 2024. This goal was achieved a year ahead of schedule.

In 2023, the Group's turnover was MEUR 372.4 (312.8) and EBIT MEUR (31.6).

SUSTAINABILITY ACTION

Summer camp for Ukrainian children

A summer camp for Ukrainian children was organized at the beginning of July in Tampere by the Lake Näsijärvi. NoHo was involved in supporting the implementation of the camps by donating goods and contributing to the costs together with HK Scan and Valio Aimo.

MANAGING SUSTAINABILITY

We have drawn up a sustainability roadmap until 2025 and divided it into one-year sub-themes. We measure the impact of our sustainability plan with respect to the United Nations Sustainable Development Goals (SDGs). Goals, actions and KPIs are defined and updated in accordance with the sustainability roadmap and the results are reported annually.

Sustainability roadmap

Our group level mission is to support our restaurants in sustainable practices, to create common goals and operating models, and to provide training, means and tools to enable adaptation of new manners and ensure sustainable growth. Our sustainability roadmap directs our work towards these set goals. In 2023, we updated the road map especially with regard to CSRD reporting. The key updates were

- implementation of the double materiality assessment 2023-2024
- postponing the emissions calculation to 2024 to comply with CSRD reporting
- update of goals and metrics to comply with CSRD reporting.

2022

SUSTAINABILITY ACTION PLAN

- Focus areas
- Goals, actions and KPI's
- Data collection, baseline
- Carbon footprint
- Code of Conduct -update
- Training of supervisors
- ESG Guide
- Harmonization of reporting

2023

COMPETENCE & REPORTING

- Implementing the Sustainability program throughout the organization and NoHo Academy training programs
- Reporting and employee survey according to the Sustainability program
- SDG & ESG impacts
- Double materiality assessment

2024

ACTIONS & DEVELOPMENT

- Training and development of operations
- Clarification of quantitative goals
- Further development of KPI's
- Collecting data for CSRD reporting

2025

CONTINUOUS IMPROVEMENT

- Sustainable growth
- Resource efficiency
- Competitive advantage from the results of the sustainability program
- CSRD compliant reporting

- Done
- In progress
- Pending

Management model

Sustainability leadership is realized through a good operating model, extensive training, suitable tools, and concrete set targets. Our leadership model is divided into three levels: strategic, tactical, and operative. Each domain has its defined role in implementing the sustainability plan.

The compilation of the sustainability program, which is based on sustainable growth and the company's ESG principles, is under the responsibility of the CEO, the Group Executive Team and the ESG team, which consists of experts from various fields.

The sustainability program is implemented in everyday activities. The business and team leaders, together with the partners and experts, are responsible for implementing the sustainability program. Activities are guided by eight focus areas, each of which have defined actions, KPIs, and SDG and economic impact.

STRATEGIC LEVEL

CEO, Group Executive Team and ESG team

Ensuring sustainable growth
Goals, actions, KPIs
ESG reporting, CSRD

TACTIC LEVEL
Implementation of the strategy

Business Directors and Team Leaders

Sustainability integrated into business
Data, measuring, reporting

OPERATIVE LEVEL
Everyday practice

Partners, Restaurant Managers, Personnel

Everyday practices
Best principles
ESG training and guide
Ekokompassi, Hinku

VASTUULLISUUSTEKO

Environmental program events

The Events business unit started co-operation with Ekokompassi environmental management system. The goal is to draw a separate environmental program for NoHo's events.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The goals of our sustainability program are measured against the following five United Nations Sustainable Development Goals (SDGs):

- Gender Equality 5
- Decent work and economic growth 8
- Sustainable industries, innovation and infrastructure 9
- Reducing inequalities 10
- Sustainable production and consumption 12

We measure the results of our goals using detailed indicators linked to the SDGs. NoHo Partners' ESG team is responsible for collecting data, refining goals and metrics, and reporting results. The sustainability goals are evenly divided into environmental, social and governance impacts.

REPORTING IN ACCORDANCE WITH CSRD

The Corporate Sustainability Reporting Directive (CSRD) is a legislative initiative of the European Union, the aim of which is to bring transparency to non-financial reporting and to produce information to support decision-making for various stakeholders. Companies that must comply with CSRD must provide comprehensive information on their activities related to sustainable development. NoHo Partners will report its sustainability statement in accordance with the CSRD in 2025 (2024 data).

The directive requires companies to prepare a double materiality assessment, the purpose of which is to identify the sustainability-related impacts, risks and opportunities that are essential for the company's business. Materiality is assessed from two directions: From the perspective of the company's own actions (impact materiality) and through external ESG actions that can affect the company's profitability, risk profile and competitiveness (financial materiality).

The evaluation process has been carried out in compliance with ESRS Disclosure Requirements and the results have been structured by applying ESRS's list of ESG topics. In the assessment, company- and industry-specific themes are also taken into account, if ESRS does not cover them. NoHo started the double materiality assessment in the fall of 2023 and it will be completed in early 2024. Information on relevant sustainability issues will be reported in accordance with the relevant disclosure and application requirements.

DISCLOSURES PURSUANT TO THE EU TAXONOMY REGULATION

The EU taxonomy, or uniform sustainability criteria to promote green investment, is a classification system that constitutes a list of environmentally sustainable economic activities. In the Taxonomy Regulation, environmental sustainability is based on six environmental objectives: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems.

Activities that significantly contribute to the at least one of the objectives listed above and do not cause significant harm to the other objectives or violate human rights, for example, are classified as environmentally sustainable, taxonomy-aligned activities.

Companies are required to disclose information about the share of taxonomy-eligible and taxonomy aligned businesses of their turnover, capital expenses and operating expenses. A function is reported if it is within the scope of the Regulation.

Based on an analysis carried out be NoHo Partners, the Group's interpretation is that none of its business activities are included in the currently reported taxonomy activities.

	Total, MEUR	Taxonomy aligned, %	Taxonomy eligible, %	Non-taxonomy eligble, %
Turnover*	372.4	0.0	0.0	100.0
Capital expenditure **	136.8	0.0	0.0	100.0
Operating expenses ***	9.3	0.0	0.0	100.0

* Notes 2.1 to Financial statements
** In accordance with the taxonomy definition, Capital expenditure consists of increase in intangible assests, property, plant and equipment and right-of-use assets (lease agreements) during the financial year (notes 4.1, 4.2 and 4.3 to Financial statements)
*** In accordance with the taxonomy definition, Operating expenditure consists of expenses related to short-term leases (note 4.3 to Financial statements) and repair and maintenance costs related to fixed assets.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities in 2023

Tilikausi 2023		2023		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	Turnover	Proportion of turnover year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1) or eligible (A.2) turnover 2022	Category (enabling activity)	Category (transitional activity)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		EUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
-																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0																
Of which Enabling																			
Of which Transitional																			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
-																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0																
Turnover of Taxonomy eligible activities (A.1 + A.2)		0.0	0																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		372.4	100																
Total		372.4	100																

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities in 2023

Tilikausi 2023		2023		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	Turnover	Proportion of turnover year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Taxonomy-aligned proportion of CapEx 2023	Category (enabling activity)	Category (transitional activity)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		EUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
-																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0																
Of which Enabling																			
Of which Transitional																			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
-																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0																
A. CapEx of Taxonomy eligible activities (A.1+A.2)		0.0	0																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		136.8	100																
Total		136.8	100																

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities in 2023

Tilikausi 2023		2023		Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')									
Economic activities	Code	OpEx	Proportion of OpEx year 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Taxonomy-aligned proportion of OpEx 2022	Category (enabling activity)	Category (transitional activity)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
		EUR	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
-																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0																
Of which Enabling																			
Of which Transitional																			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
-																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0																
A. OpEx of Taxonomy eligible activities (A.1 + A.2)		0.0	0																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		9.3	100																
Total		9.3	100																

GOVERNANCE

CORPORATE GOVERNANCE STATEMENT 2023

NoHo Partners Plc's corporate governance is based on the Articles of Association, the Finnish Companies Act and Nasdaq Helsinki Ltd's rules and regulations on listed companies. Furthermore, NoHo Partners complies with the valid Finnish Corporate Governance Code with any possible exceptions. The Corporate Governance Code is available at cgfinland.fi/en.

The statement is not updated during the financial period, but up-to-date information is available at noho.fi/en.

ANNUAL GENERAL MEETING

The tasks of the Annual General Meeting as the highest decision-making body of the company have been determined in the Limited Liability Companies Act and in the Articles of Association. At the Annual General Meeting, the shareholders exercise their decision-making power in matters related to the company. The Annual General Meeting is held within six months from the end of the financial period. The Board summons the Annual General Meeting and decides where and when it will be held. The Articles of Association state that the notice of the Annual General Meeting is published for the shareholders' information at least on the company's website no earlier than three months and no later than three weeks prior to the Annual General Meeting. However, the notice must be published at least nine days before the record date of the Annual General Meeting.

The Board of Directors summons an Extraordinary General Meeting when it considers it necessary or when required by the law.

BOARD OF DIRECTORS

The Board of Directors has general authority in all the company's matters that have not been designated by law or the Articles of Association to be decided or implemented by other bodies. The Board of Directors is responsible for the company's administration and the proper organisation of its operations. The Board of Directors confirms the company's strategy, risk management principles and values observed in the company's operations, approves its business plan and decides on significant investments. In addition, the Board of Directors' tasks include assessing the independence of the auditor and the non-audit services.

The operations of the Board of Directors follow current legislation, guidelines issued by the stock exchange, other official regulations and the company's Articles of Association.

Since 2008, the Chairman of the Board of Directors has been Timo Laine. The work of the Board of Directors is organised in accordance with the currently valid rules of procedure of the Board of Directors. The rules of procedure are available on the company's website.

SELECTION, TERM OF OFFICE AND COMPOSITION OF THE MEMBERS OF THE BOARD OF DIRECTORS

According to the Articles of Association, the Board of Directors shall be composed of five to seven members elected by the Annual General Meeting. The term of the members of the Board of Directors expires at the end of the AGM following the election. The Board of Directors or Annual General Meeting elects the Chairman. In the composition of the Board of Directors, the goal is to appoint members with diverse and complimentary industry and market experience, expertise and professional and educational backgrounds as well as from both genders, so that the diversity of the Board of Directors supports NoHo Partners' business and future in the best possible way. The diversity enables a variety of views in decision-making and ensures high-quality operation as well as promotes efficient monitoring of management. This goal was achieved in 2023.

In addition to the Board members, meetings are attended by the CEO, Deputy CEO, CFO, the secretary of the Board and, when necessary, separately invited persons.

The Board of Directors evaluates the independence of its members annually and reports which Board members it defines as independent of the company and of significant shareholders.

MEMBERS OF THE BOARD OF DIRECTORS ON 31 DECEMBER 2023

- **Timo Laine**, b. 1966, diploma in marketing, Chairman of the Board
  Direct and controlling interest 5,282,844 shares
- **Yrjö Närhinen**, b. 1969, B.Sc. (Econ.), Vice-Chairman of the Board
  Direct and controlling interest 50,000 shares
- **Mia Ahlström**, b. 1967, MBA
  Direct and controlling interest 1,751 shares
- **Mika Niemi**, b. 1966, vocational qualification in business and administration
  Direct and controlling interest 2,316,289 shares
- **Petri Olkinuora**, b.1957, M. Sc. (Tech.), MBA,
  Direct and controlling interest 12,500 shares
- **Kai Seikku**, b. 1965, M.Sc. (Econ.)
  Direct and controlling interest 13,300 shares

Of the Board members, Yrjö Närhinen, Kai Seikku, Petri Olkinuora and Mia Ahlström are independent of the company and of significant shareholders. Of the Board members, two (Laine and Niemi) are not independent of the company and of a significant shareholder.

During the financial period, the Board of Directors held 16 (13) meetings. Some of the meetings were held by e-mail or telephone.

ATTENDANCE OF THE BOARD MEMBERS IN MEETINGS IN 2023

Name and position	Meetings
Timo Laine, Chairman	16 / 16
Yrjö Närhinen, Vice-Chairman	16 / 16
Kai Seikku	16 / 16
Petri Olkinuora	16 / 16
Mika Niemi	13 / 16
Mia Ahlström	16 / 16

BOARD COMMITTEES

NoHo Partners Plc's Audit Committee and Nomination and Remuneration Committee took up their duties in May 2022. The rules of procedure of the committees are described on the company's website at noho.fi/en.

The Audit Committee assists the Board of Directors in ensuring the legality, transparency and clarity of the company's financial reporting and accounting methods as well as the financial statements and other financial information provided by the company. Regarding the composition of the Audit Committee, the company departs from the recommendation of the Finnish Corporate Governance Code, which requires the committee to have three members. The company considers that sufficient expertise for the Audit Committee is secured by two members. The committee may also seek views from outside the committee, if it so wishes. In 2023, Kai Seikku was Chairman of the Audit Committee and Petri Olkinuora a member.

The Nomination and Remuneration Committee assists the Board of Directors in matters related to the nomination and remuneration of the senior management and is responsible for preparing proposals for the election and remuneration of the Board members for the Annual General Meeting. In addition, the committee monitors and assesses the competitiveness of the company's remuneration and incentive schemes and their development. In 2023, Yrjö Närhinen was Chairman of the Nomination and Remuneration Committee and Timo Laine and Mia Ahlström were members.

The Audit Committee met 7 times and the Nomination and Remuneration Committee 5 times during the financial period.

ATTENDANCE OF THE COMMITTEE MEMBERS IN MEETINGS IN 2023

Name and position	Meetings
Audit Committe	
Kai Seikku, Chairman	7 / 7
Petri Olkinuora	7 / 7
Nomination and Remuneration Committee	
Yrjö Närhinen, Chairman	5 / 5
Timo Laine	5 / 5
Mia Ahlström	5 / 5

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Annual General Meeting decides on the remuneration paid to the members of the Board of Directors. Since the Annual General Meeting 2023, the annual remuneration was EUR 60,000 (40,000) for the Chairman of the Board of Directors, EUR 45,000 (30,000) for the Vice-Chairman and EUR 30,000 (20,000) for the members of the Board. A separate meeting attendance allowance was not paid. A separate remuneration per meeting was paid to the persons elected to the committees as follows: EUR 1,000 (800) to the Chairman and EUR 500 (400) to the members. Travel expenses were reimbursed in accordance with the company's travel rules.

THE CEO AND THE EXECUTIVE TEAM

NoHo Partners Plc's Board of Directors appoints the company's CEO and Deputy CEO, supervises their work and decides on the remuneration and benefits to be paid and the conditions of the post. The CEO and Deputy CEO are not members of the Board of Directors.

The company's CEO in 2023 was **Aku Vikström**. The company's Deputy CEO in 2023 was **Jarno Suominen**.

The CEO is in charge of the parent company's and the Group's operative management and control in accordance with legislation and the guidelines given by the Board of Directors. The CEO manages the administration of routine matters of the company and of the Group in accordance with the instructions and orders issued by the Board of Directors. The CEO is directly responsible for the planning and implementation of the strategy and the corresponding investments, for ensuring that the bookkeeping is carried out as required by the law and that the company's financial management has been organised in a reliable manner. The CEO serves as the Chairman of the Executive Team. The CEO monitors decisions related to executive level persons, as well as important operative decisions. He or she also ensures that the subsidiaries of the Group operate in the interests of the parent company and endorse the Group's strategy.

Operative business operations are the responsibility of the CEO, with the help of the Executive Team. The Executive Team prepares and makes decisions in matters within the CEO's decision-making power.

EXECUTIVE TEAM

The tasks of the Executive Team include planning and implementing the company's strategy, management of business operations, result monitoring, annual planning, preparing matters to be presented to the Board of Directors as well as the management of investments, corporate acquisitions and operational change plans. The Executive Team meets on a monthly basis.

MEMBERS OF THE EXECUTIVE TEAM ON 31 DECEMBER 2023

- **Aku Vikström**, b. 1972, CEO
  Direct and controlling interest 274,594 shares. The number of shares that can be earned under the share-based incentive plan's fourth earning period, ending on 31 December 2024, is 74,000 shares.
- **Jarno Suominen**, b. 1972, Deputy CEO
  Direct and controlling interest 311,908 shares. The number of shares that can be earned under the share-based incentive plan's fourth earning period, ending on 31 December 2024, is 64,000 shares.
- **Jarno Vilponen**, b. 1987, CFO
  Direct and controlling interest 33,340 shares. The number of shares that can be earned under the share-based incentive plan's fourth earning period, ending on 31 December 2024, is 36,420 shares.
- **Tuomas Piirtola**, b. 1980, CEO of BBS Group
  Direct and controlling interest 2,365 shares. Piirtola is not a participant of the parent company's share-based incentive plan.

INSIDER ADMINISTRATION

NoHo Partners' insider rules apply Nasdaq Helsinki Ltd's insider guidelines and other related legislation, such as the Market Abuse Regulation.

NoHo Partners applies the so-called closed period of 30 calendar days before the publication of the company's financial statements release, half-year report and the interim reports. During the closed period, NoHo Partners Plc's management and personnel participating in financial reporting shall not trade in the company's financial instruments on their own account or that of a third party, whether they possess inside information or not.

The company has defined as permanent insiders the persons working in NoHo Partners Group who by virtue of their position or tasks have access to all insider information pertaining to NoHo Partners. In addition to a permanent insider list, project-specific insider lists will be drafted, as prescribed by Nasdaq Helsinki Ltd.'s insider guidelines.

The person in charge of NoHo Partners Plc's insider issues is Deputy CEO Jarno Suominen.

AUDITING

The Articles of Association state that the Annual General Meeting selects the auditor for NoHo Partners Plc.

The Annual General Meeting 2023 elected Ernst & Young Oy, a firm of authorised public accountants, as the company's auditor. Juha Hilmola, APA, acts as the company's responsible auditor.

Auditing is carried out in accordance with the relevant acts and the Articles of Association. In practice, the auditing work is carried out during the financial period by inspecting the business operations and administration, and as an actual financial statements audit after the financial period has ended.

In 2023, the auditors of the NoHo Partners Group were paid EUR 0.7 (0.7) million for auditing services and EUR 0.2 (0.3) million for other advisory and consulting services.

INTERNAL CONTROL

NoHo Partners Plc's internal management and control procedures are based on the Limited Liability Companies Act, the Articles of Association and the internal policies of the company. The company's management and control are distributed between the Annual General Meeting, Board of Directors and CEO. Internal control refers to all the procedures, systems and methods that the company's management employs to ensure efficient, economical and reliable operations.

NoHo Partners Plc's Board of Directors is responsible for organising the internal control. The Board of Directors has the highest responsibility of the company's vision, strategic goals and the commercial goals set based on them. The Board of Directors also bears the highest responsibility for the supervision of the bookkeeping and financial management and the proper arrangement of operations. The Board of Directors approves the common guidelines for the entire internal control of the Group.

The CEO is directly responsible for the implementation of the strategy and the corresponding investments, for ensuring that the bookkeeping is carried out as required by the law, and that the financial management has been organised in a reliable manner. Operative business operations are the responsibility of the CEO, with the help of the Executive Team. The company's senior management is responsible for internal control, while the auditors take care of external auditing.

Taking the quality and scope of the business operations into consideration, the company has not deemed it necessary to establish a special internal audit organisation. Instead, its duties are included in the business organisation's tasks in all the units of the Group.

Methods and procedures of internal control

The CEO is responsible for organising the bookkeeping and control mechanisms in practice. The CEO monitors decisions related to executive level persons, as well as important operative decisions. The CEO also ensures that the Group subsidiaries operate in the interests of the parent company and endorse the Group's strategy. The Group's Executive Team controls business operations and monitors the administration in the Group's daily operations.

The Group has defined clear authorisations for approving investments and matters related to the personnel. The main tasks of the Group's Executive Team are as follows:

- supervision of business operations and finances, and
- handling investments, corporate acquisitions and expanding and restriction plans significant for the Group.

Internal control is an essential part of the company's administration and management systems. It covers NoHo Partners' all units and operations. Among other things, internal control must evaluate the sufficiency and efficiency of the risk positions related to the company's management and administrative systems, operations and data systems that apply to:

- the reliability and integrity of financial and operational data
- the profitability and efficiency of operations
- securing assets
- compliance with laws, orders and agreements.

RELATED PARTY TRANSACTIONS

NoHo Partners does not regularly engage with its related parties in business transactions that would be of material significance for the company or would not be part of the company's ordinary course of business or would be made in deviation from customary market terms and conditions. Any material related party transactions that are not part of the company's ordinary course of business and are made in deviation from customary market terms and conditions are handled by the company's Board of Directors. Related party transactions are monitored by the company's financial administration. The company maintains a list of its related parties and reports on related party transactions in its financial statements.

RISK MANAGEMENT

NoHo Partners strives to increase the shareholder value within the limits set by legislation and the societal obligations.

NoHo Partners divides the risk factors influencing business operations, result and stock exchange value into five main categories: market and business operation risks, risks related to the personnel, technology and data security risks, financing risks and legal risks.

NoHo Partners strives to protect itself against other risks by taking out extensive insurance contracts. These include statutory insurance, liability and property insurance as well as ownership protection insurance policies. The scope of the insurances, values insured and excesses are checked annually together with the company's insurance company.

The Group's risk management and market change anticipation constitute an integral part of the management's everyday work in order to guarantee the continuity of the business operations. NoHo Partners carries out continuous risk mapping related to its operations and aims to protect itself from identified risk factors in the best possible way.

REPORTING AND CONTROL SYSTEMS

The Group employs reporting systems required to efficiently monitor its operations. Internal control is connected to the company's vision, strategic goals and the business goals defined based on them. The realisation of business goals and the Group's financial development are monitored monthly with a control system covering the entire Group. As an essential part of the control system, actual data and up-to-date estimates are examined by the Group's Executive Team on a monthly basis. The control system includes extensive sales reporting, an income statement, estimates for turnover and profit, and operational key figures.

BOARD OF DIRECTORS

TIMO LAINE

Chairman of the Board since 2008

- Founder of NoHo Partners Plc's predecessor Restamax Oy
- CEO of Laine Capital Oy
- Dependent of the company and of a significant shareholder

YRJÖ NÄRHINEN

Vice Chairman since 2022

- Senior advisor, EQT Group
- Senior advisor, Norvestor
- Member of the Board of Directors e.g. at Ambea and Curaeos
- Independent member

MIA AHLSTRÖM

Ordinary member since 2019

- CEO and member of the Board of Directors of BCC Ahlström Oy
- Partner and member of the Board of Directors of Flove Oy
- Independent member

PETRI OLKINUORA

Ordinary member since 2013

- Managing Director of Forbia Oy
- Member of the Board of Directors of several real estate and construction companies
- Independent member

MIKA NIEMI

Ordinary member since 2014

- Chairman of the Board and CEO of Udokai Oy
- Chairman of the Board of Tampereen Tenniskeskus Oy
- Dependent of the company and of a significant shareholder

KAI SEIKKU

Ordinary member since 2022

- CEO and member of the Board of Directors of Okmetic Oy
- Executive Vice President, National Silicon Industry Group
- Member of the Board of Directors e.g. at Inderes Plc and Verkkokauppa.com Plc
- Independent member

GROUP EXECUTIVE TEAM

AKU VIKSTRÖM

CEO since 2018

- Chairman of the Executive Team since 1 June 2018
- In the company since 2018

JARNO SUOMINEN

Deputy CEO since 2020

- In the company since 2005

JARNO VILPONEN

CFO since 2020

- In the company since 2020

TUOMAS PIIRTOLA

CEO of BBS Group since 2022

- In the company since 2022

REMUNERATION REPORT 2023

INTRODUCTION

This Remuneration Report is also available at noho.fi.

NoHo Partners Plc's Remuneration Policy sets out the principles and decision-making processes for the remuneration of the Board of Directors and the CEO and the key terms of the employment contract. The company's Remuneration Policy covers the Board of Directors and CEO of the Company.

In 2023, there were no deviations of the company's Remuneration Policy adopted by the Annual General Meeting 2020.

Remuneration pursuant to the Remuneration Policy is based on the following components:

- basic salary and employee benefits where the company complies with the local market practices, laws and regulations
- a short-term incentive scheme, the purpose of which is to guide the performance and achievement of objectives of individuals and the organisation
- a long-term reward scheme designed to engage key personnel. Long-term incentives aim to engage the management and align their interests with those of the company's shareholders.

DEVELOPMENT OF REMUNERATION IN RELATION TO THE ECONOMIC DEVELOPMENT OF THE COMPANY

The following table shows the evolution of the remuneration of the Board of Directors and the CEO compared to the development of the average remuneration of the Group's employees and the economic development of the Group for the previous five financial periods. According to the Company's Remuneration Policy, part of the CEO's remuneration consists of short- and long-term incentives that are related to the performance of the business.

Development of remuneration

EUR thousands	2023	2022	2021	2020	2019
Annual remuneration of the Board of Directors	206.3	150.0	150.0	134.0	93.5
Annual remuneration of the CEO	663.4	340.8	310.8	474.7	294.1
Average salary per person	38.8	34.9	29.7	33.8	34.2

The average salary development of an employee of the company is based on staff expenses, excluding associated personnel costs, divided by the average number of employees during the year.

Annual remuneration of the CEO includes 289,7 thousand euros of reward paid in 2023 for the earning period ending on 31 March 2023, half of which was paid in cash and half, a total of 18,229 shares in the company's new shares.

Financial development of the company

MEUR	2023	2022	2021	2020	2019
Group turnover	372.4	312.8	186.1	156.8	272.8
Group EBIT	35.9	31.6	-0.9	-23.9	30.6

REMUNERATION OF THE BOARD OF DIRECTORS

The Annual General Meeting decides on the remuneration of the Board members for one term of office at a time on the basis of a proposal submitted by the Nomination and Remuneration Committee. The resolution on the remuneration of Board members must be based on the remuneration policy that has been submitted to the Annual General Meeting and is currently valid.

The 2023 Annual General Meeting decided to pay a fee of EUR 60,000 (40,000) per year to the Chairman of the Board, EUR 45,000 (30,000) per year to the Vice-Chairman of the Board and EUR 30,000 (20,000) per year to the members of the Board. It was also decided that a separate remuneration per committee meeting will be paid to the persons elected to the committee as follows: to the Chairman EUR 1,000 (800) and to the members EUR 500 (400). In addition, the travel expenses of the members of the Board are reimbursed in accordance with the company's travel rules.

Remuneration paid to the members of the Board of Directors 2023

EUR thousands	Annual remuneration	Committee meeting fees	Other financial benefits	Total
Timo Laine, Chairman	55.0	2.2	117,6*	174.8
Yrjö Närhinen, Vice Chairman	41.3	4.4	11,1*	56.8
Kai Seikku, member	27.5	6.6	0.0	34.1
Petri Olkinuora, member	27.5	3.3	0.0	30.8
Mika Niemi, member	27.5	0.0	20,0*	47.5
Mia Ahlström, member	27.5	2.2	0.0	29.7
Total	**206.3**	**18.7**	**148.7**	**373.7**

* Consultant fee

The members of the Board of Directors are not involved in the company's share-based remuneration schemes, and the Board of Directors' fees are not paid in shares.

REMUNERATION OF THE CEO

The Board of Directors decides on the remuneration and key terms of employment of the CEO and Deputy CEO.

The short-term remuneration of the CEO and Deputy CEO comprises salary, employee benefits and performance-based remuneration determined on the basis of the Company's result and the achievement of other short-term objectives. The long-term remuneration of the CEO and Deputy CEO may also comprise share-based incentive schemes.

The ratio of fixed and variable remuneration components of the CEO's salary was 46/54 and of the Deputy CEO's salary 42/58 in the financial period.

Aku Vikström acts as the CEO and Jarno Suominen as the Deputy CEO.

FIXED SALARY COMPONENT

The fixed part of the remuneration of the CEO and the Deputy CEO consists of a monthly salary and benefits in kind. The CEO's fixed annual salary in 2023, including benefits in kind, was EUR 303.7 thousand. The Deputy CEO's fixed annual salary in 2023, including benefits in kind, was EUR 221.8 thousand.

SHORT-TERM PERFORMANCE BONUS

In 2023, the CEO was paid a performance reward of EUR 70 thousand and the Deputy CEO a performance reward of EUR 50 thousand for 2022.

For 2023, a short-term performance bonus of EUR 80 thousand is paid to the CEO and EUR 60 thousand to the Deputy CEO. Performance fees are due after the end of the financial period.

LONG-TERM REMUNERATION

The CEO and Deputy CEO are covered by the company's share-based incentive scheme. For the earning period ending on 31 March 2023, a total of 72,916 shares were paid to the CEO and 63,232 to the Deputy CEO, so that 50% of the reward was paid in shares and 50% in cash. Half of the reward was paid in May 2023 and half in March 2024.

The number of shares that can be earned by the CEO under the share-based incentive plan's fourth earning period, ending on 31 December 2024, is 74,000 shares.

The number of shares that can be earned by the Deputy CEO under the share-based incentive plan's fourth earning period, ending on 31 December 2024, is 64,000 shares.

The earning criteria for the fourth earning period are based on NoHo Partners Plc's relative profitability (EBIT margin) and total shareholder return. The share-based incentive scheme covers ten persons in the fourth earning period.

FINANCIAL STATEMENTS

CONTENTS

Consolidated statement of profit or loss and other comprehensive income

MEUR	Note	2023	2022
Turnover	2.1.	372.4	312.8
Other operating income	2.4.	7.6	13.4
Materials and services	2.5.	-122.3	-105.7
Employee benefits	2.6.	-93.9	-77.7
Other operating expenses	2.8.	-74.9	-63.4
Depreciation, amortisation and impairment losses	2.10.	-53.1	-47.8
EBIT		**35.9**	**31.6**
Financial income	5.9.	3.5	1.8
Interest expenses on financial liabilities	5.9.	-8.3	-5.0
Interest expenses for right-of-use assets	5.9.	-8.7	-7.4
Other finance costs	5.9.	-9.6	-11.9
Net finance costs	5.9.	-23.0	-22.5
Result before taxes		**12.9**	**9.1**
Tax based on the taxable income from the financial period	2.11.	-3.6	-3.1
Change in deferred taxes	2.12.	1.0	-1.2
Income taxes		-2.6	-4.3
Result for the financial period		**10.4**	**4.9**
Result of the financial period attributable to			
Owners of the Company		7.9	1.5
Non-contorolling interests		2.5	3.4
Total		**10.4**	**4.9**

MEUR	Note	2023	2022
Earnings per share calculated from the result of the review period for owners of the Company			
Basic earnings per share (EUR)	2.13.	0.38	0.07
Diluted earnings per share (EUR)	2.13.	0.37	0.07
Consolidated statement of comprehensive income			
Result of the financial period		10.4	4.9
Other comprehensive income items (after tax)			
Foreign currency translation differences, foreign operations		-0.7	-1.1
Change in fair value of hedging instruments		-0.6	-
Other comprehensive income items that may be subsequently reclassified to profit or loss, total		-1.3	-1.1
Total comprehensive income for the period		**9.1**	**3.8**
Distribution of the comprehensive income for the financial period			
Owners of the Company		6.7	0.4
Non-contorolling interests		2.3	3.4
Total		**9.1**	**3.8**

Items impacting comparability for the financial period 1 January – 31 December 2023

During the financial period 1 January – 31 December 2023 in total MEUR 7.4 (9.9) was recognised as net finance cost related to Eezy Plc share. More information on the treatment of Eezy Plc shares is presented on page 63.

Consolidated balance sheet

MEUR	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
Goodwill	4.1.	181.3	141.0
Intangible assets	4.1.	46.3	38.0
Property, plant and equipment	4.2.	62.0	50.3
Right-of-use assets	4.3.	202.6	159.4
Shares in associated companies and joint ventures	4.4.	0.0	0.0
Other investments	5.4.	0.3	0.3
Loan receivables	4.6.	0.2	0.2
Other receivables	4.6.	2.0	1.8
Deferred tax assets	2.12.	14.1	13.0
Total non-current assets		**508.8**	**403.9**
Current assets			
Inventories	4.5.	7.7	5.6
Loan receivables	4.6.	0.6	0.7
Trade and other receivables	4.6.	39.5	21.8
Cash and cash equivalents	5.5.	11.3	5.2
Total current assets		**59.2**	**33.3**
Total non-current assets held for sale	1.6.	**8.4**	**16.0**
TOTAL ASSETS		**576.4**	**453.2**

MEUR	Note	31 Dec 2023	31 Dec 2022
EQUITY AND LIABILITIES			
Equity			
Share capital	5.11.	0.2	0.2
Hedging reserve	5.11.	-0.6	0.0
Invested unrestricted equity fund	5.11.	71.7	70.2
Retained earnings	5.11.	6.8	4.4
Total equity attributable to owners of the Company		**78.0**	**74.8**
Non-controlling interests	5.11.	28.7	7.2
Total equity		**106.7**	**82.0**
Non-current liabilities			
Deferred tax liabilities	2.12.	10.9	9.2
Financial liabilities	5.6.	104.3	98.0
Liabilities for right-of-use assets	4.3.	175.2	137.9
Other payables	4.7.	14.1	6.1
Total non-current liabilities		**304.5**	**251.1**
Current liabilities			
Financial liabilities	5.6.	42.5	29.1
Provisions	4.8.	0.0	0.1
Liabilities for right-of-use assets	4.3.	38.6	30.8
Income tax liability	4.7.	2.3	2.3
Derivative financial instruments	5.7.	0.8	0.0
Trade and other payables	4.7.	81.2	57.8
Total current liabilities		**165.2**	**120.1**
Total liabilities		**469.7**	**371.2**
TOTAL EQUITY AND LIABILITIES		**576.4**	**453.2**

Consolidated statement of changes in equity 2023

2023 MEUR	Share capital	Invested unrestricted equity fund	Fair value reserve and other comprehen sive income items	Translation difference	Retained earnings	Total	Non-controlling interests	TOTAL EQUITY
	Equity attributable to owners of the Company							
Equity at 1 January	**0.2**	**70.2**	**0.0**	**-1.2**	**5.6**	**74.8**	**7.2**	**82.0**
Total comprehensive income for the period								
Result of the financial period					7.9	**7.9**	2.5	**10.4**
Other comprehensive income items (after tax)								
Change in fair value of hedging instruments			-0.6			**-0.6**		**-0.6**
Foreign currency translation differences, foreign operations				-0.6		**-0.6**	-0.1	**-0.7**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**0.0**	**0.0**	**-0.6**	**-0.6**	**7.9**	**6.7**	**2.4**	**9.1**
Contributions and distributions								
Sale of treasury shares								
Convertible bond conversion					-8.4	**-8.4**	-1.7	**-10.1**
Convertible bond conversion		1.5				**1.5**		**1.5**
Other changes					-0.9	**-0.9**		**-0.9**
Share-based payments					0.7	**0.7**		**0.7**
TOTAL	**0.0**	**1.5**	**0.0**	**0.0**	**-8.6**	**-7.1**	**-1.7**	**-8.8**
Changes in ownership interests								
No change in control					3.6	**3.6**	20.8	**24.4**
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**3.6**	**3.6**	**20.8**	**24.4**
Total transactions with owners of the Company	**0.0**	**1.5**	**0.0**	**0.0**	**-5.0**	**-3.5**	**19.0**	**15.6**
EQUITY AT 31 DECEMBER	**0.2**	**71.7**	**-0.6**	**-1.8**	**8.6**	**78.0**	**28.7**	**106.7**

Consolidated statement of changes in equity 2022

2022 MEUR	Share capital	Invested unrestricted equity fund	Fair value reserve and other comprehensive income items	Translation difference	Retained earnings	Total	Non-controlling interests	TOTAL EQUITY
	Equity attributable to owners of the Company							
Equity at 1 January	**0.2**	**58.4**	**0.0**	**-0.1**	**5.9**	**64.4**	**5.0**	**69.4**
Total comprehensive income for the period								
Result of the financial period					1.5	**1.5**	3.4	**4.9**
Other comprehensive income items (after tax)								
Foreign currency translation differences, foreign operations				-1.1		**-1.1**	0.0	**-1.1**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**0.0**	**0.0**	**0.0**	**-1.1**	**1.5**	**0.4**	**3.4**	**3.8**
Transactions with shareholder								
Contributions and distributions								
Dividend distribution						**0.0**	-0.8	**-0.8**
Issue of ordinary shares		1.7				**1.7**		**1.7**
Convertible bond conversion		10.2				**10.2**		**10.2**
Share-based payments					1.3	**1.3**		**1.3**
TOTAL	**0.0**	**11.9**	**0.0**	**0.0**	**1.3**	**13.2**	**-0.8**	**12.3**
Changes in ownership interests								
No change in control					-3.1	**-3.1**	-0.3	**-3.4**
TOTAL	**0.0**	**0.0**	**0.0**	**0.0**	**-3.1**	**-3.1**	**-0.3**	**-3.4**
Total transactions with owners of the Company	**0.0**	**11.9**	**0.0**	**0.0**	**-1.8**	**10.1**	**-1.1**	**8.9**
EQUITY AT 31 DECEMBER	**0.2**	**70.2**	**0.0**	**-1.2**	**5.6**	**74.8**	**7.2**	**82.0**

Consolidated statement of cash flows

MEUR	2023	2022
Cash flows from operating activities		
Result of the financial period	10.4	4.9
Adjustments to the result of the reporting period		
Non-cash transactions	0.2	0.9
Depreciation, amortisation and impairment losses	53.1	47.8
Net finance costs	23.0	22.5
Income taxes	2.6	4.3
Cash flow before change in working capital	**89.2**	**80.3**
Changes in working capital		
Trade and other receivables	-4.2	-4.8
Inventories	-1.2	-0.5
Trade and other payables	9.5	9.6
Changes in working capital	**4.1**	**4.3**
Interest paid and other finance costs	-18.3	-12.9
Interest received and other finance income	0.4	0.2
Income taxes paid	-4.3	-2.1
Net cash from operating activities	**71.1**	**69.8**
Cash flows from investing activities		
Dividend income	0.8	0.8
Acquisition of tangible and intangible assets	-17.3	-14.7
Change in other non-current receivables	0.8	-0.3
Acquisition of subsidiaries with time-of-acquisition liquid assets deducted	-29.9	-2.4
Business acquisitions	-2.5	-3.6
Business divestment	1.1	0.4
Sales of shares of associated companies	0.2	4.2
Non-controlling interests' investments in subsidiaries	19.5	0.0
Net cash from investing activities	**-27.4**	**-15.6**

MEUR	2023	2022
Cash flows from financing activities		
Proceeds from non-current loans and borrowings	21.5	0.0
Payment of non-current loans and borrowings	-13.4	-26.0
Proceeds from current loans and borrowings	1.9	3.4
Current commercial papers loans and borrowings	6.0	0.0
Acquisition of non-controlling interests	-9.3	-1.9
Payment of liabilities for right-of-use assets	-34.2	-30.0
Dividends paid	-10.1	-0.8
Net cash from financing activities	**-37.5**	**-55.4**
Change in cash and cash equivalents	**6.2**	**-1.2**
Cash and cash equivalents on 1 January	**5.2**	**6.4**
Cash and cash equivalents on 31 December	**11.3**	**5.2**
Change in cash and cash equivalents	**6.2**	**-1.2**

Non-cash transactions are itemised on page 113.

Notes to the consolidated financial statements

1. GENERAL ACCOUNTING PRINCIPLES

The notes to the consolidated financial statements have been grouped according to their nature. The accounting principles as well as judgements and key estimation uncertainties are presented in connection with each note. This section describes the accounting principles that apply to the consolidated financial statements as a whole.

1.1. BASIC INFORMATION ABOUT THE GROUP

NoHo Partners Plc Group (hereinafter referred to as “Noho Partners” or “Group”) is a Finnish Group founded in 1996 that specialises in restaurant services. The Group’s parent company is NoHo Partners Plc. The parent company’s registered office is in Tampere, at Hatanpään valtatie 1 B, FI-33100 Tampere, Finland. The parent company’s home country is Finland. NoHo Partners Plc is listed on Nasdaq OMX Helsingin stock exchange.

At the end of the financial year 2023, the Group comprised approximately 300 restaurants in Finland, Denmark, Norway and Switzerland. The well-known restaurant concepts of the company include Elite, Savoy, Teatteri, Sea Horse, Stefan’s Steakhouse, Palace, Löyly, Friends & Brgrs, Campingen, Cock's & Cows and Holy Cow!.

NoHo Partners’ official consolidated financial statements have been published as an xHTML file in accordance with the European Single Electronic Format (ESEF) reporting requirements. In line with ESEF requirements, the primary financial statements are labelled with XBRL tags and the notes with XBRL block tags. The audit firm Ernst & Young Oy issues an independent auditor’s reasonable assurance report on NoHo Partners’ ESEF Financial Statements. In addition, a pdf version in Finnish and in English (translation of the Finnish original) on the consolidated financial statements is available at the company’s website at noho.fi/en and from the head office of the Group’s parent company at the previously mentioned address.

NoHo Partners Plc’s Board of Directors approved these financial statements for publication at its meeting on 12 March 2024. According to the Finnish Limited Liability Companies Act, the shareholders have the opportunity to approve or reject the financial statements at the general meeting held after their publication. The general meeting can also adopt or reject the financial statements.

1.2. ACCOUNTING PRINCIPLES

These financial statements of NoHo Partners Group have been prepared based on the International Financial Reporting Standards (IFRS) in accordance with the IAS and IFRS standards in force as of 31 December 2023 as well as the SIC and IFRIC interpretations issued in relation to them. International Financial Reporting Standards refer to the standards and their interpretations approved for application in the EU in accordance with the procedure stipulated in the EU Regulation (EC) No. 1606/2002 and embodied in the Finnish Accounting Act and provisions issued under it. The notes to the consolidated financial statements have also been prepared in accordance with the requirements in Finnish accounting legislation and Community law that complement the IFRS regulations.

The information in the consolidated financial statements is based on original acquisition costs, except where otherwise stated in the accounting principles.

The figures in the consolidated financial statements are presented as millions of euros (MEUR) and have been rounded to the nearest 0.1 million euros; thus, the sum of individual figures may deviate from the total sum presented. The comparative data is presented in brackets after the figures for the financial period. The company's functional currency is EUR.

1.3. ASSESSMENT OF RISKS AND UNCERTAINTIES RELATED TO THE COMPANY'S OPERATIONS

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

Geopolitical situation	The uncertain geopolitical situation may have an impact on the company's market environment. For the time being, the company does not see a significant impact on demand in its operating countries. The rise in the general cost level caused by the prevailing global situation has an impact on the company's business. To mitigate the impact, the company has prepared for increasing raw material prices, for example, through the centralisation of purchase and sales agreements as well as price increases.
General financial situation and changes in customer demand	The sales and profitability of restaurant services are affected by the financial situation of households and the development of purchasing power and corporate sales. The business outlook for the tourism and restaurant sector and consumer confidence have been weakened by the uncertain geopolitical climate and the general increase in costs and interest rate. Demand for restaurant services has, however, remained at a good level. Inflation and weakening consumer purchasing power and confidence constitute a risk to the development of NoHo Partners' turnover and cash flow. The adaptation of operating costs and the ability to mount an agile response to changes in customer demand are the key factors for the company to influence the development of turnover and EBIT.
Liquidity risk	The Group's financing needs will be covered by optimising working capital and through external financing arrangements so 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. Unexpected legislative amendments related to the company's business, might have a negative effect on the company's liquidity.
Financial risks	The Group strives to assess and track the amount of funding required by the business, for example by performing a monthly 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. Market interest rates may have a negative impact on the company's financial expenses. Changes in the macroeconomic environment or the general financing market situation may negatively affect the company's liquidity as well as the availability, price and other terms and conditions of financing.
Amendments to legislation	Changes in regulations governing the restaurant business in the Group's various markets may have a negative impact on the Group's operations. Regulatory changes concerning, for example, alcohol, food and labour laws and value-added taxation may affect the company's business.

Rent level development	Business premises expenses constitute a significant share of NoHo Partners' operating expenses. The Group's business premises are primarily leased, so the development of the general level of rents has a significant impact on the Group's operations.
Labour market situation and labour supply	The availability of skilled part-time labour particularly during high seasons and on the weekends can be seen as an uncertainty factor, that may affect the company's business operations.
Goodwill write-off risk	The Group has a significant amount of goodwill on the consolidated balance sheet, which is subject to a write-off risk in case the Group's expected future cash flows decline permanently due to external or internal factors.

1.4. KEY ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in accordance with the IFRS standards requires the use of certain estimates and assumptions that affect the reported figures. The estimates and assumptions used in these financial statements are based on the management's best estimate at the time of closing the books. These estimates and assumptions influence the application of the accounting principles used in the financial statements, the amounts of assets and liabilities on the balance sheet, the presentation of contingent assets and liabilities in the notes to the financial statements as well as the income and expenses for the financial period. The estimates are based on previous experience, market data and several other assumptions that are deemed reasonable, but the actual figures may deviate from these estimates due to different assumptions or circumstances. The management must exercise judgement in applying the accounting principles of the financial statements and making estimates related to income taxes, goodwill impairment testing, provisions and contingent liabilities, for example. These principles and estimates require the management to make subjective and complex judgement-based estimates, such as those concerning the effects of factors that are uncertain by nature.

Key estimates and judgements	Note
Assumptions related to acquisitions (e.g. future cash flows of the acquired business, purchase price allocations, value and useful life of brands, fulfilment of conditions concerning brands with an indefinite useful life, realisation of contingent transaction prices and synergies achieved through acquisitions)	3.1. Acquired business operations 4.1. Intangible assets
Assumptions related to impairment testing (e.g. revenue growth, cost development, level of maintenance investments and changes in the discount rate)	4.1. Intangible assets
Management actions and estimates related to the risk management of trade and other receivables and the minimisation of credit losses	5.10. Financial risk management
The management's estimate of the fulfilment of the financial conditions set by the Board of Directors	2.7. Share-based payments
The management's estimates are related to the use of deferred tax assets against taxable income in future periods	2.11. Income taxes
Estimates concerning leases (e.g. leases covered by the arrangement, size of leases for underlying assets of low value, exercising of extension options of leases, incremental borrowing rate, size of restoration costs)	4.3. Lease agreements

1.5. CONSOLIDATION PRINCIPLES

These consolidated financial statements comprise the parent company NoHo Partners Plc, the subsidiaries it owns, and their subsidiaries. The subsidiaries and associates consolidated into these consolidated financial statements are itemised on page 113.

Subsidiaries

Subsidiaries are companies where the Group has a controlling interest. Control is created when the Group, through involvement in the entity, is exposed to the entity's variable returns or is entitled to them, and can influence these returns by exercising its power on the entity. The Group's control is based on voting rights. Subsidiaries are consolidated into the consolidated financial statements starting from the date when control is transferred to the Group; assigned subsidiaries are retained in the consolidated financial statements until the date when control ceases to exist.

The acquisition method has been used to eliminate mutual share ownership between the Group's companies. The amount by which the acquisition cost exceeds the Group's share of the fair value of the purchased net identifiable assets is recorded as goodwill. If the acquisition cost is lower than the net assets of the acquired subsidiary, the difference is recognised as income in the income statement.

Acquisition-related expenditure, excluding the expenditure from issuing current liability and equity convertible securities, has been recorded as expense. Any conditional additional purchase price has been measured at fair value at the moment of acquisition, and has been classified as liability or equity. Additional purchase price classified as liability is measured at fair value on each closing date, and the generated profit or loss is recorded through profit or loss. Additional purchase price classified as equity is not re-measured. Any non-controlling interests in the object acquired are measured at either fair value or an amount corresponding to the proportion of the non-controlling interests in the net identifiable assets of the object acquired. The measurement principle is defined separately for each business acquisition.

Intragroup transactions, receivables and payables as well as unrealised gains are eliminated when drawing up the consolidated financial statements. Unrealised losses are not eliminated if the loss is caused by impairment. Where necessary, the accounting principles of the financial statements of subsidiaries have been amended to correspond to those of the Group.

The distribution of the profit or loss for the financial period between the owners of the parent company and the minority shareholders is presented in the income statement. The distribution of the comprehensive income between the owners of the parent company and the minority shareholders is presented together with the comprehensive income statement. Comprehensive income is allocated to minority shareholders, even if this would lead to the non-controlling interest becoming negative.

The portion of equity belonging to minority shareholders is presented as a separate item on the balance sheet, as part of equity. Changes to the parent company's holding in a subsidiary that will not lead to a loss of control are recorded as transactions concerning equity. If an acquisition is completed in stages, the earlier holding is measured at fair value, and the resulting gain or loss is recognised through profit or loss. When the Group loses its controlling interest in a subsidiary, the remaining portion is measured at fair value on the date of the loss of control, and the difference is recorded through profit or loss.

Associated companies

Associated companies are companies where the Group exercises a significant influence over the voting rights. A significant influence is mainly generated when the Group owns over 20 per cent of the company's voting rights, or when the Group otherwise exercises a significant influence but does not have a controlling interest. Associated companies are consolidated into the consolidated financial statements using the equity method. If the Group's share of the losses of an associated company exceeds the carrying amount of the investment, the investment is recorded at zero value on the balance sheet; losses exceeding the carrying amount are not consolidated unless the Group is committed to fulfilling the liabilities of the associated company. Any investment in an associated company includes the goodwill accrued from its acquisition. Unrealised gains between the Group and an associated company have been eliminated in accordance with the Group's holding. The portion of the associated companies' income from the financial period corresponding to the Group's holding is presented as a separate item above EBIT. Correspondingly, the Group's share of the changes recorded in the other items of the associated company's comprehensive income is entered in the other items of the Group's comprehensive income.

The Company has significant, over 20%, ownership in Eezy Plc, which is treated as non-current assets held for sale.

1.6. NON-CURRENT ASSETS HELD FOR SALE

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

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

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

After the classification, the company's shareholding in Eezy Plc has decreased and the company's representation on the Board of Directors of Eezy Plc decreased from two members to one member in the second quarter of 2022. Taking into account the classification of the shareholding as an asset held for sale, the decrease in the shareholding and the change in the number of the company's representatives on the Board of Directors of Eezy Plc, the company has changed the treatment of Eezy Plc from a business-related asset to an investment asset effective from 12 April 2022. As a result of the change in classification, items related to Eezy Plc will be recognised in financial items, below EBIT, going forward.

On 31 December 2023, NoHo Partners owned 5,052,856 shares in Eezy Plc, corresponding to a holding of approximately 20.2%. The book value of the shares on NoHo Partners Plc's balance sheet is MEUR 8.4, corresponding to EUR 1.67 per share at the end of the review period. After the reporting period in January NoHo Partners sold its shareholding in Eezy Plc (5 052 856 shares) for a share price of EUR 1.425. The sale price deviated from the share price at the end of the reporting period (1.67) by EUR 0.245. Due to the change in fair value a sales loss of MEUR 1.2 is recognised as finance costs in the income statement in January 2024. Due to the arrangement the net debt of the Company declined by MEUR 7.2.

1.7. ITEMS DENOMINATED IN FOREIGN CURRENCIES

The consolidated financial statements are presented in euros, which is the operating and presentation currency of the Group's parent company.

Transactions denominated in foreign currencies are entered in the accounts at the exchange rate in effect on the date of the transaction. The closing rates of the European Central Bank are used in the translation of receivables and liabilities denominated in foreign currencies. The translation differences arising from transactions denominated on foreign currencies and the conversion of financial items are recognised through profit or loss. Foreign exchange gains and losses are included in the corresponding items above EBIT.

Effective from 1 April 2022, the company classified intra-group loans as net investments for which no repayment period has been defined. Starting from the date of classification, exchange rate differences related to the loans are recognised in translation differences in equity.

1.8. ADOPTION OF NEW AND AMENDED STANDARDS

New and amended standards and interpretations applied in the consolidated financial statements as of 1 January 2023:

Disclosure of Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements

The amendments clarify the application of materiality to disclosure of accounting policies.

The change does not have a material effect on the consolidated financial statements.

Definition of Accounting Estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates.

The change does not have a material effect on the consolidated financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 Income Taxes

The amendments narrow the initial recognition exemption (IRE) and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations which give rise to equal and offsetting temporary differences.

The change does not have a material effect on the consolidated financial statements.

International Tax Reform — Pillar Two Model Rules – Amendments to IAS 12 Income Taxes

The amendments give relief from accounting for deferred taxes arising from the OECD's (Organisation for Economic Co-operation and Development) international tax reform and require new disclosures to compensate for the potential loss of information resulting from the relief.

The change does not have a material effect on the consolidated financial statements.

2. FINANCIAL RESULT

2.1. TURNOVER

DISTRIBUTION OF TURNOVER

MEUR	2023	2022
Sales of goods	323.5	283.7
Sales of services	48.8	29.1
Total	**372.4**	**312.8**

DISTRIBUTION OF TURNOVER INTO GOODS AND SERVICES BY BUSINESS AREA

MEUR	2023	2022
Restaurants	133.9	112.2
Entertainment venues	109.1	97.2
Fast food restaurants	49.6	41.9
Restaurants in Norway	40.4	39.7
Restaurants in Denmark	24.3	21.9
Restaurants in Switzerland*	15.1	0.0
Total	**372.4**	**312.8**

*Included in figures from 1 September 2023

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

Asset and debt items based on contracts with customers

Of asset items based on contracts, a total of MEUR -0.2 (-0.1) was recognised as credit losses and IFRS 9 credit loss provisions during the period 1 January–31 December 2023. Credit loss provision is described on Note 5.10.

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 December 2023, the value of gift cards sold was MEUR 3.6 (3.2), and they are expected to be recognised as revenue during the next 12 months.

The total impact from the company acquisitions carried out in 2023 on trade receivables and other non-interest-bearing receivables was MEUR 3.5 (0.1), see page 76.

ACCOUNTING PRINCIPLES

In the restaurant business, the customers are mainly private individuals and there is a small number of contract customers. The amount of profit recorded for the sale of goods at the time of sale comprises the fair value of the compensation that is or will be received for the sold item, less any VAT as well as volume discounts and other discounts. Most of the Group's income is generated from retail sales, where the payment instruments are cash and credit cards. Contract customers' sales revenue is recognised immediately after the restaurant services have been provided in connection with invoicing. In the restaurant business, the revenue for sold gift cards is recognised when the cards are used. Gift card revenue is expected to be recognised in the following 12 months. Turnover for services is recorded as the Group performs the service and the customer receives control over it.

2.2. OPERATING SEGMENTS

2023 MEUR	Finland	International	Eliminations	Group
Turnover	292.6	79.7	0.0	372.4
Other operating income	6.5	1.1	0.0	7.6
Depreciation, amortisation and impairment losses	-40.6	-12.4	0.0	-53.1
EBIT	30.7	5.3	0.0	35.9
Operational EBITDA	35.6	9.1	0.0	44.7
Assets	449.5	179.7	-52.7	576.4
Liabilities	348.0	174.4	-52.7	469.7

2022 MEUR	Finland	International	Eliminations	Group
Turnover	251.2	61.6	0.0	312.8
Other operating income	10.1	3.3	0.0	13.4
Depreciation, amortisation and impairment losses	-36.5	-11.3	0.0	-47.8
EBIT	28.3	3.4	0.0	31.6
Operational EBITDA	34.8	6.8	0.0	41.6
Assets	396.9	105.9	-49.5	453.2
Liabilities	301.0	119.7	-49.5	371.2

The business operations of NoHo Partners are divided into two operational reported segments: the Finnish operations and the International business. The segments' business operations are monitored separately, and they are managed as separate units. The Country Managers of the international business are responsible for their business areas and participate in the international business steering group work on their business areas. Selections, product pricing and marketing measures are decided at the country level.

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

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

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

ACCOUNTING PRINCIPLES

The segment information presented by the Group is based on the management's internal reporting that is prepared in accordance with the IFRS standards. The pricing between segments is based on a fair market price. The Group's assets and liabilities are not allocated or monitored segment-by-segment in internal financial reporting.

The Group's evaluation of profitability and decisions concerning the resources to be allocated to a segment are based on the segments' EBIT. It is the understanding of the management that this is the most suitable benchmark for comparing the profitability of the segments to other companies in their respective fields.

2.3. GOVERNMENT GRANTS

The Group received government grants in all its operating countries during the financial year 2022. The comparative data is presented in the Note 2.3. of the 2022 Consolidated Financial Statements of NoHo Partners.

Specification of government grants

MEUR	2023	2022
Finland		
Business cost support/ compensation for fixed expenses	0.0	4.3
Norway		
Compensation for fixed expenses	0.0	1.3
Compensation related to wage expenses	0.0	0.4
Denmark		
Compensation for fixed expenses	0.0	0.6
Compensation related to wage expenses	0.0	0.2
Total	**0.0**	**6.9**

ACCOUNTING PRINCIPLES

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.

2.4. OTHER OPERATING INCOME

MEUR	2023	2022
Rent income	1.6	1.2
Government grants	0.0	6.9
Other operating income	6.0	5.3
Total	**7.6**	**13.4**

ACCOUNTING PRINCIPLES

Lease income includes lease income for premises. Lease income is recognised as revenue on a straight-line basis over the lease term. Government grants include government grants from the states of Finland, Norway and Denmark, which are presented in more detail on page 67. Gains from the sale of tangible assets are recognised in other operating income. The profit from a sale is determined by the difference between the sale price and the remaining acquisition cost.

2.5. MATERIALS AND SERVICES

MEUR	2023	2022
Purchases	92.5	77.3
External services	29.8	28.3
Total	**122.3**	**105.7**

ACCOUNTING PRINCIPLES

Purchases include food, beverages and other supplies and services related to the production of restaurant services. External services consist mainly of leased restaurant employees.

2.6. EMPLOYEE BENEFITS

During January–December 2023, NoHo Partners Group employed on average 1,380 (1,211) full-time employees and 661 (680) part-time employees converted into full-time employees as well as 396 (386) rented employees converted into full-time employees.

Depending on the season, some 2,800 people converted into full-time employees work at the Group at the same time under normal circumstances.

MEUR	2023	2022
Salaries	78.4	64.7
Pension costs – defined contribution plans	10.9	8.6
Social security costs	3.8	3.1
Expenses recognised on the share-based incentive plan	0.7	1.3
Total	**93.9**	**77.7**

	2023	2022
Group personnel on average during the period	2,041	1,891

Information on defined benefit plans

The Group has a defined benefit pension plan in Switzerland which is included in the balance sheet for the first time on 31 December 2023.

MEUR	2023
Present value of pension obligation	4.8
Fair value of plan assets	-4.5
Net defined benefit obligation	**0.3**

Distribution of plan assets

2023	MEUR	%
Equities	1.7	33.9
Bonds	1.3	26.6
Real estate	1.2	25.4
Alternative investments	0.6	12.3
Cash	0.1	1.8
Assets not available to Company	-0.4	-
Net plan assets	**4.5**	**100.0**

Principal actuarial assumptions

	2023
Discount rate, %	1.9
Salary increase, %	1.3
Inflation rate, %	1.0
Pension indexation, %	0.0
Average remaining years of service, years	2.5

Sensitivity analysis on principal actuarial assumptions

MEUR	2023
Discount rate -0,25%	0.1
Discount rate +0,25%	-0.1
Salary increase -0,25%	0.0
Salary increase +0,25%	0.0

The duration of defined benefit obligation is 9 years. Duration is calculated by using a discount rate of 1.85 %.

Matters related to Group personal are described as part of the Sustainability section on page 32.

The management's employment benefits are described on page 116.

The share-based incentive plan is described on page 69.

ACCOUNTING PRINCIPLES

The Group has pension arrangements based on local practices in Finland, Norway, Denmark and Switzerland.

Pension obligations are classified as defined contribution or defined benefit plans. The Group's statutory pension plans in Finland, Norway and Denmark have been classified as defined contribution plans and the arrangement in Switzerland as defined benefit plan.

In a defined contribution plan, the Group pays fixed fees for a pension plan to a pension insurance company. The Group is not legally or constructively obligated to make additional payments if the recipient of the payments does not have sufficient funds to pay the pension benefits that the employees have earned for the current period or periods preceding it. In a defined contribution plan, the payments made are recorded into the income statement for the financial period that the charge applies to.

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement. The size of the benefit is dependent on factors such as age, years of service and compensation. The present value of the post-employment benefit, which is earned by the employees during the financial year, is recognised as current service cost. The liability recognised in the balance sheet in respect of defined pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligations is determined by discounting the estimated future cash flows using interest rates of high-quality corporate bonds. The bonds are denominated in the currency in which the benefits will be paid and have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Key estimates and judgements

The present value of the pension obligations depends on several factors based on actuarial assumptions. The data used in the calculations may deviate from the actual outcome due to changes in e.g. market- and economic conditions and the duration of employment contracts. Significant changes in the assumptions may impact the carrying amount of pension obligations and expense.

2.7. SHARE-BASED PAYMENTS

Expenses recognised on the share-based incentive plan

MEUR	2023	2022
Earning period 3		1.3
Earning period 4	0.7	

The Board will confirm the earning criteria, the related target levels and the individuals included in the plan before the start of each earning period. Any share reward for each earning period can be paid as shares, money or a combination thereof. Rewards can also be paid for an earning period based on reaching the targets set by the Board and the continuation of the employment contract. The Board may decide on including new key persons in the system and on their right to the reward such that the validity of their employment contract is considered when determining the maximum reward. The share reward based on this system will be paid in the spring following the end of the earning period.

Earning period 3

The Board of Directors of NoHo Partners Oyj resolved on 3 May 2023 on a directed share issue without payment to the key employees of the company in order to pay the reward for the third earning period of the long-term share-based incentive plan from 1 December 2021 to 31 March 2023. The share issue resolution is based on the authorization given by the Annual General Meeting on 19 April 2023. The stock exchange release concerning the longterm share-based incentive plan for the key employees has been published on 30 November 2018 with information also available on the company's web page. A total of 106 877 new shares were issued without payment in the share issue to 8 key employees participating in the share-based incentive plan. As a result of the share issue the total number of shares in NoHo Partners Plc is 20 806 678.

The Board of Directors of NoHo Partners Oyj has on 28 February 2024 resolved on a directed share issue without payment to the CEO of the company and to the deputy of the CEO in order to pay the delayed earned reward for the third earning period that ended on 31 March 2023 of the long-term share-based incentive plan. The share issue resolution is based on the authorization given by the Annual General Meeting on 19 April 2023. The stock exchange release concerning the long-term share-based incentive plan for the key employees has been published on 30 November 2018 with information also available on the company's web page. A total of 34 037 new shares were issued without payment in the share issue related to the share-based incentive plan. As a result of the share issue the total number of shares in NoHo Partners Oyj will be 21 009 715. MEUR 0.6 has been previously recognised as expenses and the payment of the reward will not have an impact on the income statement in financial year 2024.

Earning period 4

On 22 December 2022, NoHo Partners Plc announced the fourth earning period of the long-term share-based remuneration scheme for key personnel. The fourth earning period is 24 months, starting on 1 January 2023, and ending on 31 December 2024.The reward criteria for the fourth earning period are based on NoHo Partners Plc's profitable growth. There are ten participants in the long-term incentive plan's fourth earning period.

A maximum of 280,420 reward shares could be awarded for the fourth earning period. The value of the maximum reward at the average share price on the trading day on 21 December would be approximately EUR 2.0 million. The Board of Directors estimates that if the reward is fully paid in new shares, the maximum dilutive effect on the number of the company's registered shares for the fourth earning period is 1.34%. Based on the management's estimate, MEUR 0.7 has been recognised as expenses for the fourth earning period during the financial year.

ACCOUNTING PRINCIPLES

The fair value of shares given without consideration to key personnel within the share reward system is recorded as an expense for the period to which the arrangement is related. The fair value is determined at the time of giving the shares, recorded as staff expenses and listed as earnings under equity. The number of shares that key personnel are expected to become entitled to is determined based on the assessed completion of the financial conditions set by the Board. The assessments are reviewed at the end of every reporting period and the adjustments are recognised in personnel expenses through profit or loss and under equity.

KEY ESTIMATES AND JUDGEMENTS

The cost impact recognised due to the Group's share-based incentive plan is based on the management's assessment of the achievement of the financial conditions set by the Board.

2.8. OTHER OPERATING EXPENSES

MEUR	2023	2022
Voluntary indirect employee costs	3.1	2.9
Business premises expenses	22.5	19.0
Machinery, equipment and IC expenses	14.9	13.0
Travel expenses	1.2	1.1
Marketing, performer and entertainment expenses	19.3	16.1
Other expenses	13.9	11.2
Total	**74.9**	**63.4**

ACCOUNTING PRINCIPLES

Other operating expenses include the cost of goods and services other than those sold, such as voluntary personnel costs, marketing costs, information system costs and rents and other costs related to premises recognised in the income statement from leases classified as current or leased equipment classified as low value. Other operating expenses also include losses from the disposal of tangible and intangible assets and losses from the sale of operations. Other expenses consist of outsourced financial and administrative services and other items that are not material in isolation.

2.9. AUDITOR'S FEES

MEUR	2023	2022
Audit	0.7	0.7
Other fees	0.2	0.3
Total	**0.9**	**1.0**

The auditing firm was Ernst & Young Oy.

2.10. DEPRECIATION, AMORTISATION AND IMPAIRMENT

MEUR	2023	2022
Intangible assets		
Non-competition agreements	0.4	0.4
Brands and name-use-rights	3.0	3.6
IC software	0.2	0.5
Customer relationships	0.3	0.0
Total	**4.0**	**4.6**
Tangible assets		
Improvement costs of rental premises	5.6	5.6
Buildings	0.1	0.1
Machinery and equipment	5.3	4.0
Total	**11.0**	**9.7**
Right-of-use assets		
IFRS 16 Machinery and equipment	3.2	1.6
IFRS 16 Properties	34.0	30.8
IFRS 16 Land and water areas	0.3	0.2
Total	**37.5**	**32.6**
Impairment and additional depreciation		
Intangible assets	0.1	0.4
Tangible assets	0.5	0.1
Right-of-use assets	0.0	0.5
Total	**0.6**	**0.9**
Depreciation, amortisation and impairment total	**53.1**	**47.8**

ACCOUNTING PRINCIPLES

The accounting principles for depreciation, amortisation and impairment of intangible and tangible assets are presented on pages 84 and 90.

2.11. INCOME TAXES

MEUR	2023	2022
Tax based on the taxable income from the financial period	-3.6	-3.1
Change in deferred taxes	1.0	-1.2
Total	**-2.6**	**-4.3**

MEUR	2023	2022
Profit/loss before taxes	12.9	9.1
Profit calculated at 20% tax	-2.5	-1.8
Impact of foreign tax rates on the tax rate	0.1	0.0
Non-deductible expenses	-2.6	-2.6
Use of previously unrecognised tax losses	0.2	0.9
Deferred tax asset recognised for unrecognised confirmed losses in prior periods	1.1	-0.1
Unrecognised deferred financial period assets on losses for the financial period	-0.4	-0.1
Tax-exempt income	0.6	0.3
Impairment of goodwill	0.0	-0.1
Share-based incentive plan	0.0	-0.3
Consolidated adjustments to the income statement	0.1	0.1
Taxes for prior financial periods	0.9	-0.6
Tax expenses in the income statement	**-2.6**	**-4.3**

ACCOUNTING PRINCIPLES

The tax costs in the income statement are based on the taxable income from the financial period and deferred tax. Taxes are recorded through profit or loss, except in cases where they are directly related to items registered as equity or other items in the total comprehensive income. In these cases, their tax effects are also recorded as equity in these items. Tax based on the taxable income from the financial period is calculated using the taxable income and the applicable tax rate in each country. The taxes are adjusted by any taxes related to previous financial periods. The accounting principles for deferred taxes are presented on page 75.

KEY ESTIMATES AND JUDGEMENTS

The tax costs in the consolidated income statement are based on the taxable income from the financial period, adjustment of taxes from the previous financial periods and change in deferred tax. Estimates by the management are related to, amongst other things, to utilising deferred tax assets against taxable income in the coming years.

2.12. DEFERRED TAX ASSETS AND LIABILITIES

2023 MEUR	1 Jan	Recognised in the income statement	Business combinations	Change in offsetting	Other changes and write-offs	31 Dec
Deferred tax assets						
On confirmed losses	8.5	-0.1	0.0	0.0	-0.1	8.3
On Group eliminations	2.1	-0.2	0.0	0.0	0.0	1.9
On opening marketing expenses	0.0	0.0	0.0	0.0	0.0	0.1
On development costs	0.0	0.0	0.0	0.0	0.0	0.0
On intangible rights	0.1	0.0	0.0	0.0	0.0	0.1
On financial lease liabilities	0.0	0.0	0.0	0.0	0.0	0.0
On other items	0.4	0.9	0.0	0.0	0.1	1.4
Right-of-use assets	1.9	0.4	0.0	0.0	0.0	2.3
Offsetting of deferred tax liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Deferred tax assets total	**13.0**	**1.0**	**0.0**	**0.0**	**0.1**	**14.1**
Deferred tax liabilities						
Periodisation of loan expenses using the effective interest rate method	0.0	0.2	0.0	0.0	0.0	0.2
On the reversal of the amortisation of goodwill	1.2	0.4	0.0	0.0	0.0	1.6
On intangible rights	7.2	-0.7	1.7	0.0	0.0	8.1
On business combinations	0.1	0.0	0.0	0.0	0.0	0.1
On financial leases	0.0	0.0	0.0	0.0	0.0	0.0
On other items	0.7	0.1	0.0	0.0	0.1	0.9
Right-of-use assets	0.0	0.0	0.0	0.0	0.0	0.0
Offsetting of deferred tax assets	0.0	0.0	0.0	0.0	0.0	0.0
Deferred tax liabilities total	**9.2**	**0.0**	**1.7**	**0.0**	**0.1**	**10.9**

2022 MEUR	1 Jan	Recognised in the income statement	Business combinations	Change in offsetting	Other changes and write-offs	31 Dec
Deferred tax assets						
On Group eliminations	10.2	-1.7	0.0	0.0	-0.1	8.5
On opening marketing expenses	2.3	-0.3	0.0	0.0	0.0	2.1
On development costs	0.0	0.0	0.0	0.0	0.0	0.0
On intangible rights	0.0	0.0	0.0	0.0	0.0	0.0
On financial lease liabilities	0.5	0.0	0.0	0.0	-0.4	0.1
On financial lease liabilities	0.0	0.0	0.0	0.0	0.0	0.0
On other items	0.6	-0.1	0.0	0.0	0.0	0.4
Right-of-use assets	1.4	0.5	0.0	0.0	0.0	1.9
Offsetting of deferred tax liabilities	-4.7	0.0	0.0	4.7	0.0	0.0
Deferred tax assets total	**10.3**	**-1.5**	**0.0**	**4.7**	**-0.5**	**13.0**
Deferred tax liabilities						
Periodisation of loan expenses using the effective interest rate method	0.0	0.0	0.0	0.0	0.0	0.0
On the reversal of the amortisation of goodwill	1.6	0.3	0.0	0.0	-0.6	1.2
On intangible rights	7.9	-0.9	0.2	0.0	0.0	7.2
On business combinations	0.1	0.0	0.0	0.0	0.0	0.1
On financial leases	0.0	0.0	0.0	0.0	0.0	0.0
On other items	0.5	0.2	0.0	0.0	0.0	0.7
Right-of-use assets	0.0	0.0	0.0	0.0	0.0	0.0
Offsetting of deferred tax assets	-4.7	0.0	0.0	4.7	0.0	0.0
Deferred tax liabilities total	**5.3**	**-0.4**	**0.2**	**4.7**	**-0.7**	**9.2**

On 31 December 2023, the Group had EUR 7.3 (9.1) million in confirmed losses for which a deferred tax asset has not been recognised because it is not probable that the Group will accrue a taxable income that could be utilised against the losses before their expiration. The losses in question will expire in 2024–2033.

ACCOUNTING PRINCIPLES

Deferred tax is calculated for any temporary differences between carrying amounts and tax bases. The largest temporary differences are generated by the differences between the carrying amounts and tax bases of property, plant and equipment and intangible assets, fair value adjustments of assets and liabilities during combination of business operations, and unused tax losses. Deferred taxes have been calculated using the tax rates that have been enacted or substantively enacted on the date of the closing of the books.

Deferred tax assets and tax liabilities have been calculated using the following tax rates: Finland 20.0%, Norway and Denmark 22.0% and Switzerland 15.0%.

Deferred tax assets are recorded up to the probable amount of future taxable income against which the temporary difference can be utilised. The prerequisites for recording deferred tax assets are estimated in this respect on each closing date.

However, deferred tax liabilities are not recognised when the asset item or liability in question is one that would be originally entered into the bookkeeping, there is no combination of business operations involved, and the recognition of such an asset item or liability does not affect the result of the bookkeeping or the taxable income at the time when the business transaction takes place.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset the current tax assets and liabilities at the same time and when the deferred tax assets and liabilities are related to taxes on income collected by the same recipient, either from the same taxpayer or different taxpayers, when the aim is to realise the assets and liabilities in their net amounts.

2.13. EARNINGS PER SHARE

MEUR	2023	2022
Profit for the financial period attributable to owners of the Company	7.9	1.5
Interest on subordinated loan (tax effect taken into account)	20,864,459	20,297,862
Effect of the share-based incentive plan	208,284	228,985
Diluted weighted average number of shares	21,056,584	20,447,583
Basic earnings per share (EUR/share)	0.38	0.07
Diluted earnings per share (EUR/share)	0.37	0.07

ACCOUNTING PRINCIPLES

Basic earnings per share are calculated by dividing the profit for the financial period attributable to the owners of the parent company by the weighted average number of outstanding shares for the financial period.

Diluted earnings per share are calculated by adjusting the weighted average number of shares by the dilutive effect of potential share-based payments.

3. ACQUISITIONS AND DISPOSALS OF BUSINESS OPERATIONS

3.1. ACQUIRED BUSINESS OPERATIONS

ACQUISITIONS IN 2023

Acquired subsidiaries and businesses

	Business acquired	Shareholding acquired	Ownership and management right transfer	Location
Night Clubs in Helsinki	x		1.4.2023	Helsinki
Kjos Renhold AS		100	1.4.2023	Oslo
Vin-Vin business aquisition	x		2.5.2023	Helsinki
Lumo Laukontori Oy		100	1.6.2023	Tampere
SushiBar+Wine business aquisition	x		1.8.2023	Helsinki
NoHo Skagstind Holding AS		70	1.7.2023	Oslo
Countryfestivalen AS		100	1.7.2023	Oslo
The Wild Rover business aquisition	x		1.9.2023	Oslo
Scene og Pubdrift AS		100	1.9.2023	Oslo
Klingenberg Bardrift AS		100	1.9.2023	Oslo
Finago SA		100	1.9.2023	Lausanne

Most significant acquisitions in the financial period

Stadin Night Oy, a subsidiary of NoHo Partners Plc, acquired on 1 April 2023 the businesses of Apollo Live Club and night club Maxine and the entire shareholding of Helsingin Kaivohuone Oy. The acquisitions have been treated as one entirety. The recognised transaction price does not include a potential seller´s sales price repayment, the amount of which is subject to average three year´s EBITDA.

On 1 June 2023 NoHo Partners Plc acquired Sauna Restaurant Kuuma, located in Tampere. 100% of the shares of Lumo Laukontori Oy, were transferred to NoHo Partners.

On 1 August 2023, NoHo Partners acquired the business operations of Sushibar + Wine –chain together with one of the two founders. In the transaction four of Sushibar + Wine –chain´s restaurants located in Helsinki, including employees, transferred into a new company to be established.

A subsidiary of NoHo Partners, NoHo Skagstind Holding AS, acquired on 1 July 2023 and 1 September 2023 all the shares in Norwegian restaurant companies Countryfestivalen AS, Scene og Pubdrift AS and Klingenberg Bardrift AS. On 25 September 2023, relating to the two latter acquisitions, the Board of Directors of the company decided to issue 169,000 new shares in a directed share issue against payment to the seller Skagstindgruppen AS. In addition, the company carried out the business acquisition of The Wild Rover. Scene og Pubdrift AS owns restaurants Pokalen Bar and Scene at Vulkan whereas Klingenberg Bardrift AS owns the restaurant Raadhuset Bar. All five restaurants are located in Oslo.

On 6 July 2023, NoHo Partners announced that the company has, together with private equity investor Intera Partners, established Better Burger Society, a company targeting a leading position in the growing premium burger market in Europe. As part of the transaction, NoHo Partners' share ownership in Friends & Brgrs was invested into the new company. The first acquisition of Better Burger Society was the Swiss premium burger chain Holy Cow!. The transaction was closed on 14 August 2023. Holy Cow!'s figures are consolidated as part of the Group's International Business -business segment as of 1 September 2023.

Total value of acquired assets and liabilities at the moment of transfer of control

MEUR	Finnish operations	International business: Holy Cow! - acquisition	International business: Other Int. acquisition	Total
Assets				
Intangible assets	2.2	8.3	0.8	11.3
Property, plant and equipment	0.9	5.8	0.5	7.3
Non-current receivables	0.2	0.1	0.0	0.3
Current receivables	0.3	2.3	1.1	3.7
Inventories	0.2	0.5	0.2	0.9
Cash and cash equivalents	0.0	1.9	1.1	3.0
Assets in total	**3.9**	**18.9**	**3.7**	**26.5**
Liabilities				
Deferred tax liabilities	0.0	1.5	0.2	1.7
Financial liabilities	1.8	1.2	0.0	3.1
Other payables	8.5	9.0	2.1	19.6
Liabilities in total	**10.4**	**11.7**	**2.3**	**24.4**
Net assets	**-6.5**	**7.2**	**1.4**	**2.2**
Total purchase consideration at time of acquisition				
Share of purchase consideration consisting of cash and cash equivalents	3.3	27.6	3.1	34.1
Share of equity of the purchase consideration	0.0	0.0	1.5	1.5
Debt share	0.0	5.1	2.0	7.0
Contingent purchase consideration	0.0	0.0	0.9	0.9
Total purchase	**3.3**	**32.7**	**7.5**	**43.5**
Generation of goodwill through acquisitions				
Total purchase consideration	3.3	32.7	7.5	43.5
Net identifiable assets of the acquired entity	-6.5	7.2	1.4	2.1
Goodwill	**9.7**	**25.5**	**6.1**	**41.3**

The fair value of acquired receivables and the contractual gross amounts correspond to the carrying amounts of the receivables at the time of the acquisition. The tax-deductible goodwill amounts to MEUR 7.9

The 40% non-controlling interest related to the acquisition of the night clubs in Helsinki (Apollo Live Club, Maxine and Kaivohuone) does not impact the net assets at the time of the acquisition.

The acquisition cost calculations are preliminary. Of the MEUR 2.5 expert service costs relating to the Better Burger Society acquisition, MEUR 1.5 was recognised as other operating expenses in income statement and MEUR 1.0 financing related costs were periodised to the maturity of the loans. Other acquisitions do not involve material costs of external expert services.

IFRS 16 right-of-use assets of the acquired businesses

MEUR	Total
Finnish operations	15.2
International business	24.7

The balance of international business includes MEUR 11.3 IFRS 16 right-of-use-assets related to the acquisition in Switzerland.

Effect of acquisitions

MEUR	Total
Impact on the Group's profit for the period figures	
Turnover	30.6
Net income	1.8
Estimated effect if the acquisition were made at the beginning of the financial period	
Turnover	81.0
Net income	3.2

The depreciation of intangible assets related to acquisitions and the associated change in deferred taxes have been taken into account in the figures. The effect of the acquisition in Switzerland to the Group´s turnover was MEUR 15.1 and to Group´s result MEUR 1.9. Had the acquisition taken place at the beginning of the financial year the effect to Group´s turnover would have been MEUR 56.5 and to Group´s result MEUR 4.0.

Group in total

The acquisitions generated a total of MEUR 41.3 in goodwill based on expected synergy benefits and gains from combining the acquired restaurants with the Group's other restaurant concepts and services. The acquisitions generated a total of MEUR 11.0 in fair value allocation in intangible rights.

Determination of contingent transaction prices

The amount of the transaction price for Dubliners, DOD, MEO, Rådhuskroken, SFB and Complete Security, acquired in 2019, that was paid at the time of acquisition was MEUR 7.2. The acquisition related put and call options for redeeming shares in non-controlling interests' possession were extended to year 2026. The company has estimated that the probability of exercising the options is high. The shareholding of non-controlling interests, MEUR 1.2, is presented as a contingent additional transaction price under liabilities. According to the contracts, the fair value of the companies will be determined in 2026.

Related to the acquisition completed by NoHo Skagstind Holding AS in the third quarter 2023, there is a MEUR 0.9 contingent transaction price, which is conditional to fulfilment of certain financial targets in 2024. In addition, related to the shareholder agreement of NoHo Skagstind Holding AS, there are put and call options in place for years 2027-2029. MEUR 1.1 liability has been recognised of the options based on the management estimate.

As part of the Better Burger Society transaction, NoHo Partners' share ownership in Friends & Brgrs was invested into Better Burger Society Plc. In addition to the MEUR 20.8 base valuation of the full share capital of Friends & Brgrs, the parties have agreed on a contingent consideration acquisition price of maximum MEUR 15 concerning Friends & Brgrs, which is conditional to the EBITDA development of Friends & Brgrs in 2023. Based on management´s EBITDA estimate MEUR 9.9. contingent consideration was recognised in the third quarter in equity and in receivables. The realised final contingent consideration is to be paid to NoHo Partners as newly issued shares of Better Burger Society Group Plc. Based on management estimate the contingent consideration will realise in full value, due to which MEUR 0.7 is recognised in financial income and in receivables in the fourth quarter.

ACQUISITIONS IN 2022

Acquired subsidiaries and businesses

	Business acquired	Shareholding acquired	Ownership and management right transfer	Location
Restaurant Origo	x		3.1.2022	Hanko
Sea Horse Oy		100	1.7.2022	Helsinki
Tøyen Kulturhus As		100	1.7.2022	Oslo
Restaurant Laboratoriet Skøyen	x		1.9.2022	Oslo
Fat Lizard, Otaniemi	x		1.12.2022	Espoo

Total value of acquired assets and liabilities at the moment of transfer of control

MEUR	Finnish operations	International business	Total
Assets			
Intangible assets	2.0	0.5	2.5
Property, plant and equipment	0.6	0.7	1.3
Current receivables	0.1	0.1	0.2
Inventories	0.1	0.1	0.1
Cash and cash equivalents	0.3	0.4	0.7
Assets in total	**3.1**	**1.7**	**4.8**
Liabilities			
Deferred tax liabilities	0.1	0.1	0.2
Other payables	0.3	0.3	0.6
Liabilities in total	**0.5**	**0.3**	**0.8**
Net assets	**2.7**	**1.3**	**4.0**
Total purchase consideration at time of acquisition			
Share of purchase consideration consisting of cash and cash equivalents	3.2	2.4	5.6
Share of equity of the purchase consideration	1.3	0.0	1.3
Share of debt	0.0	0.7	0.8
Contingent purchase consideration	1.9	0.0	1.9
Total purchase consideration in total	**6.4**	**3.1**	**9.5**
Generation of goodwill through acquisitions			
Total purchase consideration	6.4	3.1	9.5
Net identifiable assets of the acquired entity	2.7	1.3	4.0
Goodwill	**3.7**	**1.8**	**5.5**

The fair value of acquired receivables and the contractual gross amounts correspond to the carrying amounts of the receivables at the time of the acquisition. The tax-deductible goodwill amounts to MEUR 2.9.

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

IFRS 16 right-of-use assets of the acquired businesses

MEUR	Total
Finnish operations	2.7
International business	1.8

Effect of acquisitions

MEUR	Total
Impact on the Group's profit for the period figures	
Turnover	4.4
Net income	0.2
Estimated effect if the acquisition were made at the beginning of the financial period	
Turnover	6.8
Net income	0.3

The depreciation of intangible assets related to acquisitions and the associated change in deferred taxes have been taken into account in the figures.

Group in total

The acquisitions generated a total of MEUR 5.5 in goodwill based on expected synergy benefits, establishment into new market areas and expected gains from combining the acquired restaurants with the Group's other restaurant concepts and services. The acquisitions generated a total of MEUR 2.5 in fair value allocation in intangible rights.

ACQUISTIONS AFTER THE REPORTING PERIOD

The Group´s subsidiary in Norway has acquired the 100 percent shareholding of Vulkan Catering As. Goodwill of MEUR 0.5 has been recognised of the acquisition.

3.2. NON-CONTROLLING INTERESTS

ACQUISITIONS 2023

	Acquisition date	Acquired share, %	New ownership interest, %
Finnish operations			
Stadin Night Oy	17.3.2023	9	60
Nordic Gourmet Oy	19.4.2023	26	100
Friends & Brgrs AB Oy	29.8.2023	29	100
Suomen Siipiravintolat Oy	8.9.2023	5	85
Taikinapojat Oy	13.10.2023	30	100
Harry's Ravintolat Oy	28.11.2023	10	100
Suomen Diner Ravintolat Oy	27.12.2023	20	100
Dinnermax Oy	29.12.2023	30	100
International business			
NoHo Trøbbelskyter AS	27.2.2023	10	100
The Bird Mother ApS	20.6.2023	8	100
Ruby Group Holding ApS	1.7.2023	20	100
Cock's & Cows ApS	8.8.2023	2	100
Ebony & Ivory Aps	30.11.2023	5	100
Lidkoeb ApS	30.11.2023	5	100
Kjos Renhold AS	1.12.2023	5	96
Chogo Biel Ag	1.12.2023	49	100

MEUR	Acquisition price	Change in minority share	Impact in Group earnings
Finnish operations	7.8	-0.4	-0.9
International business	3.3	-0.3	-3.1
Total	**11.1**	**-0.7**	**-3.9**

ACQUISITIONS 2022

	Acquisition date	Acquired share, %	New ownership interest, %
Finnish operations			
Porin Pärekori Oy	1.4.2022	30	100
Friends & Brgrs Ab Oy	8.8.2022	0	71
Suomen Siipiravintolat Oy	26.9.2022	5	80
Rock Hard Catering Oy	11.10.2022	12	100
Mother of Pearl Oy	9.12.2022	30	100
International business			
NoHo Norway AS	26.1.2022	6	86
Tøyen Bakeri og Kaffehus As	31.1.2022	9	100
Youngs AS	14.10.2022	5	100
NoHo International Oy	31.10.2022	3	99
Øslo AS	1.12.2022	10	90

MEUR	Acquisition price	Change in minority share	Impact in Group earnings
Finnish operations	2.3	-0.2	-2.2
International business	1.2	-0.3	-0.9
Total	**3.5**	**-0.4**	**-3.0**

DISPOSALS 2023

	Date of sale	Shareholding sold, %	New ownership interest, %
Finnish operations			
-	-	-	-
International business			
Kjos Renhold AS	1.4.2023	9	91
Noho Skagstind Holding AS	1.7.2023	30	70
Nieu Soria Moria AS	5.12.2023	25	55

MEUR	Acquisition price	Change in minority share	Impact in Group earnings
Finnish operations	0.0	0.0	0.0
International business	0.1	0.0	-0.1
Total	**0.1**	**0.0**	**-0.1**

DISPOSALS 2022

	Date of sale	Shareholding sold, %	New ownership interest, %
Finnish operations			
Fatmax Oy	28.11.2022	25	75
International business			
Complete Security AS	14.12.2022	5	95

MEUR	Acquisition price	Change in minority share	Impact in Group earnings
Finnish operations	0.0	0.0	0.0
International business	0.1	0.0	0.0
Total	**0.1**	**0.0**	**0.0**

ACCOUNTING PRINCIPLES

The shares of non-controlling interests of subsidiaries' income and equity are presented as separate items in the Group's income statement, statement of comprehensive income, statement of changes in equity and balance sheet.

Transactions completed with non-controlling interests that do not result in a loss of control are treated as transactions with shareholders. A change in holding results in the adjustment of carrying amounts between the holdings of the Group and noncontrolling interests. The difference between the adjustment made to non-controlling interests' holding and the paid or received consideration is recognised in earnings.

The non-controlling interests in an acquired company are recognised at either fair value or the amount corresponding to the proportion of the non-controlling interests in the net identifiable assets of the company acquired.

3.3. SOLD BUSINESS OPERATIONS

BUSINESS OPERATIONS SOLD 2023

Group's shares in subsidiaries and businesses sold during the financial period

Name	Business sold	Shareholding sold	Date of control transfer	Location
Restaurant business, Cock's & Cows Amager	x		30.9.2023	Copen-hagen
Restaurant business, Luca Østerbro	x		1.12.2023	Copen-hagen
Restaurant business, Ale Pub Telakka	x		31.12.2023	Turku

Total value of the assets and liabilities sold at the moment of transfer of control

MEUR	Total
Goodwill	0.1
Property, plant and equipment	0.3
Right-of-use assets	0.5
Liabilities for right-of-use assets	-0.5
Net assets total	**0.3**

Losses on disposal totalling MEUR 0.0 were recognised in the income statement.

BUSINESS OPERATIONS SOLD 2022

Group's shares in subsidiaries and businesses sold during the financial period

Name	Business sold	Shareholding sold	Date of control transfer	Location
Restaurant business, Ravnsborggade	x		1.1.2022	Copen-hagen
Restaurant business, Kuopio	x		1.1.2022	Kuopio
Restaurant business, Skatten	x		1.3.2022	Oslo
Restaurant business, La Fable	x		31.12.2022	Oslo

Total value of the assets and liabilities sold at the moment of transfer of control

MEUR	Total
Goodwill	0.9
Property, plant and equipment	0.6
Right-of-use assets	1.6
Other asset items	0.1
Liabilities	-0.1
Liabilities for right-of-use assets	-1.7
Net assets in total	1.5

Losses on disposal totalling MEUR 0.5 were recognised in the income statement.

4. CAPITAL EXPENDITURE

4.1. INTANGIBLE ASSETS

2023 MEUR	Goodwill	Intangible assets	Total
Acquisition cost 1 January	**141.1**	**79.0**	**220.2**
Business combinations	41.3	11.3	52.6
Increase	0.0	1.0	1.0
Decrease and disposals	-0.1	-0.1	-0.2
Translation differences	-0.9	0.1	-0.8
Acquisition cost 31 December	**181.4**	**91.3**	**272.8**
Accumulated amortisation and impairment			
1 January	-0.2	-41.1	-41.2
Additional depreciation	0.0	-0.1	-0.1
Depreciation	0.0	-4.0	-4.0
31 December	-0.2	-45.1	-45.3
Carrying amount 31 December	**181.3**	**46.2**	**227.6**
Book value 1 January	141.0	38.0	179.0

2022 MEUR	Goodwill	Intangible assets	Total
Acquisition cost 1 January	**137.3**	**76.5**	**213.8**
Business combinations	5.5	2.5	8.0
Increase	0.0	0.1	0.1
Decrease and disposals	-0.9	0.0	-0.9
Translation differences	-0.7	-0.2	-0.9
Acquisition cost 31 December	**141.1**	**79.0**	**220.2**
Accumulated amortisation and impairment			
1 January	**-0.2**	**-36.1**	**-36.3**
Additional depreciation	0.0	-0.4	-0.4
Depreciation	0.0	-4.6	-4.6
31 December	**-0.2**	**-41.1**	**-41.2**
Carrying amount 31 December	**141.0**	**38.0**	**179.0**
Book value 1 January	137.1	40.4	177.5

Brands and name-use-rights included in intangible assets

2023 MEUR	1 Jan	Increase	Translation difference	Depreciation	31 Dec
Indefinite useful life	21.7	0.0	-0.1	0.0	21.6
Depreciation over 4 years	0.7	0.0	0.0	-0.4	0.3
Depreciation over 5 years	1.3	0.5	0.0	-1.1	0.7
Depreciation over 6 years	0.0	0.8	0.0	0.0	0.7
Depreciation over 10 years	6.3	1.4	0.0	-1.0	6.8
Depreciation over 15 years	4.4	0.0	0.0	-0.4	4.0
Total	**34.3**	**2.7**	**-0.1**	**-3.0**	**34.0**

2022 MEUR	1 Jan	Increase	Translation difference	Depreciation	31 Dec
Indefinite useful life	21.8	0.0	-0.1	0.0	21.7
Depreciation over 4 years	0.8	0.3	0.0	-0.4	0.7
Depreciation over 5 years	3.0	0.3	0.0	-2.0	1.3
Depreciation over 10 years	5.6	1.6	0.0	-0.8	6.3
Depreciation over 15 years	4.8	0.0	0.0	-0.4	4.4
Total	**36.0**	**2.1**	**-0.1**	**-3.6**	**34.3**

ACCOUNTING PRINCIPLES

The Group's intangible assets mainly consist of goodwill generated from the combination of business operations as well as identified brands and other identifiable intangible assets, such as name-use-rights, non-competition and customer agreements and beneficial lease agreements.

Goodwill

Goodwill generated from the combination of business operations is recorded at the amount by which the assigned purchase consideration, the share of non-controlling interests in the object acquired and the previously owned share combined exceed the fair value of the acquired net assets. Goodwill represents the payment made by the acquiring party in order to accrue future economic benefit that cannot be identified and recorded as separate asset items.

Goodwill is not amortised. Instead, goodwill is tested for possible impairment each year. Goodwill is measured at its original acquisition cost less any impairment.

Brands and name-use-rights

Restaurant brands identified when combining business operations are recognised at their fair value at the time of the acquisition. The fair value of restaurant brands with a limited life is based on the estimated royalty level, and they are recorded on the balance sheet at the acquisition cost less the accrued depreciations and impairment losses. Brands with a limited life are depreciated over their estimated useful life as straight-line depreciations based on 4, 5, 6, 10 or 15 years.

The Group has six restaurants with a long tradition in Helsinki which it has protected with registrations. These are some of the most renowned restaurants in Finland: Kulosaaren Casino has been in operation since 1915, Savoy and Elite since the 1930s and Palace since the 1950s. In addition, Strindberg and Ravintola Teatteri have operated on Esplanadi for decades with their own, established concepts. All six restaurants have established an essential position in the Finnish restaurant culture and are expected to operate for so long that no depreciation time can be determined for them. These restaurants are considered to have an indefinite useful life because a depreciation time cannot be determined due to their established position. The Group has a legal right to the registrations, the registrations will be renewed and the costs due to the renewal are immaterial. The fair value of the restaurant brands with an indefinite useful life is based on the royalty level estimated by the management, and they are measured at the original acquisition cost less any impairment. Brands with an indefinite useful life are not depreciated; instead, they are tested on a yearly basis similarly to goodwill.

In connection with completed acquisitions, the Group has received the right to use the acquired companies' names. As part of the purchase price allocation, the most significant name-use-rights have been assigned a value recognised under intangible assets.

Transferable rights relating to leases

In Denmark, the leases of restaurant facilities involve transfer rights for which a value can be assigned in connection with an acquisition. These rights enable access to the leased premises, which is a commonly used practice in Denmark, and, if the Group desires, it is legally entitled to sell the transfer rights. These transfer rights are considered to have an indefinite useful life because they are valid indefinitely and the Group is entitled to sell them. The fair value of the transfer rights is based on the price level in the market, and the rights are recognised under intangible assets. Transfer rights with an indefinite useful life are not depreciated; instead, they are tested on a yearly basis similarly to goodwill.

Other intangible assets

Other intangible assets are only recognised when they are likely to result in future economic benefit to the company and their acquisition cost can be reliably determined. Other intangible assets with a limited useful life that have been identified during the combination of business operations are recorded separately from goodwill on the balance sheet if they fit the definition of an asset and can be itemised, or if they are created by agreements or legal rights and their fair value can be reliably determined.

Fair value recognised in intangible assets has been determined for the following items, amongst others, in connection with acquisitions:

- Non-competition, usually based on a non-competition clause for the selling party for a specific period
- Customer contracts based on existing customer contracts/customer relationships
- Beneficial lease agreements

With the exception of the aforementioned brands with an indefinite useful life, the acquisition cost of intangible assets is recognised as a depreciation expense in the income statement based on the following estimated useful lives:

- Brands and name-use-rights, depreciation period 4-15 years
- Non-competition agreement, depreciation period 2-5 years
- Beneficial lease agreements, depreciation period 2 years
- Customer contracts, depreciation period 5 years

The residual value, useful life and depreciation method of assets are reviewed, at a minimum, at the end of each financial period and, if necessary, adjusted to reflect the actual changes in expectations of economic benefit.

The recording of depreciations is stopped when an intangible asset is classified as held for sale (or included in a disposal group classified as held for sale) in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

KEY ESTIMATES AND JUDGEMENTS

The Group's intangible assets mainly consist of goodwill generated from the combination of business operations as well as identified brands and other identifiable intangible assets, such as name-use-rights, non-competition and customer agreements and beneficial lease agreements.

When combining business operations, the management conducts assessments concerning, for example, future cash flows from the acquired business, purchase price allocations, brand value and useful life, compliance with the conditions of brands with an indefinite useful life, and synergy benefits gained through acquisitions.

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 Group carried out impairment testing separately for the Finnish operations and the international business on 31 December 2023. Impairment testing was carried out using the book values and calculations of future cash amounts valid at the time. On 31 December 2023, the recoverable cash flow based on value-in-use calculations exceeded the book value for the Finnish operations by more than MEUR 67 (117) and for the international business by more than MEUR 21 (7). The impairment tests on 31 December 2023 did not indicate a need for impairment of goodwill or intangible rights with an indefinite useful life.

The nature of the business operations and the amount of goodwill differ considerable by segment, as the maturity of the business operations is very different. The position of the company in the Finnish market has stabilised, and in addition to managing daily operational activities, it focuses on seeking growth from its strategic focus areas. With regard to international business operations, the company focuses on growing the operations through acquisitions and will continue also in future accelerate the growth of the international operations by acquisitions. In growth supported strongly by acquisitions, it is natural that the relative size of goodwill in relation to the size of the business is higher than in a stabilised business. Normally, the differences will even out as the business reaches certain size and several years´ history of stabilised business.

The group's goodwill, brands with an indefinite useful life, name-use-rights, non-competition agreements and leases

MEUR	Finnish operations 31 Dec 2023	Finnish operations 31 Dec 2022	International business 31 Dec 2023	International business 31 Dec 2022
Goodwill	117.9	108.2	63.5	32.7
Brands and name-use-rights	20.6	20.6	1.0	1.1
Leases			2.7	2.7

Description of impairment testing and key assumptions

In impairment testing, the book value of cash flow generating units containing goodwill and other intangible assets with indefinite useful life are compared with their recoverable amounts. The recoverable amount is the fair value of the group of cash generating units less the costs of selling, or the utility value, whichever is higher. If the recoverable amount is lower than the book value entered on the balance sheet, the difference is recognised as an impairment loss that decreases income. For the impairment testing, the recoverable amount used has been the utility value calculated by means of the discounted cash flow (DCF) method.

The forecast cash flows are based on the capacity of the group of cash flow-generating units that the Group has had at the time of testing. Therefore, expansion investments have not been taken into account in the cash flow estimates. The Group's cash flow-generating units or groups thereof operate in the restaurant business. The expansion of the business into new areas would expand the capacity, and the related investments or resulting gains are not included in the calculations.

The impairment calculations are based on cash flow predictions and estimates for market development, drawn up by the Group Executive Team and approved by the Group Board of Directors, added with the forecast and terminal period. The length of the forecast period used for the impairment calculations is 4 years.

Key management-defined assumptions used in testing

Assumption	Description
Growth of turnover	The acquisitions done in 2023 contributed in full for the turnover of the first review year, after which the turnover is estimated to stay stable.
EBIT	EBIT is based on the review periods´ budgets approved by the board, that are based on the management estimates of market, consumer purchasing power and profitability development of the restaurant portfolio.
Terminal growth assumption	The terminal growth assumption is 2%.
Discount rate	A peer company analysis was utilised in determining the discount rate.

Sensitivity analysis in impairment testing

No impairment losses have been recognised for any presented financial period based on completed impairment testing. On 31 December 2023, the recoverable cash flow based on value-in-use calculations exceeded the book value for the Finnish operations by more than MEUR 67 (117) and for the international business by more than MEUR 21 (7). The management has prepared sensitivity analyses for essential factors and, based on the analyses, the recoverable amount equals the book value if the assumptions change one at a time.

Maintaining the calculated levels of utility value requires that, in accordance with the company strategy, turnover and EBIT are kept at an acceptable level, competitiveness is maintained through the continuous monitoring of pricing and cost management as well as the development of new restaurant concepts.

Segment-specific assumptions for the impairment testing and the outcome of the sensitivity analysis is presented in the following.

Assumptions used in the calculation of utility value for each testing period

MEUR	Finnish operations 31 Dec 2023	Finnish operations 31 Dec 2022	International business 31 Dec 2023	International business 31 Dec 2022
Turnover growth, four three years, approximately	1.6	3.5	9.5	3.2
EBIT, %, first four years, approximately	10.4	10.9	9.5	7.4
Terminal growth assumption	2.0	2.0	2.0	2.0
Discount rate before taxes	11.0	9.6	10.2	8.9

Outcome of the sensitivity analysis

MEUR	Finnish operations 31 Dec 2023	Finnish operations 31 Dec 2022	International business 31 Dec 2023	International business 31 Dec 2022
Annual decrease in turnover, %*	1.3	4.1	1.1	0.8
EBIT, %, modified level, first four years, approximately, %**	8.4	7.8	7.9	6.7
Increase in discount rate, percentage points	2.5	4.1	1.3	0.7
Decrease of the terminal growth rate, %	3.6	5.9	1.6	0.8

* Annual average decrease in turnover (CAGR-%), four first forecast years

** Average EBIT% of forecast years 1-4 where the estimates are decreased annually until the break-even point is reached (with applied assumptions the terminal year break-even EBIT% is: Finland 5.1% (4.2%), International 7.9% (5.7%)

ACCOUNTING PRINCIPLES

On each closing date, the Group evaluates whether there are signs of impairment in the value of an asset item. If these signs should appear, the recoverable amount for the asset item is estimated. Furthermore, recoverable amounts are estimated each year for the following asset items, regardless of whether there are signs of impairment: goodwill, intangible assets with an in definite useful life, and incomplete intangible assets. The need to recognise any impairment is examined on the level of the cash flow-generating unit or units; that is, the lowest level that is mostly independent of the other units and whose cash flow can be separated from the other cash flows.

The recoverable amount is the fair value of the asset item less the costs of selling, or the utility value, whichever is higher. The utility value refers to the estimated deferred net cash flows that are available from the asset item or cash flow-generating unit, discounted to their present value. The discount rate is the rate before tax that presents the market's view of the value of money over time, and the special risks related to the asset item or cash flow-generating unit. The discount rate takes into account sector-specific factors.

An impairment loss is recognised when the carrying amount of an asset item is greater than its recoverable amount. The impairment loss is immediately recognised in the income statement. The impairment loss of a cash-flow generating unit is primarily allocated to reduce the goodwill of the cash flow-generating unit and, secondly, it is used to impair the unit's other asset items on a pro rata basis. The useful life of a depreciable asset item is reassessed when an impairment loss is recognised.

An impairment loss recorded for an asset item is reversed in case a change occurs in the estimates that have been used to determine the recoverable amount of the asset item. However, impairment loss is only reversed up to the carrying amount of the commodity without any impairment loss. Impairment loss for goodwill is not reversed under any circumstances.

KEY ESTIMATES AND JUDGEMENTS

Drawing up calculations using the DCF model requires forecasts and assumptions, the most significant of which involve turnover growth, cost development and changes in the discount rate. It is possible that the assumptions related to the cash flow forecasts are not realised, and the resulting impairments of goodwill or non-competition agreements may have a materially adverse effect on the income derived from the company's operations and on its financial position during the present review period and future review periods.

In impairment testing, the recoverable amounts are estimated using assumptions related to budgets, forecasts and terminal periods. The sensitivity of the calculations is analysed with regard to changes in sales revenue growth, the development of operating costs, EBIT and the discount rate, amongst other things. Changes in these estimates or in the structure or number of the cash flow generating units or groups of units may lead to impairment in the fair values of assets or goodwill.

4.2. PROPERTY, PLANT AND EQUIPMENT

2023 MEUR	Land	Buildings and structures	Improvement costs of rental premises	Machinery and equipment	Advance payments and work in progress	Total
Acquisition cost 1 January	**0.2**	**3.7**	**90.0**	**59.2**	**2.0**	**155.1**
Business combinations	0.0	0.3	0.0	7.0	0.0	**7.3**
Increase	0.0	0.0	7.4	9.2	0.0	**16.6**
Decrease and disposals	0.0	0.0	-0.5	-0.3	0.0	**-0.8**
Translation differences	0.0	0.0	-0.3	0.4	0.0	**0.1**
Transfers between items	0.0	0.0	0.1	0.2	-0.3	**0.0**
Acquisition cost 31 December	**0.2**	**4.1**	**96.6**	**75.7**	**1.6**	**178.2**
Accumulated depreciation and impairment						
1 January	**0.0**	**-1.2**	**-63.7**	**-39.8**	**0.0**	**-104.7**
Impairment	0.0	0.0	0.0	-0.5	0.0	**-0.5**
Depreciation	0.0	-0.1	-5.6	-5.3	0.0	**-11.0**
31 December	**0.0**	**-1.3**	**-69.3**	**-45.7**	**0.0**	**-116.3**
Book value 1 January	**0.2**	**2.7**	**27.3**	**30.0**	**1.6**	**62.0**
Book value 1 January	0.2	2.5	26.3	19.4	2.0	**50.3**

2022 MEUR	Land	Buildings and structures	Improvement costs of rental premises	Machinery and equipment	Advance payments and work in progress	Total
Acquisition cost 1 January	**0.2**	**3.7**	**83.7**	**53.9**	**0.6**	**142.1**
Business combinations	0.0	0.0	0.0	1.3	0.0	**1.3**
Increase	0.0	0.0	7.4	6.4	0.0	**13.8**
Decrease and disposals	0.0	0.0	-1.0	-0.6	0.0	**-1.6**
Translation differences	0.0	0.0	-0.3	0.0	0.0	**-0.3**
Transfers between items	0.0	0.0	0.1	-1.8	1.4	**-0.2**
Acquisition cost 31 December	**0.2**	**3.7**	**90.0**	**59.2**	**2.0**	**155.2**
Accumulated depreciation and impairment						
1 January	**0.0**	**-1.1**	**-58.1**	**-35.7**	**0.0**	**-95.0**
Impairment	0.0	0.0	0.0	-0.1	0.0	**-0.1**
Depreciation	0.0	-0.1	-5.6	-4.0	0.0	**-9.7**
31 December	**0.0**	**-1.2**	**-63.7**	**-39.8**	**0.0**	**-104.7**
Book value 1 January	**0.2**	**2.5**	**26.3**	**19.4**	**2.0**	**50.3**
Book value 1 January	0.2	2.6	25.6	18.2	0.6	**47.2**

ACCOUNTING PRINCIPLES

Property, plant and equipment are measured at their original acquisition cost less accumulated depreciation and impairment. Property, plant and equipment are recognised on the balance sheet when they are likely to result in future economic benefit to the Group and the acquisition cost can be reliably determined.

The original acquisition cost includes the immediate costs for the purchase. Expenditure accumulated later is only included in the carrying amount or recorded as a separate commodity if it is likely that the future economic benefit related to the commodity will be to the benefit of the Group and if the acquisition cost of the commodity can be reliably determined. Repair and maintenance costs are recorded through profit or loss for the period during which they were realised. If a fixed asset commodity consists of several parts with useful lives of different lengths, each part is processed as a separate commodity. As is typical for the sector, property, plant and equipment also include periodic modification and renovation costs of the rental premises of restaurants; these consist of changes to meet the requirements for the restaurant use and to fit the concept in question.

The Group's property, plant and equipment are depreciated over the estimated useful life of the commodity in question. Depreciation of property, plant and equipment is calculated as straight-line depreciation, where the acquisition cost is recognised as expense over the useful life. Land and water areas are not depreciated.

Estimated useful lives	Years
Machinery and equipment	3-15
Modification and renovation expenses for rental premises	3-15
Buildings	30

The residual values of tangible assets and their useful lives are verified at least once per year on the closing date, and adjusted by impairment when necessary. On each closing date, the Group evaluates whether there are signs of impairment of an asset. If the carrying amount of an asset item is higher than its recoverable amount, the carrying amount of the asset item will be immediately lowered to match the recoverable amount. When property, plant and equipment are classified as held for sale in accordance with the IFRS 5 standard, the recording of depreciation is discontinued.

The gains and losses from the sale of tangible assets are included in the income statement as other operating income or expenses. The profit or loss from a sale is determined by the difference between the sale price and the remaining acquisition cost.

The accounting principles pertaining to leases are presented on page 93.

Impairment of tangible assets

On each closing date, the Group evaluates whether there are signs of impairment in the value of an asset item. If these signs should appear, the recoverable amount for the asset item is estimated. The need to recognise any impairment is examined on the level of the cash flow-generating unit or units; that is, the lowest level that is mostly independent of the other units and whose cash flow can be separated from the other cash flows.

The recoverable amount is the fair value of the asset item less the costs of selling, or the utility value, whichever is higher. The utility value refers to the estimated deferred net cash flows that are available from the asset item or cash flow-generating unit, discounted to their present value. The discount rate is the rate before tax that presents the market's view of the value of money over time, and the special risks related to the asset item or cash flow-generating unit.

An impairment loss is recognised when the carrying amount of an asset item is greater than its recoverable amount. The impairment loss is immediately recognised in the income statement. The impairment loss of a cash-flow generating unit is used to impair the unit's asset items on a pro rata basis. The useful life of a depreciable asset item is reassessed when an impairment loss is recognised.

An impairment loss recorded for an asset item is reversed in case a change occurs in the estimates that have been used to determine the recoverable amount of the asset item. However, impairment loss is only reversed up to the carrying amount of the commodity without any impairment loss.

4.3. LEASE AGREEMENTS

The Group has leased many of the restaurant and office premises that it uses and the equipment used at the premises.

The Group has applied a practical relief to equipment leases, in accordance with which the Group combines leases with similar characteristics in the portfolio. The Group regularly assesses the size and composition of the portfolio of equipment leases. The incremental borrowing rate applied to the changes in leases is 5.0%.

The Group's leases categorised by underlying assets

2023 MEUR	Land	Buildings	Machinery and equipment	Total
Acquisition cost 1 January	**2.5**	**270.6**	**10.5**	**283.6**
Business combinations	0.0	40.4	0.0	40.4
Increase	0.0	18.8	0.0	18.8
Reassessments and modifications	0.4	17.1	5.5	22.9
Decrease	0.0	-0.5	0.0	-0.5
Translation differences	0.0	-1.0	0.0	-1.0
Acquisition cost 31 December	**2.8**	**345.4**	**16.1**	**364.2**
Accumulated depreciation and impairment				
1 January	**-1.1**	**-119.1**	**-4.0**	**-124.2**
Impairment	0.0	0.0	0.0	0.0
Depreciation	-0.3	-34.0	-3.2	-37.5
31 December	**-1.4**	**-153.0**	**-7.2**	**-161.7**
Carrying amount 31 December	**1.4**	**192.3**	**8.8**	**202.6**
Carrying amount 1 January	1.4	151.5	6.5	159.4

2022 MEUR	Land	Buildings	Machinery and equipment	Total
Acquisition cost 1 January	**2.3**	**244.3**	**6.8**	**253.4**
Business combinations	0.0	4.5	0.0	4.5
Increase	0.0	10.7	0.0	10.7
Reassessments and modifications	0.2	17.8	3.8	21.7
Decrease	0.0	-5.2	0.0	-5.2
Translation differences	0.0	-1.5	0.0	-1.5
Acquisition cost 31 December	**2.5**	**270.6**	**10.5**	**283.5**
Accumulated depreciation and impairment				
1 January	**-0.9**	**-87.8**	**-2.5**	**-91.2**
Impairment	0.0	-0.5	0.0	-0.5
Depreciation	-0.2	-30.8	-1.6	-32.6
31 December	**-1.1**	**-119.1**	**-4.0**	**-124.2**
Carrying amount 31 December	**1.4**	**151.5**	**6.5**	**159.4**
Carrying amount 1 January	1.4	156.6	4.3	162.2

Liabilities for right-of-use assets

MEUR	2023	2022
Non-current	175.2	137.9
Current	38.6	30.8
Total	**213.8**	**168.7**

Liabilities for right-of-use assets by category

2023 MEUR	Land	Buildings	Machinery and equipment	Total
Lease liability 1 January	**1.4**	**160.6**	**6.6**	**168.7**
Net increases	0.4	75.8	5.5	81.7
Rent payments	-0.3	-39.0	-3.6	-42.9
Interest expenses	0.1	8.1	0.5	8.7
Translation differences	0.0	-2.4	0.0	-2.5
Lease liability 31 December	**1.5**	**203.1**	**9.1**	**213.8**

2022 MEUR	Land	Buildings	Machinery and equipment	Total
Lease liability 1 January	**1.4**	**163.2**	**4.3**	**169.0**
Net increases	0.2	27.8	3.8	31.7
Rent payments	-0.3	-35.4	-1.7	-37.4
Rent concessions, Covid-19	0.0	-0.5	0.0	-0.5
Interest expenses	0.1	7.1	0.3	7.4
Translation differences	0.0	-1.6	0.0	-1.6
Lease liability 31 December	**1.4**	**160.6**	**6.6**	**168.7**

The maturity distribution of liabilities is presented on page 105.

Lease items included in the income statement

MEUR	2023	2022
Depreciation of right-of-use assets		
Buildings	34.0	31.3
Land	0.3	0.2
Machinery and equipment	3.2	1.6
Total depreciation	**37.5**	**33.1**
Other items		
Interest expenses (in finance costs)	8.7	7.4
Expenses related to leases of short-term and low value (in other operating expenses)	7.0	3.7
Expenses related to variable rents not included in lease liabilities (in other operating expenses)	5.9	6.7
Rent concessions, Covid-19	0.0	-0.5
Items included in the income statement in total	**59.1**	**50.4**

The Group as a lessor, lease income received by the group pursuant to other non-cancellable leases

MEUR	2023	2022
In one year	0.4	0.7
In more than one year and up to 5 years	0.4	0.8
Total	**0.8**	**1.5**

The total outflow of cash arising from leases in 2023 amounted to MEUR 42.9 (37.4).

ACCOUNTING PRINCIPLES

The Group as a lessee

The Group has leased many of the restaurant and office premises that it uses. The terms of the leases vary from short leases of less than one year to long leases of more than ten years. The agreements are either fixed leases with an index condition, turnover-based or combination of these. Some of the lease agreements are valid until further notice, with notice periods ranging from one to six months.

The lease term of the lease of an individual restaurant operating on leased premises determines the lease term lengths of any underlying assets on said premises that are based on a basic non-fixed-term lease or a shorter lease. For example, if the lease term of restaurant premises is 4 years, the lease term of beverage taps based on a non-fixed-term lease or a shorter lease is also specified to be 4 years.

Agreements can include lease components and non-lease components. The contractual consideration is allocated to the lease component and non-lease components based on their relative stand-alone prices. However, the Group has decided not to separate the components for leases pertaining to properties in which the Group is the lessee. They are treated as individual lease components in the Group's accounting.

The terms of lease agreements are negotiated on a case-by-case basis, and they include a large number of various terms. The leases do not include covenants other than the lessee's security deposit interest related to the leased assets. Leased assets cannot be used as security for loans.

Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate and which are initially measured using the index or rate at the time of signing the agreement
- Amounts expected to be payable by the Group under residual value guarantees
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The liability also includes leases based on extension options that are relatively certain to be exercised.

The company will use the lessee's incremental borrowing rate of interest to define the discount rate of future lease payments. The management has estimated the incremental borrowing rate in accordance with what the interest rate would be if the asset were obtained with outside financing. The incremental borrowing rate has been specified separately for each asset, considering the risk-free interest rate, lease term, economic environment and underlying asset. The incremental borrowing rate will be re-assessed for each new lease and the changing situations specified in the standard.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is recognised through profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets at cost

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs
- Restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets comprise IT equipment and small items of office furniture.

Rent concessions and practical expedients for handling equipment are discussed at the beginning of this note.

The Group as a lessor

Commodities leased out are included in property, plant and equipment on the balance sheet. They are depreciated over their useful life, similarly to property, plant and equipment used by the Group for similar purposes. Lease income is recorded into the income statement as annuities over the lease term. The Group is not a lessor in any finance leases. The Group releases certain of its premises, which constitute the majority of the Group's rental income.

KEY ESTIMATES AND JUDGEMENTS

The management makes estimates concerning, among others, the leases to be included in the arrangement, size of low value contracts, utilisation of lease extension options and the incremental borrowing rate.

The Group's leases often include the option to extend the lease term. The management has made an estimate of the utilisation of the extension options, and some extension options will not be utilised for business and financial reasons.

The management has estimated the amount of restoration costs in any leases that include provisions regarding restoration requirements. The restoration costs entered in a right-of-use asset are based on estimates, the specific amount of which cannot be known in advance, and their scale has been estimated based on previously realised restoration costs. Restoration costs have primarily consisted of dismantling commercial premises or similar. Restoration costs will be recognised in a right-ofuse asset and provisions by discounting them with risk-free interest.

4.4. SHARES IN ASSOCIATED COMPANIES AND JOINT VENTURES

MEUR	2023	2022
Book value 1 January	**0.0**	**0.0**
Carrying amount 31 December	**0.0**	**0.0**

On 11 June 2021, the Group published its updated strategy and financial targets for the strategy period 2022–2024. In connection with this, the Group classified its shareholding in Eezy Plc as an asset held for sale.

Figures on the Note are zero due to rounding.

Financial information on associated companies

2023	Assets		Liabilities				
MEUR	Non-current	Current	Non-current	Current	Turnover	Profit / loss	Ownership interest
Torggata Camping As	0.1	0.1	0.0	0.1	0.4	0.1	33
Repa Service Oy	0.0	0.1	0.0	0.0	0.2	0.0	30
Total	**0.1**	**0.2**	**0.0**	**0.1**	**0.6**	**0.1**	

2022	Assets		Liabilities				
MEUR	Non-current	Current	Non-current	Current	Turnover	Profit / loss	Ownership interest
Torggata Camping As	0.1	0.1	0.0	0.1	0.5	0.1	33
Repa Service Oy	0.0	0.0	0.0	0.0	0.3	0.0	30
RH Areenat Oy	0.3	0.2	0.0	0.7	0.3	-0.2	29
Total	**0.4**	**0.4**	**0.0**	**0.8**	**1.0**	**-0.1**	

Associated company RH Areenat Oy has been filed for bankruptcy during the financial year 2023.

ACCOUNTING PRINCIPLES

The accounting principles for associated companies are presented on page 63. On 11 June 2021, the Group published its updated strategy and financial targets for the strategy period 2022–2024. In connection with this, the Group classified its shareholding in Eezy Plc as an asset held for sale. The accounting principles for assets held for sale are presented on page 63.

4.5. INVENTORIES

MEUR	2023	2022
Restaurant goods inventory	7.7	5.6

In the reporting period, an expense of MEUR 92.5 (77.3) million was recognised in the income statement for materials and supplies and for changes in inventories.

ACCOUNTING PRINCIPLES

Inventories are measured according to their acquisition cost or their net realisable value, whichever is lower. Acquisition cost is determined using a weighted average price method. Acquisition cost includes the immediate expenses for the purchase less value added tax. The net realisable value is the estimated selling price that can be achieved during ordinary course of business less the costs of selling. Inventories include ingredients for restaurant food as well as alcohol and tobacco products.

4.6. RECEIVABLES

MEUR	2023	2022
Non-current receivables		
Loan receivables	0.2	0.2
Other receivables	2.0	1.8
Pitkäaikaiset saamiset yhteensä	**2.2**	**2.0**
Current receivables		
Trade receivables	15.6	12.7
Other receivables	3.5	2.7
Accrued income	20.2	6.1
Loan receivables	0.6	0.7
Income tax receivables	0.3	0.3
Current receivables total	**40.1**	**22.4**

Ageing of trade receivables

MEUR	2023	2022
Not due	12.7	10.5
Less than 3 months past due	2.3	1.5
More than 3 months past due	0.7	0.7
Total	**15.6**	**12.7**

ACCOUNTING PRINCIPLES

The accounting principles for sales are presented on page 65. Trade receivables are recorded in the books at the amount of the original sale. The principles of credit risk management are described on page 109. The Group applies the simplified model allowed by IFRS 9 to recognise impairment of trade receivables using a provision matrix. In addition, impairment is recognised if there is other evidence of the debtor's insolvency, bankruptcy or liquidation. Impairment is recognised as an expense in other operating expenses. If an item previously recognised as an expense is subsequently settled, it is recognised as a decrease in other operating expenses.

The most significant accrued income items consist of pension insurance, income tax, discount amortisation and advance items.

The carrying amounts of trade receivables and other receivables correspond to their fair value. The balance sheet values correspond to the best estimate of the monetary amount that is the maximum credit risk if the counterparties cannot fulfil their obligations related to the receivables. The fair values of receivables are presented on page 100

4.7. INCOME TAX, TRADE AND OTHER PAYABLES

MEUR	2023	2022
Income tax liabilities		
Tax based on the taxable income for the financial period	2.3	2.3
Non-current		
Advances received	1.5	1.1
Pension obligation	0.3	0.0
Transaction price liabilities	4.1	2.9
Other non-interest-bearing debt	8.2	2.0
Non-current trade and other payables total	**14.1**	**6.1**
Current		
Trade payables	33.1	21.4
Advances received	1.9	1.2
Accruals and deferred income		
Wage and salary liabilities	6.7	6.8
Holiday pay liabilities	10.3	8.3
Social security costs	3.6	1.8
Other accruals and deferred income	16.2	10.3
Other payables	9.4	8.0
Current trade and other payables total	**81.2**	**57.8**

ACCOUNTING PRINCIPLES

Trade payables arise when acquiring inventories, fixed assets and goods and services from the Group's suppliers. Trade payables are classified as current liabilities. Trade payables are initially recorded at fair value and subsequently measured at mortised acquisition cost. The book value of trade payables is considered to correspond to their fair value due to their short maturity. The fair values of trade payables and other liabilities are presented on page 100. The most significant items in accrued expenses consist of the periodic accrual of purchase invoices.

4.8. PROVISIONS

MEUR	2023	2022
Value at the beginning of the financial period	0.1	0.1
Increase	0.0	0.1
Provisions used	-0.1	-0.1
Value at the end of the financial period	**0.0**	**0.1**
Current portion	0.0	0.1

ACCOUNTING PRINCIPLES

A provision is recorded when the Group has a judicial and constructive obligation for payment on the basis of a past event, the realisation of the obligation is probable and the size of the obligation can be reliably estimated. The provisions mainly include termination costs for closed sites.

5. CAPITAL STRUCTURE AND RISK MANAGEMENT

5.1. CAPITAL MANAGEMENT

The aim of the Group's capital management (equity vs. credit capital) is to establish an optimal capital structure that can support business operations by ensuring normal operational prerequisites, and to increase shareholder value in the long term. The capital structure can be mainly affected by means of dividend distribution, subordinated loans and share issues.

The Group can also decide to sell its assets in order to reduce its liabilities. The managed capital is the equity indicated in the consolidated balance sheet. An optimal capital structure also reduces capital costs.

The development of the Group's capital structure is monitored by using the gearing ratio excluding IFRS 16 impact as the indicator.

Consolidated gearing ratios

MEUR	2023	2022
Liabilities	146.8	127.1
Receivables	-0.8	-0.9
Cash and cash equivalents	-11.3	-5.2
Net debt excluding the impact of IFRS 16	**134.6**	**121.0**
Liabilities for right-of-use assets	213.8	168.7
Net debt	**348.3**	**289.7**
Equity excluding the impact of IFRS 16	115.8	89.5
Equity	106.7	82.0
Gearing ratio excluding the impact of IFRS 16	**116.2**	**135.1**
Gearing ratio	**326.4**	**353.3**

5.2. NET DEBT RECONCILIATION CALCULATION

MEUR	2023	2022
Non-current financial liabilities	104.3	98.0
Current financial liabilities	42.5	29.1
Liabilities for right-of-use assets	213.8	168.7
Non-current other receivables	-0.8	-0.9
Cash and cash equivalents	-11.3	-5.2
Interest-bearing net financial liabilities total	**348.3**	**289.7**

2023	Assets		Liabilities			
MEUR	Cash and cash equivalents	Receivables	Current	Non-current	Right-of-use assets	Total
Net financial liabilities 1 January	**-5.2**	**-0.9**	**29.1**	**98.0**	**168.7**	**289.7**
Cash flow	-6.2	0.0	7.9	8.1	-34.2	**-24.3**
Reclassification of current part of non-current liabilities			4.7	-4.7	0.0	**0.0**
Increase		0.0	0.0	3.1	81.7	**84.8**
Other changes not involving payment		0.0	0.8	-0.2	-2.5	**-1.9**
Net debt, Group 31 December	**-11.3**	**-0.8**	**42.5**	**104.3**	**213.8**	**348.3**

2022	Assets		Liabilities			
MEUR	Cash and cash equivalents	Receivables	Current	Non-current	Right-of-use assets	Total
Net financial liabilities 1 January	**-6.4**	**-1.3**	**46.4**	**113.2**	**169.0**	**320.9**
Cash flow	1.2	0.4	3.4	-26.0	-30.0	-51.0
Reclassification of current part of non-current liabilities	0.0	0.0	-20.9	20.9	0.0	0.0
Increase	0.0	0.0	0.0	0.0	31.7	31.7
Decrease	0.0	0.0	0.0	0.0	-0.5	-0.5
Other changes not involving payment	0.0	0.1	0.2	-10.1	-1.6	-11.5
Net debt, Group 31 December	**-5.2**	**-0.9**	**29.1**	**98.0**	**168.7**	**289.7**

5.3. CLASSIFICATION AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Financial assets must be measured, after their initial recognition, at amortised acquisition cost or fair value based on the company's business model in terms of managing financial assets and on the characteristics of contractual cash flows relating to the financial assets.

Amortised acquisition cost

Financial instruments, which are held within a business model whose objective is collecting contractual cash flows and whose contractual cash flows are solely payments of principal and interest on the principal amount outstanding, are measured at the amortised acquisition cost after the initial recognition.

Measured at fair value through other comprehensive income

Financial instruments, which are held within a business model whose objective is reached through collecting contractual cash flows and selling debt instruments and whose cash flows are solely payments of principal and interest on the principal amount outstanding, are measured, after their initial recognition, at fair value through other comprehensive income (FVTOCI).

Fair value through profit or loss

All other debt and equity investments are measured after their initial recognition at fair value through profit or loss (FVTPL).

2023 MEUR	Level	Fair value through profit or loss	Amortised acquisition cost	Fair value through other comprehen-sive income	Fair value
Non-current financial assets					
Other investments	2	0.3			0.3
Loan receivables	2		0.2		0.2
Other receivables	2		2.0		2.0
Non-current financial assets total		**0.3**	**2.3**		**2.5**
Current financial assets					
Loan receivables	2		0.6		0.6
Trade and other receivables	2		39.5		39.5
Cash and cash equivalents	2		11.3		11.3
Current financial assets total			**51.5**		**51.5**
Carrying amount total		**0.3**	**53.7**		**54.0**
Non-current financial liabilities					
Financial liabilities	2		104.3		104.3
Liabilities for right-of-use assets			175.2		175.2
Liabilities for business	3		4.1		4.1
Other liabilities	2		10.0		10.0
Non-current financial liabilities total			**293.6**		**293.6**
Current financial liabilities					
Financial liabilities	2		42.5		42.5
Liabilities for right-of-use assets			38.6		38.6
Liabilities for business	3		1.6		1.6
Derivative financial instruments	2			0.8	0.8
Trade payables	2		33.1		33.1
Current financial liabilities total			**115.7**	**0.8**	**116.5**
Carrying amount total			**409.3**	**0.8**	**410.0**

2022 MEUR	Level	Fair value through profit or loss	Amortised acquisition cost	Fair value through other comprehen-sive income	Fair value
Non-current financial assets					
Other investments	2	0.3			0.3
Loan receivables	2		0.2		0.2
Other receivables	2		1.8		1.8
Non-current financial assets total		**0.3**	**2.0**		**2.3**
Current financial assets					
Loan receivables	2		0.7		0.7
Trade and other receivables	2		21.8		21.8
Cash and cash equivalents	2		5.2		5.2
Current financial assets total			**27.6**		**27.6**
Carrying amount total		**0.3**	**29.6**		**29.9**
Non-current financial liabilities					
Financial liabilities	2		98.0		98.0
Liabilities for right-of-use assets			137.9		137.9
Liabilities for business	3		2.9		2.9
Other liabilities	2		3.1		3.1
Non-current financial liabilities total			**241.9**		**241.9**
Current financial liabilities					
Financial liabilities	2		29.1		29.1
Liabilities for right-of-use assets			30.8		30.8
Liabilities for business	3		1.1		1.1
Trade payables	2		21.4		21.4
Current financial liabilities total			**82.4**		**82.4**
Carrying amount total			**324.3**	**0.0**	**324.3**

When determining the fair values for the financial assets and liabilities presented in the table, the following price quotations, assumptions and measurement models were used:

Financial assets measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss mainly comprise Finnish holdings and Finnish unquoted shares. Unquoted share investments are measured at fair value. Financial assets measured at fair value are either sellable on the secondary market or their measurement uses the bid price on the counterparty's closing date or other public information. The Group exercises judgement in choosing the measurement method to apply and the assumptions used in measurement based on prevailing market practices and circumstances.

Trade and other receivables and interest-bearing receivables

The amortised acquisition cost of the receivables corresponds to their fair value because the effects of discounting are not relevant when considering the maturity of the receivables.

Financial liabilities, trade payables and other liabilities

The amortised acquisition cost of trade and other payables corresponds to their fair value because the effects of discounting are not relevant when considering the maturity of the receivables.

Fair value hierarchy for financial assets measured at fair value

Level 1	The fair values are based on the quoted prices of similar asset items or liabilities on the market.
Level 2	The fair values for the instruments are based on significantly different input information than the quoted prices at level 1, but they are, nevertheless, based on information (i.e. prices) or indirect information (i.e. derived from prices). In determining the fair value of these instruments, the Group uses generally accepted measurement models whose input information is largely based on verifiable market data.
Level 3	The fair values of the instruments are based on input data concerning the asset item or liability that is not based on verifiable market data; instead, they are largely based on the management's estimates and their use in generally accepted measurement models.

If a balance sheet item is not measured at fair value, the following fair value measurement methods are used: the fair value of non-current interest-bearing liabilities, including their current portion, is based primarily on quotes obtained from third-party pricing services (Level 2). The fair value of other assets and liabilities, including loan assets and liabilities, is primarily based on discounted cash flow analysis (Level 2). The fair value of current assets and liabilities is estimated to correspond to their carrying amount due to the low credit risk and short maturity. There were no transfers between the fair value hierarchy levels 1, 2 and 3 during the financial period.

ACCOUNTING PRINCIPLES

Financial assets

The Group's financial assets are classified into the following groups according to the IFRS 9 standard: financial assets recognised at amortised acquisition cost and financial assets recognised at fair value through profit or loss. The classification is performed on the basis of the purpose of the acquisition of the financial assets, and they are classified during their original acquisition. An item belonging to financial assets is derecognised when the Group waives its contractual rights to the item, the rights are dissolved or the Group loses control of the item.

Financial assets recognised at amortised acquisition cost include financial assets which the company intends to retain until the end of the contract and whose cash flow is generated from payments of principal and interest income. Loans and other receivables are non-derivative financial assets that are generated by handing over goods, services or money to the debtor. Loans and receivables are not quoted on the marketplace, and the payments related to them are either fixed or they can be determined. Their measurement basis is the amortised acquisition cost using the effective interest method. On the balance sheet, they are included in the trade and other receivables group as current or non-current assets according to their nature; they are non-current if they fall due after more than 12 months.

Financial assets recognised at fair value through profit or loss include those financial assets that do not meet the criteria for other groups. The group of financial assets recognised at fair value through profit or loss includes financial assets that have been acquired to be held for trading, such as derivatives and interest funds, or that are classified to be recognised at fair value through profit or loss during their original recognition. Unrealised and realised gains and losses resulting from changes in fair value are recognised in the income statement for the financial period during which they are generated.

Transaction expenses are included in the original carrying amount of the financial assets mentioned above whenever the item is not measured at fair value. All purchases and sales of financial assets are entered on their trade date, which is the date when the Group commits to purchasing or selling the asset item.

An item belonging to financial assets is derecognised when the Group waives its contractual rights to the item, the rights are dissolved or the Group loses control of the item.

Financial liabilities

According to IFRS 9 standard, the Group's financial liabilities are included in the financial liabilities measured at amortised acquisition cost; they consist of loans from financial institutions, trade payables and other financial liabilities. Financial liabilities are initially recognised at fair value. Transaction expenses are included in the original carrying amount of the financial liabilities. Later, all financial liabilities are measured at amortised acquisition cost using the effective interest method. Financial liabilities are included in both the non-current and current liabilities. In addition, Group has derivative financial instruments which are measured at fair value through other comprehensive income and which are described on Note 5.7.

Impairment of financial assets

On each closing date, the Group estimates whether objective evidence exists of the impairment of an individual financial asset or a group thereof. The Group does not have investments that are measured at fair value through profit or loss.

The Group has applied an impairment model according to IFRS 9, where impairment is recognised based on expected credit losses. The Group implemented the simplified model enabled by the standard and applies the provision matrix.

Cash and cash equivalents

Cash and cash equivalents consist of cash money, money on bank accounts, bank deposits that may be withdrawn upon request, as well as other current and highly liquid investments that can be easily converted into a predetermined cash amount and that carry a low risk of value changes. Items classified as cash and cash equivalent have at most three months' maturity from the date of acquisition. Cash and cash equivalents are recorded at amortised acquisition cost on the balance sheet.

5.4. OTHER INVESTMENTS

Financial assets measured at fair value through profit or loss are non-current and they comprise unquoted EUR-denominated shares and holdings measured at fair value.

Financial assets measured at fair value through profit or loss

MEUR	2023	2022
Value at the beginning of the financial period	0.3	0.3
Value at the end of the financial period	**0.3**	**0.3**

The fair values of financial assets measured at fair value through other comprehensive income are presented on page 100. No financial assets have fallen due.

5.5. CASH AND CASH EQUIVALENTS

MEUR	2023	2022
Cash and bank accounts	11.3	5.2

There are no significant credit risk concentrations associated with cash and cash equivalents. The balance sheet values correspond to the best estimate of the monetary amount that is the maximum credit risk if the counterparties cannot fulfil their obligations related to the receivables.

5.6. 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 covenant terms of the financing agreement of the Group´s parent company relate to the specific financial key figures, which are interest-bearing net liabilities / operational EBITDA (12 months) and equity ratio percentage (excluding IFRS 16 liabilities). In addition, the agreement has customary terms related to guarantees, investments, and group reorganisations.

As part of the BBS arrangement completed in the reporting period, the company negotiated a MEUR 20.5 financing package for Better Burger Society Group subgroup. The negotiated, separate financing package is completely for the use of BBS subgroup and is separated from the other financing of NoHo Partners. Customary key figures, that partly deviate from the ones of the parent company, are applied in the covenant review of BBS subgroup financing. The covenant terms of the financing agreement relate to the specific financial key figures, which are leverage ratio and interest cover. In addition, the agreement has customary terms related to guarantees, investments, and group reorganisations.

Covenant review is carried out on quarterly basis and the company fulfilled the covenants imposed.

MEUR	2023	2022
Non-current financial liabilities measured at amortised acquisition cost		
Loans from financial institutions, non-current proportion	104.3	98.0
Liabilities for right-of-use assets	175.2	137.9
Total	**279.5**	**235.9**
Current financial liabilities measured at amortised acquisition cost		
Loans from financial institutions, current proportion	42.5	29.1
Liabilities for right-of-use assets	38.6	30.8
Total	**81.1**	**59.9**

Security information of loans from financial institutions on page 107.

Maturity of interest-bearing financial liabilities, excluding liabilities for right-of-use assets

MEUR	2023	2022
Less than 1 year	28.8	20.1
1 to less than 2 years	17.4	13.4
2 to 5 years	85.9	83.6
More than 5 years	1.0	1.0
Total	**133.1**	**118.0**
Account limits in use *	13.6	9.0
Total	**146.7**	**127.1**

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

The Group's loans from financial institutions mainly have a variable interest rate, and the loans are priced every 6–12 months.

Maturity distribution of interest on financial liabilities

2023 MEUR	Less than 1 year	1-2 years	2–5 years	More than 5 years
Interest on financial liabilities	7.7	6.7	4.0	0.8

2022 MEUR	Less than 1 year	1-2 years	2–5 years	More than 5 years
Interest on financial liabilities	6.6	5.8	6.4	0.3

Trade payables and liabilities for right-of-use assets, maturity distribution

2023 MEUR	Transaction price liabilities	Trade payables	Liabilities for right-of-use assets	Total
Less than 1 year	1.6	33.1	47.6	82.2
1 to less than 2 years	0.0	0.0	42.9	42.9
2 to 5 years	4.1	0.0	84.1	88.3
More than 5 years	0.0	0.0	82.9	82.9
Total repayments	**5.7**	**33.1**	**257.5**	**296.3**
Discounted balance	5.6	33.1	213.7	252.5

2022 MEUR	Transaction price liabilities	Trade payables	Liabilities for right-of-use assets	Total
Less than 1 year	1.1	21.4	37.3	59.9
1 to less than 2 years	1.6	0.0	34.2	35.7
2 to 5 years	1.3	0.0	68.6	69.9
More than 5 years	0.0	0.0	62.0	62.0
Total repayments	**4.0**	**21.4**	**202.1**	**227.5**
Discounted balance	3.9	21.4	168.7	194.0

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

On 31 December 2023, the Group's cash and cash equivalents totalled MEUR 11.3 and the unwithdrawn loan and account limits available to the Group amounted to MEUR 4.8. After the reporting period in January NoHo Partners sold its shareholding in Eezy Plc (5 052 856 shares) for a share price of EUR 1.425. The sale price deviated from the share price at the end of the reporting period (1.67) by EUR 0.245. Due to the arrangement the net debt of the Company declined by MEUR 7.2.

On page 61 there is a description of financial and liquidity risks as well as measures to prepare for them and mitigate them.

5.7. DERIVATIVE INSTRUMENTS AND HEDGE ACCOUNTING

Nominal and fair values of derivative instruments at the end of the financial year

2023 MEUR	Nominal value	Fair value, receivables	Fair value, liabilities	Fair value, net	Due date
Interest rate and currency swaps	13.0	0.0	0.8	12.2	16.8.2027
Total	**13.0**	**0.0**	**0.8**	**12.2**	

Maturity distribution of derivative instruments

2023 MEUR	Nominal value	Less than 1 year	1-2 years	2–5 years	More than 5 years
Interest rate and currency swaps	13.0	1.7	2.0	9.3	0.0
Total	**13.0**	**1.7**	**2.0**	**9.3**	**0.0**

ACCOUNTING PRINCIPLES

NoHo Partners Plc applies cash flow hedge accounting to certain interest rate and currency swaps, which relate to the financing arrangements of BBS-subgroup. In hedge accounting the change in fair value of derivative financial instruments is recognised in hedging fund in equity to the extent hedging is considered effective. The non-effective part of hedging instrument is to be recognised in income statement. The Group management has assessed the sources of non-effectiveness of hedging and concluded that the hedging is effective in full and thus, the whole change in fair value can be recognised in hedging fund in equity and in derivative financial instruments liabilities/receivables.

The aim of hedging has been to change the variable interest rate of certain BBS-subgroup loans to fixed interest rate and to hedge the future cash flows from currency exchange movements. As the critical terms of the hedged items and the derivative financial instruments match each other an economic relationship between the hedged items and the derivative financial instruments can be proofed. When the critical terms match each other the derivative financial instrument and the hedged item move into opposite directions.

5.8. CONTINGENT LIABILITIES AND ASSETS AND COMMITMENTS

MEUR	2023	2022
Liabilities with guarantees included on the balance sheet		
Loans from financial institutions, non-current	103.4	96.9
Loans from financial institutions, current	30.7	22.4
Total	**134.1**	**119.3**
Guarantees given on behalf of the Group		
Collateral notes secured by a mortgage	60.9	37.3
Real estate mortgage	4.0	5.1
Subsidiary shares	126.9	106.9
Other shares	8.5	16.0
Bank guarantees	9.4	9.7
Other guarantees	1.4	3.1
Total	**211.1**	**178.1**
Purchase commitments		
Eezy Plc	16.9	33.4
Contingent transaction prices	3.8	3.2

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

ACCOUNTING PRINCIPLES

A provision is recognised when the Group has a judicial or constructive obligation for payment on the basis of a past event, the realisation of the obligation is probable and the size of the obligation can be reliably estimated. Provisions are measured at the present value required to cover the obligation. The provision amounts are estimated on each closing date, and their amounts are adjusted to correspond to the best possible estimate at the moment of inspection.

A provision is recognised for a contract that generates a loss when the necessary expenditures required to fulfil the obligations outweigh the benefits received from the contract.

A contingent liability is a possible liability arising from past events whose existence will only be confirmed if an uncertain event outside the Group's control is realised. A present obligation that is not likely to cause a payment obligation or whose size cannot be reliably determined, is also considered to be a contingent liability. Contingent liabilities are presented in the notes.

5.9. FINANCIAL INCOME AND EXPENSES

MEUR	2023	2022
Financial income		
Interest income	0.5	0.1
Dividend income	0.8	0.8
Other financial income	2.3	0.9
Total	**3.5**	**1.8**
Finance costs		
Impairment on shares in associated companies	-7.9	-4.5
Impairment on receivables	-0.4	-0.5
Interest expenses on financial liabilities	-8.7	-7.4
Impairment of Eezy Plc shares	-8.0	-10.4
Change in value of additional purchase price	-0.2	-0.8
Other interest expenses	-0.5	-0.4
Unrealised exchange rate loss	-0.1	0.0
Other finance costs	-0.8	-0.2
Total	**-26.5**	**-24.3**
Finance costs - net	**-23.0**	**-22.5**

ACCOUNTING PRINCIPLES

Interest income is recognised using the effective interest rate method and dividend income when the right to dividend is generated.

Borrowing costs are recognised as an expense for the period during which they were generated. Transaction costs accrued from the acquisition of loans are recognised as interest expenses using the effective interest rate method.

5.10. FINANCIAL RISK MANAGEMENT

Risk management principles and process

The Group and its operating activities are exposed to certain financial risks. A key principle of the Group's risk management is the unpredictability of the financial markets and the aim to minimise its adverse effects on the Group's net income. The Group's financial management identifies, estimates and tracks risks and, whenever necessary, acquires the instruments to hedge the Group against the risks.

The Group's financing policy guides all of its financing transactions. The main risks associated with the financing market are explained below.

Interest rate risk

Interest rate risk means the risk of variations in the fair value of a financial instrument or in future cash flows due to changes in market rates of interest. The Group's interest rate risk is mainly caused by non-current loans that have been taken out with a variable interest rate. The Group hedges against the interest rate risk of the BBS-subgroup financing arrangement. The interest rates for loans vary mainly according to the 6–12 month Euribor rates plus margins of 2.0–3.65%.

The potential one percentage point increase in interest rates in the 2024 interest review would lead to a MEUR 0.8 increase in interest expenses in the Group.

The Group's income and operating cash flows are mostly independent of the variations in the market rates of interest. The Group's main exposure to the interest rate risk is a result of the variable interest rates, and the risk is mainly considered to relate to the loan portfolio. On the closing date, the majority of the Group's loans had variable interest rates. Hedging of the Group´s interest rate risk is described on Note 5.7.

Liquidity risk

Liquidity risk is related to ensuring and maintaining sufficient funding for the Group. The Group strives to constantly assess and track the amount of funding required by the business, for example by performing a monthly analysis of the utilisation rate of the restaurants, the development of sales and investment needs, in order to ensure that the Group has sufficient liquid assets to fund the operations and repay loans that fall due. The Group’s management team analyses the need for possible additional financing.

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. The Group's financing activities determine the optimum cash liquidity.

At the end of December 2023, the Group’s current financial liabilities amounted to MEUR 42.5 (29.1). Current financial liabilities at the balance sheet date include MEUR 10.0 commercial paper programme due in the first and second quarter of 2024.

At the end of the year, cash and cash equivalents amounted to MEUR 11.3 (5.2), in addition to which the Group had access to undrawn confirmed account credit limits amounting to approximately MEUR 4.8 (3.6). After the reporting period in January NoHo Partners sold its shareholding in Eezy Plc (5 052 856 shares) for a share price of EUR 1.425. Due to the arrangement the net debt of the Company declined by MEUR 7.2.

The average annual interest rate for the Group's gross interest-bearing liabilities in 2023 was approximately 6.02% (3.46).

The most important loan covenants are reported to the creditors each quarter. If the Group violates the terms of the loan covenant, the creditor may require faster repayment of the loans. The management regularly monitors the fulfilment of the loan covenant terms. The Group met the loan terms at the date of the financial statements.

The Group's management has not identified any significant concentrations of liquidity risk in financial assets or sources of financing.

Credit risk

Credit risk is the risk that one party to a financial instrument is unable to meet its obligations, thereby creating a financial loss for the other party. The Group's operating procedures define the creditworthiness requirements for the customers' counterparties. The primary method of payment within the Group is cash. The credit risk management and credit control have been centralised to be handled by the Group's financial management.

As regards receivables, the Group does not have any material credit risk concentration, since the receivables consist of several items. Risks related to trade receivables and other receivables are minimised using short payment terms, customer-specific monitoring of trade receivables and effective collection.

The provision matrix is established based on the age distribution of the open trade receivables and other receivables by using the percentages determined by the Group.

Credit loss allowance for trade and other receivables

2023 MEUR	Balance sheet value 31 Dec	Provision percentage, %	Credit loss	Balance sheet value 1 Jan	Provision percentage, %	Credit loss
Not due	15.1	0.2	0.0	13.3	0.2	0.0
Due, 1–30 days	1.6	0.8	0.0	1.7	0.8	0.0
Due, 31–60 days	0.2	1.5	0.0	-0.1	1.5	0.0
Due, 61–90 days	0.2	12.0	0.0	0.1	12.0	0.0
Due, 91–180 days	0.1	20.0	0.0	0.2	20.0	0.0
Due, more than 180 days	0.6	85.0	0.5	0.8	85.0	0.7
Total	**17.7**		**0.6**	**15.9**		**0.7**

2022 MEUR	Balance sheet value 31 Dec	Provision percentage, %	Credit loss	Balance sheet value 1 Jan	Provision percentage, %	Credit loss
Not due	13.3	0.2	0.0	7.1	0.2	0.0
Due, 1–30 days	1.7	0.8	0.0	0.7	0.8	0.0
Due, 31–60 days	-0.1	1.5	0.0	0.1	1.5	0.0
Due, 61–90 days	0.1	12.0	0.0	0.0	12.0	0.0
Due, 91–180 days	0.2	20.0	0.0	0.0	20.0	0.0
Due, more than 180 days	0.8	85.0	0.7	1.0	75.0	0.7
Total	**15.9**		**0.7**	**8.9**		**0.7**

The maturity distribution of the receivables is presented on page 96.

The balance sheet values of the receivables correspond to the best estimate of the monetary amount that is the maximum credit risk if the counterparties cannot fulfil their obligations related to the receivables.

Currency risk

Currency risk refers to profit, balance sheet and cash flow uncertainty due to changes in currency exchange rates. The Group is subjected to a translation risk in relation to the Norwegian krone and the Swiss franc. Unlike the Danish krone, the Norwegian krone and Swiss franc are not fixed against the euro, which is the Group's home currency. While the exchange rate of the Danish krone is fixed against the euro, it may fluctuate 2.25% in either direction. Hedging of the Group´s currency risk is described on Note 5.7.

Effective from 1 April 2022, the company classified intra-group loans as net investments for which no repayment period has been defined. Starting from the date of classification, exchange rate differences related to the loans are recognised in translation differences in equity. The subsidiaries' intragroup loans and deposits are denominated in the subsidiaries' home currencies as well as in euros. The Group does not hedge intragroup loans, deposits or the subsidiaries' equity. The Group´s parent company and its Finnish subsidiaries do not have material liabilities or receivables in Swiss francs from Switzerland, due to which the company views that it doesn't have any material currency risk.

The Group´s business mainly takes place in the home currency of each country. Expenses and purchases materialise mainly in the local functional currency.

The subsidiaries' intragroup loans and deposits are denominated in the subsidiaries' home currencies as well as in euros. The conversion of the subsidiaries' equity into euros resulted in a translation difference of MEUR -0.6 (-1.1) in the financial year.

KEY ESTIMATES AND JUDGEMENTS

The risks related to the trade receivables and other receivables are minimised by means of terms of payment of the receivables, customer-specific monitoring of trade receivables, effective collection and checking of customers' creditworthiness requirements and, in part, also through various collateral arrangements. The management actively monitors the development of significant customer balances. Estimates and judgement are required in determining the value of loss allowances at each reporting date. When determining loss allowances, the management specifically analyses trade receivables and historical losses, customer concentrations, customer creditworthiness, past due balances, current trends and changes in customer payment terms. In addition to past events and current conditions, reasonable and justifiable forecasts affecting collectability are considered when determining the amount of loss allowances.

5.11. EQUITY

NoHo Partners Plc has one series of shares where all shares carry an equal right to dividends. One share equals one vote at the general meeting. NoHo Partners Plc had 20,975,678 shares on the closing date. The share has no nominal value.

2023 MEUR	31.12.	1.1.
Shares, 1,000 pcs	20,975,678	20,699,801
Share capital	0.2	0.2
Hedging reserve	-0.6	0.0
Invested unrestricted equity fund	71.7	70.2
Translation differences	-1.8	-1.2
Retained earnings	8.6	5.6
Non-controlling interests	28.7	7.2
Total equity	**106.7**	**82.0**

2022 MEUR	31.12.	1.1.
Shares, 1,000 pcs	20,699,801	19,222,270
Share capital	0.2	0.2
Invested unrestricted equity fund	70.2	58.4
Translation differences	-1.2	0.1
Retained earnings	5.6	5.7
Non-controlling interests	7.2	5.0
Total equity	**82.0**	**69.4**

All of the issued shares have been paid for.

Outstanding shares

shares	2023	2022
1 January	20,699,801	19,222,270
Share issue 27.1.2022	0	40,503
Share issue 1.7.2022	0	170,728
Subscription for shares based on special rights in 2022 and 2023	106,877	1,266,300
Share issue 25 September 2023	169,000	0
31 December	**20,975,678**	**20,699,801**

Invested unrestricted equity fund

The invested unrestricted equity fund includes other equity convertible investments and the portion of the share subscription price that is not recognised in the share capital according to a specific decision.

MEUR	2023	2022
1 January	70.2	58.4
Share issue	1.5	1.7
Unrestricted equity reclassification	0.0	10.2
31 December	**71.7**	**70.2**

Special share issues

During the financial year the company carried out special share issues in connection to the acquisition of the shares of Scene og Pubdrift AS and Klingenberg Bardrift AS. In comparison year part of the convertible capital loan of Tesi was converted into shares in the company based on the special rights on 13 May 2022.

Dividends

The Annual General Meeting held on 19 April 2023 approved the Board's proposal to distribute a dividend of EUR 0.40 per share based on the adopted balance sheet of the financial period ending 2022 on shares owned by external shareholders at the time of dividend payment.

NoHo Partners Plc's Board of Directors proposes to the Annual General Meeting convening on 10 April 2024 that, a dividend of EUR 0.43 (0.40) per share will be paid based on the adopted balance sheet of the financial period ending on 31 December 2023.

The Board of Directors proposes that the dividend shall be paid in three instalments. The first instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 May 2024. The payment date proposed by the Board of Directors for this instalment is 16 May 2024.

The second instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 August 2024. The payment date proposed by the Board of Directors for this instalment is 15 August 2024.

The third instalment of EUR 0.15 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 7 November 2024. The payment date proposed by the Board of Directors for this instalment is 14 November 2024.

At the time of the financial statements on 31 December 2023, the total number of shares was 20,975,678.

Authorisation to purchase the company's own shares

The AGM of 19 April 2023 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 3.9% 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 on 19 April 2023 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 14.5% 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 281,828 shares may be issued for the implementation of the company's incentive schemes, which corresponds to approximately 1.4% 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.

ACCOUNTING PRINCIPLES

Share capital consists solely of ordinary shares. The immediate expenditure from the issue or acquisition of new shares or other equity instruments less any tax is recorded as equity, wherein it reduces the purchase consideration received for the issue. If the company buys back its equity instruments, the acquisition cost of the instruments is deducted from equity.

Liability for dividend distribution to the Group's shareholders is recorded for the period during which the general meeting approved the dividend.

6. OTHER NOTES

6.1. SPECIFICATION OF NON-CASH TRANSACTIONS

Non-cash transactions

MEUR	2023	2022
Change in provisions	-0.1	0.1
Write-off of trade receivables	0.2	0.2
Sale of fixed assets	-0.3	-0.7
Share-based incentive plan	0.6	1.3
Rent concessions, Covid-19	0.0	-0.5
Other adjustments	-0.3	0.5
Total	**0.2**	**0.9**

6.2. SHARES IN SUBSIDIARIES AND ASSOCIATED COMPANIES

The group structure is presented in below table so, that the ownership interest marked after the company in indentation presents the ownership interest of its parent company.

Group companies	Domicile	Ownership interest, %
Beaniemax Oy	Tampere	80
Better Burger Society Group Oy	Helsinki	53
Better Burger Society Oy	Helsinki	100
Friends & Brgrs Ab Oy	Pietarsaari	100
Friends & Brgrs Germany GmbH	Hamburg	100
Friends & Brgrs Denmark AS	Copenhagen	100
HC MidCo Oy	Helsinki	76
HC BidCo Oy	Helsinki	100
Finago SA	Lausanne	100
Finago Franchising Sàrl	Fribourg	100
Finago Consulting Sàrl	Lausanne	100
Holy Cow! HR Sàrl	Lausanne	100
Holy Cow ! Gourmet Burger Company SA	Lausanne	100
Holy Cow ! Basel AG	Basel	100
Chogo Biel AG	Biel/Bienne	100
AFR SA	Fribourg	100
Chogo Group Holding SA	Lausanne	100
Central Central Swiss Trading Sàrl	Fribourg	100
Holy Cow Suisse Romande Sàrl	Fribourg	100
Holy Cow Ecublens Sàrl	Ecublens	100
Holy Cow Langstrasse Zürich GmbH	Zürich	100
Holy Cow Winterthur GmbH	Winterthur	100
Parsaco Food Courts GmbH	Zürich	100
Holy Cow ! TS GmbH	Luzern	100
Camping Minigolf Oy	Helsinki	100
Commodus Oy	Tampere	70
Dinnermax Oy	Tampere	100
El Rey Group Oy	Tampere	60
Fatmax Oy	Helsinki	75
Gastromax Oy	Tampere	100
Pyynikin Brewery Restaurants Oy	Tampere	85
Hankinta Unioni Oy	Tampere	60
Harry's Ravintolat Oy	Helsinki	100
Italpal Oy	Tampere	100
Kampin Sirkus Oy	Tampere	90
Katang MGMT Oy	Helsinki	55
Koskimax Oy	Tampere	60
Latitude 25 OY	Helsinki	78
Levin Ravintolakatu Oy	Helsinki	100
Local Brewery Restaurants Oy	Helsinki	70
Lumo Laukontori Oy	Tampere	100
Max Consulting Oy	Tampere	100
Nordic Gourmet Oy	Kangasala	100
Northmax Oy	Tampere	70
Nunc est Bibendum Oy	Helsinki	100

Group companies	Domicile	Ownership interest, %
Poolmax Oy	Tampere	80
Priima-Ravintolat Oy	Tampere	100
PurMax Oy	Tampere	60
Rengasravintolat Oy	Tampere	100
Restala Oy	Helsinki	100
Unioninkadun Keidas Oy (NoHo Partners Oyj 18%)	Helsinki	82
Restaykkönen Oy	Helsinki	100
Restakakkonen Oy	Helsinki	100
Restakolmonen Oy	Helsinki	100
Rivermax Oy	Tampere	72
Tillikka Oy	Tampere	80
RR Holding Oy	Helsinki	100
Royal Ravintolat Oy	Helsinki	100
Aunt Florentine's Oyster Oy	Helsinki	70
Financier Group Oy	Helsinki	73
Mother of Pearl Oy	Tampere	100
Pihka Ravintolat Oy	Helsinki	100
Ravintolat F9 Oy	Helsinki	70
Pihka Ravintolat Oy	Kauniainen	100
Ravintolat F9 Oy	Helsinki	75
Yes Yes Yes Oy	Tampere	70
Sea Horse Oy	Helsinki	100
Shinobi Group Oy	Tampere	70
Somax Oy	Tampere	100
Soolo Max Oy	Tampere	70
SRMax Oy	Tampere	85
Stadin Night Oy	Helsinki	60
Helsingin Kaivohuone Oy	Helsinki	100
Suomen Diner Ravintolat Oy	Tampere	100
Suomen Karaokebaarit Oy	Tampere	51
Suomen Koukkuravintolat Oy	Tampere	90
Espoon Koukkoravintolat Oy	Tampere	90
Jyväskylä Koukkuravintolat Oy	Tampere	90
Lahden Koukkuravintolat Oy	Tampere	90

Group companies	Domicile	Ownership interest, %
Suomen Ravintolatoimi Oy (Max Consulting Oy 42 %)	Jyväskylä	58
Bistromax Oy	Tampere	70
Suomen Siipiravintolat Oy	Tampere	85
SushiBarWine Oy	Helsinki	75
Taikinapojat Oy	Helsinki	100
Tunturimax Oy	Tampere	76
Ski or Die Oy	Helsinki	80
Urban Expo Oy	Helsinki	100
NoHo International Oy	Tampere	99
NoHo Norway AS	Oslo	86
Christian August AS	Oslo	54
Complete Security AS	Oslo	91
Kjos Renhold AS	Oslo	96
Cosmopolitan AS	Drammen	100
DOD AS	Oslo	100
Dubliners AS	Oslo	100
Eilefs Landhandleri AS	Oslo	100
Emmas Drift As	Tromssa	100
Kulturhuset i Oslo AS	Oslo	95
YGT3 AS	Oslo	100
Youngs AS	Oslo	100
Lab Drift AS	Oslo	100
M12 mor AS	Oslo	77
M12 Datter AS	Oslo	100
M12 Bergen AS	Oslo	100
M12 Kristiansand AS	Oslo	100
M12 Stavanger AS	Stavanger	100
M12 Tromsø AS	Tromssa	91
M12 Trondheim AS	Trondheim	100
MEO AS	Oslo	100
Mexico Torshov AS	Oslo	100
Nieu Soria moria AS	Oslo	55
NoHo Skagstind Holding AS	Oslo	70
Countryfestivalen AS	Vinstra	100

Group companies	Domicile	Ownership interest, %
Klingenberg Bardrift AS	Oslo	100
Scene og Pubdrift AS	Oslo	100
TW Rover AS	Oslo	100
Øslo AS	Oslo	90
Rådhuskroken AS	Oslo	100
SBF AS	Oslo	100
Tøyen Kulturhus AS	Oslo	100
Nordic Hospitality Partners Denmark A/S	Copenhagen	75
Chicks by Chicks Tivoli ApS	Copenhagen	84
Camping Denmark ApS	Copenhagen	100
Camping Malmö AB	Malmö	100
Cock's & Cows ApS	Copenhagen	100
Cock's & Cows CPH Airport ApS	Copenhagen	100
Luca Lyngby ApS	Kongens Lyngby	100
Ruby Group Holding ApS	Copenhagen	100
Bronnum ApS	Copenhagen	99
Ebony & Ivory ApS	Copenhagen	100
Lidkoeb ApS	Copenhagen	100
The Bird Mother ApS	Copenhagen	100
Luca Gl. Strand ApS	Copenhagen	100
The Bird ApS	Copenhagen	100

Merging company	Receiving company
Rock Hard Catering Oy	Priima-Ravintolat Oy
Royal Konseptiravintolat Oy	Royal Ravintolat Oy
Skohan Oy	NoHo Partners Oyj
Christiania Drift AS	NoHo Norway AS
GG Drift AS	NoHo Norway AS
NoHo Trøbbelskyter AS	NoHo Norway AS
Solstikk AS	NoHo Norway AS
Tøyen Bakeri og Kaffehus AS	Kulturhuset i Oslo AS
Cocks & Cows Tisvilde ApS	Cocks & Cows ApS
The Bird Kødbyen ApS	The Bird Mother ApS

Associated companies	Domicile	Ownership interest
Repa Service Oy	Tampere	30
Torggata Camping AS	Drammen	33

The accounting principles for associated companies are presented on page 63. On 11 June 2021, the Group published its updated strategy and financial targets for the strategy period 2022–2024. In connection with this, the Group decided to classify its shareholding in Eezy Plc as an asset held for sale. The accounting principles for assets held for sale are presented on page 63.

Share of the most significant minority shareholders

MEUR	Ownership interest, %		Share of profit for the financial period		Share of capital	
	2023	2022	2023	2022	2023	2022
Better Burger Society Group Oy alakonserni, Helsinki	47	-	0.2	-	22.1	-
NoHo Norway AS alakonserni, Oslo	14	14	0.4	0.6	2.8	2.7
Nordic Hospitality Partners Denmak A/S alakonserni, Copenhagen	25	25	0.3	0.1	0.8	1.1

Group´s most significant minority shareholders relate to the international business segment, whose financial information is presented on Note 2.2.

6.3. RELATED PARTY TRANSACTIONS

Parties are considered to be related when one party can exercise control, shared control or significant influence over the other in decision-making involving its finances and operating activities. 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 and the CFO 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.

The management's employee benefits

The management's employee benefits are presented on a cash basis.

2023 MEUR	CEO Aku Vikström	Other Executive Team members	Total
Salaries and fringe benefits	0.7	1.1	**1.7**
Total	**0.7**	**1.1**	**1.7**

2022 MEUR	CEO Aku Vikström	Other Executive Team members	Total
Salaries and fringe benefits	0.3	0.8	**1.2**
Total	**0.3**	**0.8**	**1.2**

The Group's Executive Team consists of Aku Vikström, Jarno Suominen, Jarno Vilponen and Tuomas Piirtola.

The Board of Directors of NoHo Partners Oyj resolved on 3 May 2023 on a directed share issue without payment to the key employees of the company in order to pay the reward for the third earning period of the long-term share-based incentive plan from 1 December 2021 to 31 March 2023. The share issue resolution is based on the authorization given by the Annual General Meeting on 19 April 2023. The stock exchange release concerning the longterm share-based incentive plan for the key employees has been published on 30 November 2018 with information also available on the company's web page. A total of 106 877 new shares were issued without payment in the share issue to 8 key employees participating in the share-based incentive plan. As a result of the share issue the total number of shares in NoHo Partners Plc is 20 806 678.

The Board of Directors of NoHo Partners Oyj has on 28 February 2024 resolved on a directed share issue without payment to the CEO of the company and to the deputy of the CEO in order to pay the delayed earned reward for the third earning period that ended on 31 March 2023 of the long-term share-based incentive plan. The share issue resolution is based on the authorization given by the Annual General Meeting on 19 April 2023. The stock exchange release concerning the long-term share-based incentive plan for the key employees has been published on 30 November 2018 with information also available on the company's web page.

A total of 34 037 new shares were issued without payment in the share issue related to the share-based incentive plan. As a result of the share issue the total number of shares in NoHo Partners Oyj will be 21 009 715. MEUR 0.6 has been previously recognised as expenses and the payment of the reward will not have an impact on the income statement in financial year 2024.

On 22 December 2022, NoHo Partners Plc announced the fourth earning period of the longterm share-based remuneration scheme for key personnel. The fourth earning period is 24 months, starting on 1 January 2023, and ending on 31 December 2024.The reward criteria for the fourth earning period are based on NoHo Partners Plc's profitable growth. There are ten participants in the long-term incentive plan's fourth earning period.

A maximum of 280,420 reward shares could be awarded for the fourth earning period. The value of the maximum reward at the average share price on the trading day on 21 December would be approximately EUR 2.0 million. The Board of Directors estimates that if the reward is fully paid in new shares, the maximum dilutive effect on the number of the company's registered shares for the fourth earning period is 1.34%.

Costs from the share-based incentive plan are recognised as staff expenses over time and in equity under earnings.

The share-based incentive scheme is presented in more detail on Notes 2.7..

The CEO's pension commitments and termination compensation

The Chief Executive Officer is covered by the Employees Pensions Act that offers pension security based on the time of service and earnings in the manner defined in the Act. According to the CEO's contract, the CEO will retire without separate notice upon reaching the retirement age of 63, unless otherwise agreed between both parties in advance. The Chief Executive Officer's accrued pension costs for the financial period were EUR 65.4 thousand.

The period of notice for the CEO is six (6) months for both the CEO and the company. In addition to the pay for the term of notice, the CEO is entitled to compensation equalling six (6) months' salary if the company dismisses the CEO for any reason other than serious misconduct, criminal offence or similar.

Fees for the Board of Directors

2023 EUR thousands	Annual remuneration	Committee meeting fees	Other financial benefits*	Total
Timo Laine, Chairman of the Board of Directors	55.0	2.2	117.6	174.8
Yrjö Närhinen, Vice-Chairman of the Board of Directors	41.3	4.4	11.1	56.8
Kai Seikku, member of the Board of Directors	27.5	6.6	0.0	34.1
Petri Olkinuora, Vice-Chairman of the Board of Directors	27.5	3.3	0.0	30.8
Mika Niemi, member of the Board of Directors	27.5	0.0	20.0	47.5
Mia Ahlström, Member of the Board of Directors	27.5	2.2	0.0	29.7
Total	**206.3**	**18.7**	**148.7**	**373.7**

2022 EUR thousands	Annual remuneration	Committee meeting fees	Other financial benefits*	Total
Timo Laine, Chairman of the Board of Directors	40.0	1.2	105.8	147.0
Yrjö Närhinen, Vice-Chairman of the Board of Directors since 27.4.2022	20.0	2.4	15.0	37.4
Kai Seikku, member of the Board of Directors since 27.4.2022	13.3	2.4	0.0	15.7
Petri Olkinuora, member of the Board of Directors	23.3	1.2	0.0	24.5
Mika Niemi, member of the Board of Directors	20.0	0.0	0.0	20.0
Mia Ahlström, Member of the Board of Directors	20.0	1.2	0.0	21.2
Saku Tuominen, member of the Board of Directors till 27.4.2022	6.7	0.0	0.0	6.7
Tomi Terho, member of the Board of Directors till 27.4.2022	6.7	0.0	0.0	6.7
Total	**150.0**	**8.4**	**120.8**	**279.2**

* Includes consultant fees of TEUR 148,7 (120,8) paid to the member of the Board of Directors. These are treated as purchases in the related party transactions table.

Transactions with related entities

MEUR	2023	2022
Sales	0.3	0.1
Lease costs	0.3	0.4
Purchases	17.1	18.1
Receivables	0.1	0.1
Liabilities	2.1	2.0

Sales to related entities comprise restaurant sales. Purchases from related entities include, for example, labour hire, renovation and business premises expenses as well as costs of equipment and equipment maintenance. The Group has also leased premises from related parties.

Transactions with Eezy PLC (included in the table afore)

MEUR	2023	2022
Sales	0.3	0.1
Purchases	16.5	16.3
Liabilities	2.1	1.9

6.4. LEGAL CASES

The Company has two ongoing legal cases with no material financial risk related to neither of them.

6.5. SIGNIFICANT EVENTS AFTER THE FINANCIAL STATEMENTS DATE

The company divested its ownership in Eezy Plc

In January, NoHo Partners divested its shareholding in Eezy Plc (5,052,856 shares) at a price of EUR 1.425 per share. The share price differed from the price per share at the closing date (1.67) by EUR 0.245 per share. The sales loss of EUR 1.2 million resulting from the changes in fair value has been recorded in the financial expenses of the income statement in 2024. As a result of the completed arrangement, the net liabilities decreased by EUR 7.2 million.

The Board of Directors of NoHo Partners Oyj has resolved on a directed share issue without payment to the company's key employees based on the share-based incentive plan

On 28 February 2024, NoHo Partners Plc announced that the Board of Directors of the company resolved on a directed share issue without payment to the CEO of the company and to the deputy of the CEO in order to pay the delayed earned reward for the third earning period that ended on 31 March 2023 of the long-term share-based incentive plan. The share issue resolution is based on the authorization given by the Annual General Meeting on 19 April 2023. A total of 34 037 new shares were issued without payment in the share issue related to the share-based incentive plan. As a result of the share issue the total number of shares in NoHo Partners Oyj will be 21 009 715. The new shares were registered with the Trade Register on 4 March 2024. The new shares are admitted to trading on the official list of Nasdaq Helsinki Ltd.

6.6. NEW AND AMENDED STANDARDS APPLICABLE IN FUTURE ACCOUNTING PERIODS

According to the judgement of the Group Management the changes will not have a material effect on the financial statements.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases (effective for financial years beginning on or after 1 January 2024, early application is permitted)

The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since the implementation of IFRS 16 in 2019.

Amendments to IAS 1 Presentation of Financial Statements *: Classification of Liabilities as Current or Non-current Date; Classification of Liabilities as Current or Non-current – Deferral of Effective Date; Non-current Liabilities with Covenants (effective for financial years beginning on or after 1 January 2024, early application is permitted)

The amendments are to promote consistency in application and clarify the requirements for determining if a liability is current or non-current. The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. The amendments require to disclose information about these covenants in the notes to the financial statements. The amendments also clarify transfer of a company's own equity instruments is regarded as settlement of a liability. Liability with any conversion options might affect classification as current or non-current unless these conversion options are recognized as equity under IAS 32.

Supplier Finance Arrangements – Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures * (effective for financial years beginning on or after 1 January 2024, early application is permitted)

The amendments enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. Amendments require to disclose quantitative and qualitative information about supplier finance programs.

Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates * (effective for financial years beginning on or after 1 January 2025, early application is permitted)

The amendments require to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures * (available for optional adoption, effective date deferred indefinitely)

The amendments address the conflict between the existing guidance on consolidation and equity accounting and require the full gain to be recognised when the assets transferred meet the definition of a 'business' under IFRS 3 Business Combinations.

* Not yet endorsed for use by the European Union as of 31 December 2023.

6.7. CALCULATION FORMULAS OF KEY FIGURES

Key figures required by the IFRS standards

Earnings per share

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

Earnings per share (diluted)

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

Alternative performance measures

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

Return on equity, %

$$\frac{\text{Result of the financial period (result attributable to the owners of the parent + result attributable to NCIs)}}{\text{Equity on average (attributable to owners of the company and NCIs)}} * 100$$

Equity ratio, %

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

Adjusted equity ratio, %

$$\frac{\text{Equity (attributable to owners of the company and NCIs)}}{\text{Total assets – advances received – liabilities according to IFRS 16}} * 100$$

Return on investment, %

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

Interest-bearing net liabilities

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

Interest-bearing net liabilities excluding IFRS 16 impact

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

Gearing ratio, %

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

Gearing ratio, % excluding IFRS 16 impact

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

Personnel expenses, %

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

Material margin, %

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

Adjusted net finance costs

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

Equity excluding IFRS 16 impact

Equity adjusted by cumulative IFRS 16 bookings related to the income statement

Operational EBITDA

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

Ratio of net debt to operational EBITDA

$$\frac{\text{Interest-bearing net liabilities adjusted for IFRS 16 lease liability}}{\text{Operational EBITDA (last 12 months)}}$$

Parent company income statement (FAS)

EUR	2023	2022
Turnover	**44,781,040.49**	**41,932,222.51**
Other Operating Income	20,393,814.98	11,081,629.55
Materials and services		
Purchases adjustments		
Purchases during the period	-10,823,794.73	-9,536,539.99
Change in Inventory	30,520.86	-4,685.15
External services	-6,077,718.80	-6,273,099.61
	-16,870,992.67	-15,814,324.75
Staff expenses		
Salaries and fees	-11,026,048.95	-7,953,708.70
Indirect employee costs		
Pension costs	-1,808,792.96	-1,398,683.91
Other indirect employee costs	-383,456.83	-272,118.47
	-13,218,298.74	-9,624,511.08
Depreciation, amortisation and impairment losses		
Scheduled depreciation and amortisation	-1,858,118.01	-2,138,910.82
Impairment on ifxed assets	0.00	-46,408.07
	-1,858,118.01	-2,185,318.89
Other operating expenses	-28,004,628.01	-24,811,757.64
Operating profit (loss)	**5,222,818.04**	**577,939.70**

EUR	2023	2022
Financial income and expenses		
Income from shares in Group companies	4,791,302.80	1,557,300.00
From others	774,432.80	770,961.75
Other interest and financial income		
From Group companies	3,464,174.77	5,328,853.28
From others	22,543.68	178,540.89
Impairment on financial securities classified as current assets	-14,255,513.60	-159,406.97
Interest expenses and other financial expenses		
To Group companies	-992,067.29	-573,485.27
To others	-7,009,019.74	-4,808,431.84
	-13,204,146.58	2,294,331.84
Profit (loss) before appropriations and taxes	**-7,981,328.54**	**2,872,271.54**
Appropriations		
Total - Group support	2,799,660.00	0.00
Net profit (loss)	**-5,181,668.54**	**2,872,271.54**

Parent company balance sheet (FAS)

EUR	31.12.2023	31.12.2022
ASSETS		
Non-current assets		
Intangible assets		
Goodwill	720,985.48	846,302.68
Other capitalised expenses	4,596,013.75	4,064,631.06
Prepayments	0.00	239,607.19
	5,316,999.23	5,150,540.93
Tangible assets		
Buildings and structures	1,696,095.02	1,776,815.67
Machinery and equipment	3,721,935.38	3,572,821.88
Other tangible assets	12,593.44	12,593.44
	5,430,623.84	5,362,230.99
Investments		
Investments in Group companies	126,882,399.22	106,868,181.15
Investments in associated companies	8,438,269.52	26,221,147.44
Other shares and interests	425,307.14	425,307.14
	135,745,975.88	133,514,635.73
Non-current assets total	**146,493,598.95**	**144,027,407.65**
Current assets		
Inventories		
Finished products and articles	937,906.89	907,386.03
Non-current		
Non-current trade receivables	137,717.38	137,717.38
Loan receivables from Group companies	83,321,697.49	82,111,903.75
Loan receivables	490,000.00	490,000.00
	83,949,414.87	82,739,621.13
Current		
Trade receivables	2,954,947.17	2,932,771.33
Receivables from Group companies	38,413,099.35	37,589,691.92
Loan receivables	5,000.00	5,000.00
Other receivables	530,213.40	373,435.01
Accrued income	1,646,926.90	1,608,866.73
	43,550,186.82	42,509,764.99
Cash and cash equivalents	362,563.85	117,360.89
Current assets total	**128,800,072.43**	**126,274,133.04**
ASSETS TOTAL	**275,293,671.38**	**270,301,540.69**

EUR	31.12.2023	31.12.2022
EQUITY AND LIABILITIES		
Equity		
Share capital	150,000.00	150,000.00
Other reserves		
Invested unrestricted equity fund	73,451,181.83	71,972,431.83
Retained earnings (losses)	35,480,642.79	40,964,842.45
Profit (loss) for the financial period	-5,181,668.54	2,872,271.54
Total equity	**103,900,156.08**	**115,959,545.82**
Appropriations		
Depreciation difference	85,865.67	85,865.67
Provisions		
Other provisions	3,000.00	0.00
Liabilities		
Non-current		
Loans from financial institutions	86,814,614.87	94,952,234.20
Advances received	1,427,768.01	939,921.68
Other non-current liabilities	4,249,970.12	0.00
Liabilities to Group companies	17,986,009.61	12,643,937.44
	110,478,362.61	108,536,093.32
Current		
Loans from financial institutions	29,587,431.40	20,533,404.79
Advances received	1,101,005.33	627,614.45
Trade payables	6,250,536.91	3,798,059.43
Liabilities to Group companies	13,591,772.78	12,381,872.60
Other payables	363,326.78	1,076,585.95
Accruals and deferred income	9,932,213.82	7,302,498.66
	60,826,287.02	45,720,035.88
Liabilities total	**171,304,649.63**	**154,256,129.20**
EQUITY AND LIABILITIES TOTAL	**275,293,671.38**	**270,301,540.69**

Parent company cash flow statement (FAS)

EUR thousands	2023	2022
Cash flows from operating activities		
Profit (loss) before appropriations and taxes	-5,181.7	2,872.3
Adjustments:		
Other income and expenses that do not incur payments	-9,267.2	633.0
Scheduled depreciation and impairment	1,858.1	2,185.3
Financial income and expenses	13,204.1	-2,294.3
Cash flow before change in working capital	**613.4**	**3,396.3**
Changes in working capital		
Current non-interest-bearing receivables	-1,352.5	3,285.9
Inventories	-30.5	4.7
Current non-interest-bearing liabilities	6,170.4	-174.3
Operating cash flow before financial items and taxes	**5,400.7**	**6,512.6**
Interest paid and other finance costs	-7,662.3	-5,274.1
Dividends received from business operations	5,457.0	2,328.3
Interest received from business operations	1,555.8	2,028.9
Direct taxes paid	-30.6	0.0
Operating net cash flow	**4,720.7**	**5,595.7**

EUR thousands	2023	2022
Cash flows from investing activities		
Investments in tangible and intangible assets	-1,977.8	-1,549.4
Income from the disposal of tangible and intangible assets	411.5	371.5
Acquisition of non-controlling interests	-1,729.4	-700.4
Change in non-current loans receivable	14,013.2	2,083.9
Acquisition of subsidiaries	-11,841.2	-666.8
Business transactions, acquisitions (-)	-300.0	-200.0
Associated company shares sold	197.8	4,160.4
Business transactions, sales	11.0	25.0
Net cash from investing activities	**-1,214.9**	**3,524.2**
Cash flows from financing activities		
Proceeds from non-current loans and borrowings	5,000.0	0.0
Non-current loans repaid	-12,720.2	-23,356.4
Proceeds from current loans and borrowings	6,816.2	10,555.1
Current commercial papers repaid	6,000.0	0.0
Dividends paid and other distribution of profits	-8,356.5	0.0
Payments received from the share issue	0.0	323.7
Net cash from financing activities	**-3,260.6**	**-12,477.6**
Change in cash and cash equivalents	**245.2**	**-3,357.7**
Cash and cash equivalents at the beginning of the financial period	**117.4**	**3,468.3**
Cash and cash and cash equivalents transferred in merger	**0.0**	**6.7**
Cash and cash equivalents on 31 December	**362.6**	**117.4**
Change in cash and cash equivalents	**245.2**	**-3,357.7**

Notes to the parent company financial statements

1.1 ACCOUNTING PRINCIPLES

NoHo Partners Plc's financial year is 1 January–31 December. The financial statements have been prepared in accordance with the Finnish Accounting Act (FAS).

The income statement and the balance sheet are presented in euros and the cash flow statement and the notes in thousands of euros.

PRINCIPLES AND METHODS OF MEASUREMENT AND RECOGNITION

Measurement of non-current assets

Non-current assets are measured at their acquisition cost less the accrued depreciation.

The notes for the non-current assets only present the acquisition costs for those non-current assets whose acquisition costs have not been completely depreciated as scheduled depreciation.

Basis of and changes to scheduled depreciation

	Estimated service life	Depreciation method
Buildings	30 years	Straight-line depreciation
Goodwill	5–10 years	Straight-line depreciation
Other intangible assets	3–10 years	Straight-line depreciation
Machinery and equipment	3–10 years	Straight-line depreciation

Measurement of current assets

Inventories are measured at their variable acquisition cost in accordance with the FIFO principle and the lowest value principle defined in Section 6 (1) of Chapter 5 of the Accounting Act.

The trade and other receivables recognised under current asset receivables are measured at their nominal value or their probable value, whichever is lowest.

Pension coverage for the personnel

The pension coverage for the company's personnel has been arranged in an external pension insurance company. Pension insurance payments have been recognised to correspond with the accrual-based salaries in the financial statements.

Measurement of liabilities

Liabilities are measured at their nominal value.

Treasury shares

Treasury shares purchased are recorded as deductions from the accumulated earnings from previous financial periods.

Related parties and management remuneration

Additional information on the company's related parties and management remuneration is available on page 116.

Group companies

Additional information on subsidiaries and associated companies is available on page 113.

1.2 NOTES TO THE INCOME STATEMENT

Distribution of turnover, EUR thousands	2023	2022
Restaurant business	44,781.0	41,932.2

Other operating income, EUR thousands	2023	2022
Sales profit	77.2	643.7
Rent income	564.5	475.1
Government grants	0.0	4,339.2
Other operating income	484.6	683.8
Other operating income, Group	19,267.4	4,939.9
Total	**20,393.8**	**11,081.6**

Personnel expenses, EUR thousands	2023	2022
Average number of employees	200	158
Salaries and fees	11,026.0	7,953.7
Pension costs	1,808.8	1,398.7
Other indirect employee costs	383.5	272.1
Total	**13,218.3**	**9,624.5**

Other operating expenses, EUR thousands	2023	2022
Voluntary employee expenses	927.5	1,195.4
Business premises expenses	17,597.7	13,773.6
Machinery and equipment expenses	2,897.9	2,782.5
Travel expenses	437.2	428.7
Marketing, performer and entertainment expenses	2,684.7	2,629.7
Other operating expenses	3,459.6	4,001.9
Total	**28,004.6**	**24,811.8**

Auditors' fees, EUR thousands	2023	2022
Audit fees	374.0	120.0
Fees for tax services	0.0	26.0
Other services	117.0	203.9
Total	**491.0**	**349.9**

1.3 NOTES TO THE BALANCE SHEET

Intangible assets, EUR thousands	Goodwill	Other intangible assets	Prepayments and incomplete acquisitions	Total
Acquisition cost 1 Jan.	**4,989.2**	**14,267.9**	**239.6**	**19,496.7**
Increase	300.0	1,120.3		**1,420.3**
Transfers between items		239.6	-239.6	**0.0**
Decrease	-333.5	-51.4		**-384.9**
Acquisition cost 31 Dec.	**4,955.7**	**15,576.4**	**0.0**	**20,532.1**
Accumulated amortisation 1 Jan.	**-4,142.9**	**-10,203.3**	**0.0**	**-14,346.2**
Decrease	23.0	38.1		**61.2**
Depreciation	-114.9	-815.2		**-930.1**
Accumulated amortisation 31 Dec.	**-4,234.7**	**-10,980.4**	**0.0**	**-15,215.1**
Carrying amount 31 Dec.	**721.0**	**4,596.0**	**0.0**	**5,317.0**
Book value 1 Jan.	846.3	4,064.6	239.6	**5,150.5**

Tangible asset, EUR thousands	Buildings	Machinery and equipment	Other tangible assets	Prepayments and incomplete acquisitions	Total
Acquisition cost 1 Jan.	**2,421.6**	**7,532.9**	**12.6**	**0.0**	**9,967.1**
Increase		177.4		840.6	**1,018.0**
Transfers between items		840.6		-840.6	**0.0**
Decrease		-67.2		0.0	**-67.2**
Acquisition cost 31 Dec.	**2,421.6**	**8,483.7**	**12.6**	**0.0**	**10,917.9**
Accumulated amortisation 1 Jan.	**-644.8**	**-3,960.1**	**0.0**	**0.0**	**-4,604.9**
Decrease		45.6			**45.6**
Depreciation	-80.7	-847.3			**-928.0**
Accumulated amortisation 31 Dec.	**-725.5**	**-4,761.8**	**0.0**	**0.0**	**-5,487.3**
Carrying amount 31 Dec.	**1,696.1**	**3,721.9**	**12.6**	**0.0**	**5,430.6**
Book value 1 Jan.	1,776.8	3,572.8	12.6	0.0	**5,362.2**

Investments, EUR thousands	Holdings in Group companies	Investments in associated companies	Other shares and interests	Total
Book value 1 Jan.	**106,868.2**	**26,221.1**	**425.3**	**133,514.6**
Increase	28,033.1			**28,033.1**
Decrease	-8,018.9	-443.9		**-8,462.7**
Impairments		-17,339.0		**-17,339.0**
Carrying amount 31 Dec.	**126,882.4**	**8,438.3**	**425.3**	**135,746.0**

Current liabilities, EUR thousands	2023	2022
Current receivables from Group companies		
Trade receivables	1,177.4	224.8
Accrued income	8,314.1	6,391.9
Other Group receivables	3,057.3	0.0
Loan receivables	25,864.2	30,973.0
Total	**38,413.1**	**37,589.7**
Essential items of prepayments and accrued income		
Amortisation	261.3	177.0
Discounts	878.6	1,185.8
Other prepayments and accrued income	507.1	246.0
Total	**1,646.9**	**1,608.9**

Equity, EUR thousands	2023	2022
Share capital at the beginning of the financial period	150.0	150.0
Share capital at the end of the financial period	150.0	150.0
Total invested equity at the end of the financial period	**150.0**	**150.0**
Invested unrestricted equity fund at the beginning of the financial period	71,972.4	60,106.4
Directed share issue	1,478.8	11,866.0
Invested unrestricted equity fund at the end of the financial period	**73,451.2**	**71,972.4**
Profit/loss from previous financial periods at the beginning of the financial period	40,964.8	45,877.5
Transfer of profit/loss from the previous financial period	2,872.3	-4,912.6
Profit/loss from previous financial periods at the beginning of the financial period	-8,356.5	0.0
Profit/loss from previous financial periods at the end of the financial period	**35,480.6**	**40,964.8**
Profit/loss for the financial period	-5,181.7	2,872.3
Total unrestricted equity at the end of the financial period	103,750.2	115,809.5
Total equity	**103,900.2**	**115,959.5**

Calculation of distributable funds in equity, EUR thousands	2023	2022
Profit from previous financial periods	35,480.6	40,964.8
Net income for the financial period (profit +/loss -)	-5,181.7	2,872.3
Invested unrestricted equity fund	73,451.2	71,972.4
Business cost support/compensation for fixed expenses	0.0	-4,339.2
Distributable funds total	**103,750.2**	**111,470.4**

Appropriations	2023	2022
Depreciation difference, buildings	42.7	42.7
Depreciation difference, machinery and equipment	43.2	43.2
Total appropriations	**85.9**	**85.9**

Provisions, EUR thousands	2023	2022
Provision for termination expenses	3.0	0.0

Liabilities, EUR thousands	2023	2022
Current liabilities		
Liabilities to Group companies		
Trade payables	845.5	425.8
Liabilities	11,957.3	11,385.6
Accruals and deferred income	788.9	570.5
Total	**13,591.8**	**12,381.9**
Essential items of accrued expenses		
Wage and salary liabilities	1,456.0	1,195.0
Holiday pay debt	1,426.0	1,281.5
Interest	561.9	270.6
Income taxes	5.4	30.5
Other accruals and deferred income	6,483.0	4,524.8
Accrued expenses total	**9,932.2**	**7,302.5**

The total balance of the Group cash pool account is disclosed under the parent company's cash and cash equivalents.

The total balance of the Group cash pool account is disclosed under the parent company's cash and cash equivalents.

1.4 NOTES CONCERNING GUARANTEES AND CONTINGENT LIABILITIES

Liabilities and guarantees by balance sheet item and guarantee type

EUR thousands	2023	2022
Liabilities with guarantees included on the balance sheet		
Loans from financial institutions, non-current	86,701.8	94,927.8
Loans from financial institutions, current	19,557.0	16,525.2
Total	**106,258.8**	**111,453.0**
Guarantees given		
Corporate mortgages given	34,150.0	34,150.0
Real estate mortgage	4,000.0	4,000.0
Mortgaged securities and subsidiary shares	139,771.0	119,978.5
Other guarantees given in total	**177,921.0**	**158,128.5**
Guarantees given on behalf of others		
Other guarantees	8,213.0	7,845.9
Lease liabilities not included on the balance sheet		
To be paid during the next financial period	15.5	15.5
To be paid later	23.2	38.7
Total	**38.7**	**54.2**
Other liabilities		
Other guarantee engagements not included on the balance sheet		
Lease liability		
Due within one year	13,070.8	9,390.3
Due in 2–5 years	35,254.0	24,347.8
Due in more than 5 years	29,724.9	15,788.4
Total	**78,049.8**	**49,526.5**

EUR thousands	2023	2022
Eezy Plc, purchase guarantee	16,878.7	33,415.1

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFITS

NoHo Partners Plc's distributable assets on 31 December 2023 were EUR 103,750,156.08, of which the share of the financial period's result is EUR -5,181,668.54.

NoHo Partners Plc's Board of Directors proposes to the Annual General Meeting convening on 10 April 2024 that, a dividend of EUR 0.43 (0.40) per share will be paid based on the adopted balance sheet of the financial period ending on 31 December 2023.

The Board of Directors proposes that the dividend shall be paid in three instalments. The first instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 May 2024. The payment date proposed by the Board of Directors for this instalment is 16 May 2024.

The second instalment of EUR 0.14 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 8 August 2024. The payment date proposed by the Board of Directors for this instalment is 15 August 2024.

The third instalment of EUR 0.15 per share shall be paid to a shareholder who is registered in the shareholder register of the Company maintained by Euroclear Finland Oy on the dividend record date 7 November 2024. The payment date proposed by the Board of Directors for this instalment is 14 November 2024.

At the time of the financial statements on 31 December 2023, the total number of shares was 20,975,678.

Helsinki, 12 March 2024

Timo Laine Chairman of the Board of Directors	Mia Ahlström	Mika Niemi
Yrjö Närhinen	Petri Olkinuora	Kai Seikku
Arttu-Pekka Vikström CEO		

AUDITOR'S NOTE

An audit report has been issued today.

Helsinki, 13 March 2024

Ernst & Young Oy
Authorised Public Accountants

Juha Hilmola
APA

AUDITOR'S REPORT

(Translation of the Finnish original)

To the Annual General Meeting of NoHo Partners Oyj

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of NoHo Partners Oyj (business identity code 1952494-7) for the year ended 31 December, 2023. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- The consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Board of Directors.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5 (1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 2.9 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

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KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation of goodwill *Refer to the note 4.1 of the consolidated financial statements.* The value of goodwill amounted to 181.3 million euro at the date of the financial statements representing 31,5 % of total assets and 170 % of equity. Valuation of goodwill was a key audit matter because the assessment process is based on numerous judgmental estimates and because the amount of goodwill is significant to the financial statements. Valuation of goodwill is based on management's estimate about the value in use calculations of the cash generating units. There are several underlying assumptions used to determine the value in use, including development of revenue and profitability and the discount rate applied on cash flows. Estimated value in use of the cash generating units may vary significantly when the underlying assumptions are changed. Changes in above-mentioned individual assumptions may result in an impairment of goodwill. This matter is also a significant risk of material misstatement as defined by EU Regulation No 537/2014, point (c) of Article 10(2).	Our audit procedures to address the risk of material misstatement in respect of valuation of goodwill included among others: • Involvement of EY valuation specialists to assist us in evaluating methodologies, impairment calculations and underlying assumptions applied by the management in impairment testing. • Comparing the key assumptions applied by management in impairment tests to approved budgets and forecasts, information available in external sources and our independently calculated industry averages such as weighted average cost of capital used in discounting the cashflows. • In addition, we compared the sum of discounted cash flows in impairment tests to market capitalization of NoHo Partners Plc • We also assessed the sufficiency and appropriateness of the disclosures given in respect of goodwill and its sensitivity.
Revenue Recognition *We refer to the Group's accounting policies and the note 2.1.* Revenue primarily comprises of sales of food and beverages to private and corporate customers in the restaurant operation business. Services include restaurants' service sales and marketing support payments received. Revenue is recorded at the time the goods are sold or when the service has been performed. Revenue recognition was a key audit matter due to it being a key performance measure for management, which could create an incentive to make incorrect entries to revenue. In addition, there is a high volume of different transactions recorded in revenue. Revenue recognition was also a significant risk of material misstatement referred to in EU Regulation No 537/2014, point (c) of Article 10(2).	To address the risk of material misstatement regarding revenue recognition our audit procedures included among others: • Assessing the Group's accounting policies over revenue recognition, including volume discounts and other discounts. • Testing sales transactions by comparing them to payments received. • Testing revenue using data analytics as well as detailed transaction level substantive audit procedures on revenue • Testing that the sales have been recorded in the correct period • Analytical procedures on revenue, including among others margin analysis. • Testing Journal Entries recorded in revenue. • Assessing the Group's disclosures in respect of revenues.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on April 24, 2019 and our appointment represents a total period of uninterrupted engagement of five years

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of

Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, March 13, 2024

Ernst & Young Oy
Authorized Public Accountant Firm

Juha Hilmola
Authorized Public Accountant

INDEPENDENT AUDITOR'S REPORT ON NOHO PARTNERS PLC'S ESEF-CONSOLIDATED FINANCIAL STATEMENTS

(Translation of the Finnish original)

To the Board of Directors of NoHo Partners Oyj

We have performed a reasonable assurance engagement on the iXBRL tagging of the consolidated financial statements included in the digital files 743700DYZ6R1QNLWQA56-2023-12-31-fi.zip of NoHo Partners Oyj (business identity code: 1952494-7) for the financial year 1.1.-31.12.2023 to ensure that the financial statements are marked/tagged with iXBRL in accordance with the requirements of Article 4 of EU Commission Delegated Regulation (EU) 2018/815 (ESEF RTS).

Responsibilities of the Board of Directors and Managing Director

The Board of Directors and Managing Director are responsible for the preparation of the Report of Board of Directors and financial statements (ESEF financial statements) that comply with the ESESF RTS. This responsibility includes:

- Preparation of ESEF-financial statements in accordance with Article 3 of ESEF RTS
- Tagging the primary financial statements, notes to the financial statements and the entity identifier information in the consolidated financial statements included within the ESEF-financial statements by using the iXBRL mark ups in accordance with Article 4 of ESEF RTS
- Ensuring consistency between ESEF financial statements and audited financial statements

The Board of Directors and Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance the requirements of ESEF RTS.

Auditor's Independence and Quality Control

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements

Auditor's Responsibilities

In accordance with the Engagement Letter we will express an opinion on whether the electronic tagging of the consolidated financial statements complies in all material respects with the Article 4 of ESEF RTS. We have conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000.

The engagement includes procedures to obtain evidence on:

- whether the tagging of the primary financial statements in the consolidated financial statements complies in all material respects with Article 4 of the ESEF RTS
- whether the tagging of the notes to the financial statements and the entity identifier information in the consolidated financial statements complies in all material respects with Article 4 of the ESEF RTS
- whether the ESEF-financial statements are consistent with the audited financial statements

The nature, timing and extent of the procedures selected depend on the auditor's judgement including the assessment of risk of material departures from requirements sets out in the ESEF RTS, whether due to fraud or error.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our statement.

Opinion

In our opinion the tagging of the primary financial statements, notes to the financial statements and the entity identifier information in the consolidated financial statements included in the ESEF financial statements 743700DYZ6R1QNLWQA56-2023-12-31-fi.zip of NoHo Partners Oyj for the year ended 1.1.-31.12.2023 complies in all material respects with the requirements of ESEF RTS.

Our audit opinion on the consolidated financial statements of NoHo Partners Oyj for the year ended 1.1.-31.12.2023 is included in our Independent Auditor's Report dated 13.3.2024. In this report, we do not express an audit opinion any other assurance on the consolidated financial statements.

Helsinki 13.3.2024

Ernst & Young Oy
Authorized Public Accountant Firm

Juha Hilmola
Authorized Public Accountant

BOOKS AND RECORDS

List of accounting books, receipt types and storage methods

Books and records	Storage method
General journal	Electronic archive
Nominal ledger	Electronic archive
Accounts receivable	Electronic archive
Accounts payable	Electronic archive
Payroll accounting	Electronic archive
Financial statements	Separately bound / noho.fi/en
Balance sheet specifications	Separately bound

Receipt type	Receipt numbering starts from
Manual entry	80000
Account receipts (TITO)	170000
Sales invoice sums	120001
Payments	70000
Purchase invoices	200000
Purchase invoice payments	40000
Kasperi receipts	160000
eAttest amortisation	150000
Allocation receipts	100001
External preliminary systems	300000
Receipt of notes to the accounts	LTT01

NoHo

NORDIC HOSPITALITY PARTNERS