NoHo

NORDIC HOSPITALITY PARTNERS

ANNUAL REPORT

2022

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NOHO PARTNERS IN A NUTSHELL

NoHo Partners Plc is a Finnish group established in 1996, specialising in restaurant services. The company, which was listed on Nasdaq Helsinki in 2013 and became the first Finnish listed restaurant company, has continued to grow strongly throughout its history. The Group companies include some 250 restaurants in Finland, Denmark and Norway. The well-known restaurant concepts of the company include Elite, Savoy, Teatteri, Sea Horse, Stefan's Steakhouse, Palace, Löyly, Hanko Aasia, Friends & Brgrs, Campingen and Cock's & Cows. Depending on the season, the Group employs approximately 2,300 people converted into full-time employees. The Group aims to achieve a turnover of EUR 400 million by the end of 2024. The company's 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
216

Cities
29

Restaurants
21

Cities
4

Restaurants
19

Cities
5

THE YEAR 2022 IN FIGURES

MEUR 312.8
Turnover

68.1%
Turnover growth

MEUR 31.6
EBIT

10.1%
EBIT margin

2.9
Net debt ratio*

EUR 0.40
Dividend**

2,300
Employees
(FTE)

93%
Employee satisfaction
(employee survey 09/2022)

* 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 19 April 2023.

REVIEW BY THE CEO

The year 2022 was the best in NoHo Partners' history when it comes to EBIT. After two challenging pandemic years, we were able to return to the targeted pace of the 2024 strategy and, for the first time, reach an EBIT margin exceeding 10%, the full year EBIT being MEUR 31.6 and EBIT margin 10.1%. The result for the financial period was negatively impacted by a fair value impairment of MEUR 10.4 due to the reduction of Eezy Plc's market value, recognized as finance costs.

Profitability has clearly levelled up as a consequence of structural changes the company has made during the past two years. Our restaurant portfolio is now versatile and profitable, and the related investments are at a healthy level. Another factor that has significantly impacted profitability is the operational excellence that our restaurant managers execute every day in their work. The structural changes together with lower fixed costs and depreciation level ensure a good basis to maintain and increase profitability also in the future.

"Profitability has clearly leveled up as a consequence of structural changes the company has made during the past two years."

With a normalised working capital situation and a strong cash flow, we have, in the financial year, been able to repay MEUR 26 worth of loans taken during the pandemic. Therefore, the target level has also been reached when it comes to the ratio of net debt to operational EBITDA, net debt at the end of the year being MEUR 121 and under 3x annual operational EBITDA.

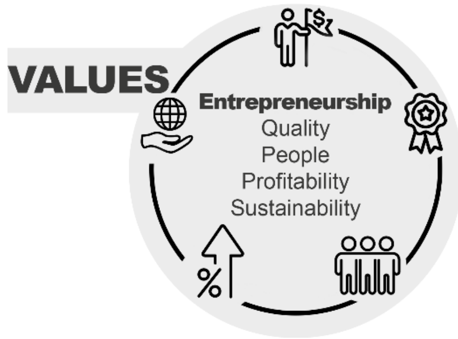
Good performance and stronger financial position enable investments in growth as well as paying dividend to shareholders. The dividend proposal by the Board of Directors to the Annual General Meeting is EUR 0.40 per share, which is proposed to be paid in two instalments.

The restaurant market has developed positively during the year 2022. New consumers are continuously coming into the market from among the young people as well as the age groups that are going into retirement. The share of consumers eating out as well as the average number of meals enjoyed continued to increase clearly (research on restaurant culture trends 2022). Based on the end of 2022 and the beginning of 2023, the development of the restaurant culture has been positive despite the pressure on the purchasing power. Turnover in January 2023 exceeded our estimates and increased by 23% compared to the corresponding pre-pandemic period in 2020. Restaurant demand has remained at a good level, especially on the weekends. When it comes to raw materials, we have successfully tackled inflation with timely actions. Material margin has increased from 74.3% to 75.3% compared to 2019.

We continue progressing in the profitable growth strategy. We give guidance on over MEUR 350 in turnover and approximately 9% in EBIT margin in 2023. In addition, our target is to keep our ratio of net debt to operational EBITDA under three and return to paying increasing dividend.

Aku Vikström
CEO

VISION AND STRATEGY



FINANCIAL TARGETS FOR THE STRATEGY PERIOD 2022–2024

The Group aims to achieve turnover of approximately MEUR 400 and an EBIT margin of approximately 10% 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's strategic focus areas:

GROWTH

- Profitable international growth in Norway and Denmark through acquisitions
- Scaling up the Friends & Brgrs chain to a national level
- Large and profitable urban projects

PROFITABILITY

- Operational efficiency improvement
- Portfolio development
- Maintaining profitability level in Denmark

NET DEBT

- Strong future operating cash flow
- Maintaining achieved net debt level
- Divestment of Eezy Plc
- Use of treasury shares in acquisitions

FUTURE GROWTH DRIVERS

NORWAY

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

FRIENDS & BRGRS

- 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

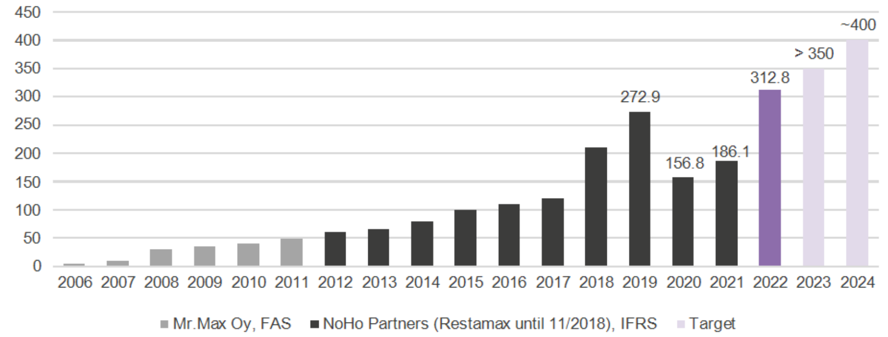
Sustainable practices and good governance

BUSINESS SEGMENTS

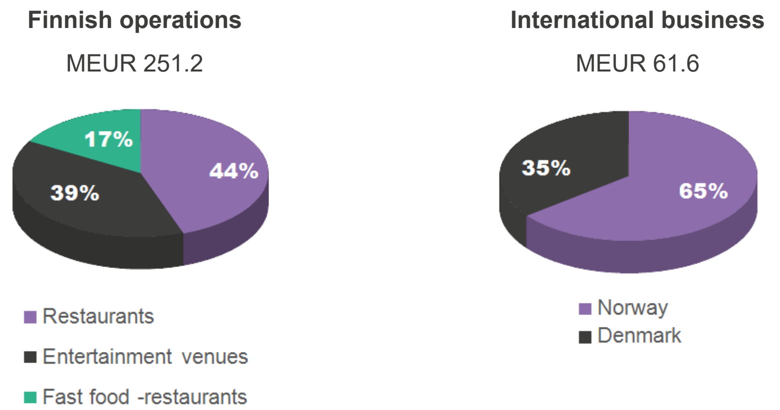
NoHo Partners has approximately 250 restaurants and entertainment venues in Finland, Norway and Denmark. Strong brands offer memorable experiences for everyday life and special occasions 24 hours a day. The offering covers the entire spectrum of restaurants, from lunch restaurants to fast food, fine dining 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 two business areas: Norway and Denmark.

DEVELOPMENT OF GROUP TURNOVER 2006-2022



TURNOVER DISTRIBUTION 2022



Our portfolio of some 250 restaurants includes several well-known restaurant brands, among others

BUSINESS HIGHLIGHTS Q1-Q4 2022

Q1

- Restricted operations due to the Covid-19 pandemic

Q2

- Ice Hockey World Championships at Nokia Arena
- Reorganisation of Group Executive Team
- Significant management commitment in the Tesi convertible loan arrangement
- Sustainability programme published
- Positive profit warning on 22 June

Q3

- Acquisitions of restaurant Sea Horse in Finland
- Acquisitions of restaurants Postkontoret ja Laboratoriet Skøyen in Norway

Q4

- Positive profit warning on 3 October
- Noho Events established
- Renewal of the financing agreement
- Positive profit warning on 8 December
- Acquisition of restaurant Fat Lizard Otaniemi in Finland

RESTAURANT OPENINGS:

Q1:
- Origo, Hanko, Finland
- Friends & Brgrs, Lahti and Myyrmanni Vantaa

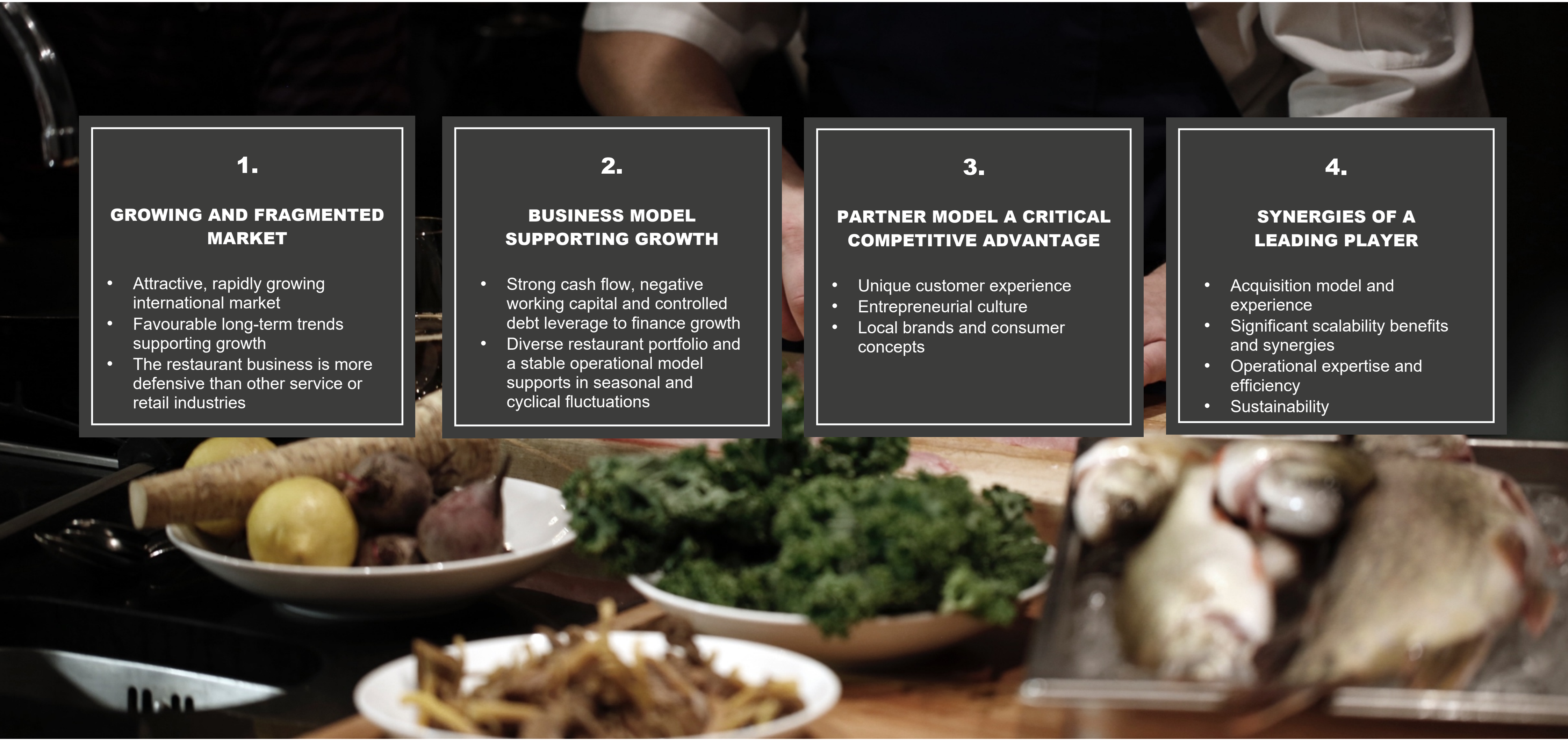
Q2:
- Friends & Brgrs, Lauttasaari Helsinki, Finland
- Hook, Jyväskylä, Finland
- Babylon Club & Garden, Helsinki, Finland
- Wallis', Hanko, Finland
- Camping Book1, Århus, Denmark

Q3:
- Friends & Brgrs, Itis Commercial Centre, Helsinki, Finland
- Pizzadog, Helsinki, Finland
- Bucket Bar, Tampere, Finland
- Lulu's, Helsinki, Finland

Q4:
- Café Savoy, Helsinki, Finland
- Friends & Brgrs, Kuopio and Turku, Finland
- Hook, Lahti, Finland
- Piste Ski Lodge & Taproom, Ruka, Finland

Kuva: Anton Sucksdorff

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

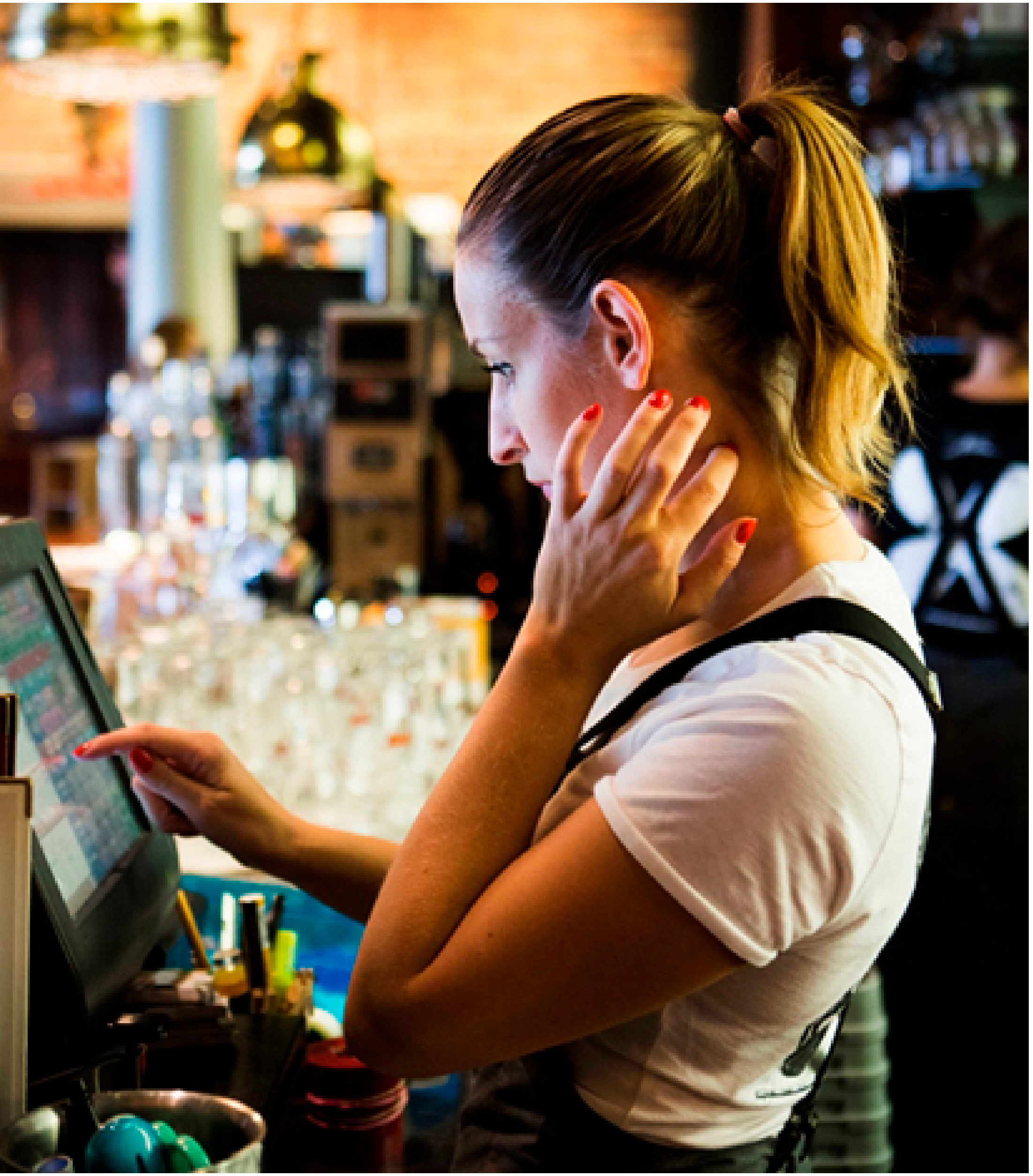
3. PARTNER MODEL A CRITICAL COMPETITIVE ADVANTAGE

- 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 2023

NoHo Partners Plc publishes financial reports for 2023 as follows:

- Interim report for January-March on Tuesday 9 May 2023
- Half-year report for January-June on Tuesday 8 August 2023
- Interim report for January-September on Tuesday 7 November 2023

NoHo Partners Plc's Annual General Meeting is planned to be held on 19 April 2023.

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 December2022 were EUR 111,470,394.44, of which the share of the financial period's result is EUR 2,872,271.54.

NoHo Partners Plc's Board of Directors proposes to the Annual General Meeting convening on 19 April 2023 that, based on the adopted balance sheet of the financial period ending on 31 December 2022, a dividend of EUR 0.40 (0.00) per share will be paid at the time of dividend payment on shares owned by external shareholders.

The Board of Directors proposes that the dividend be paid in two (2) instalments, such that the first instalment of EUR 0.20 per share is paid on 24 May 2023 to shareholders who have been recorded in the company's shareholder list maintained by Euroclear Finland Oy by the record date of 11 May 2023. The Board of Directors proposes that it be authorised to later decide, according to its discretion, the record and payment date for the second instalment of the dividend, however in such a way that the second instalment is paid no later than by 20 October 2023 with a record date five weekdays prior to payment date.

At the time of the financial statements on 31 December 2022, there were 20,699,801 externally owned shares.

BOARD OF DIRECTORS' REPORT

BOARD OF DIRECTORS' REPORT

KEY FIGURES 2020 - 2022

MEUR	2022	2021	2020
Turnover	312.8	186.1	156.8
Operational EBITDA	41.6	11.3	-5.1
EBIT	31.6	-0.9	-23.9
EBIT, %	10.1	-0.5	-15.2
Result of the financial period	4.9	-10.3	-29.5
Earnings per share for the review period attributable to the owners of the company, EUR	0.07	-0.55	-1.44
Earnings per share adjusted by entries related to Eezy Plc shares	0.56		
Interest-bearing net liabilities excluding IFRS 16 impact	121.0	151.9	163.4
Gearing ratio excluding IFRS 16 impact, %	135.1	203.1	192.0
Adjusted equity ratio, %	29.1	24.0	27.5
Material margin, %	75.3	74.4	72.0
Personnel expenses, %	33.2	36.0	38.0

The calculation formulas for key figures are presented on page 116.

BUSINESS MODEL

NoHo Partners Plc is a Finnish group established in 1996, specialising in restaurant services. The company, which was listed on Nasdaq Helsinki in 2013 and became the first Finnish listed restaurant company, has continued to grow strongly throughout its history. The Group companies include some 250 restaurants in Finland, Denmark and Norway. The well-known restaurant concepts of the company include Elite, Savoy, Teatteri, Sea Horse, Stefan's Steakhouse, Palace, Löyly, Hanko Aasia, Friends & Brgrs, Campingen and Cock's & Cows. Depending on the season, the Group employs approximately 2,300 people converted into full-time employees. The Group aims to achieve a turnover of EUR 400 million by the end of 2024. The company's 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 has improved from recent years to a pre-pandemic level, but the outlook and consumer confidence continue to be weakened by the uncertain geopolitical climate, consumers' reduced purchasing power and the general rise in costs. The company 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. Customer demand is estimated to continue at a good level during 2023.

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

STRATEGY IMPLEMENTATION

The Group aims to achieve turnover of approximately MEUR 400 and an EBIT margin of approximately 10% 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.

NoHo Partners' growth strategy focuses on the following three key 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)

During 2022, the company continued developing its restaurant portfolio and implementing its growth strategy through acquisitions in Finland and Norway. In Norway, as normal conditions recovered after the pandemic years, the company had to focus on managing the performance of the portfolio, causing delay in progressing the growth strategy.

The company continued scaling up the fast food business with restaurants in the Friends & Brgrs and Hook chains. During the reporting period, a total of 8 new restaurants were opened and during 2023, the intention is to further accelerate this scaling up.

The MEUR 30 strategic target for large urban projects was reached as the strategic partnership agreement with Helsinki Expo and Convention Centre was signed in early 2023. As one of the largest restaurant complexes in Finland, with its versatility Helsinki Expo and Convention Centre compares with Nokia Arena in Tampere, Finland, and the Kulttuurikasarmi cultural centre with its four restaurants, which is planned in central Helsinki at the end of 2023.

SIGNIFICANT EVENTS OF THE REPORTING PERIOD

Q1 2022
Special share issue

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

Restrictions related to the Covid-19 pandemic lifted

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

Extension of the share-based incentive scheme's third earning period

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

Q2 2022
Decisions by the Annual General Meeting

NoHo Partners Plc's Annual General Meeting, AGM, was held in Tampere, Finland, on 27 April 2022. In addition to attending the meeting, the shareholders were offered the opportunity to vote in advance on certain items on the agenda and to ask questions. The shareholders also had the opportunity to follow the AGM via a webcast. The AGM approved all of the proposals submitted to the AGM and approved the Remuneration Report. The AGM adopted the financial statements for 2021 and discharged the company's management from liability for the financial period 2021. The AGM decided that, based on the balance sheet adopted for the financial period that ended on 31 December 2021, no dividends will be distributed. The AGM decided that the Board of Directors comprise six (6) members and selected Ernst & Young Oy as the company's auditor. The decisions of the Annual General Meeting are presented in more detail in the stock exchange release published on 27 April 2022.

Establishment of committees

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

Tesi convertible loan arrangement

On 13 May 2022, the company announced that its Board of Directors had approved the subscription of shares based on special rights issued by the company. Based on the subscriptions, the company issued a total of 1,266,300 new shares. The subscriptions were related to an arrangement whereby the management and domestic investors of NoHo Partners Plc acquired a majority of the convertible capital loan granted to the company by Finnish Industry Investment Ltd (Tesi) and converted their purchase into new shares in the company. The company repaid the remaining portion of the loan principal and interest, approximately one-sixth, to Tesi using its cash assets.

Shares in the company were subscribed for by Veikko Laine Oy, Länsiauto Oy, AH Capital Oy and PowerBank Ventures Ltd. Additionally, shares were subscribed for by Laine Capital Oy, owned by the chairman of the company's Board of Directors Timo Laine, vice-chairman of the Board of Directors Yrjö Närhinen through an asset management company he uses, and Seico Investments Ltd, owned by member of the Board of Directors Kai Seikku. Shares were also subscribed for by the company's Chief Executive Officer Aku Vikström, Deputy Chief Executive Officer Jarno Suominen and Chief Financial Officer Jarno Vilponen.

On 18 May 2022, the company announced that the 1,266,300 new shares that were issued had been registered in the Trade Register. The total number of the company's shares after the registration of the new shares was 20,529,073.

Reorganisation of the leadership team

On 9 June 2022, the company announced it had reorganised the structure of its Leadership Team to accelerate its new growth strategy. With the changes made, the company seeks clearer accountability and allocation of resources behind its strategic growth platforms. At the same time, the company will strengthen the role of country-specific Leadership Teams and invest in the future growth and internationalisation of the Fast food business. The company's strategy and its implementation, financing, acquisitions and procurement will be concentrated in the Group operations.

Aku Vikström will continue as the Group CEO and Chairman of the Group's Executive Team. The other members of the Group's Executive Team are Deputy CEO Jarno Suominen, CFO Jarno Vilponen and, as a new member, Director of the Fast food business Tuomas Piirtola, whose task is to develop the scalable brand business in Finland and internationally. In addition, the company has established four Leadership Teams with profit responsibility: Finland, Norway, Denmark and Fast food.

Publication of sustainability programme and ESG principles

On 10 June 2022, NoHo Partners published its sustainability programme and a report on its ESG principles. The sustainability report explains how NoHo Partners promoted environmental, social and governance (ESG) objectives in 2021 and outlines how the company will implement sustainable business according to its sustainability programme in the coming years.

During 2021, NoHo Partners identified the most important focus areas related to the environment, social well-being and governance, built a roadmap of responsibility for the coming years and set targets for its operations. Next, the company will promote a comprehensive responsibility programme together with its personnel and key stakeholders.

The Group issued a profit warning in June

On 22 June 2022, NoHo Partners announced it increased its guidance concerning the EBIT margin of the restaurant business in 2022. The company estimated that the full-year EBIT margin of the restaurant business will exceed 8%, supported by better-than-expected earnings development in the spring and early summer and compensation decisions confirmed by the Finnish, Norwegian and Danish governments for the first half of the year.

Q3 2022

Directed share issue as part of the acquisition of the entire share capital of Sea Horse Oy

On 1 July 2022, NoHo Partners announced it would acquire the entire share capital of Sea Horse Oy. As part of the acquisition, a share issue of 170,728 new shares was directed to Fonda Oy as the seller of Sea Horse Oy. Sea Horse Oy owns the restaurant Sea Horse, which operates in Helsinki. After the transaction, Sea Horse Oy is fully owned by NoHo Partners. The purchase price for all of the shares in Sea Horse Oy was approximately EUR 2,000,000, of which approximately EUR 620,000 was paid in cash. The remaining part 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 turnover-related criteria as stipulated by the share purchase agreement.

The subscription price of the new shares was EUR 8.083 per share, corresponding to the average volume-weighted trading price of the NoHo Partners share on the official list of Nasdaq Helsinki Ltd during the preceding three months (1 April–30 June 2022). The new shares were registered in the Trade Register on 7 July 2022 and trading began on 8 July

2022. As a result of the share issue, the total number of NoHo Partners shares increased to 20,699,801.

Q4 2022

The company issued a profit warning in October

On 3 October 2022, NoHo Partners announced it increased its guidance concerning turnover and EBIT margin for the year 2022. The company estimated full-year turnover to be over MEUR 300 and EBIT margin for the restaurant business to be over 8.5% due to better-than-expected demand that has continued after the summer, the company's own profitability development and good booking situation for the rest of the year. Despite continued uncertainty in the market, the company estimated customer demand to continue at a good level during the rest of the year.

New NoHo Events business unit and changes in the Executive Team

On 13 October 2022, NoHo Partners announced it is establishing a new business unit focused on events and experiences, targeting a leading position in the Nordics. As of 1 November 2022, Maria Koivula was appointed Director of the new NoHo Events business and member of NoHo Partners Plc's Executive Team in Finland.

Renewed financing agreement

On 4 November 2022, the company renewed its financing agreement, through which the company's financial position essentially stabilised to the state prior to the Covid-19 crisis. The renewed financing agreement enables growth investments during the strategy period.

The company issued a profit warning in December

On 8 December 2022, NoHo Partners announced that it increased its guidance concerning EBIT margin for the year 2022. The company estimated full-year EBIT margin for the restaurant business to be over 9.5%. The strong profitability is due to developments implemented by the company during the Covid-19 pandemic, committed employees and good customer demand combined with a strong restaurant portfolio.

EVENTS AFTER THE REPORTING PERIOD

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.

In January 2023, Group turnover increased to approximately MEUR 22.7

NoHo Partners' turnover in January 2023 was approximately MEUR 22.7 (6.8) and increased by 236% compared to the same period in the previous year. In January 2022, the Group operated in a strictly restricted or closed business environment in all of its operating countries due to the Covid-19 pandemic. Turnover increased by 23% compared to the corresponding pre-pandemic period in 2020.

As of 16 February 2023, NoHo Partners will publish in the interim reports the Group turnover for the first month of the commencing quarter. The target is to provide better service to investors through timely and transparent investor communications.

TURNOVER AND INCOME

In January–December 2022, the Group's turnover increased by 68.1% to MEUR 312.8 (186.1). Despite the restricted business environment due to the Covid-19 pandemic in the first months of 2022, turnover increased by 14.6%, compared to the corresponding period in 2019. Operational EBITDA increased by 268.1% compared to the corresponding period in the previous year and was MEUR 41.6 (11.3). EBIT was MEUR 31.6 (-0.9) with an EBIT margin of 10.1 (-0.5). The result for the review period was MEUR 4.9 (-10.3), which was negatively affected by a fair value impairment of MEUR 10.4 recognised in financial items due to the market value of Eezy Plc shares, classified as held for sale, falling below the book value.

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. In spite of the labour shortages in the industry, the company also performed well in recruitment and resource allocation, and the growth in turnover as well as operational efficiency has kept personnel expenses at a competitive level.

BUSINESS SEGMENTS

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

- Finnish operations
- International business

The business segments are further divided into business areas for which turnover is reported. The Finnish operations include three business areas: restaurants, entertainment venues and fast food restaurants. The international business includes two business areas: Norway and Denmark.

FINNISH OPERATIONS

MEUR	2022	2021
Turnover	251.2	158.1
Operational EBITDA	34.8	9.3
EBIT	28.3	1.0
EBIT, %	11.3	0.6
Material margin, %	75.3	74.6
Personnel expenses, %	32.8	34.7

In January–December 2022, the turnover of Finnish operations increased by 59.0% to MEUR 251.2 (158.1) compared to the previous year. Compared to the corresponding period in 2019 turnover increased by 9.5%. In Finland, Covid-19 pandemic-related restrictions were lifted in March 2022. Operational EBITDA was MEUR 34.8 (9.3). EBIT was MEUR 28.3 (1.0) with a 11.3% (0.6) EBIT margin.

INTERNATIONAL BUSINESS

MEUR	2022	2021
Turnover	61.6	28.0
Operational EBITDA	6.8	2.0
EBIT	3.4	-1.9
EBIT, %	5.5	-6.6
Material margin, %	75.3	73.4
Personnel expenses, %	35.1	43.7

In January–December 2022, turnover in the international business increased by 119.8% from the previous year to MEUR 61.6 (28.0) and by 42.0% compared to the corresponding period in 2019. In Norway and Denmark, the restrictions related to the Covid-19 pandemic were lifted in February 2022. Operational EBITDA was MEUR 6.8 (2.0). EBIT was MEUR 3.4 EBIT (-1.9) with a 5.5% (-6.6) EBIT margin.

TURNOVER BY BUSINESS AREA

In accordance with the reorganisation measures announced on 9 June 2022, the company now 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	2022	2021
Restaurants		
Turnover, MEUR	112.2	72.7
Share of total turnover, %	35.9	39.1
Change in turnover, %	54.4	-
Units at the end of period, number	93	96
Entertainment venues		
Turnover, MEUR	97.2	50.6
Share of total turnover, %	31.1	27.2
Change in turnover, %	91.9	-
Units at the end of period, number	71	72
Fast food -restaurants		
Turnover, MEUR	41.9	34.8
Share of total turnover, %	13.4	18.7
Change in turnover, %	20.6	-
Units at the end of period, number	52	45
Total, MEUR	**251.2**	**158.1**

INTERNATIONAL BUSINESS	2022	2021
Norway		
Turnover, MEUR	39.7	16.8
Share of total turnover, %	12.7	9.0
Change in turnover, %	136.1	-
Units at the end of period, number	21	21
Denmark		
Turnover, MEUR	21.9	11.2
Share of total turnover, %	7.0	6.0
Change in turnover, %	95.3	-
Units at the end of period, number	19	19
Total, MEUR	**61.6**	**28.0**

During the financial year, 19 new restaurants were opened and 16 restaurants were closed.

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

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

In Finland, strict restrictions on restaurants were in place in January and continued until 14 February 2022, after which alcohol service ended at 11 p.m. and opening hours ended at midnight for all restaurants. At the same time, restrictions on assembly were lifted. The restaurant restrictions in Finland were lifted completely on 1 March 2022.

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

In Norway, the ban on the sale of alcohol lasted one month and ended on 14 January 2022, after which all restaurants were allowed to serve alcohol until 11 p.m. and stay open until midnight. Customer capacity was restricted to half of normal and table service was required. The restaurant restrictions, with the exception of the prohibition of dancing and the requirement to maintain safe distances of one metre, were lifted on 1 February 2022, and the remaining restrictions were lifted on 12 February 2022.

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

Government assistance during the state of emergency

NoHo Partners received a total of approximately MEUR 6.9 in government assistance related to the Covid-19 pandemic received during the first half of 2022. A more detailed account of government assistance and the distribution thereof is presented on page 68.

CASH FLOW, INVESTMENTS AND FINANCING

The Group's operating net cash flow in January–December was MEUR 70.5 (45.0). Cash flow before change in working capital was MEUR 80.3 and changes in working capital MEUR 4.3. Both receivables and payables included in the working capital have increased along with turnover, but the total change in working capital during the review period is not material.

The investment net cash flow in January–December was MEUR -16.4 (-4.7) The investments in January-December in Finland included, for example, the opening of six new Friends & Brgrs restaurants and Café Savoy, the acquisition of the restaurant Sea Horse and the business acquisition of restaurant Origo and Fat Lizard. In Norway the Group acquired businesses of Postkontoret and Laboratoriet Skøyen. The investment net cash flow includes also MEUR 4.2 of positive cash flow from the sale of Eezy Plc's shares, which were classified as held for sale.

Financial net cash flow amounted to MEUR -55.4 (-37.1), including MEUR 21.5 in amortisation of financial institution loans. Financial cash flow also includes the repayment of a loan of MEUR 1.8 related to the Tesi arrangement.

The Group's interest-bearing net liabilities excluding the impact of IFRS 16 liabilities decreased during January–December by MEUR 30.9 and amounted to MEUR 121.0 at the end of the review period. The decrease was attributable to the strong profit performance and the Tesi convertible loan arrangement carried out in May, which reduced net debt by over MEUR 10. The Group's gearing ratio excluding the impact of IFRS 16 liabilities decreased from 203.1% at the beginning of the financial period to 135.1%.

Adjusted net finance costs in January–December were MEUR 23.2 (12.5), which included expense of MEUR 10.4 due to decrease of the market value of Eezy Plc shares classified as assets held for sale. IFRS 16 interest expenses in January-December were MEUR 7.4 (5.9).

SUBORDINATED LOANS

MEUR	2022	2021	2020
Subordinated loan	0.0	0.0	0.2

The company has received a subordinated loan defined in Chapter 12 of the Limited Liability Companies Act in previous financial periods. The subordinated loan has been repaid in the financial year 2021.

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 110.

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	2022	2021	2020
Average number of employees	158	122	104
Salaries and fees for the financial period	8.0	5.6	5.4

Key figures describing the personnel of the Group	2022	2021	2020
Average number of employees	1,891	1,497	1,222
Full-time personnel	1,211	951	721
Part-time personnel converted into full-time personnel	680	546	501
Salaries and fees	66.0	44.5	41.3

During January–December 2022, NoHo Partners Group employed on average 1,211 (951) full-time employees and 680 (546) part-time employees converted into full-time employees as well as 386 (262) rented employees converted into full-time employees.

Depending on the season, some 2,300 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. Additional information on the company's governance principles is available in the Corporate Governance Statement for 2022, which is published at the same time as the Report by the Board of Directors and the Financial Statements.

Annual General Meeting 2022

NoHo Partners Plc's Annual General Meeting, held on 27 April 2022, adopted the financial statements for 2021 and discharged the company's management from liability for the 2021 financial year. The AGM decided that, based on the balance sheet adopted for the 2021 financial year, no dividends will be distributed.

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 4.2% 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 15.6% 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 2022, members of Noho Partners Plc's Board of Directors were Timo Laine (Chairman), Petri Olkinuora, Mika Niemi, Mia Ahlström, Timo Terho (until 27 April 2022), Saku Tuominen (until 27 April 2022), Kai Seikku (as of 27 April 2022) and Yrjö Närhinen (Vice Chairman, as of 27 April 2022).

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 2022, in addition to the CEO, the Group Executive Team included Deputy CEO Jarno Suominen, CFO Jarno Vilponen and Tuomas Piirtola, Director of the Fast Food business.

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 2022, NoHo Partners Plc's share capital totalled EUR 150,000 (150,000) and the total number of shares was 20,699,801 (19,222,270). 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 9,774 (9,434) shareholders on 31 December 2022.

The company's ten largest shareholders on 31 December 2022

Shareholder	Number of shares	%
Laine Capital Oy*	5,262,844	25.4
Niemi Mika Rainer	2,236,789	10.8
Veikko Laine Oy	2,131,433	10.3
Pimu Capital Oy	1,584,349	7.7
Evli Finnish Small Cap Fund	875,123	4.2
Evli Finland Select Fund	568,624	2.8
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	**13,846,641**	**66.9**

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

On 31 December 2022, 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 8,172,214 shares, which corresponds to 39.5% of the shares issued by the company.

Distribution of shareholding on 31 December 2022

Number of shares	Shareholders		Shares	
	Number	%	Number	%
1 - 100	4,951	50.7	210,862	1.0
101 - 1 000	4,153	42.5	1,442,506	7.0
1 001 - 10 000	591	6.1	1,617,632	7.8
10 001 - 100 000	58	0.6	1,765,367	8.5
100 001 - 1 000 000	17	0.2	4,448,019	21.5
> 1 000 000	4	0.0	11,215,415	54.2
Total	**9,774**	**100.0**	**20,699,801**	**100.0**
Of which nominee-registered	10	0.0	264,227	1.3
Issued number			20,699,801	100.0

Sector	Shareholders		Shares	
	Number	%	Number	%
Corporate	365	3.7	11,402,486	55.8
Financial and insurance institutions	21	0.2	2,101,964	10.3
Public sector	3	0.0	938,132	4.6
Households	9,351	95.7	5,964,956	29.2
Non-profit institutions serving households	10	0.1	22,534	0.1
Foreigners	24	0.3	5,502	0.0
Total	**9,774**	**100.0**	**20,435,574**	**100.0**
Of which nominee-registered	0	0.0	264,227	
Issued number	0	0.0	20,699,801	

RELATED PARTY TRANSACTIONS

NoHo Partners Plc, the parent company of NoHo Partners Group has granted EUR 113.0 million in financial loans to Group companies. The parent company's MEUR 8.0 bank guarantee limit related to leases also includes lease guarantees for the Group subsidiaries. In addition, the Group has a EUR 33.4 million purchase commitment from the associated company Eezy Plc. The related party transactions of the Group are described on page 113.

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 rising 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 rise in costs. 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 key ways for the Group 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. 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 the event that 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 December2022 were EUR 111,470,394.44, of which the share of the financial period's result is EUR 2,872,271.54.

NoHo Partners Plc's Board of Directors proposes to the Annual General Meeting convening on 19 April 2023 that, based on the adopted balance sheet of the financial period ending on 31 December 2022, a dividend of EUR 0.40 (0.00) per share will be paid at the time of dividend payment on shares owned by external shareholders.

The Board of Directors proposes that the dividend be paid in two (2) instalments, such that the first instalment of EUR 0.20 per share is paid on 24 May 2023 to shareholders who have been recorded in the company's shareholder list maintained by Euroclear Finland Oy by the record date of 11 May 2023. The Board of Directors proposes that it be authorised to later decide, according to its discretion, the record and payment date for the second instalment of the dividend, however in such a way that the second instalment is paid no later than by 20 October 2023 with a record date five weekdays prior to payment date.

At the time of the financial statements on 31 December 2022, there were 20,699,801 externally owned shares.

PROFIT GUIDANCE AS OF 16 FEBRUARY 2023

NoHo Partners estimates that, during the financial year 2023, it will achieve total turnover of over MEUR 350 and EBIT margin of approximately 9% in the restaurant business.

FINANCIAL TARGETS FOR THE STRATEGY PERIOD 2022-2024

The company revises its long-term guidance as follows:

The Group aims to achieve turnover of approximately MEUR 400 and an EBIT margin of approximately 10% 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 previous long-term guidance was:

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

KEY FIGURES DESCRIBING THE FINANCIAL POSITION AND NET INCOME

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

MEUR	2022	2021	2020
Turnover	41.9	17.5	13.4
EBIT	0.6	-3.4	-11.7
% of turnover	1.4	-19.4	-87.6
Return on equity %	2.6	-4.7	-14.3
Equity ratio %	42.9	36.4	38.1

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

MEUR	2022	2021	2020
Turnover	312.8	186.1	156.8
Material margin	235.5	138.5	112.9
% of turnover	75.3	74.4	72.0
EBIT	31.6	-0.9	-23.9
% of turnover	75.3	74.4	72.0
Balance sheet total	453.2	459.3	448.3
Return on investment %	8.6	0.0	-5.9
Return on equity %	6.5	-13.7	-27.0
Equity ratio %	18.2	15.1	18.1
Gearing ratio %	353.1	462.4	391.0
Gearing ratio % excluding IFRS 16 impact	135.1	203.1	192.0
Personnel expenses, %	33.2	36.0	38.0
Net cash from investing activities	16.4	4.7	10.6

The calculation formulas for key figures are presented on page 116.

Share-based key figures

	2022	2021	2020
Earnings per share, undiluted, EUR	0.07	-0.55	-1.44
Earnings per share, diluted, EUR	0.07	-0.55	-1.44
Equity per share, EUR	3.61	3.35	3.96
Dividend per share, EUR *	0.40	0.00	0.00
Dividend/EPS, %	546.49	0.00	0.00
Effective dividend yield, %	5.96	0.00	0.00
Price to earnings ratio (P/E)	91.67	-13.77	-5.61
Share price 31 December, EUR	6.71	7.62	8.06
Average share price, EUR	7.51	8.17	6.23
Highest share price during the financial period, EUR	8.60	9.45	11.50
Lowest share price during the financial period, EUR	5.70	6.68	3.56
Market capitalisation, EUR million	138.9	146.5	154.9
Volume of trading during the financial period	3,211,768	4,663,769	11,178,342
Share turnover, %	15.8	24.3	58.4

MEUR	2022	2021	2020
Adjusted average number of shares during the financial period	20,297,862	19,222,270	19,134,577
Adjusted number of shares on 31 December	20,699,801	19,222,270	19,222,270

* Proposal by the Board of Directors for the financial year 2022 to the Annual General Meeting to be held on 19 April 2023.

SUSTAINABILITY

SUSTAINABILITY

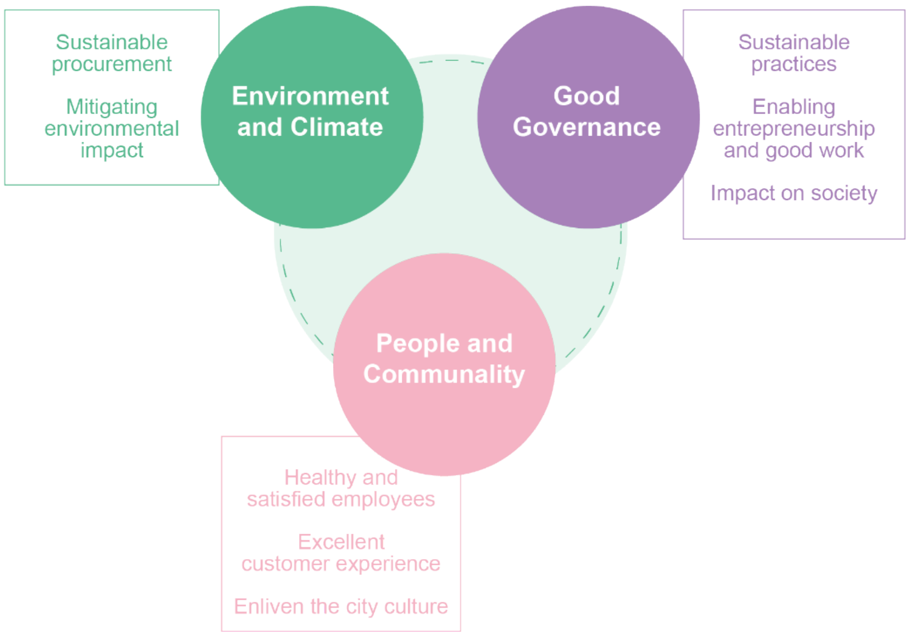
Non-financial information

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-organized and managed actions that are realized 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



At the beginning of 2022, the restrictions on the restaurant industry caused by the pandemic were gradually lifted, and NoHo was able to continue its profitable growth and the implementation of the sustainability program.

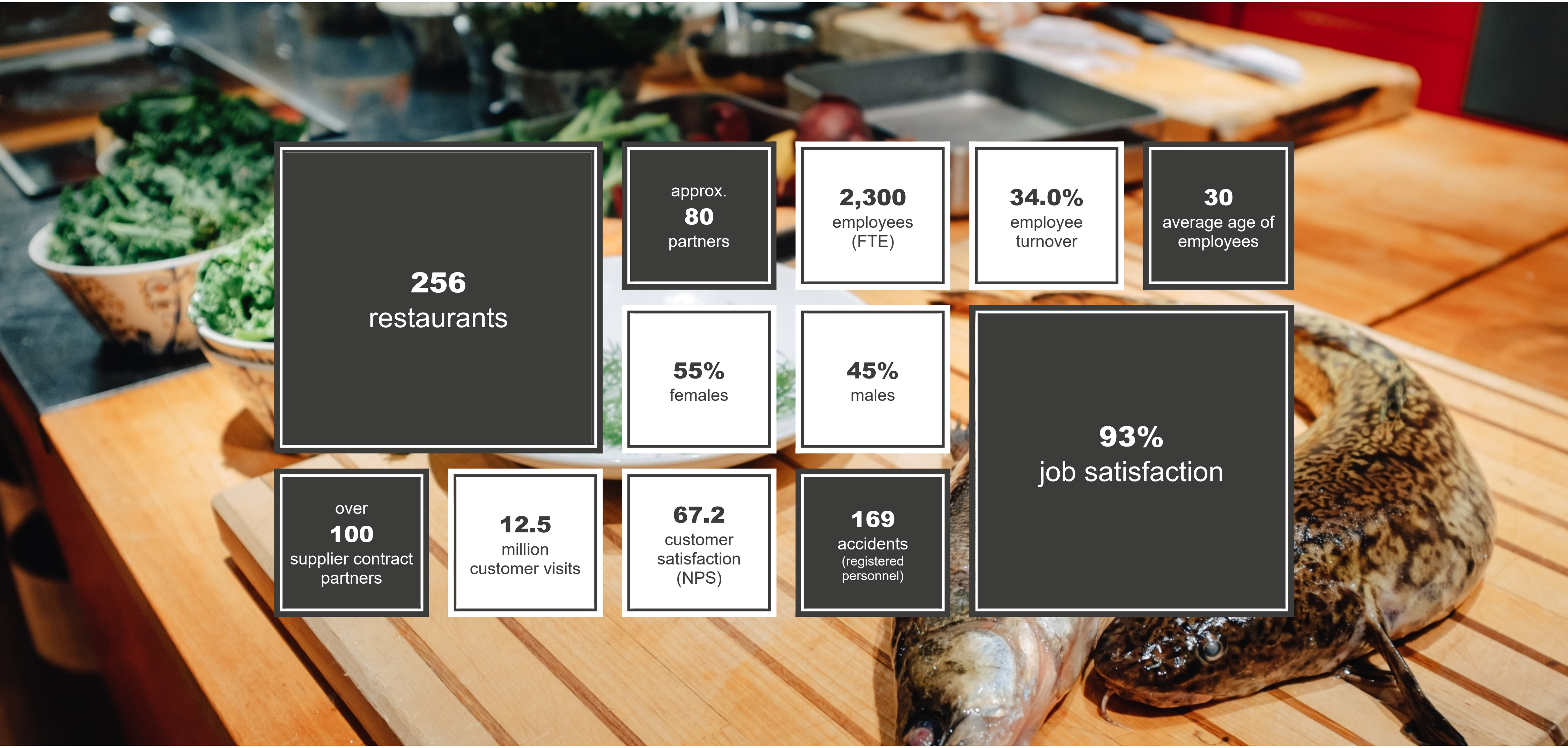
The sustainability program follows a roadmap drawn up in 2021. The roadmap extends to 2025 and is divided into yearly sub-targets. The targets of 2022 were to train employees in implementing the sustainability program, define baselines of central KPIs, collect appropriate data, publish the ethical principles, and harmonize sustainability reporting for business operations in Finland, Norway, and Denmark. The targets were implemented for the most part, and the preparation for 2023 goals was started.

The priorities of our program are sustainable procurement and mitigating environmental impact, responsibility for people, and good governance. In 2021, we defined ten key performance indicators (KPI's) to assess the impact of our actions. In 2022, we started defining baselines and collecting data. The impact of our sustainability program is measured against the United Nations Sustainable Development Goals (SDGs) and the results are reported annually.

SUSTAINABILITY ACTION

Double the Christmas spirit

In 2022, as in previous years, our personnel in Finland had the opportunity to choose a charitable donation as their own Christmas present. The sum was then doubled by the company and donated to Hope ry. NoHo Partners also donated Kesko gift cards for the Christmas celebrations of low-income families. In Norway too, a similar Christmas donation was made.


256 restaurants
approx. 80 partners
2,300 employees (FTE)
34.0% employee turnover
30 average age of employees
55% females
45% males
93% job satisfaction
over 100 supplier contract partners
12.5 million customer visits
67.2 customer satisfaction (NPS)
169 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 Cooperation and urban projects More balanced gender distribution in management positions	ESG Guide, Code of Conduct update, digital solutions Establishment of board committees 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 Number of absences	Employee wellbeing survey results concerning the importance of sustainability and how sustainability shows in everyday work 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 mitigate our climate and environmental impact we will make our procurement principles more sustainable and decrease the environmental load throughout our supply chain.

We have started the calculation of our carbon footprint by identifying key emission sources of our operations together with defining the scopes* of the calculation. Our carbon calculation will follow the calculation model of the Finnish Chamber of Commerce's Climate Commitment, based on GHG Protocol**. The goal is to calculate the baseline during 2023, set a concrete target timeline, and define actions through which we will reduce emissions accordingly.

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

* Scope refers to emission category. GHG protocol divides emission sources to three categories (scope). Scope 1 – category includes direct greenhouse emissions, scope 2 - category includes emissions from purchased energy, and scope 3 – category includes all indirect greenhouse emissions.

** GHG (Green House Gas) Protocol is a carbon calculation standard.

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. We prefer, whenever possible, locally produced products with quality or environmental certificates.

Procurement is largely centralized at Group level. In 2022, 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 will update our ethical guidelines for our procurement partners, which include the minimum requirements related to procurements. The requirements will be taken into use gradually as contracts are renewed.

SUSTAINABILITY ACTION

Sustainability principles at Palace and Savoy

Restaurants Palace and Savoy jointly prepared a sustainability program, and launched its implementation at the beginning of 2022. The three principles of the program are: Integrating sustainability in all work tasks, mitigating climate impact in the food and beverage supply, and transparent reporting.

MITIGATING ENVIRONMENTAL IMPACT

Our restaurants in Finland mainly operate on rental premises and many of our leaseholders are providing environmentally friendly energy. This year, 54 (53)% of the consumption of own energy contracts comes from renewable energy sources.

One of our most important sustainability goals is to reduce food waste more effectively. 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. Reducing food waste has a positive impact both economically and on climate change. In 2022, NoHo participated in the partnership project Mission Positive Handprint coordinated by Laurea University of Applied Sciences. The project studied the origin of restaurant produced food waste and conceptualized good practices to reduce it. Obtained information from the pilot project will be used to set measurable goals for reducing food waste, and define concrete actions for reaching these goals. One of the actions is to join the Finnish food and drink material efficiency commitment in the beginning of 2023. The commitment aims to reduce the environmental impact in the food and drink production, distribution, and consumption.

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 are using Pure Recycle's new return and recycling solution, which presses packaging into a fraction of their original sizes. This environmentally friendly and cost-effective innovation increases the efficiency in space usage, recycling logistics and facilitates the work of employees. 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.

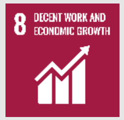
PEOPLE AND COMMUNALITY

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

Work based immigration

In 2022, NoHo hired 38 chefs from the Philippines, who arrived in Finland between January and March to work in various NoHo restaurants around the country.

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 Utilization of customer data, new concepts Cooperation and urban projects Balanced gender distribution in management positions
KPIs	Employee job satisfaction Gender equality in management and supervisory positions Customer satisfaction Number of absences
SDG IMPACT	 **5.5.2** Increase gender equality in management  **8.1.1** Increase annual growth **8.5.2** Increase secure employment  **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.

The educational themes of 2022 were development of front-line management, leadership, and profitability. Hundreds of managers and supervisors participated in trainings. In 2023, the central themes of NoHo Academy will be sustainability and quality.

The goal of our occupational safety and health care is to guarantee a safe working environment and to support and maintain the ability of our personnel to work. In 2022, the number of reported accidents were 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.

NoHo's annual occupational wellbeing survey is used to monitor staff satisfaction, and to create a basis for future development work. Results show that occupational wellbeing improved significantly in 2022 when 94 (85)% of the personnel in Finland were very or fairly satisfied with the company as a workplace. In 2022, survey was extended to cover Norway and Denmark as well, where the satisfaction rate was 86% in both countries. In the whole group, 93% 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 good work atmosphere

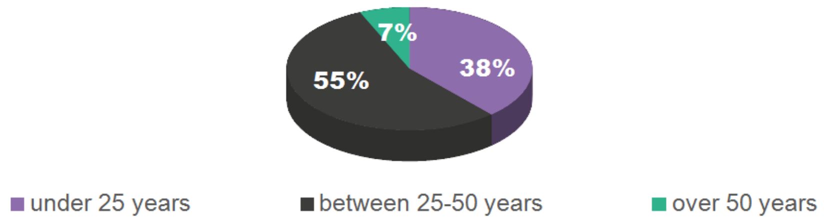
In 2022, importance of sustainability on a personal level and its implementation at the workplace were investigated for the first time. Sustainability was considered very important from a personal point of view, with an average of 9.0 (on a scale 1 - 10). The topic was also seen to be strongly present in daily operations (average 4.0 on a scale 1 - 5). The purpose of sustainability will continue to be monitored in future occupational wellbeing surveys in order to develop leadership and management work and improve everyday practices.

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 we have zero tolerance for bullying, sexual harassment, or discrimination. Approximately one in ten of NoHo employees has experienced inappropriate behaviour at the workplace either by a customer or colleague. We take every case seriously. We handle all reports confidentially and appropriately and, if necessary, take the required measures. We also promote inclusion and equality in the Group's ethical guidelines, which were updated in 2022. An online course has also been produced of the ethical guidelines, which will be used in onboarding and training.

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 2022, the Group's gender distribution in managerial or supervisory positions was fairly balanced: 52% men and 48% female. By developing practices and processes, we strive for even more balanced gender distribution in all areas of duties and responsibilities.

Gender and age distribution

	Males, %	Females, %
Board of Directors	83	17
Group Executive Team	100	0
Executive Team Finland	67	33
Executive Team Denmark	71	29
Executive Team Norway	50	50
Managers	52	48



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 67.2 (67.8). According to the NPS, 50-80 is considered excellent.

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. To this segment, NoHo Partners established in 2022 its own business unit, NoHo Events focused on events and experiences, targeting a leading position in the Nordics. One of the significant city projects that started during 2022 is the Kulttuurikasarmi cultural centre, which will be built on the premises of an old bus station in central Helsinki. This entertainment centre, estimated to be ready by the end of 2023, combines culture, art, concerts, events and good food in numerous NoHo restaurants, bars, and terrace areas. Early 2023, NoHo Partners also signed a strategic partnership agreement with Helsinki Expo and Convention Centre, the largest venue for exhibitions, meetings and congresses in Finland, hosting national and international events for about a million visitors annually. NoHo also participates in activities aiming to develop Helsinki and other urban centres, for example, through collaboration with the Finnish Hospitality Association, MaRa ry.

SUSTAINABILITY ACTION

Traditional restaurant culture

The classic restaurant concept of NoHo Partners was strengthened by a new member in 2022 through the acquisition of restaurant Sea Horse. Established in 1934 and located in the Ullanlinna area of Helsinki, is one of the most internationally known Finnish restaurants and has been featured in numerous films as well as magazine articles.

GOOD GOVERNANCE

GOALS	Sustainable practices Enabling entrepreneurship and good work Impact on society
OPERATING PRINCIPLES	Sustainability integrated into operations Operational excellence Profitable growth
ACTIONS 2022-2024	ESG Guide, Code of Conduct, digital solutions Establishment of board committees 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 regarding the significance of sustainability and how it shows in daily operations 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

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.

Updating NoHo Partner's ethical guidelines was finalized at the end of 2022. The guidelines are also produced in video recording format, which will be used in e.g., onboarding programs. A practical ESG guide was also produced based on the sustainability program. The ESG guide contains hands-on tips for how sustainable practices can be implemented in everyday work. The guide contains guidelines regarding social practices, procurements, lighting, electricity and water use efficiency, reducing food waste, recycling and so on. The ESG guide will be used for onboarding and training, and the content will be shared in different communication channels in a targeted manner. In 2023, the sustainability trainings will continue with different themes, and NoHo Academy´s training programs will be increased.

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 2022, the Group had approximately 80 shareholder partners in Finland, Denmark and Norway, whose individual ownership of the subsidiary exceeded 2%.

We are one of the biggest employers in the restaurant business in all our current markets. Depending on the season, the Group has approximately 2,300 employees converted to full-time 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. In 2022, little more than a third of the Group's employees in Finland, Norway and Denmark and the employees hired through staff-leasing partners, were under 25 years of age. The average age of employees was approximately 30 years. We invest 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 of 2022, young people experience NoHo as a safe work environment (average 4,7 on scale 1-5) and feel that they receive support from co-workers when needed (average 4,7 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 2022, our restaurants worked in partnership with WWF, Hope Ry, and Blue Ribbon Foundation Group. The aim is to grow and develop charitable activities. The collaboration will be tied especially to youth employment and helping young people in various ways.

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. The Covid-19 pandemic has had a considerable impact on the company's operations, the market, and the restaurant industry. After the restrictions were lifted in spring of 2022, customers returned to restaurants, operations were normalized and we were able to continue doing business in line with our strategy.

NoHo Partners continued implementing its profitable growth strategy. In 2022, the Group turnover was MEUR 312.8 (186.1) and EBIT MEUR (-0.9).

SUSTAINABILITY ACTION

Night of the homeless

We participated in the Night of the Homeless to support Blue Ribbon Foundation Group housing unit by donating food and consumables for its residents. The Night of the Homeless is a civil movement which has contributed to reducing homelessness in Finland already for 20 years.

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.

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 ESG-program and NoHo Academy training programs
- Reporting by the ESG-program
- Calculation of carbon footprint and food waste
- SDG impacts
- ESG impacts

2024

ACTIONS & DEVELOPMENT

- Training
- Clarification of quantitative goals
- Further development of KPI's

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.

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

The sustainability goals are divided into environmental, social and governance (ESG) effectiveness. We set the metrics for the first time in 2021. Few indicators were adjusted in 2022 due to incorporating figures from international operations.

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, taxonomically-aligned activities.

In its first phase, the sectors and activities with the greatest potential to have a major impact on climate change mitigation or adaptation have been included in the taxonomy. 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	312.8	0.0	0.0	100.0
Capital expenditure *	20.9	0.0	0.0	100.0
Operating expenses **	246.8	0.0	0.0	100.0

* The Group's reported gross investments, including prepayments
** The Group's operating expenses include materials and services, employee benefits and other operating expenses

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities in 2022

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
Economic activities	Code(s)	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of turnover 2022	Taxonomy-aligned proportion of turnover 2021	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)	(21)
		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																	
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																	
Total (A.1 + A.2)		0.0	0																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		312.8	100																	
Total (A + B)		312.8	100																	

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities in 2022

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
Economic activities	Code(s)	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of CapEx 2022	Taxonomy-aligned proportion of CapEx 2021	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)	(21)
		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																	
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																	
Total (A.1 + A.2)		0.0	0																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		20.9	100																	
Total (A + B)		20.9	100																	

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities in 2022

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
Economic activities	Code(s)	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion of OpEx 2022	Taxonomy-aligned proportion of OpEx 2021	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)	(21)
		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																	
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																	
Total (A.1 + A.2)		0.0	0																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities (B)		246.8	100																	
Total (A + B)		246.8	100																	

GOVERNANCE

CORPORATE GOVERNANCE STATEMENT 2022

The company complies with the valid Corporate Governance Code of Finnish listed companies 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.

According to the Articles of Association, the Annual General Meeting selects between five and seven members for NoHo Partners Plc's Board of Directors. The term of office of the members of the Board of Directors ends when the following Annual General Meeting is concluded. 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 backgrounds, experience, expertise and from both genders, so that the diversity of the Board of Directors supports NoHo Partners' business and future in the best possible way.

Since 2005, 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

The Annual General Meeting selects the members of the Board of Directors annually. According to the Articles of Association, the Board of Directors consists of no fewer than five and no more than seven members. The term of office of the members of the Board of Directors ends when the following Annual General Meeting is concluded.

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 2022

- **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, graduate in business and marketing
  Direct and controlling interest 1,751 shares
- **Mika Niemi**, b. 1966, vocational qualification in business and administration
  Direct and controlling interest 2,236,789 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 13 (14) meetings. Some of the meetings were held by e-mail or telephone.

ATTENDANCE OF THE BOARD MEMBERS IN MEETINGS IN 2022

Name and position	Meetings
Timo Laine, Chairman	12 / 13
Yrjö Närhinen, Vice-Chairman (as of 27 April 2022)	9 / 9
Kai Seikku (as of 27 April 2022)	8 / 9
Petri Olkinuora	13 / 13
Mika Niemi	12 / 13
Mia Ahlström	12 / 13
Tomi Terho (until 27 April 2022)	3 / 4
Saku Tuominen (until 27 April 2022)	4 / 4

The company's goal is to have diverse industry and market expertise, professional and educational backgrounds and both genders represented on the Board of Directors. The diversity of the Board 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 2022.

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 2022, 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 2022, Yrjö Närhinen was Chairman of the Nomination and Remuneration Committee and Timo Laine and Mia Ahlström were members.

Both the Audit Committee as well as the Nomination and Remuneration Committee met 3 times during the financial period.

ATTENDANCE OF THE COMMITTEE MEMBERS IN MEETINGS IN 2022

Name and position	Meetings
Audit Committe	
Kai Seikku, Chairman	3 / 3
Petri Olkinuora	3 / 3
Nomination and Remuneration Committee	
Yrjö Närhinen, Chairman	3 / 3
Timo Laine	3 / 3
Mia Ahlström	3 / 3

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. In 2022, the annual remuneration was EUR 40,000 (40,000) for the Chairman of the Board of Directors, EUR 30,000 (30,000) for the Vice-Chairman and EUR 20,000 (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 800 to the Chairman and EUR 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 2022 was **Aku Vikström**. The company's Deputy CEO in 2022 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.

In June 2022, NoHo Partners Plc re-organised the structure of its Executive Team to accelerate its new growth strategy. With the changes made, the company seeks clearer accountability and allocation of resources behind its strategic growth platforms. At the same time, the company will strengthen the role of country-specific Executive Teams and invest in the future growth and internationalisation of the Fast Food business. The company's strategy and its implementation, financing, acquisitions and procurement will be concentrated in the Group operations.

MEMBERS OF THE EXECUTIVE TEAM ON 31 DECEMBER 2022
as of 9 June 2022

- **Aku Vikström**, b. 1972, CEO
  Direct and controlling interest 256,365 shares. The number of shares that can be earned under the share-based incentive plan's third earning period, ending on 31 March 2023, is 72,916 shares and 74,000 shares under the fourth earning period, ending on 31 December 2024.
- **Jarno Suominen**, b. 1972, Deputy CEO
  Direct and controlling interest 296,100 shares. The number of shares that can be earned under the share-based incentive plan's third earning period, ending on 31 March 2023, is 63,232 shares and 64,000 shares under the fourth earning period, ending on 31 December 2024.
- **Jarno Vilponen**, b. 1987, CFO
  Direct and controlling interest 21,200 shares. The number of shares that can be earned under the share-based incentive plan's third earning period, ending on 31 March 2023, is 24,280 shares and 36,420 shares under the fourth earning period, ending on 31 December 2024.
- **Tuomas Piirtola**, b. 1980, Director of the Fast Food business
  Direct and controlling interest 1,365 shares. Piirtola is not a participant of the share-based incentive plan.

MEMBERS OF THE EXECUTIVE TEAM
until 9 June 2022

- Aku Vikström, b. 1972, CEO
- Jarno Suominen, b. 1972, Deputy CEO
- Jarno Vilponen, b. 1987, CFO
- Juha Helminen, b. 1977, Director of International Operations
- Anne Kokkonen, b. 1976, HR Director
- Benjamin Gripenberg, b. 1975, Director, Food restaurants, Helsinki metropolitan area
- Tanja Virtanen, b. 1977, Director, Food restaurants, rest of Finland
- Paul Meli, b. 1977, Director, Entertainment venues
- Tero Kaikkonen, b. 1976, Director, Fast Casual

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 or any interim report. During the closed period, NoHo Partners Plc's management and personnel participating in financial reporting may not trade (on their own account or that of a third party) in the company's financial instruments.

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 2022 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 2022, the auditors of the NoHo Partners Group were paid EUR 0.7 (0.6) million for auditing services and EUR 0.5 (0.2) 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 of Okmetic Oy and member of the Board of Directors
- 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

Director of Fast Food -business since 2022

- In the company since 2022

REMUNERATION REPORT 2022

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 2022, 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	2022	2021	2020	2019	2018
Annual remuneration of the Board of Directors	150.0	150.0	134.0	93.5	87.7
Annual remuneration of the CEO	340.8	310.8	474.7	294.1	211.7
Average salary per person	34.9	29.7	33.8	34.2	33.4

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.

Financial development of the company

MEUR	2022	2021	2020	2019	2018
Group turnover	312.8	186.1	156.8	272.8	209.6
Group EBIT	31.6	-0.9	-23.9	30.6	15.7

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 2022 Annual General Meeting decided to pay a fee of EUR 40,000 (40,000) per year to the Chairman of the Board, EUR 30,000 (30,000) per year to the Vice-Chairman of the Board and EUR 20,000 (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 800 and to the members EUR 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 2022

EUR thousands	Annual remuneration	Committee meeting fees	Other financial benefits	Total
Timo Laine, Chairman	40.0	1.2	105,8*	147.0
Yrjö Närhinen, Vice Chairman as of 27 April 2022	20.0	2.4	15,0*	37.4
Kai Seikku, member as of 27 April 2022	13.3	2.4	0.0	15.7
Petri Olkinuora, member	23.3	1.2	0.0	24.5
Mika Niemi, member	20.0	0.0	0.0	20.0
Mia Ahlström, member	20.0	1.2	0.0	21.2
Saku Tuominen, member until 27 April 2022	6.7	0.0	0.0	6.7
Timo Terho, member until 27 April 2022	6.7	0.0	0.0	6.7
Total	**150.0**	**8.4**	**120.8**	**279.2**

* 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.

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 2022, including benefits in kind, was EUR 290.8 thousand. The Deputy CEO's fixed annual salary in 2022, including benefits in kind, was EUR 197.3 thousand.

SHORT-TERM PERFORMANCE BONUS

In 2022, the CEO was paid a performance reward of EUR 50 thousand for 2021. The ratio of fixed and variable remuneration components of the CEO's salary was 85/15 in the financial period.

In 2022, the Deputy CEO was paid a performance reward of EUR 40 thousand for 2021. The ratio of the Deputy CEO's fixed and variable remuneration components of the CEO's salary was 83/17 in the financial period.

For 2022, a short-term performance bonus of EUR 70 thousand is paid to the CEO and EUR 50 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. No share reward was paid in 2022 based on the second earning period of the share-based incentive scheme.

The number of shares that can be earned by the CEO under the share-based incentive plan's third earning period, ending on 31 March 2023, is 72,916 shares and 74,000 shares under the fourth earning period, ending on 31 December 2024.

The number of shares that can be earned by the Deputy CEO under the share-based incentive plan's third earning period, ending on 31 March 2023, is 63,232 shares and 64,000 shares under the fourth earning period, ending on 31 December 2024.

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

FINANCIAL STATEMENTS

CONTENTS

Consolidated statement of profit or loss and other comprehensive income

MEUR	Note	2022	2021
Turnover	2.1.	312.8	186.1
Other operating income	2.4.	13.4	17.5
Materials and services	2.5.	-105.7	-63.8
Employee benefits	2.6.	-77.7	-52.7
Other operating expenses	2.8.	-63.4	-41.1
Depreciation, amortisation and impairment losses	2.10.	-47.8	-47.1
Share of profit of associated company		0.0	0.3
EBIT		**31.6**	**-0.9**
Financial income	5.8.	1.8	1.1
Interest expenses on financial liabilities	5.8.	-5.0	-6.0
Interest expenses for right-of-use assets	5.8.	-7.4	-5.9
Other finance costs	5.8.	-11.9	-1.1
Net finance costs	5.8.	-22.5	-11.9
Result before taxes		**9.1**	**-12.8**
Tax based on the taxable income from the financial period	2.11.	-3.1	-1.2
Change in deferred taxes	2.12.	-1.2	3.7
Income taxes		-4.3	2.4
Result for the financial period		**4.9**	**-10.3**
Result of the financial period attributable to			
Owners of the Company		1.5	-10.6
Non-contorolling interests		3.4	0.3
Total		**4.9**	**-10.3**

MEUR	Note	2022	2021
Earnings per share calculated from the result of the review period for owners of the Company			
Basic earnings per share (EUR)	2.13.	0.07	-0.55
Diluted earnings per share (EUR)	2.13.	0.07	-0.55
Consolidated statement of comprehensive income			
Result of the financial period		4.9	-10.3
Other comprehensive income items (after tax)			
Foreign currency translation differences, foreign operations		-1.1	-0.2
Other comprehensive income items that may be subsequently reclassified to profit or loss, total		-1.1	-0.2
Total comprehensive income for the period		**3.8**	**-10.5**
Distribution of the comprehensive income for the financial period			
Owners of the Company		0.4	-10.8
Non-contorolling interests		3.4	0.3
Total		**3.8**	**-10.5**

Items impacting comparability for the financial period 1 January – 31 December 2022

The capital gain of MEUR 0.4 arising from the sale of Eezy Plc shares during 1 January–31 March 2022 is included in other operating income. Effective from 1 April 2022, the company has changed the classification of its shareholding in Eezy Plc from a business- related asset to an investment asset. Consequently, items related to Eezy Plc are presented in financial items going forward. Since the classification, due to the reduction of Eezy Plc's market value, a reduction of fair value of MEUR 10.4 has been recognised under other finance costs in the income statement. More information on the treatment of Eezy Plc shares in the income statement is presented on page 64.

Consolidated balance sheet

MEUR	Note	31 Dec 2022	31 Dec 2021
ASSETS			
Non-current assets			
Goodwill	4.1.	141.0	137.1
Intangible assets	4.1.	38.0	40.4
Property, plant and equipment	4.2.	50.3	47.2
Right-of-use assets	4.3.	159.4	162.2
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	0.6
Other receivables	4.6.	1.8	2.7
Deferred tax assets	2.12.	13.0	10.3
Total non-current assets		**403.9**	**400.8**
Current assets			
Inventories	4.5.	5.6	5.0
Loan receivables	4.6.	0.7	0.8
Trade and other receivables	4.6.	21.8	16.2
Cash and cash equivalents	5.5.	5.2	6.4
Total current assets		**33.3**	**28.4**
Total non-current assets held for sale	1.7.	**16.0**	**30.1**
TOTAL ASSETS		**453.2**	**459.3**

MEUR	Note	31 Dec 2022	31 Dec 2021
EQUITY AND LIABILITIES			
Equity			
Share capital	5.10.	0.2	0.2
Invested unrestricted equity fund	5.10.	70.2	58.4
Retained earnings	5.10.	4.4	5.8
Total equity attributable to owners of the Company		**74.8**	**64.4**
Non-controlling interests	5.10.	7.2	5.0
Total equity		**82.0**	**69.4**
Non-current liabilities			
Deferred tax liabilities	2.12.	9.2	5.3
Financial liabilities	5.6.	98.0	113.2
Liabilities for right-of-use assets	4.3.	137.9	139.6
Other payables	4.7.	6.1	3.6
Total non-current liabilities		**251.1**	**261.8**
Current liabilities			
Financial liabilities	5.6.	29.1	46.4
Provisions	4.8.	0.1	0.1
Liabilities for right-of-use assets	4.3.	30.8	29.4
Income tax liability	4.7.	2.3	2.3
Trade and other payables	4.7.	57.8	49.9
Total current liabilities		**120.1**	**128.1**
Total liabilities		**371.2**	**389.9**
TOTAL EQUITY AND LIABILITIES		**453.2**	**459.3**

Consolidated statement of changes in equity 2022

2022 MEUR	Share capital	Invested unrestricted equity fund	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**	**-0.1**	**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**	**-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**	**1.3**	**13.2**	**-0.8**	**12.3**
Changes in ownership interests							
No change in control				**-3.1**	**-3.1**	**-0.3**	**-3.4**
Change in control					**0.0**		
TOTAL	**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**	**-1.8**	**10.1**	**-1.1**	**8.9**
EQUITY AT 31 DECEMBER	**0.2**	**70.2**	**-1.2**	**5.6**	**74.8**	**7.2**	**82.0**

Consolidated statement of changes in equity 2021

2021 MEUR	Equity attributable to owners of the Company						
	Share capital	Invested unrestricted equity fund	Translation difference	Retained earnings	Total	Non-controlling interests	TOTAL EQUITY
Equity at 1 January	**0.2**	**58.4**	**0.0**	**17.5**	**76.1**	**4.8**	**81.0**
Total comprehensive income for the period							
Result of the financial period				-10.6	**-10.6**	0.3	**-10.3**
Other comprehensive income items (after tax)							
Foreign currency translation differences, foreign operations			-0.2		**-0.2**	0.0	**-0.2**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**0.0**	**0.0**	**-0.2**	**-10.6**	**-10.8**	**0.3**	**-10.5**
Transactions with shareholder							
Contributions and distributions							
Dividend distribution					**0.0**	-0.7	**-0.7**
Issue of ordinary shares					**0.0**		**0.0**
Convertible bond conversion					**0.0**		**0.0**
Share-based payments				0.1	**0.1**		**0.1**
TOTAL	**0.0**	**0.0**	**0.0**	**0.1**	**0.1**	**-0.7**	**-0.6**
Changes in ownership interests							
No change in control				-1.0	**-1.0**	0.4	**-0.6**
Change in control					**0.0**	0.2	**0.2**
TOTAL	**0.0**	**0.0**	**0.0**	**-1.0**	**-1.0**	**0.6**	**-0.4**
Total transactions with owners of the Company	**0.0**	**0.0**	**0.0**	**-0.9**	**-0.9**	**-0.1**	**-1.0**
EQUITY AT 31 DECEMBER	**0.2**	**58.4**	**-0.1**	**5.9**	**64.4**	**5.0**	**69.4**

Consolidated statement of cash flows

MEUR	2022	2021
Cash flows from operating activities		
Result of the financial period	4.9	-10.3
Adjustments to the result of the reporting period		
Non-cash transactions	0.9	-1.8
Depreciation, amortisation and impairment losses	47.8	47.1
Net finance costs	22.5	11.9
Income taxes	4.3	-2.4
Share of profit of associated company	0.0	-0.3
Cash flow before change in working capital	**80.3**	**44.1**
Changes in working capital		
Trade and other receivables	-4.8	-1.9
Inventories	-0.5	-1.3
Trade and other payables	9.6	15.7
Changes in working capital	**4.3**	**12.5**
Dividend income	0.8	0.9
Interest paid and other finance costs	-12.9	-11.2
Interest received and other finance income	0.2	0.1
Income taxes paid	-2.1	-1.3
Net cash from operating activities	**70.5**	**45.0**
Cash flows from investing activities		
Acquisition of tangible and intangible assets	-14.7	-9.2
Change in other non-current receivables	-0.3	-0.2
Acquisition of subsidiaries with time-of-acquisition liquid assets deducted	-2.4	-3.5
Business acquisitions	-3.6	-1.1
Business divestment	0.4	0.3
Sales of shares of associated companies	4.2	9.0
Net cash from investing activities	**-16.4**	**-4.7**

MEUR	2022	2021
Cash flows from financing activities		
Proceeds from non-current loans and borrowings	0.0	7.0
Payment of non-current loans and borrowings	-26.0	-12.1
Proceeds from current loans and borrowings	3.4	-4.2
Current commercial papers repaid	0.0	-0.5
Acquisition of non-controlling interests	-1.9	-0.6
Payment of liabilities for right-of-use assets	-30.0	-25.9
Dividends paid	-0.8	-0.7
Net cash from financing activities	**-55.4**	**-37.1**
Change in cash and cash equivalents	**-1.2**	**3.3**
Cash and cash equivalents on 1 January	**6.4**	**3.1**
Cash and cash equivalents on 31 December	**5.2**	**6.4**
Change in cash and cash equivalents	**-1.2**	**3.3**

Non-cash transactions are itemised on page 110.

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.

At the end of the financial year 2022, the Group comprised approximately 250 restaurants in Finland, Denmark and Norway. The well-known restaurant concepts of the company include Elite, Savoy, Teatteri, Sea Horse, Stefan's Steakhouse, Palace, Löyly, Hanko Sushi, Friends & Brgrs, Campingen ja Cock's & Cows.

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 15 March 2023. 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 2022 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. IMPACT OF THE COVID-19 PANDEMIC ON THE GROUP'S BUSINESS

Summary of the impacts of the Covid-19 pandemic in the Group's financial statements	Note
Measures to adjust business operations	
Rents Rent concessions in 2022	4.3. Lease agreements
Government grants Grants from the Finnish, Norwegian and Danish states	2.3. Government grants
Financing On 4 November 2022 renewed financing agreement	5.6. Financial liabilities

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

In Finland, strict restrictions on restaurants were in place in January and continued until 14 February 2022, after which alcohol service ended at 11 p.m. and opening hours ended at midnight for all restaurants. At the same time, restrictions on assembly were lifted. The restaurant restrictions in Finland were lifted completely on 1 March 2022.

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

In Norway, the ban on the sale of alcohol lasted one month and ended on 14 January 2022, after which all restaurants were allowed to serve alcohol until 11 p.m. and stay open until midnight. Customer capacity was restricted to half of normal and table service was required. The restaurant restrictions, with the exception of the prohibition of dancing and the requirement to maintain safe distances of one metre, were lifted on 1 February 2022, and the remaining restrictions were lifted on 12 February 2022.

A report on the impacts of the pandemic and changes in restaurant restrictions for the comparison period 2021 is presented in the Consolidated Financial Statements for 2021, Note 1.3.

NoHo Partners received a total of approximately MEUR 6.9 in government assistance related to the Covid-19 pandemic received during the first half of 2022. A more detailed account of government assistance and the distribution thereof is presented on page 68.

1.4. 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 rising 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 rise in costs. 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 key ways for the Group 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. 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 the event that the Group's expected future cash flows decline permanently due to external or internal factors.

1.5. 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.

The impacts of the Covid-19 pandemic on the Group's operations and management estimates are described on earlier on page 60.

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	5.9. 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

1.6. 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 110.

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.

1.7. 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 from 25.3% to 20.5% 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 2022, NoHo Partners owned 5,139,745 shares in Eezy Plc, corresponding to a holding of approximately 20.5%. The book value of the shares on NoHo Partners Plc's balance sheet is MEUR 16.0, corresponding to EUR 3.12 per share (closing share price at the end of the review period). The balance sheet value of the shareholding in Eezy Plc was EUR 5.14 per share on NoHo Partners Plc's balance sheet on 31 March 2022. Since the classification, due to the reduction of Eezy Plc´s market value, a reduction of fair value of MEUR 10.4 has been recognised under other finance costs in the income statement. If the fair value of Eezy Plc returns to its original book value, the recognised impairment will be reversed up to the original value (EUR 5.14/share).

A 10 % decrease in the market value of the Eezy Plc share would result in MEUR 1.6 finance cost and a corresponding increase in the market value would result in MEUR 1.6 financial income.

1.8. 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.

1.9. ADOPTION OF NEW AND AMENDED STANDARDS

New and amended standards and interpretations applied in the consolidated financial statements as of 1 January 2022:

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* (effective for financial years beginning on or after 1 January 2022)

When an onerous contract is accounted for based on the costs of fulfilling the contract, the amendments clarify that these costs comprise both the incremental costs and an allocation of other direct costs.

Annual Improvements to IFRS Standards 2018–2020 (effective for financial years beginning on or after 1 January 2022)

The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRSs to be grouped together and issued in one package annually. The amendments clarify the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter: This amendment simplifies the application of IFRS 1 for a subsidiary that becomes a first-time adopter later than its parent. A subsidiary may elect to measure cumulative translation differences at amounts included in the consolidated financial statements of the parent.
- IFRS 9 Financial Instruments – Fees in the "10 per cent" test for derecognition of financial liabilities: This amendment clarifies that – for the purpose of performing the "10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.
- IFRS 16 Leases – Lease incentives – Example 13. The amendment removes the illustration of payments from the lessor relating to leasehold improvements. The example was not clear as to why such payments are not a lease incentive.
- IAS 41 Agriculture – Taxation in fair value measurements. This amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement. When a present value technique is used to measure fair value, the assumptions used for the cash flows and discount rates should be internally consistent – i.e. using either after tax or pre-tax for both.

Property, Plant and Equipment — Proceeds before Intended Use – Amendments to IAS 16 *Property, Plant and Equipment* (effective for financial years beginning on or after 1 January 2022)

Under the amendments, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items.

Reference to the Conceptual Framework — Amendments to IFRS 3 *Business Combinations* (effective for financial years beginning on or after 1 January 2022)

The amendments update a reference in IFRS 3 and makes further reference related amendments.

2. FINANCIAL RESULT

2.1. TURNOVER

DISTRIBUTION OF TURNOVER

MEUR	2022	2021
Sales of goods	283.7	170.7
Sales of services	29.1	15.3
Total	**312.8**	**186.1**

DISTRIBUTION OF TURNOVER INTO GOODS AND SERVICES BY BUSINESS AREA

MEUR	2022	2021
Restaurants	112.2	72.7
Entertainment venues	97.2	50.6
Fast food restaurants	41.9	34.8
Restaurants in Norway	39.7	16.8
Restaurants in Denmark	21.9	11.2
Total	**312.8**	**186.1**

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

In accordance with the reorganisation measures announced on 9 June 2022, the company now 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.

Asset and debt items based on contracts with customers

Of asset items based on contracts, a total of MEUR -0.1 (-0.5) was recognised as credit losses and IFRS 9 credit loss provisions during the period 1 January–31 December 2022.

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 2022, the value of gift cards sold was EUR 3.2 million, and they are expected to be recognised as revenue during the next 12 months.

The total impact from the company acquisitions carried out in 2022 on trade receivables and other non-interest-bearing receivables was MEUR 0.1 (0.1), see page 76.

ACCOUNTING PRINCIPLES

In the restaurant business, the customers are mainly private individuals and there is also 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

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

2021 MEUR	Finland	International	Eliminations	Group
Turnover	158.1	28.0	0.0	186.1
Other operating income	9.4	8.1	0.0	17.5
Depreciation, amortisation and impairment losses	-36.4	-10.7	0.0	-47.1
EBIT	1.0	-1.9	0.0	-0.9
Operational EBITDA	9.3	2.0	0.0	11.3
Assets	400.6	106.3	-47.6	459.3
Liabilities	319.7	117.8	-47.6	389.9

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

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

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

The Group's evaluation of profitability and decisions concerning the resources to be allocated to a segment are based on the segments' EBIT. It is the understanding of the management that this is the most suitable benchmark for comparing the profitability of the segments 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 impacts of the Covid-19 pandemic on the Group's business operations are described on page 60.

Finland

During the second quarter, the company received MEUR 4.3 in compensation for uncovered fixed expenses from the Finnish state pursuant to the retrospectively confirmed Act on Support for Business Costs. The aid is intended primarily for medium-sized and large enterprises for the period from December 2021 to February 2022, during which business activities were restricted or completely blocked by government orders. As the business normalised during the second quarter all financial government support models have ended.

Norway

In January 2022, while the restrictions were in force, the Norwegian state covered up to 85 per cent of fixed expenses if turnover decreased by more than 30 per cent compared to the corresponding period in 2019. Waste was reimbursed at a rate of 100% and the turnover of cancelled events at a rate of 70%. The wage subsidy was 80 per cent (up to NOK 30,000 per month). In addition, in the second quarter, the municipality of Oslo paid additional support to companies whose turnover decreased due to the restrictions in effect at the beginning of the year. As the business normalised during the second quarter all financial government support models have ended.

Denmark

In Denmark, while the restrictions were in force in the first quarter, the state supported companies in the restaurant industry by covering 80 per cent of their fixed expenses, relative to the decline in turnover. In January 2022, in addition to this, the wage subsidy was 90 per cent of the wages of hourly paid workers and 75 per cent of the salaries of monthly wage earners. As the business normalised during the second quarter all financial government support models have ended.

Specification of government grants

MEUR	2022	2021
Finland		
Compensation for restriction of operations/ closure compensation *	0.0	1.8
Business cost support/ compensation for fixed expenses **	4.3	2.5
Development grant/ General grant by the Ministry of Education and Culture	0.0	0.2
Norway		
Compensation for fixed expenses	1.3	3.8
Compensation related to wage expenses	0.4	0.4
Denmark		
Compensation for fixed expenses	0.6	2.5
Compensation related to wage expenses	0.2	1.1
Total	**6.9**	**12.2**

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

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	2022	2021
Rent income	1.2	1.1
Government grants	6.9	12.2
Other operating income	5.3	4.2
Total	**13.4**	**17.5**

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 68. 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	2022	2021
Purchases	77.3	47.6
External services	28.3	16.2
Total	**105.7**	**63.8**

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 2022, NoHo Partners Group employed on average 1,211 (951) full-time employees and 680 (546) part-time employees converted into full-time employees as well as 386 (262) rented employees converted into full-time employees.

Depending on the season, some 2,300 people converted into full-time employees work at the Group at the same time under normal circumstances.

MEUR	2022	2021
Salaries	64.7	44.4
Pension costs – defined contribution plans	8.6	6.3
Social security costs	3.1	1.9
Expenses recognised on the share-based incentive plan	1.3	0.1
Total	**77.7**	**52.7**

	2022	2021
Group personnel on average during the period	1,891	1,497

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 113.

The share-based incentive plan is described on page 70.

ACCOUNTING PRINCIPLES

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

Pension obligations are classified as benefit-based or defined contribution plans. The Group's statutory pension plans have been classified as defined contribution plans. The Group does not have any benefit-based pension plans.

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.

2.7. SHARE-BASED PAYMENTS

Expenses recognised on the share-based incentive plan

MEUR	2022	2021
Earning period 3	1.3	0.1

NoHo Partners announced the introduction of the share-based incentive scheme on 30 November 2018.

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.

Based on the management's estimate, MEUR 2.3 of benefits paid in shares has been cumulatively recognised as expenses for the open earning period by 31 December 2022.

Earning period 3

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

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

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

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%.

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	2022	2021
Voluntary indirect employee costs	2.9	1.6
Business premises expenses	19.0	8.8
Machinery, equipment and IC expenses	13.0	9.5
Travel expenses	1.1	0.5
Marketing, performer and entertainment expenses	16.1	10.0
Other expenses	11.2	10.7
Total	**63.4**	**41.1**

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	2022	2021
Audit	0.7	0.6
Other fees	0.5	0.2
Total	**1.1**	**0.8**

The auditing firm was Ernst & Young Oy.

2.10. DEPRECIATION, AMORTISATION AND IMPAIRMENT

MEUR	2022	2021
Intangible assets		
Non-competition agreements	0.4	0.6
Brands and name-use-rights	3.6	3.7
IC software	0.5	0.5
Total	**4.6**	**4.8**
Tangible assets		
Improvement costs of rental premises	5.6	5.9
Buildings	0.1	0.1
Machinery and equipment	4.0	3.3
Total	**9.7**	**9.3**
Right-of-use assets		
IFRS 16 Machinery and equipment	1.6	0.6
IFRS 16 Properties	30.8	29.3
IFRS 16 Land and water areas	0.2	0.3
Total	**32.6**	**30.2**
Impairment and additional depreciation		
Intangible assets	0.4	0.2
Tangible assets	0.1	2.5
Right-of-use assets	0.5	0.1
Total	**0.9**	**2.7**
Depreciation, amortisation and impairment total	**47.8**	**47.1**

ACCOUNTING PRINCIPLES

The accounting principles for depreciation, amortisation and impairment of intangible and tangible assets are presented on pages 83 and 89.

2.11. INCOME TAXES

MEUR	2022	2021
Tax based on the taxable income from the financial period	-3.1	-1.2
Change in deferred taxes	-1.2	3.7
Total	**-4.3**	**2.4**

MEUR	2022	2021
Profit/loss before taxes	9.1	-12.8
Profit calculated at 20% tax	-1.8	2.6
Impact of foreign tax rates on the tax rate	0.0	0.1
Non-deductible expenses	-2.6	-0.2
Use of previously unrecognised tax losses	0.9	0.0
Deferred tax asset recognised for unrecognised confirmed losses in prior periods	-0.1	0.0
Unrecognised deferred financial period assets on losses for the financial period	-0.1	-0.8
Share of profit of associated company less taxes	0.0	0.1
Tax-exempt income	0.3	0.2
Impairment of goodwill	-0.1	0.0
Share-based incentive plan	-0.3	0.0
Consolidated adjustments to the income statement	0.1	-0.1
Taxes for prior financial periods	-0.6	0.7
Tax expenses in the income statement	**-4.3**	**2.4**

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

2022 MEUR	1 Jan	Recognised in the income statement	Business combinations	Change in offsetting	Other changes and write-offs	31 Dec
Deferred tax assets						
Temporary differences	0.0	0.0	0.0	0.0	0.0	0.0
On confirmed losses	10.2	-1.7	0.0	0.0	-0.1	8.5
On Group eliminations	2.3	-0.3	0.0	0.0	0.0	2.1
On opening marketing expenses	0.0	0.0	0.0	0.0	0.0	0.0
On development costs	0.0	0.0	0.0	0.0	0.0	0.0
On intangible rights	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						
Temporary differences	0.0	0.0	0.0	0.0	0.0	0.0
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**

2021 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	0.0	0.0	0.0	0.0	0.0	0.0
On Group eliminations	7.6	2.6	0.0	0.0	0.0	10.2
On opening marketing expenses	2.7	-0.3	0.0	0.0	0.0	2.3
On development costs	0.1	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	0.0	0.5
On financial lease liabilities	0.0	0.0	0.0	0.0	0.0	0.0
On other items	0.2	0.4	0.0	0.0	0.0	0.6
Right-of-use assets	1.0	0.3	0.0	0.0	0.0	1.4
Offsetting of deferred tax liabilities	-3.1	0.0	0.0	-1.6	0.0	-4.7
Deferred tax assets total	**8.9**	**3.0**	**0.0**	**-1.6**	**0.0**	**10.3**
Deferred tax liabilities						
Temporary differences	0.0	0.0	0.0	0.0	0.0	0.0
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	1.5	0.1	0.0	0.0	0.0	1.6
On intangible rights	8.6	-0.8	0.1	0.0	0.0	7.9
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	0.1	0.0	0.0	0.0	0.5
Right-of-use assets	0.0	0.0	0.0	0.0	0.0	0.0
Offsetting of deferred tax assets	-3.1	0.0	0.0	-1.6	0.0	-4.7
Deferred tax liabilities total	**7.6**	**-0.7**	**0.1**	**-1.6**	**-0.1**	**5.3**

On 31 December 2022, the Group had EUR 9.1 (13.4) 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 2023–2032.

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%.

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	2022	2021
Profit for the financial period attributable to owners of the Company	1.5	-10.6
Interest on subordinated loan (tax effect taken into account)	20,297,862	19,222,270
Effect of the share-based incentive plan	228,985	0
Diluted weighted average number of shares	20,447,583	19,222,270
Basic earnings per share (EUR/share)	0.07	-0.55
Diluted earnings per share (EUR/share)	0.07	-0.55

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 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
Debt share	0.0	0.7	0.8
Contingent purchase consideration	1.9	0.0	1.9
Total purchase consideration	**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 25% non-controlling interest related to the Fat Lizard acquisition does not impact the net assets at the time of the acquisition.

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 and 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.

Determination of contingent transaction prices

The amount of the transaction price for Sea Horse and Fat Lizard, acquired in 2022, that was paid at the time of acquisition was in total MEUR 4.0, of which the share of the share issue to the sellers of Sea Horse was MEUR 1.3. The contingent transaction prices related to the transactions are in total MEUR 1.9, of which MEUR 0.3 relates to the Sea Horse acquisition and MEUR 1.6 to the Fat Lizard acquisition. The remaining contingent transaction prices are based on the achievement of the financial targets in 2023.

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 1.3, 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.

ACQUISITIONS IN 2021

Acquired subsidiaries and businesses

	Business acquired	Shareholding acquired	Ownership and management right transfer	Location
Allas Sea Pool	x		1.2.2021	Helsinki
Oslo AS		80	1.10.2021	Oslo

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

MEUR	Finnish operations	International business	Total
Assets			
Intangible assets	0.5	0.3	0.8
Property, plant and equipment	0.2	0.5	0.7
Current receivables	0.0	0.1	0.1
Inventories	0.0	0.1	0.1
Cash and cash equivalents	0.0	0.4	0.4
Assets in total	**0.6**	**1.5**	**2.1**
Liabilities			
Deferred tax liabilities	0.0	0.1	0.1
Financial liabilities	0.0	0.2	0.2
Other payables	0.0	0.5	0.5
Liabilities in total	**0.0**	**0.8**	**0.8**
Net assets	**0.6**	**0.7**	**1.3**
Total purchase consideration at time of acquisition			
Share of purchase consideration consisting of cash and cash equivalents	0.3	0.6	0.9
Share of debt	0.9	0.0	0.9
Total purchase consideration in total	**1.2**	**0.6**	**1.8**
Generation of goodwill through acquisitions			
Total purchase consideration	1.2	0.6	1.8
Earlier shareholding at fair value before the transfer of control	0.0	0.5	0.5
Non-controlling interests	0.0	0.1	0.1
Net identifiable assets of the acquired entity	0.6	0.7	1.3
Goodwill	**0.5**	**0.6**	**1.1**

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 0.5.

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
Allas Sea Pool	2.5
Oslo AS	4.9

Effect of acquisitions

MEUR	Total
Impact on the Group's profit for the period figures	
Turnover	3.9
Net income	0.3
Estimated effect if the acquisition were made at the beginning of the financial period	
Turnover	4.6
Net income	0.1

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 1.1 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 0.8 in fair value allocation in intangible rights.

3.2. NON-CONTROLLING INTERESTS

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**

ACQUISITIONS 2021

	Acquisition date	Acquired share, %	New ownership interest, %
Finnish operations			
Poolmax Oy	5.1.2021	4	80
Skohan Oy	7.7.2021	25	100
Suomen Siipiravintolat Oy	30.9.2021	5	75
Pihka Ravintolat Oy	30.9.2021	30	100
International business			
NoHo Trøbbelskyter AS	30.9.2021	20	90

MEUR	Acquisition price	Change in minority share	Impact in Group earnings
Finnish operations	0.5	0.3	-0.8
International business	0.4	-0.4	0.0
Total	**0.9**	**-0.1**	**-0.8**

DISPOSALS 2022

	Date of sale	Shareholding sold, %	New ownership interest, %
Finnish operations			
Fatmax Oy	28.11.2022	25	75
International business			
Kulturhuset i Oslo 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**

DISPOSALS 2021

	Date of sale	Shareholding sold, %	New ownership interest, %
Finnish operations			
Mother of Pearl Oy	8.7.2021	1	70
Shinobi Group Oy	31.10.2021	5	70
International business			
Complete Security AS	26.8.2021	9	91
NoHo International Oy	9.12.2021	1	96

MEUR	Acquisition price	Change in minority share	Impact in Group earnings
Finnish operations	0.0	0.0	0.0
International business	0.0	0.0	0.0
Total	**0.0**	**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 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 14	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
Intangible assets	0.0
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 total	**1.5**

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

BUSINESS OPERATIONS SOLD 2021

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

Name	Business sold	Shareholding sold	Date of control transfer	Location
Casseli Oy		58	1.5.2021	Tampere
Business operations of restaurant London Pub	x		30.7.2021	Tampere
Ruoveden rantaravintola	x		3.11.2021	Ruovesi

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

MEUR	Total
Goodwill	0.3
Intangible assets	0.0
Property, plant and equipment	0.5
Other asset items	0.4
Non-controlling interests	0.2
Liabilities	-0.7
Net assets in total	0.7

Gains on disposal totalling MEUR 0.2 were recognised in the income statement. An expense of MEUR 0.1 has been recognised in the income statement on the discounting of a trade receivable related to the sale of assets.

4. CAPITAL EXPENDITURE

4.1. INTANGIBLE ASSETS

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

2021 MEUR	Goodwill	Intangible assets	Total
Acquisition cost 1 January	**135.3**	**75.8**	**211.1**
Business combinations	1.1	0.8	1.9
Increase	0.0	0.1	0.1
Decrease and disposals	-0.3	-0.3	-0.5
Translation differences	0.6	0.2	0.8
Transfers between items	0.4	0.0	0.4
Acquisition cost 31 December	**137.3**	**76.5**	**213.8**
Accumulated amortisation and impairment			
1 January	**-0.2**	**-31.2**	**-31.3**
Additional depreciation	0.0	-0.2	-0.2
Depreciation	0.0	-4.8	-4.8
31 December	**-0.2**	**-36.1**	**-36.3**
Carrying amount 31 December	**137.1**	**40.4**	**177.5**
Book value 1 January	135.2	44.6	179.8

Brands and name-use-rights included in intangible assets

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**

2021 MEUR	1 Jan	Increase	Translation difference	Depreciation	31 Dec
Indefinite useful life	21.8	0.0	0.0	0.0	21.8
Depreciation over 3 years	0.1	0.0	0.0	-0.1	0.0
Depreciation over 4 years	1.2	0.0	0.0	-0.4	0.8
Depreciation over 5 years	4.6	0.3	0.0	-1.9	3.0
Depreciation over 10 years	6.0	0.5	0.0	-0.9	5.6
Depreciation over 15 years	5.2	0.0	0.0	-0.4	4.8
Total	**38.9**	**0.8**	**0.0**	**-3.7**	**36.0**

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 3, 4, 5, 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 3-15 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 for the first time on 31 December 2022. The Group's comparative data is presented in NoHo Partners' consolidated financial statements for 2021.

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.

Impairment testing was carried out on 31 December 2022 using the book values and calculations of future cash amounts valid at the time. On 31 December 2022, the recoverable cash flow based on value-in-use calculations exceeded the book value for the Finnish operations by more than MEUR 117 and for the international business by more than MEUR 7. The impairment tests on 31 December 2022 did not indicate a need for impairment of goodwill or intangible rights with an indefinite useful life.

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

MEUR	Finnish operations 31 Dec 2022	International business 31 Dec 2022	Group 31 Dec 2021
Goodwill	108.2	32.7	137.1
Brands and name-use-rights	20.6	1.1	21.8
Leases	0.0	2.7	2.7

The restrictions imposed by governments due to the Covid-19 pandemic were lifted as of the beginning of March 2022, and demand has recovered quickly after the restriction period in all of the countries where the Group operates.

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 increased turnover for the upcoming years is based on the estimates defined for the review period on the private consumption and the corporate and event market returning to normal. Turnover growth in 2023 is further supported by the restricted business environment during the first quarter of 2022.
EBIT	EBIT is based on estimates of private consumption and corporate and event market returning to normal as well as on estimates of the realisation of the cost savings achieved by the company in the post-pandemic times.
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 2022, the recoverable cash flow based on value-in-use calculations exceeded the book value for the Finnish operations by more than MEUR 117 and for the international business by more than MEUR 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 2022	International business 31 Dec 2022	Group 31 Dec 2021
Turnover growth, four three years, approximately	3.5	3.2	21.1
EBIT, %, first four years, approximately	10.9	7.4	10.8
Terminal growth assumption	2.0	2.0	1.0
Discount rate before taxes	9.6	8.9	8.5

Outcome of the sensitivity analysis

MEUR	Finnish operations 31 Dec 2022	International business 31 Dec 2022	Group 31 Dec 2021
Annual decrease in turnover, %	15.0	3.1	3.3
EBIT, %, modified level, first four years, approximately, %	7.8	6.7	10.1
Increase in discount rate, percentage points	4.1	0.7	0.8
Decrease of the terminal growth rate, %	5.9	0.8	0.9

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

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**	**1.9**	**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**	**1.9**	**50.3**
Book value 1 January	0.2	2.6	25.6	18.2	0.6	**47.2**

2021 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**	**77.2**	**49.9**	**0.7**	**131.7**
Business combinations	0.0	0.0	0.5	0.2	0.0	**0.7**
Increase	0.0	0.0	6.0	4.2	0.0	**10.2**
Decrease and disposals	0.0	0.0	-0.1	-0.5	-0.1	**-0.8**
Translation differences	0.0	0.0	0.2	0.1	0.0	**0.3**
Acquisition cost 31 December	**0.2**	**3.7**	**83.7**	**53.9**	**0.6**	**142.1**
Accumulated depreciation and impairment						
1 January	**0.0**	**-1.0**	**-50.5**	**-31.6**	**0.0**	**-83.2**
Impairment	0.0	0.0	-1.7	-0.8	0.0	**-2.5**
Depreciation	0.0	-0.1	-5.9	-3.3	0.0	**-9.3**
31 December	**0.0**	**-1.1**	**-58.1**	**-35.7**	**0.0**	**-95.0**
Book value 1 January	**0.2**	**2.6**	**25.6**	**18.2**	**0.6**	**47.2**
Book value 1 January	0.2	2.7	26.7	18.3	0.7	**48.5**

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 the interior finishing work of rental premises, for example.

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 92.

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 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.

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.

During the review period, the Group's rent concessions amounted to approximately MEUR 0.5. Most of the rent concessions concern international businesses. The Group has applied the practical expedient stipulated by the amendment to not treat rent concessions granted due to the Covid-19 pandemic as changes in leases under IFRS 16. Starting from the fourth quarter of 2021, the Group has applied a practical relief to equipment leases, in accordance with which the Group combines leases with similar characteristics in the portfolio. The Group regularly assesses the size and composition of the portfolio of equipment leases. The incremental borrowing rate applied to the changes in leases is 5.0%.

The Group's leases categorised by underlying assets

2022 MEUR	Land	Buildings	Machinery and equipment	Total
Acquisition cost 1 January	**2.3**	**244.3**	**6.8**	**253.4**
Increase	0.0	4.5	0.0	4.5
Business combinations	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

2021 MEUR	Land	Buildings	Machinery and equipment	Total
Acquisition cost 1 January	**2.3**	**202.4**	**4.2**	**208.9**
Increase	0.0	7.4	0.0	7.4
Business combinations	0.0	14.1	0.0	14.1
Reassessments and modifications	0.0	19.5	2.6	22.0
Decrease	0.0	-0.3	0.0	-0.3
Translation differences	0.0	1.3	0.0	1.3
Acquisition cost 31 December	**2.3**	**244.3**	**6.8**	**253.4**
Accumulated depreciation and impairment				
1 January	**-0.6**	**-58.3**	**-1.9**	**-60.9**
Impairment	0.0	-0.1	0.0	-0.1
Depreciation	-0.3	-29.3	-0.6	-30.2
31 December	**-0.9**	**-87.8**	**-2.5**	**-91.2**
Carrying amount 31 December	**1.4**	**156.6**	**4.3**	**162.2**
Carrying amount 1 January	1.7	144.0	2.3	148.0

Liabilities for right-of-use assets

MEUR	2022	2021
Non-current	137.9	139.6
Current	30.8	29.4
Total	**168.7**	**169.0**

Liabilities for right-of-use assets by category

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**

2021 MEUR	Land	Buildings	Machinery and equipment	Total
Lease liability 1 January	**1.7**	**149.1**	**2.4**	**153.2**
Net increases	0.0	40.7	2.6	43.2
Rent payments	-0.3	-30.8	-0.7	-31.8
Rent concessions, Covid-19	0.0	-2.8	0.0	-2.8
Interest expenses	0.1	5.8	0.1	5.8
Translation differences	0.0	1.4	0.0	1.4
Lease liability 31 December	**1.4**	**163.2**	**4.3**	**169.0**

The maturity distribution of liabilities is presented on page 103.

Lease items included in the income statement

MEUR	2022	2021
Depreciation of right-of-use assets		
Buildings	31.3	29.5
Land	0.2	0.3
Machinery and equipment	1.6	0.6
Total depreciation	**33.1**	**30.3**
Other items		
Interest expenses (in finance costs)	7.4	5.9
Expenses related to leases of short-term and low value (in other operating expenses)	3.7	2.8
Expenses related to variable rents not included in lease liabilities (in other operating expenses)	6.7	2.1
Rent concessions, Covid-19	-0.5	-2.8
Items included in the income statement in total	**50.4**	**38.3**

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

MEUR	2022	2021
In one year	0.7	0.7
In more than one year and up to 5 years	0.8	1.5
In more than 5 years	0.0	0.1
Total	**1.5**	**2.3**

The total outflow of cash arising from leases in 2022 amounted to MEUR 37.4 (31,8).

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 or turnover-based. 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	2022	2021
Book value 1 January	**0.0**	**39.2**
Transfers between account types	0.0	-0.2
Dividend received from associated company	0.0	-0.6
Decrease	0.0	-6.4
Reclassifications to non-current assets held for sale	0.0	-32.2
Share of profit for the financial period	0.0	0.5
Amortisation of intangible rights, taking the tax effect into account	0.0	-0.2
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.

Financial information on associated companies

2022	Assets		Liabilities				
MEUR	Non-current	Current	Non-current	Current	Turnover	Profit / loss	Ownership interest
Drammen 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**	

2021	Assets		Liabilities				
MEUR	Non-current	Current	Non-current	Current	Turnover	Profit / loss	Ownership interest
Drammen Torggata Camping As	0.1	0.2	0.0	0.0	0.3	0.1	33
Repa Service Oy	0.0	0.1	0.0	0.1	0.2	0.0	30
Total	**0.1**	**0.2**	**0.0**	**0.1**	**0.5**	**0.1**	

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 64.

4.5. INVENTORIES

MEUR	2022	2021
Restaurant goods inventory	5.6	5.0

In the reporting period, an expense of MEUR 77.3 (47.6) 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	2022	2021
Non-current receivables		
Loan receivables	0.2	0.6
Other receivables	1.8	2.7
Pitkäaikaiset saamiset yhteensä	**2.0**	**3.3**
Current receivables		
Trade receivables	12.7	7.8
Other receivables	2.7	2.1
Accrued income	6.1	5.2
Loan receivables	0.7	0.8
Income tax receivables	0.3	1.1
Current receivables total	**22.4**	**17.0**

Ageing of trade receivables

MEUR	2022	2021
Not due	10.5	6.3
Less than 3 months past due	1.5	0.8
More than 3 months past due	0.7	0.7
Total	**12.7**	**7.8**

ACCOUNTING PRINCIPLES

The accounting principles for sales are presented on page 66. Trade receivables are recorded in the books at the amount of the original sale. The principles of credit risk management are described on page 106. 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 99.

4.7. INCOME TAX, TRADE AND OTHER PAYABLES

MEUR	2022	2021
Income tax liabilities		
Tax based on the taxable income for the financial period	2.3	2.3
Non-current		
Advances received	1.1	0.1
Other non-interest-bearing debt	4.9	3.6
Non-current trade and other payables total	**6.1**	**3.6**
Current		
Trade payables	21.4	21.5
Advances received	1.2	0.6
Accruals and deferred income		
Wage and salary liabilities	6.8	5.4
Holiday pay liabilities	8.3	7.0
Social security costs	1.8	1.6
Other accruals and deferred income	10.3	9.3
Other payables	8.0	4.5
Current trade and other payables total	**57.8**	**49.9**

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 99. The most significant items in accrued expenses consist of the periodic accrual of purchase invoices.

4.8. PROVISIONS

MEUR	2022	2021
Value at the beginning of the financial period	0.1	0.4
Increase	0.1	0.1
Provisions used	-0.1	-0.4
Value at the end of the financial period	**0.1**	**0.1**
Current portion	0.1	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	2022	2021
Liabilities	127.1	159.7
Receivables	-0.9	-1.3
Cash and cash equivalents	-5.2	-6.4
Net debt excluding the impact of IFRS 16	**121.0**	**151.9**
Liabilities for right-of-use assets	168.7	169.0
Net debt	**289.7**	**320.9**
Equity excluding the impact of IFRS 16	89.5	74.8
Equity	82.0	69.4
Gearing ratio excluding the impact of IFRS 16	**135.1**	**203.1**
Gearing ratio	**353.1**	**462.4**

5.2. NET DEBT RECONCILIATION CALCULATION

MEUR	2022	2021
Non-current financial liabilities	98.0	113.2
Current financial liabilities	29.1	46.4
Liabilities for right-of-use assets	168.7	169.0
Non-current other receivables	-0.9	-1.3
Cash and cash equivalents	-5.2	-6.4
Interest-bearing net financial liabilities total	**289.7**	**320.9**

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			-20.9	20.9	0.0	**0.0**
Increase		0.0	0.0	0.0	31.7	**31.7**
Decrease		0.0	0.0	0.0	-0.5	**-0.5**
Other changes not involving payment		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**

2021	Assets		Liabilities			
MEUR	Cash and cash equivalents	Receivables	Current	Non-current	Right-of-use assets	Total
Net financial liabilities 1 January	**-3.1**	**-1.1**	**73.6**	**94.1**	**153.2**	**316.6**
Cash flow	-3.3	-0.2	-4.7	-5.1	-25.9	-39.2
Reclassification of current part of non-current liabilities	0.0	0.0	-23.1	23.1	0.0	0.0
Increase	0.0	0.0	0.0	0.0	43.2	43.2
Decrease	0.0	0.0	0.0	0.0	-2.8	-2.8
Other changes not involving payment	0.0	0.0	0.7	1.1	1.4	3.1
Net debt, Group 31 December	**-6.4**	**-1.3**	**46.4**	**113.2**	**169.0**	**320.9**

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).

2022 MEUR	Level	Fair value through profit or loss	Amortised acquisition cost	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 acquisitions	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 acquisitions	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**	**324.3**

2021 MEUR	Level	Fair value through profit or loss	Amortised acquisition cost	Fair value
Non-current financial assets				
Other investments	2	0.3		0.3
Loan receivables	2		0.6	0.6
Other receivables	2		2.7	2.7
Non-current financial assets total		**0.3**	**3.3**	**3.5**
Current financial assets				
Loan receivables	2		0.8	0.8
Trade and other receivables	2		16.2	16.2
Cash and cash equivalents	2		6.4	6.4
Current financial assets total			**23.4**	**23.4**
Carrying amount total		**0.3**	**26.6**	**26.9**
Non-current financial liabilities				
Financial liabilities	2		113.2	113.2
Liabilities for right-of-use assets			139.6	139.6
Liabilities for business acquisitions	3		2.1	2.1
Other liabilities	2		1.6	1.6
Non-current financial liabilities total			**256.4**	**256.4**
Current financial liabilities				
Financial liabilities	2		46.4	46.4
Liabilities for right-of-use assets			29.4	29.4
Liabilities for business acquisitions	3		0.3	0.3
Trade payables	2		21.5	21.5
Current financial liabilities total			**97.5**	**97.5**
Carrying amount total			**353.9**	**353.9**

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.

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. If the fair value of share investments has fallen substantially below their acquisition cost for a period defined by the Group, this is considered evidence of impairment of the share in question. If evidence of impairment exists, the loss accumulated in the fair value reserve is moved to the income statement. The impairment loss of equity convertible investments classified in the group of financial assets recognised at fair value through other comprehensive income is not reversed by means of the income statement, whereas a later reversal of an impairment loss that involves interest instruments is recognized 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	2022	2021
Value at the beginning of the financial period	0.3	0.1
Transfers between items	0.0	0.1
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 99. No financial assets have fallen due. No impairment has been recognised on financial assets.

5.5. CASH AND CASH EQUIVALENTS

MEUR	2022	2021
Cash and bank accounts	5.2	6.4

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.

On 13 May 2022, the company announced an arrangement whereby the management and domestic investors of NoHo Partners Plc acquired a majority of the convertible capital loan granted to the company by Finnish Industry Investment Ltd (Tesi) and converted their purchase into new shares in the company. The company repaid the remaining portion of the loan principal and interest, approximately one-sixth, to Tesi using its cash assets. As the result of the arrangement, the company's equity is strengthened, and its net debt decreases by over MEUR 10. The arrangement allows the company financial flexibility, which will drive the implementation of future growth projects as part of the company's strategy for profitable growth. In connection to the arrangement the company issued a total of 1,266,300 new shares.

On 4 November 2022, the company renewed its financing agreement, through which the company's financial position essentially stabilised to the state prior to the Covid-19 crisis. The renewed financing agreement enables growth investments during the strategy period.

A covenant review was carried out on 31 December 2022. The company fulfilled the covenants imposed. The next covenant review will take place on 31 March 2023.

MEUR	2022	2021
Non-current financial liabilities measured at amortised acquisition cost		
Loans from financial institutions, non-current proportion	98.0	113.2
Liabilities for right-of-use assets	137.9	139.6
Total	**235.9**	**252.8**
Current financial liabilities measured at amortised acquisition cost		
Loans from financial institutions, current proportion	29.1	46.4
Liabilities for right-of-use assets	30.8	29.4
Total	**59.9**	**75.8**

The Group's assets serve as security for loans from financial institutions, more information on page 104.

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

MEUR	2022	2021
Less than 1 year	20.1	40.6
1 to less than 2 years	13.4	25.3
2 to 5 years	83.6	87.1
More than 5 years	1.0	0.9
Total	**118.0**	**153.9**
Account limits in use *	9.0	5.8
Total	**127.1**	**159.7**

* 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

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

2021 MEUR	Less than 1 year	1-2 years	2–5 years	More than 5 years
Interest on financial liabilities	4.6	3.5	7.4	0.2

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

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 sheet value	3.9	21.4	168.7	194.0

2021 MEUR	Transaction price liabilities	Trade payables	Liabilities for right-of-use assets	Total
Less than 1 year	0.3	21.5	35.8	57.5
1 to less than 2 years	0.7	0.0	33.6	34.3
2 to 5 years	1.4	0.0	72.8	74.2
More than 5 years	0.0	0.0	55.5	55.5
Total repayments	**2.3**	**21.5**	**197.7**	**221.5**
Discounted balance sheet value	2.1	21.5	169.0	192.5

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

On 31 December 2022, the Group's cash and cash equivalents totalled MEUR 5.2 and the unwithdrawn loan and account limits available to the Group amounted to MEUR 3.6. In addition, the Group owned 5,139,745 shares in the listed company Eezy Plc, corresponding to a holding of 20.5%. The market value of this shareholding at the closing rate of 31 December 2022 was MEUR 16.0.

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

5.7. CONTINGENT LIABILITIES AND ASSETS AND COMMITMENTS

MEUR	2022	2021
Liabilities with guarantees included on the balance sheet		
Loans from financial institutions, non-current	96.9	101.9
Loans from financial institutions, current	22.4	29.4
Total	**119.3**	**131.3**
Guarantees given on behalf of the Group		
Collateral notes secured by a mortgage	37.3	37.5
Real estate mortgage	5.1	4.3
Subsidiary shares	106.9	103.9
Other shares	16.0	35.1
Bank guarantees	9.7	9.6
Other guarantees	3.1	3.0
Total	**178.1**	**193.3**
Purchase commitments		
Eezy Plc	33.4	49.7
Contingent transaction prices	3.2	2.1

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.

5.8. FINANCIAL INCOME AND EXPENSES

MEUR	2022	2021
Financial income		
Interest income	0.1	0.1
Dividend income	0.8	0.3
Other financial income	0.9	0.7
Total	**1.8**	**1.1**
Finance costs		
Impairment on shares in associated companies	-4.5	-5.5
Impairment on receivables	-0.5	-0.5
Interest expenses on financial liabilities	-7.4	-5.9
Impairment of Eezy Plc shares	-10.4	0.0
Change in value of additional purchase price	-0.8	-0.1
Other interest expenses	-0.4	-0.6
Other finance costs	-0.2	-0.5
Total	**-24.3**	**-13.1**
Finance costs - net	**-22.5**	**-11.9**

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.

5.9. 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 is not presently hedging against the interest rate risk. The interest rates for loans vary according to the 6–12 month Euribor rates plus margins of 2.25–3.65%.

The potential one percentage point increase in interest rates in the 2023 interest review would lead to a MEUR 0.7 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.

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 CFO 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 2022, the Group's current financial liabilities amounted to MEUR 29.1 (MEUR 46.4). Current financial liabilities at the balance sheet date include an item of MEUR 4.0 from the commercial paper programme due in the first quarter of 2023.

At the end of the year, cash and cash equivalents amounted to MEUR 5.2 (MEUR 6.4), in addition to which the Group had access to undrawn confirmed account credit limits amounting to approximately MEUR 3.6 (MEUR 7.1). In addition, the Group owned 5,139,745 shares in the listed company Eezy Plc, corresponding to a holding of 20.5%. At the closing share price at the end of 2022, the market value of this shareholding was MEUR 16.0.

The average annual interest rate for the Group's gross interest-bearing liabilities in 2022 was approximately 3.46% (2.97).

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

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**

2021 MEUR	Balance sheet value 31 Dec	Provision percentage, %	Credit loss	Balance sheet value 1 Jan	Provision percentage, %	Credit loss
Not due	7.1	0.2	0.0	4.5	0.2	0.0
Due, 1–30 days	0.7	0.8	0.0	0.7	0.8	0.0
Due, 31–60 days	0.1	1.5	0.0	0.2	1.5	0.0
Due, 61–90 days	0.0	12.0	0.0	0.2	12.0	0.0
Due, 91–180 days	0.0	20.0	0.0	0.4	20.0	0.1
Due, more than 180 days	1.0	75.0	0.7	0.9	45.0	0.5
Total	**8.9**		**0.7**	**6.9**		**0.6**

The maturity distribution of the receivables is presented on page 95.

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 transaction risk in relation to the Norwegian krone. The transaction risk is related to the currency flows of sales and expenses. Unlike the Danish krone, the Norwegian krone is 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.

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. Expenses and purchases are largely denominated in euros. The conversion of the subsidiaries' equity into euros resulted in a translation difference of MEUR -1.1 (-0.2) 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.

5.10. 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 20,699,801 shares on the closing date. The share has no nominal value.

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**

2021 MEUR	31.12.	1.1.
Shares, 1,000 pcs	19,222,270	19,222,270
Share capital	0.2	0.2
Invested unrestricted equity fund	58.4	58.4
Translation differences	0.1	0.0
Retained earnings	5.7	17.5
Non-controlling interests	5.0	4.8
Total equity	**69.4**	**81.0**

All of the issued shares have been paid for.

Outstanding shares

shares	2022	2021
1 January	19,222,270	19,222,270
Share issue 27.1.2022	40,503	0
Subscription for shares based on special rights 13 May 2022	1,266,300	0
Share issue 1 July 2022	170,728	0
31 December	**20,699,801**	**19,222,270**

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	2022	2021
1 January	58.4	58.4
Share issue	1.7	0.0
Unrestricted equity reclassification	10.2	0.0
31 December	**70.2**	**58.4**

Special share issues

During the financial year the company carried out special share issues in connection to the acquisition of the shares of Sea Horse Plc and the acquisition of the non-controlling interest of NoHo Norway AS. 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 27 April 2022 approved the Board's proposal to distribute no dividend for the financial year 2021.

NoHo Partners Plc's Board of Directors proposes to the Annual General Meeting convening on 19 April 2023 that, based on the adopted balance sheet of the financial period ending on 31 December 2022, a dividend of EUR 0.40 (0.00) per share will be paid at the time of dividend payment on shares owned by external shareholders.

The Board of Directors proposes that the dividend be paid in two (2) instalments, such that the first instalment of EUR 0.20 per share is paid on 24 May 2023 to shareholders who have been recorded in the company's shareholder list maintained by Euroclear Finland Oy by the record date of 11 May 2023. The Board of Directors proposes that it be authorised to later decide, according to its discretion, the record and payment date for the second instalment of the dividend, however in such a way that the second instalment is paid no later than by 20 October 2023 with a record date five weekdays prior to payment date.

At the time of the financial statements on 31 December 2022, there were 20,699,801 externally owned shares.

Authorisation to purchase the company's own shares

The AGM of 27 April 2022 decided to withdraw the previous unused authorisations to purchase the company's own shares and authorise the Board to decide upon the purchase of a maximum of 800,000 of the company's own shares in one or several tranches using the company's unrestricted equity under the following conditions:

The shares shall be purchased in public trading organised by Nasdaq Helsinki Oy and, therefore, the purchase takes place by private placing and not in proportion to the shares owned by the shareholders, and the consideration to be paid for the shares shall be the market price of NoHo Partners Plc's share at the time of purchasing.

The shares shall be purchased for financing or carrying out possible corporate acquisitions or other arrangements, to implement incentive schemes within the company or for other purposes decided upon by the Board of Directors. The maximum amount of the shares to be purchased is equivalent to approximately 4.2%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 27 April 2022 decided to withdraw previous share issue authorisations and authorise the Board of Directors to decide on the issuance of shares and/or option rights or other special rights entitling to shares as follows:

Under the authorisation, a maximum total of 3,000,000 shares may be issued in one or more tranches, corresponding to approximately 15.6% 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 1.5% 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	2022	2021
Change in provisions	0.1	-0.3
Write-off of trade receivables	0.2	0.6
Sale of fixed assets	-0.7	-0.7
Share-based incentive plan	1.3	0.1
Rent concessions, Covid-19	-0.5	-2.8
Other adjustments	0.5	1.4
Total	**0.9**	**-1.8**

6.2. SHARES IN SUBSIDIARIES AND ASSOCIATED COMPANIES

Group companies	Domicile	Ownership interest, %
Beaniemax Oy	Tampere	80
Commodus Oy	Tampere	70
Dinnermax Oy	Tampere	70
El Rey Group Oy	Tampere	60
Friends & Brgrs Ab Oy	Pietarsaari	71
Friends & Brgrs Germany GmbH	Hamburg	100
Friends & Brgrs Denmark AS	Copenhagen	100
Gastromax Oy	Tampere	100
Pyynikin Brewery Restaurants Oy	Tampere	85
Hankinta Unioni Oy	Tampere	60
Harry's Ravintolat Oy	Helsinki	90
Italpal Oy	Tampere	100
Kampin Sirkus Oy	Tampere	90
Katang MGMT Oy	Helsinki	55
Koskimax Oy	Tampere	60
Levin Ravintolakatu Oy	Helsinki	100

Group companies	Domicile	Ownership interest, %
Local Brewery Restaurants Oy	Helsinki	70
Max Consulting Oy	Tampere	100
Nordic Gourmet Oy	Kangasala	74
Northmax Oy	Tampere	70
Nunc est Bibendum Oy	Helsinki	100
Poolmax Oy	Tampere	80
Priima-Ravintolat Oy	Tampere	100
Rock Hard Catering Oy	Tampere	100
PurMax Oy	Tampere	60
Rengasravintolat Oy	Tampere	100
Restala Oy	Helsinki	100
Unioninkadun Keidas Oy (NoHo Partners Oyj 18%)	Helsinki	82
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
Latitude 25 Oy	Helsinki	78
Financier Group Oy	Helsinki	73
Mother of Pearl Oy	Tampere	100
Pihka Ravintolat Oy	Helsinki	100
Ravintolat F9 Oy	Helsinki	70
Royal Konseptiravintolat Oy	Helsinki	100
Pihka Ravintolat Oy	Kauniainen	100
Ravintolat F9 Oy	Helsinki	75
Royal Konseptiravintolat Oy	Tampere	70
Sea Horse Oy	Helsinki	100
Shinobi Group Oy	Tampere	70
Skohan Oy	Tampere	100
Stadin Night Oy	Helsinki	51

Group companies	Domicile	Ownership interest, %
Somax Oy	Tampere	100
Soolo Max Oy	Tampere	70
SRMax Oy	Tampere	85
Suomen Diner Ravintolat Oy	Tampere	80
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
Suomen Ravintolatoimi Oy (Max Consulting Oy 42 %)	Jyväskylä	58
Espoon Koukkoravintolat Oy	Tampere	70
Suomen Siipiravintolat Oy	Tampere	80
Taikinapojat Oy	Helsinki	70
Tunturimax Oy	Tampere	76
Ski or Die Oy	Helsinki	80
Urban Group Oy	Helsinki	100
NoHo International Oy	Tampere	99
NoHo Norway AS	Oslo	86
Christiania Drift AS	Oslo	100
Complete Security AS	Oslo	91
Cosmopolitan AS	Drammen	100
DOD AS	Oslo	100
Dubliners AS	Oslo	100
Eilefs Landhandleri AS	Oslo	100
Emmas Drift As	Tromssa	100
GG Drift AS	Oslo	100
Lab Drift AS	Oslo	100
MEO AS	Oslo	100
Nieu Soria moria AS	Oslo	80
Rådhuskroken AS	Oslo	100
SBF AS	Oslo	100
Tøyen Kulturhus AS	Oslo	100

Group companies	Domicile	Ownership interest, %
NoHo Trøbbelskyter AS	Oslo	90
Christian August AS	Oslo	54
Kulturhuset i Oslo AS	Oslo	95
Tøyen Bakeri og Kaffehus AS	Oslo	100
YGT3 AS	Oslo	100
Youngs AS	Oslo	100
Mexico Torshov 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
Øslo AS	Oslo	90
Solstikk AS	Oslo	100
Nordic Hospitality Partners Denmark A/S	Copenhagen	75
Chicks by Chicks Tivoli ApS	Copenhagen	84
Camping Denmark ApS	Copenhagen	100
Cock's & Cows ApS	Copenhagen	98
Cock's & Cows CPH Airport ApS	Copenhagen	100
Cock's & Cows Tisvilde ApS	Tisvildeleje	100
Luca Lyngby ApS	Kongens Lyngby	100
Ruby Group Holding ApS	Copenhagen	80
Bronnum ApS	Copenhagen	99
Ebony & Ivory ApS	Copenhagen	95
Lidkoeb ApS	Copenhagen	95
The Bird Mother ApS	Copenhagen	92
Luca Gl. Strand ApS	Copenhagen	100
The Bird ApS	Copenhagen	100
The Bird Kødbyen ApS	Copenhagen	100

Mergers for the period: Mikonkadun keidas Oy, Porin Pärekori Oy, Roska Yhtiöt Oy and Thai Papaya Oy were merged into NoHo Partners Plc, The Bird CPH Airport ApS and The Bird Tivoli ApS were merged into The Bird Mother ApS and Tampereen Satamaravintolat Oy was merged into Priima-Ravintolat Oy.

Associated companies	Domicile	Ownership interest
Repa Service Oy	Tampere	30
RH-Areenat Oy	Tampere	29
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 64.

Share of the most significant minority shareholders

MEUR	Ownership interest, %		Share of profit for the financial period		Share of capital	
	2022	2021	2022	2021	2022	2021
Friends & Brgrs Ab Oy, Pietarsaari	29	29	0.1	0.1	0.0	-0.1

Financial information

MEUR	2022	2021
Friends & Brgrs Ab Oy		
Turnover	21.2	16.7
Result of the financial period	0.9	1.3
Non-current assets	4.3	3.0
Current assets	2.9	1.7
Non-current liabilities	1.4	1.3
Current liabilities	4.2	2.9
Cash flows from operating activities	2.4	1.8
Cash flows from investing activities	-1.7	-0.8
Cash flows from financing activities	-0.2	-1.7

The financial information of Group's international business is presented on page 67.

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.

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**

2021 MEUR	CEO Aku Vikström	Other Executive Team members	Total
Salaries and fringe benefits	0.3	1.1	1.4
Total	**0.3**	**1.1**	**1.4**

NoHo Partners announced on 9 June 2022 of having re-organised the structure of its Executive Team. The Group's Executive Team consists of Aku Vikström, Jarno Suominen, Jarno Vilponen and Tuomas Piirtola. From the beginning of 2021 until June 2022 the Group's Executive Team consisted of nine persons.

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

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

In accordance with the previous decision, a maximum of 281,828 NoHo Partners Plc shares may be paid to the key employees for the third earning period. According to the average rate of EUR 8.12 on 21 March 2022, the value of the maximum remuneration would be approximately MEUR 2.3. The Board of Directors anticipates that if the reward for the third earning period was paid fully in shares, the maximum dilutive effect on the number of the company's registered shares would be 1.44%.

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 and its earning periods 3 and 4 are presented in more detail on page 70.

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 60.7 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

EUR thousands	2022	2021
Timo Laine, Chairman of the Board of Directors *	147.0	145.8
Yrjö Närhinen, Vice-Chairman of the Board of Directors	37.4	0.0
Kai Seikku, member of the Board of Directors	15.7	0.0
Petri Olkinuora, Vice-Chairman of the Board of Directors	24.5	30.0
Mika Niemi, member of the Board of Directors	20.0	20.0
Mia Ahlström, Member of the Board of Directors	21.2	20.0
Tomi Terho, member of the Board of Directors	6.7	20.0
Saku Tuominen, member of the Board of Directors	6.7	20.0
Total	**279.2**	**255.8**

* Includes consultant fees of MEUR 0.1 (0.1) 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	2022	2021
Sales	0.1	0.1
Lease costs	0.4	0.3
Purchases	18.1	13.5
Rent income	0.0	0.1
Receivables	0.1	0.2
Liabilities	2.0	2.1

MEUR 0.7 of related party receivables were written down during the financial period.

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	2022	2021
Sales	0.1	0.0
Purchases	16.3	10.4
Liabilities	1.9	2.0

6.4. SIGNIFICANT EVENTS AFTER THE FINANCIAL STATEMENTS DATE

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.

In January 2023, Group turnover increased to approximately MEUR 22.7

NoHo Partners' turnover in January 2023 was approximately MEUR 22.7 (6.8) and increased by 236% compared to the same period in the previous year. In January 2022, the Group operated in a strictly restricted or closed business environment in all of its operating countries due to the Covid-19 pandemic. Turnover increased by 23% compared to the corresponding pre-pandemic period in 2020.

As of 16 February 2023, NoHo Partners will publish in the interim reports the Group turnover for the first month of the commencing quarter. The target is to provide better service to investors through timely and transparent investor communications.

6.5. 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.

IFRS 17 Insurance Contracts, including **Amendments Initial Application of IFRS 17** and **IFRS 9 – Comparative Information** (effective for financial years beginning on or after 1 January 2023, early application permitted for companies that also apply IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers)

The new standard for insurance contracts will help investors and others better understand insurers' risk exposure, profitability and financial position. This standard replaces IFRS 4 standard.

The amendments to IFRS 17 alleviate mismatches in comparative information arising from the different transition requirements of IFRS 9 and IFRS 17. The amendments also allow the comparative information about financial assets to be presented in a manner that is more consistent with the requirements in IFRS 9 Financial Instruments.

Disclosure of Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements (effective for financial years beginning on or after 1 January 2023, early application is permitted)

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

Definition of Accounting Estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for financial years beginning on or after 1 January 2023, early application is permitted)

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.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 Income Taxes (effective for financial years beginning on or after 1 January 2023, early application is permitted)

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.

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 2019.

Classification of Liabilities as Current or Non-current - Amendments to IAS 1 Presentation of Financial Statements *: Classification of Liabilities as Current or Non-current; Classification of Liabilities as Current or Non-current - Deferral of Effective Date; and 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.

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 2022.

6.6. 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.

As of 1 July 2022, the company has taken into use a new key figure, adjusted equity ratio, which takes into account IFRS leases and gives, according to the company's view, a more accurate assessment on the company's financial standing.

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

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

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

Personnel expenses, %

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

Material margin, %

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

Adjusted net finance costs

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

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

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

Parent company income statement (FAS)

EUR	2022	2021
Turnover	**41,932,222.51**	**17,523,326.04**
Other Operating Income	11,081,629.55	7,936,188.96
Materials and services		
Purchases adjustments		
Purchases during the period	-9,536,539.99	-4,405,908.82
Change in Inventory	-4,685.15	561,593.11
External services	-6,273,099.61	-2,192,905.87
	-15,814,324.75	-6,037,221.58
Staff expenses		
Salaries and fees	-7,953,708.70	-5,567,018.60
Indirect employee costs		
Pension costs	-1,398,683.91	-954,110.12
Other indirect employee costs	-272,118.47	-151,624.58
	-9,624,511.08	-6,672,753.30
Depreciation, amortisation and impairment losses		
Scheduled depreciation and amortisation	-2,138,910.82	-2,119,352.29
Impairment on ifxed assets	-46,408.07	0.00
	-2,185,318.89	-2,119,352.29
Other operating expenses	-24,811,757.64	-14,024,540.31
Operating profit (loss)	**577,939.70**	**-3,394,352.48**

EUR	2022	2021
Financial income and expenses		
Income from shares in Group companies	1,557,300.00	1,480,260.00
From others	770,961.75	920,725.35
Other interest and financial income		
From Group companies	5,328,853.28	3,037,186.06
From others	178,540.89	6,770.01
Impairment on financial securities classified as current assets	-159,406.97	-647,408.27
Interest expenses and other financial expenses		
To Group companies	-573,485.27	-395,590.81
To others	-4,808,431.84	-5,922,164.36
	2,294,331.84	-1,520,222.02
Profit (loss) before appropriations and taxes	**2,872,271.54**	**-4,914,574.50**
Appropriations		
Change in depreciation reserve total	0.00	1,944.00
Net profit (loss)	**2,872,271.54**	**-4,912,630.50**

Parent company balance sheet (FAS)

EUR	31.12.2022	31.12.2021
ASSETS		
Non-current assets		
Intangible assets		
Goodwill	846,302.68	1,082,660.36
Other capitalised expenses	4,064,631.06	4,551,672.49
Prepayments	239,607.19	101,295.03
	5,150,540.93	5,735,627.88
Tangible assets		
Buildings and structures	1,776,815.67	1,857,536.36
Machinery and equipment	3,572,821.88	3,484,566.87
Other tangible assets	12,593.44	12,593.44
	5,362,230.99	5,354,696.67
Investments		
Investments in Group companies	106,868,181.15	103,916,915.79
Investments in associated companies	26,221,147.44	29,919,734.94
Other shares and interests	425,307.14	425,475.33
	133,514,635.73	134,262,126.06
Non-current assets total	**144,027,407.65**	**145,352,450.61**
Current assets		
Inventories		
Finished products and articles	907,386.03	871,695.43
Non-current		
Non-current trade receivables	137,717.38	837,717.38
Loan receivables from Group companies	82,111,903.75	88,172,420.14
Loan receivables	490,000.00	500,000.00
	82,739,621.13	89,510,137.52
Current		
Trade receivables	2,932,771.33	2,675,327.47
Receivables from Group companies	37,589,691.92	35,209,623.32
Receivables from associated companies	0.00	10,275.83
Loan receivables	5,000.00	99,787.74
Other receivables	373,435.01	255,439.24
Accrued income	1,608,866.73	955,961.23
	42,509,764.99	39,206,414.83
Cash and cash equivalents	117,360.89	3,468,327.35
Current assets total	**126,274,133.04**	**133,056,575.13**
ASSETS TOTAL	**270,301,540.69**	**278,409,025.74**

EUR	31.12.2022	31.12.2021
EQUITY AND LIABILITIES		
Equity		
Share capital	150,000.00	150,000.00
Other reserves		
Invested unrestricted equity fund	71,972,431.83	60,106,447.19
Retained earnings (losses)	40,964,842.45	45,877,472.95
Profit (loss) for the financial period	2,872,271.54	-4,912,630.50
Total equity	**115,959,545.82**	**101,221,289.64**
Appropriations		
Depreciation difference	85,865.67	85,865.67
Provisions		
Other provisions	0.00	20,000.00
Liabilities		
Non-current		
Loans from financial institutions	94,952,234.20	105,390,153.74
Advances received	939,921.68	0.00
Other non-current liabilities	0.00	114,704.96
Liabilities to Group companies	12,643,937.44	10,621,504.74
	108,536,093.32	116,126,363.44
Current		
Loans from financial institutions	20,533,404.79	39,212,966.41
Advances received	627,614.45	0.00
Trade payables	3,798,059.43	5,356,002.07
Liabilities to Group companies	12,381,872.60	9,801,301.74
Other payables	1,076,585.95	266,713.45
Accruals and deferred income	7,302,498.66	6,318,523.32
	45,720,035.88	60,955,506.99
Liabilities total	**154,256,129.20**	**177,081,870.43**
EQUITY AND LIABILITIES TOTAL	**270,301,540.69**	**278,409,025.74**

Parent company cash flow statement (FAS)

EUR thousands	2022	2021
Cash flows from operating activities		
Profit (loss) before appropriations and taxes	2,872.3	-4,914.6
Adjustments:		
Other income and expenses that do not incur payments	633.0	-1,032.1
Scheduled depreciation and impairment	2,185.3	2,119.4
Financial income and expenses	-2,294.3	1,520.2
Cash flow before change in working capital	**3,396.3**	**-2,307.1**
Changes in working capital		
Current non-interest-bearing receivables	3,285.9	-2,287.0
Inventories	4.7	-561.6
Current non-interest-bearing liabilities	-174.3	6,309.1
Operating cash flow before financial items and taxes	**6,512.6**	**1,153.4**
Interest paid and other finance costs	-5,274.1	-5,002.4
Dividends received from business operations	2,328.3	2,555.0
Interest received from business operations	2,028.9	2,179.8
Operating net cash flow	**5,595.7**	**885.8**

EUR thousands	2022	2021
Cash flows from investing activities		
Investments in tangible and intangible assets	-1,549.4	-3,701.2
Income from the disposal of tangible and intangible assets	371.5	193.2
Acquisition of non-controlling interests	-700.4	-655.3
Change in non-current loans receivable	2,083.9	2,901.0
Acquisition of subsidiaries	-666.8	-2,717.1
Sales of subsidiaries	0.0	1.4
Business transactions, acquisitions (-)	-200.0	-950.0
Associated company shares sold	4,160.4	9,001.8
Business transactions, sales	25.0	40.0
Shares in associated companies acquired	0.0	-0.6
Net cash from investing activities	**3,524.2**	**4,113.2**
Cash flows from financing activities		
Proceeds from non-current loans and borrowings	0.0	7,000.0
Non-current loans repaid	-23,356.4	-12,000.0
Proceeds from current loans and borrowings	10,555.1	3,911.9
Current commercial papers repaid	0.0	-500.0
Payments received from the share issue	323.7	0.0
Net cash from financing activities	**-12,477.6**	**-1,588.1**
Change in cash and cash equivalents	**-3,357.7**	**3,410.9**
Cash and cash equivalents at the beginning of the financial period	**3,468.3**	**57.4**
Cash and cash and cash equivalents transferred in merger	**6.7**	**0.0**
Cash and cash equivalents on 31 December	**117.4**	**3,468.3**
Change in cash and cash equivalents	**-3,357.7**	**3,410.9**

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 113.

Group companies

Additional information on subsidiaries and associated companies is available on page 110.

1.2 NOTES TO THE INCOME STATEMENT

Distribution of turnover, EUR thousands	2022	2021
Restaurant business	41,932.2	17,523.3

Other operating income, EUR thousands	2022	2021
Sales profit	643.7	805.9
Rent income	475.1	285.2
Government grants	4,339.2	2,800.0
Other operating income	683.8	187.4
Other operating income, Group	4,939.9	3,857.7
Total	**11,081.6**	**7,936.2**

Personnel expenses, EUR thousands	2022	2021
Average number of employees	158	122
Salaries and fees	7,953.7	5,567.0
Pension costs	1,398.7	954.1
Other indirect employee costs	272.1	151.6
Total	**9,624.5**	**6,672.8**

Other operating expenses, EUR thousands	2022	2021
Voluntary employee expenses	1,195.4	534.8
Business premises expenses	13,773.6	8,273.5
Machinery and equipment expenses	2,782.5	1,507.7
Travel expenses	428.7	143.1
Marketing, performer and entertainment expenses	2,629.7	921.6
Other operating expenses	4,001.9	2,643.8
Total	**24,811.8**	**14,024.5**

Auditors' fees, EUR thousands	2022	2021
Audit fees	120.0	200.0
Fees for tax services	26.0	0.0
Other services	203.9	200.0
Total	**349.9**	**400.0**

1.3 NOTES TO THE BALANCE SHEET

Intangible assets, EUR thousands	Goodwill	Other intangible assets	Prepayments and incomplete acquisitions	Total
Acquisition cost 1 Jan.	**5,110.4**	**13,441.9**	**101.3**	**18,653.7**
Increase			690.0	**690.0**
Transferred in merger		284.0		**284.0**
Transfers between items		542.0	-542.0	**0.0**
Decrease	-121.3		-9.7	**-130.9**
Acquisition cost 31 Dec.	**4,989.2**	**14,267.9**	**239.6**	**19,496.7**
Accumulated amortisation 1 Jan.	**-4,027.8**	**-8,890.3**	**0.0**	**-12,918.0**
Transferred in merger	0.0	-146.9		**-146.9**
Depreciation	-115.1	-1,166.1		**-1,281.2**
Accumulated amortisation 31 Dec.	**-4,142.9**	**-10,203.3**	**0.0**	**-14,346.2**
Carrying amount 31 Dec.	**846.3**	**4,064.6**	**239.6**	**5,150.5**
Book value 1 Jan.	1,082.7	4,551.7	101.3	**5,735.6**

Tangible asset, EUR thousands	Buildings	Machinery and equipment	Other tangible assets	Prepayments and incomplete acquisitions	Total
Acquisition cost 1 Jan.	**2,421.6**	**6,938.7**	**12.6**	**0.0**	**9,372.9**
Increase		461.4		404.2	**865.6**
Transferred in merger		177.9			**177.9**
Transfers between items		393.5		-393.5	**0.0**
Decrease		-438.6		-10.7	**-449.3**
Acquisition cost 31 Dec.	**2,421.6**	**7,532.9**	**12.6**	**0.0**	**9,967.1**
Accumulated amortisation 1 Jan.	**-564.1**	**-3,454.1**	**0.0**	**0.0**	**-4,018.2**
Transferred in merger		**-99.1**			**-99.1**
Decrease		**370.1**			**370.1**
Depreciation	-80.7	-777.0			**-857.7**
Accumulated amortisation 31 Dec.	**-644.8**	**-3,960.1**	**0.0**	**0.0**	**-4,604.9**
Carrying amount 31 Dec.	**1,776.8**	**3,572.8**	**12.6**	**0.0**	**5,362.2**
Book value 1 Jan.	1,857.5	3,484.6	12.6	0.0	**5,354.7**

Investments, EUR thousands	Holdings in Group companies	Investments in associated companies	Other shares and interests	Total
Book value 1 Jan.	**103,916.9**	**29,919.7**	**425.5**	**134,262.1**
Increase	3,017.1			**3,017.1**
Decrease	-65.9	-3,698.6	-0.2	**-3,764.6**
Carrying amount 31 Dec.	**106,868.2**	**26,221.1**	**425.3**	**133,514.6**

Current liabilities, EUR thousands	2022	2021
Current receivables from Group companies		
Trade receivables	224.8	242.1
Accrued income	6,391.9	2,940.3
Other Group receivables	0.0	0.3
Loan receivables	30,973.0	32,027.0
Total	**37,589.7**	**35,209.6**
Essential items of prepayments and accrued income		
Amortisation	177.0	263.4
Discounts	1,185.8	532.9
Other prepayments and accrued income	246.0	159.7
Total	**1,608.9**	**956.0**

Equity, EUR thousands	2022	2021
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	60,106.4	60,106.4
Directed share issue	11,866.0	0.0
Invested unrestricted equity fund at the end of the financial period	**71,972.4**	**60,106.4**
Profit/loss from previous financial periods at the beginning of the financial period	45,877.5	62,063.5
Transfer of profit/loss from the previous financial period	-4,912.6	-16,186.0
Profit/loss from previous financial periods at the end of the financial period	**40,964.8**	**45,877.5**
Profit/loss for the financial period	2,872.3	-4,912.6
Total unrestricted equity at the end of the financial period	115,809.5	101,071.3
Total equity	**115,959.5**	**101,221.3**

Calculation of distributable funds in equity, EUR thousands	2022	2021
Profit from previous financial periods	40,964.8	45,877.5
Net income for the financial period (profit +/loss -)	2,872.3	-4,912.6
Invested unrestricted equity fund	71,972.4	60,106.4
Compensation for restriction of operations/closure compensation	0.0	-1,800.0
Business cost support/compensation for fixed expenses	-4,339.2	-1,000.0
Distributable funds total	**111,470.4**	**98,271.3**

Appropriations	2022	2021
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	2022	2021
Provision for termination expenses	0.0	20.0

Liabilities, EUR thousands	2022	2021
Current liabilities		
Liabilities to Group companies		
Trade payables	425.8	460.1
Liabilities	11,385.6	6,949.0
Accruals and deferred income	570.5	2,392.2
Total	**12,381.9**	**9,801.3**
Essential items of accrued expenses		
Wage and salary liabilities	1,195.0	747.4
Holiday pay debt	1,281.5	1,075.5
Interest	270.6	642.9
Other accruals and deferred income	4,555.3	3,852.7
Accrued expenses total	**7,302.5**	**6,318.5**

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	2022	2021
Liabilities with guarantees included on the balance sheet		
Loans from financial institutions, non-current	94,927.8	103,306.0
Loans from financial institutions, current	16,525.2	25,571.6
Total	**111,453.0**	**128,877.6**
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	119,978.5	118,876.5
Other guarantees given in total	**158,128.5**	**157,026.5**
Guarantees given on behalf of others		
Other guarantees	7,845.9	7,629.0
Lease liabilities not included on the balance sheet		
To be paid during the next financial period	15.5	16.8
To be paid later	38.7	54.2
Total	**54.2**	**71.0**
Other liabilities		
Other guarantee engagements not included on the balance sheet		
Lease liability		
Due within one year	9,390.3	8,823.3
Due in 2–5 years	24,347.8	25,900.8
Due in more than 5 years	15,788.4	17,409.3
Total	**49,526.5**	**52,133.5**

EUR thousands	2022	2021
Eezy Plc, purchase guarantee	33,415.1	49,700.4

BOARD OF DIRECTORS' PROPOSAL FOR THE DISTRIBUTION OF PROFITS

NoHo Partners Plc's distributable assets on 31 December 2022 were EUR 111,470,394.44, of which the share of the financial period's result is EUR 2,872,271.54.

NoHo Partners Plc's Board of Directors proposes to the Annual General Meeting convening on 19 April 2023 that, based on the adopted balance sheet of the financial period ending on 31 December 2022, a dividend of EUR 0.40 (0.00) per share will be paid at the time of dividend payment on shares owned by external shareholders.

The Board of Directors proposes that the dividend be paid in two (2) instalments, such that the first instalment of EUR 0.20 per share is paid on 24 May 2023 to shareholders who have been recorded in the company's shareholder list maintained by Euroclear Finland Oy by the record date of 11 May 2023. The Board of Directors proposes that it be authorised to later decide, according to its discretion, the record and payment date for the second instalment of the dividend, however in such a way that the second instalment is paid no later than by 20 October 2023 with a record date five weekdays prior to payment date.

At the time of the financial statements on 31 December 2022, there were 20,699,801 externally owned shares.

Helsinki, 15 March.2023

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, 15 March 2023

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, 2022. 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 a summary of significant accounting policies, 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 as well as its financial performance and its cash flows in accordance with International Financial Reporting Standards (IFRS) 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 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 141.0 million euro at the date of the financial statements representing 31 % of total assets and 172 % 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.

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 International Financial Reporting Standards (IFRS) 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

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 four 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 15, 2023

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 743700DYZ6R1QNLWQA56-2022-12-31-fi.zip of NoHo Partners Oyj for the financial year 1.1.-31.12.2022 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 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 with 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 consolidated financial statement included in the ESEF financial statement of NoHo Partners Oyj for the year ended 31.12.2022 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 31.12.2022 is included in our Independent Auditor's Report dated 15.3.2023. In this report, we do not express an audit opinion any other assurance on the consolidated financial statements.

Helsinki 16.3.2023

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