

NOHO PARTNERS PLC

Strategy 2027

Capital Markets Day

22 May 2024

NOHO

NORDIC HOSPITALITY PARTNERS

Agenda

13.00	Summary of the previous strategy cycles	Aku Vikström
	New strategy for 2027	Timo Laine
	Q&A	
	Strategy for profitable growth in Finland	Jarno Suominen, Maria Koivula
	Q&A	
14.35	Break	
14.50	Better Burger Society	Yrjö Närhinen
	Q&A	
	International business: Norway and Denmark	Benjamin Gripenberg
	Q&A	
	Financial targets for 2027	Jarno Vilponen
	Q&A	
	Summary	Aku Vikström
	Q&A	
16.05	End of the event	

Today's speakers



Aku Vikström
CEO



Timo Laine
Chairman of the Board



Jarno Suominen
Deputy CEO



Maria Koivula
Business Director



Yrjö Närhinen
BBS Chairman of the
Board



Benjamin Gripenberg
Business Director



Jarno Vilponen
CFO



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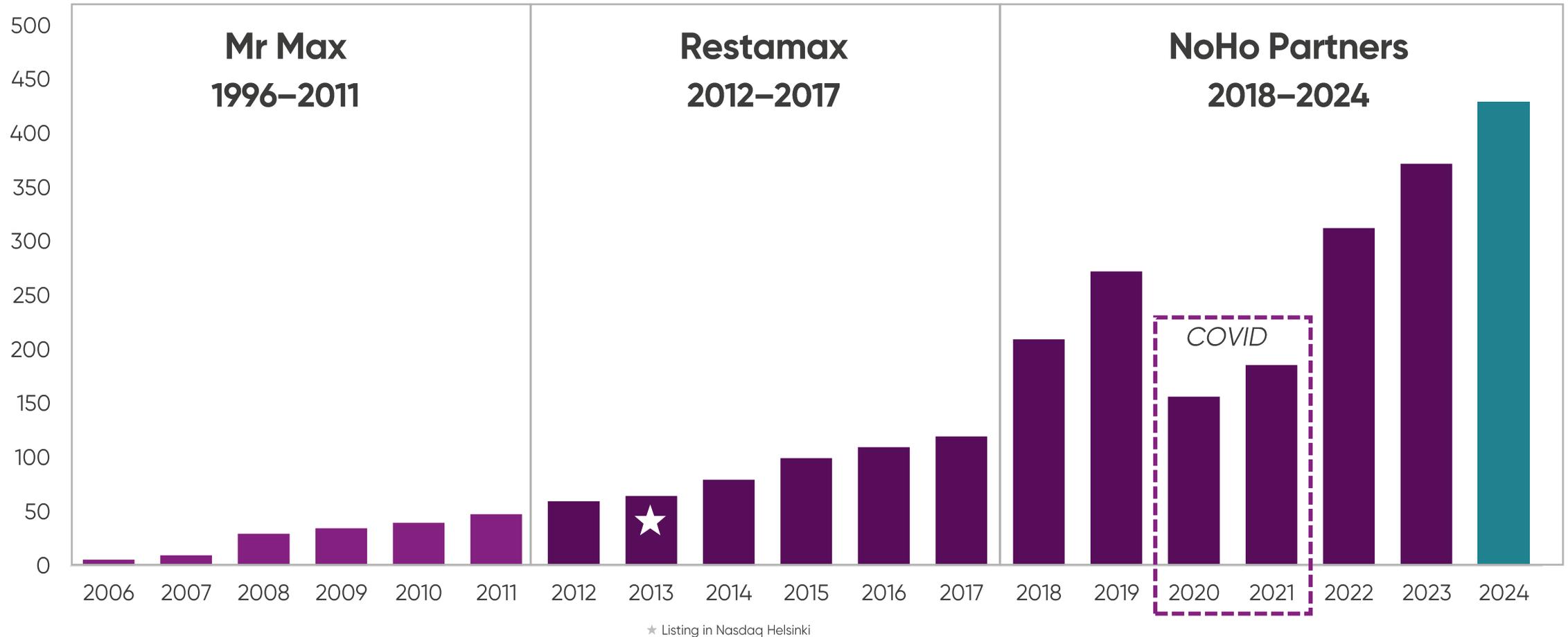


Summary of the previous strategy cycles

Aku Vikström
CEO

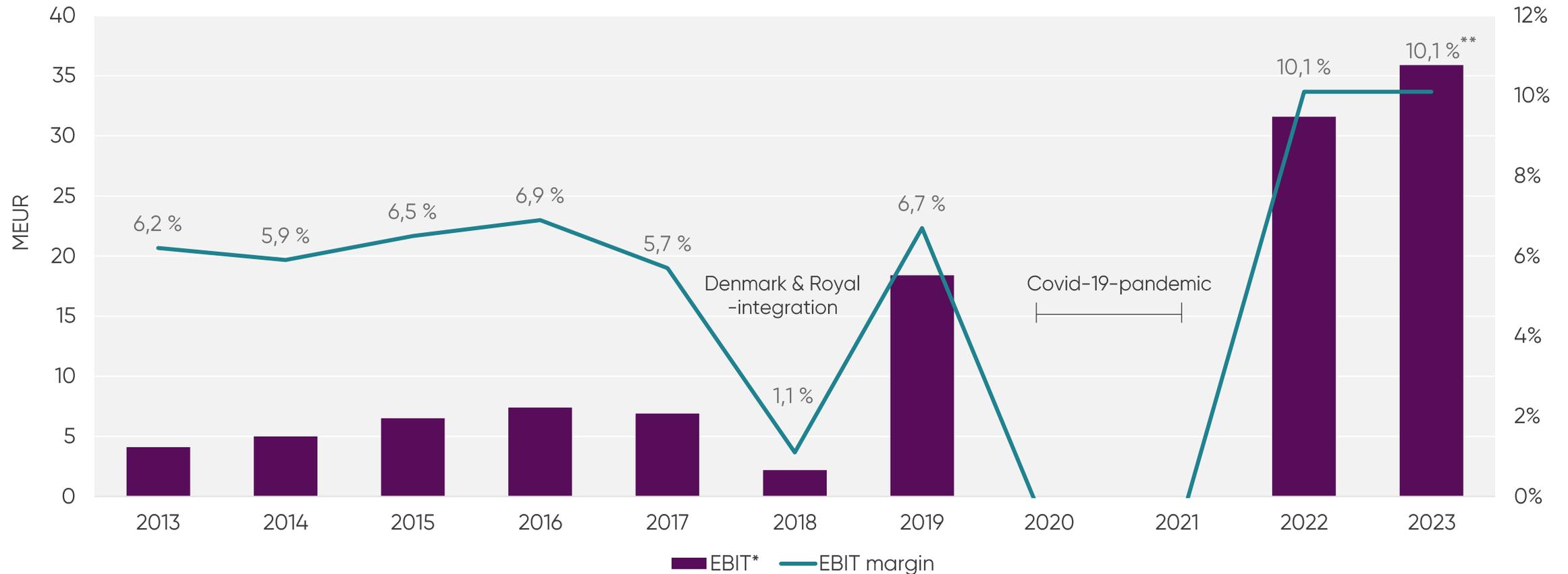
Growth is in NoHo Partners' DNA

2006–2023 NET SALES CAGR 27%



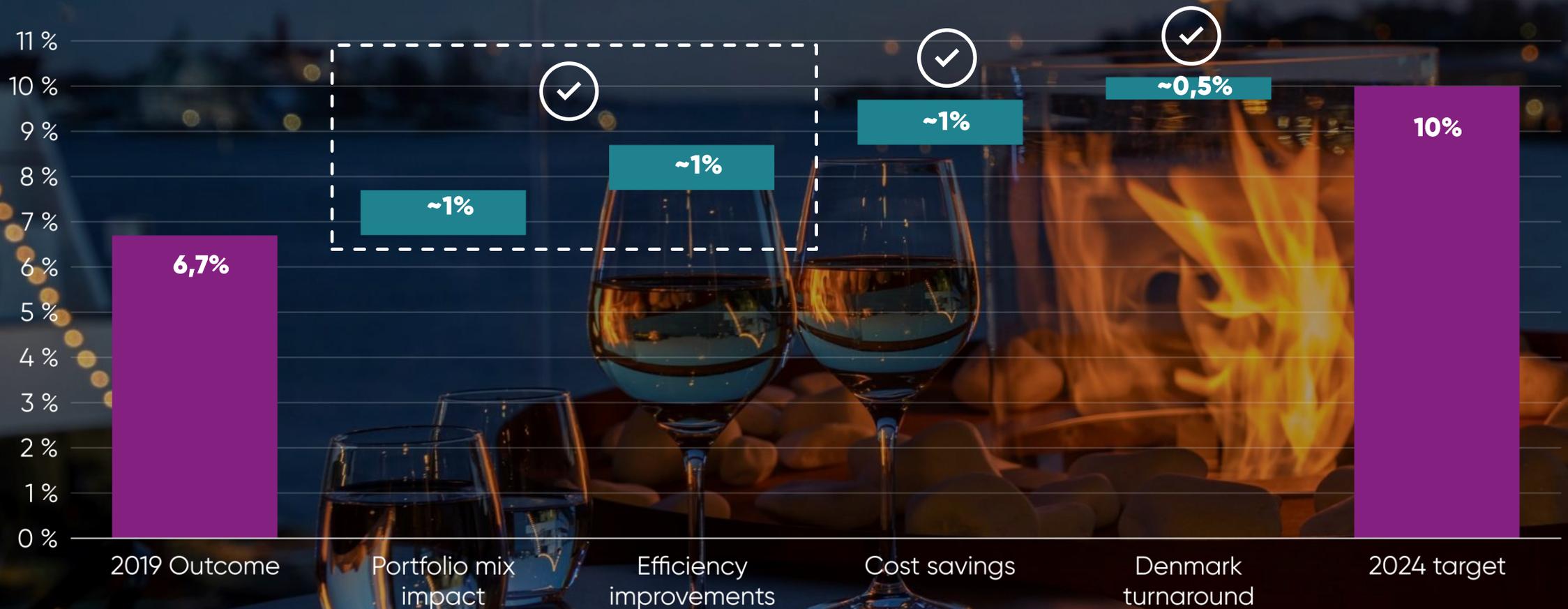
We are the most profitable company in our industry in Finland

OUR EBIT HAS TRIPLED SINCE PRE-COVID TIMES



The key target for the previous strategy cycle was to increase profitability

WE REACHED THE TARGETS IN ALL FOUR FOCUS AREAS



We have reached our strategic targets ahead of time

2013–2015

The Company's long-term strategic target was to reach a revenue of MEUR 100 by the end of 2015.

We reached the target. Our revenue was MEUR 113.6 in 2015.

2016–2018

The Company's long-term strategic target was to reach a revenue of MEUR 180 by the end of 2018.

We reached the target. Our revenue was MEUR 185.9 in 2017.

2019–2021

The target was to reach a revenue of MEUR 350 and EBIT margin of 8% in the restaurant business by the end of 2021.

Our strategy execution was interrupted. Our revenue was MEUR 272.9 and EBIT margin 6.7% in 2019.

2022–2024

The target was to reach a revenue of around MEUR 400 and EBIT margin of around 10% during the year 2024.

2024 guidance: A revenue of MEUR 430 and EBIT margin of around 9.5%.

The restaurant market in Northern Europe is fragmented, developing, and full of opportunities

Number of restaurants:

Finland

~11,000
restaurants

Norway

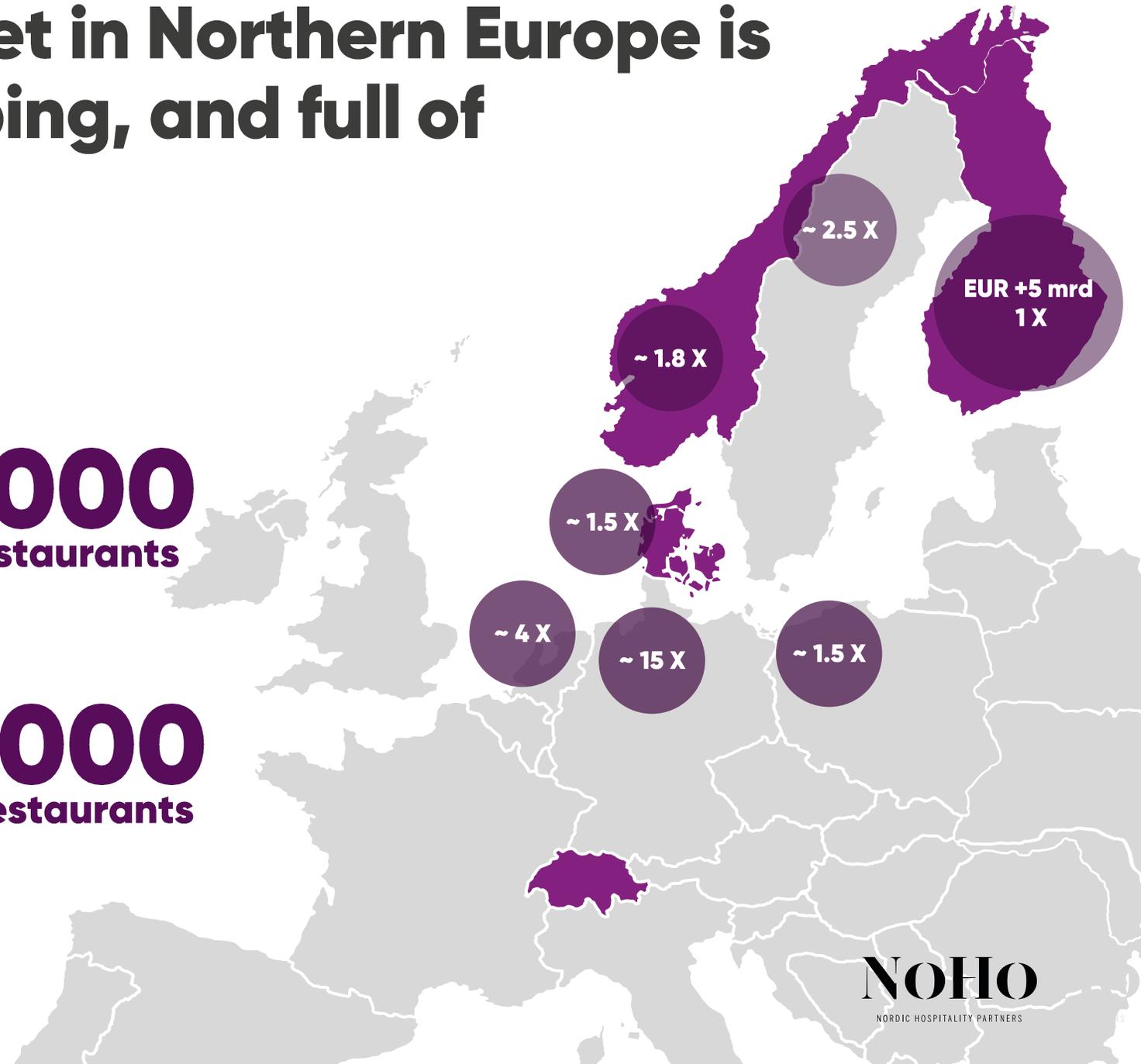
~22,000
restaurants

Denmark

~18,000
restaurants

Sweden

~20,000
restaurants





New strategy for 2027

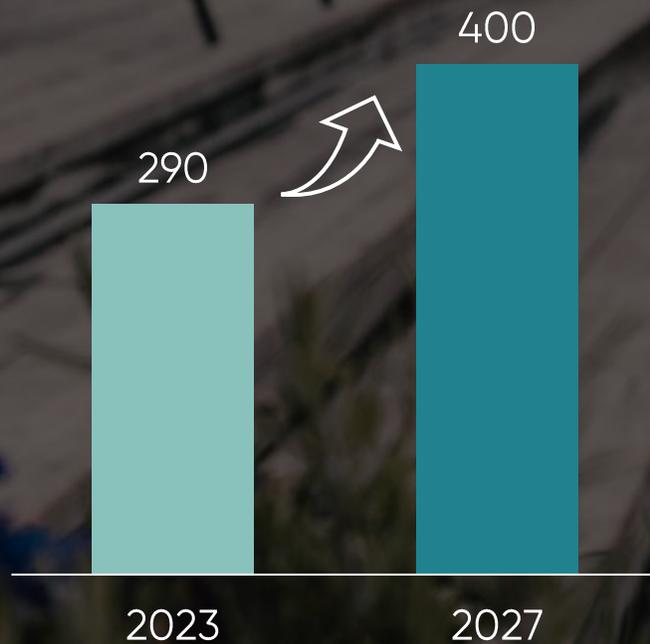
Timo Laine
Chairman of the Board

A photograph of a snowy outdoor terrace at sunset. The terrace has several tables and chairs. In the background, there is a body of water and a distant shoreline. The sun is low on the horizon, creating a warm glow. The text "Our vision is to be the leading restaurant operator in Northern Europe" is overlaid in white.

Our vision is to be the leading restaurant operator in Northern Europe

Strong and profitable growth in Finland, international growth continues with a new operational model

1 PROFITABLE GROWTH IN FINNISH RESTAURANT AND ENTERTAINMENT MARKET



2 ACTIVE INVESTOR IN INTERNATIONAL RESTAURANT BUSINESS



1 Profitable growth in Finnish restaurant and entertainment market

The home market potential, which has not been reclaimed, is substantial

Our market position is strongest, and the competitive advantages are the largest, in our home market

We possess the best expertise and experience in acquisitions in the restaurant market in Finland

2 Being an active investor in the international restaurant market will speed up growth

Experience endorses success

- › Active ownership combined with operational steering, e.g. Eezy and Superpark
- › Synergy benefits based on our operating model and industry expertise

Investor partnerships in a key role

- › Cooperation with the competent investors will speed up international growth, opens up larger variety of opportunities and balances risks

Investment activities accelerate growth

- › Faster growth in all markets
- › Local funding agreements will ease access to capital both in Finland and internationally

Creating shareholder value through investment activities

- › Exits either through sale or listing the assets
- › Value appreciation will materialize in exits



Focus areas for the 2027 strategy cycle

1 Profitability accelerating growth

- Efficient capital allocation and profit
- Growth in Finnish operations and international growth through investment activities

2 Strengthening the balance sheet

- Controlled debt level
- Decreasing financial expenses
- Improving equity ratio

3 Increasing dividends



Long-term financial targets

2025–2027

Finnish operations:

International business:

Dividend:

Net debt:

Turnover of approx. MEUR 400 and maintaining the current good level of EBIT margin

Profitable growth and creating shareholder value

Company aims to distribute annually increasing dividends

In the long-term, the company aims to decrease the ratio of net debt to operational EBITDA excl. IFRS 16 impact to the level of approx. two

Q&A



Our strategy for profitable growth in Finland

Jarno Suominen
Deputy CEO

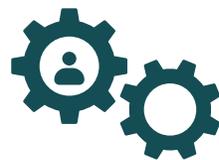
Maria Koivula
Business Director



The market and our business model support our strategy



Growing and developing market



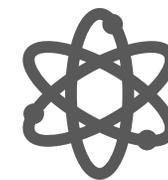
Operational excellence



Best customer experience



Committed employees



Significant benefits of scale



Development of the Finnish restaurant market in 2005–2022 and outlook for the strategy period

THE VALUE OF THE RESTAURANT MARKET 2005–2022



LONG-TERM DRIVERS FOR THE RESTAURANT MARKET

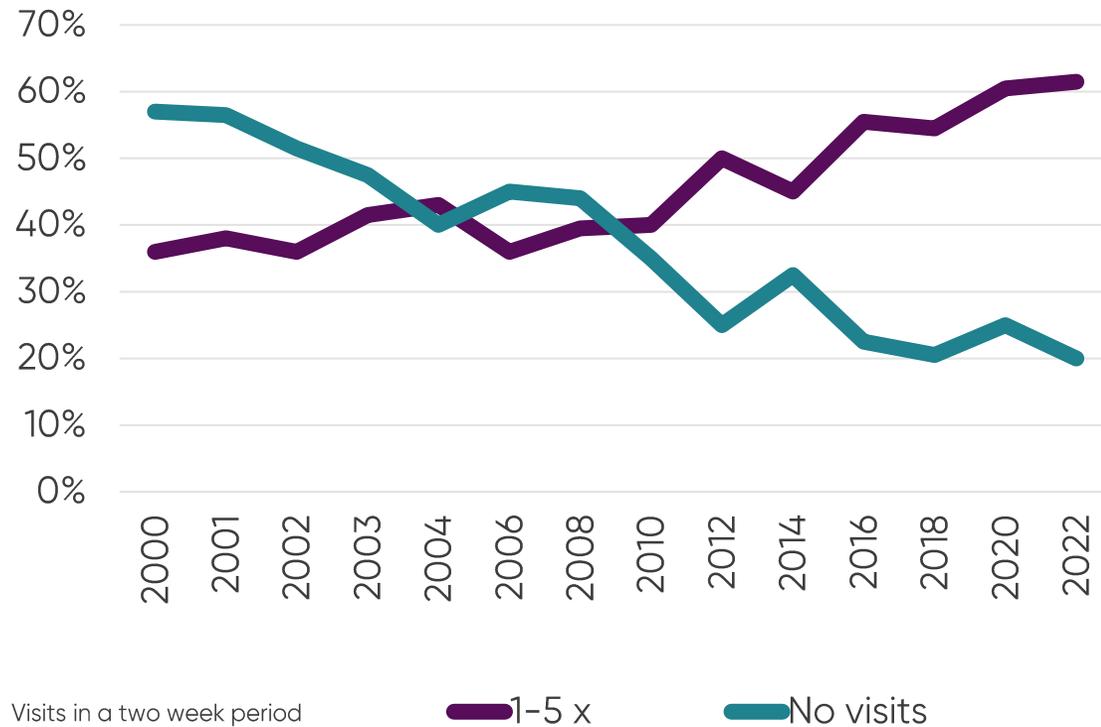
-  Megatrends (urbanization, use of time)
-  Changes in consumer behaviour (convenience, well-being)
-  Change in generations
-  Restaurant food as part of dining at home

Source: Restaurant sales (Statistics Finland). * 2023–2027 figures based on NoHo Partners' estimate
Economic cycle indicator (Confederation of Finnish Industries)

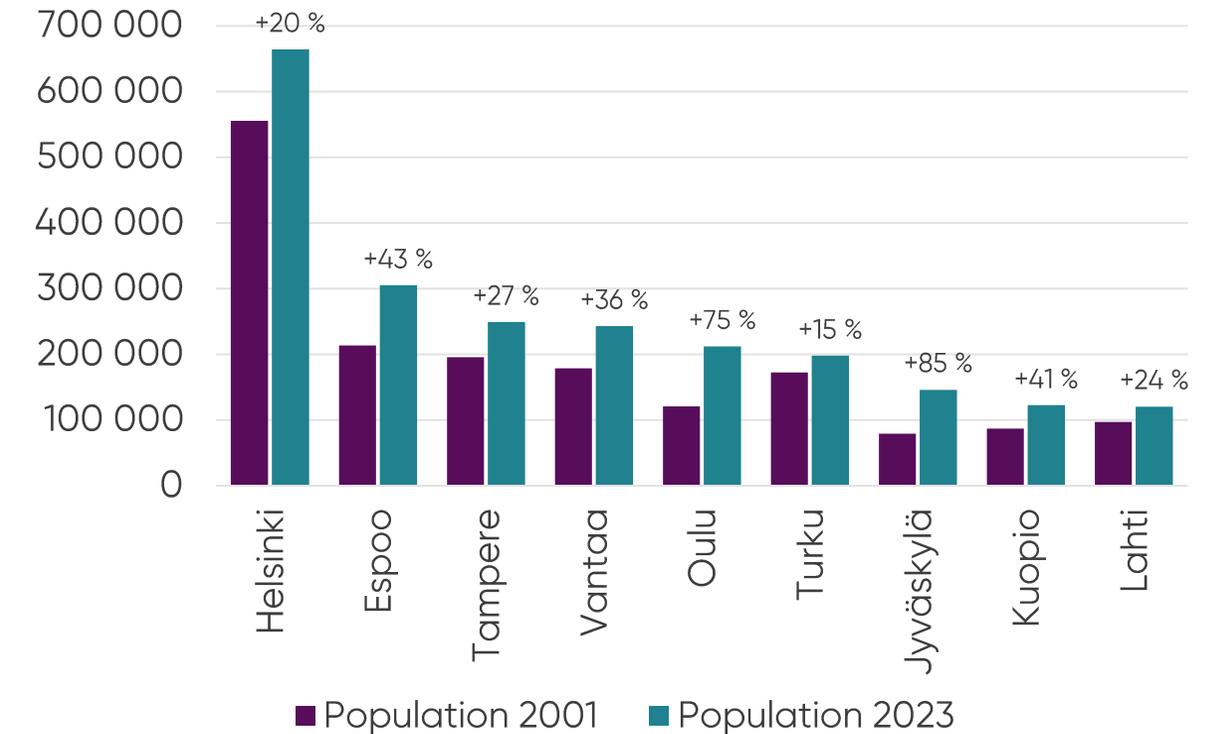


Restaurants have become a part of our daily lives

THE NUMBER OF RESTAURANT VISITS HAS INCREASED SIGNIFICANTLY



FINNISH CITIES ARE GROWING IN SIZE



Source: MaRa, Eating out trends 2022, Finland, (n=1938)

We are involved in every stage of the experience chain

195 Restaurants*
2023

Entertainment restaurants
61

Food restaurants
122

Event restaurants
12

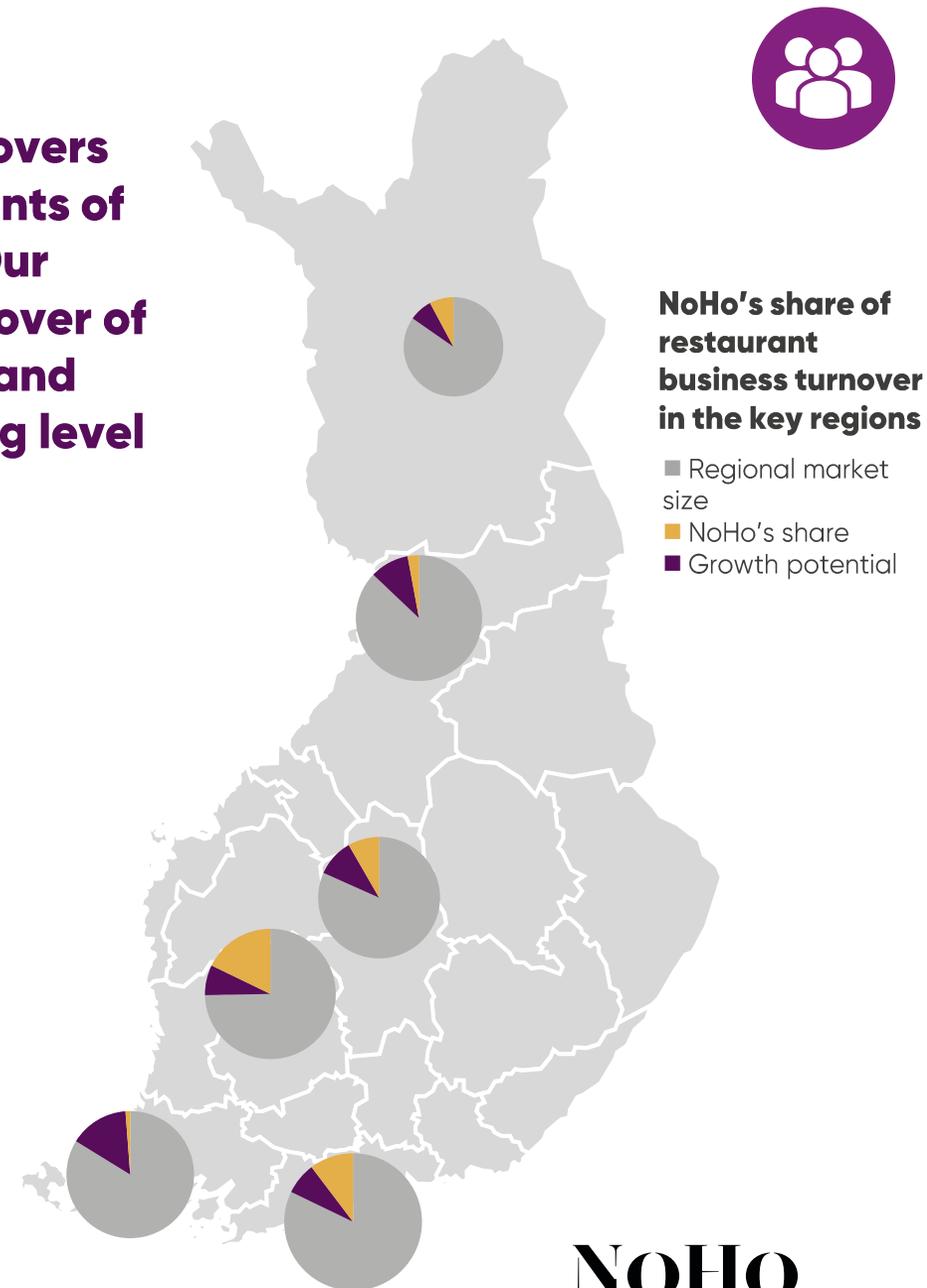
22 Nokia Arena and Messukeskus are both determined as one unit
CMD 22 May 2024

Our restaurant portfolio covers the most profitable segments of the restaurant business. Our target is to achieve a turnover of approximately MEUR 400 and maintain the current strong level of EBIT margin during the strategy period.

Turnover by segment



- Entertainment restaurants
- Food restaurants
- Event restaurants



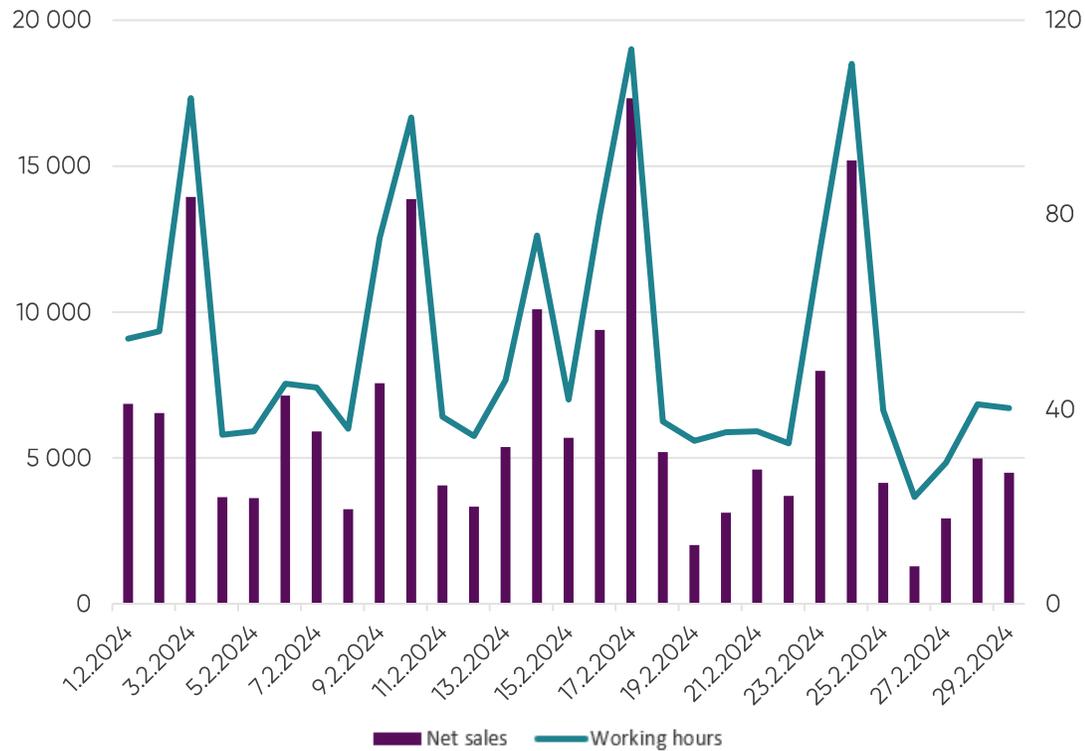
Source: Statistics Finland



Operational excellence determines the outcome

WE SCALE OUR PERSONNEL TO MATCH THE DEMAND

FOOD RESTAURANT



NIGHT CLUB





Our success is based on the market's best customer experience

66.5

NPS 2022

70.3

NPS 2023

74.9

NPS Q1 2024

NPS in food restaurants 1-12/2022, 1-12/2023 and 1-3/2024



Committed personnel is a key to success

85%

Employee satisfaction
2021

94%

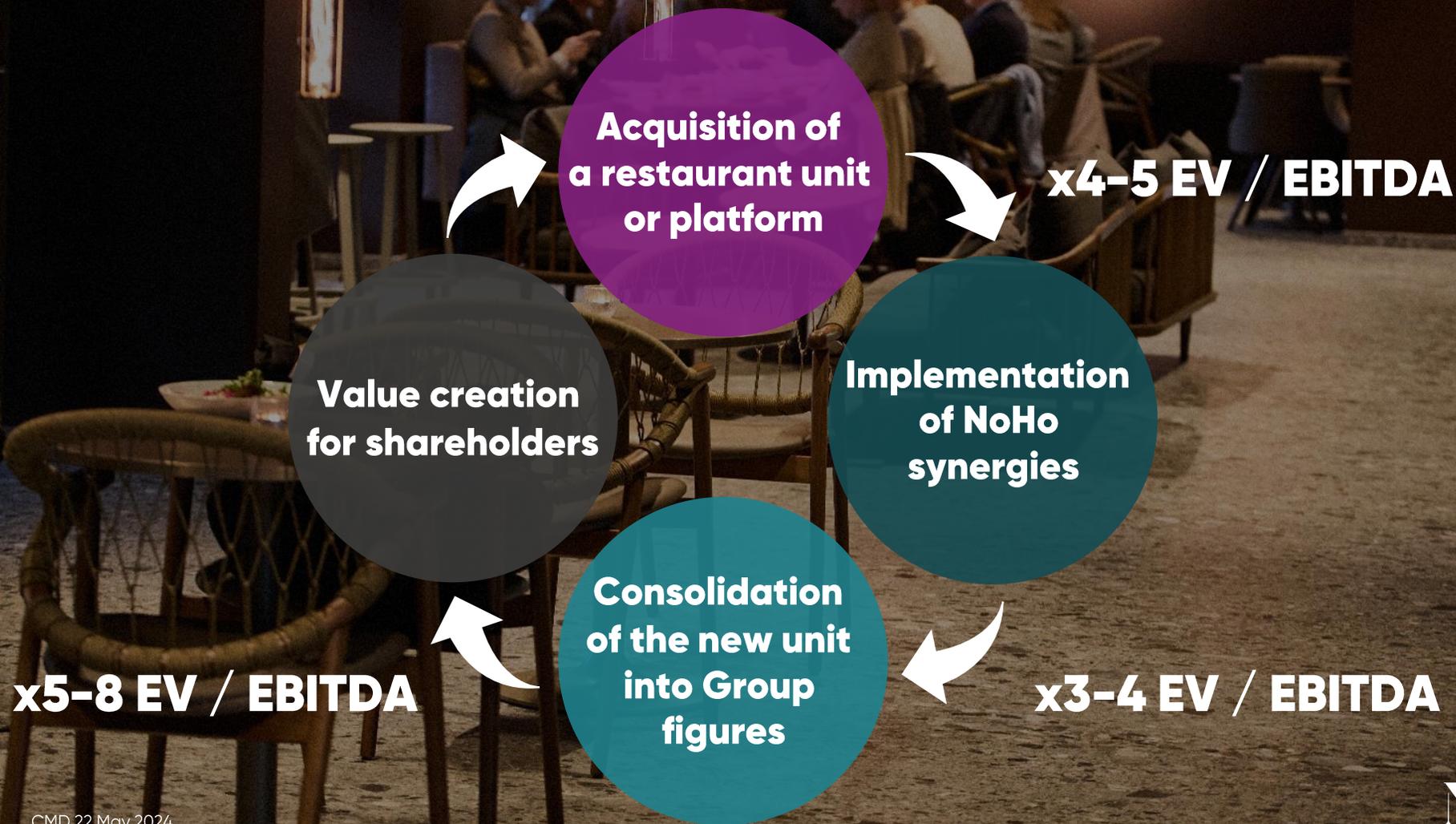
Employee satisfaction
2022

91%

Employee satisfaction
2023



Creating value through acquisitions





Case example: acquisition of classic restaurant Sea Horse

Acquisition

X5.4 EV / EBITDA



Implementation of NoHo synergies



Cumulative turnover (LTM)



X4.2
EV / EBITDA

Acquisition 07/2022

Acquisition price MEUR 2.3

Procurement synergies

Sales synergies

Personnel synergies

Operational EBITDA development

FY 2019

427 t€

20.7%



Q2/23-Q1/24

543 t€

+27%

23.2%



SEA HORSE

- Vuodesta 1934 -

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Maria Koivula
Business Director



Food
restaurants



Events



Entertainment
restaurants

Superior brand portfolio

FOOD RESTAURANTS



Unique concepts and scalable brands



Turnover MEUR 151 (2023)



The profitability in our food restaurants clearly exceeds the market average

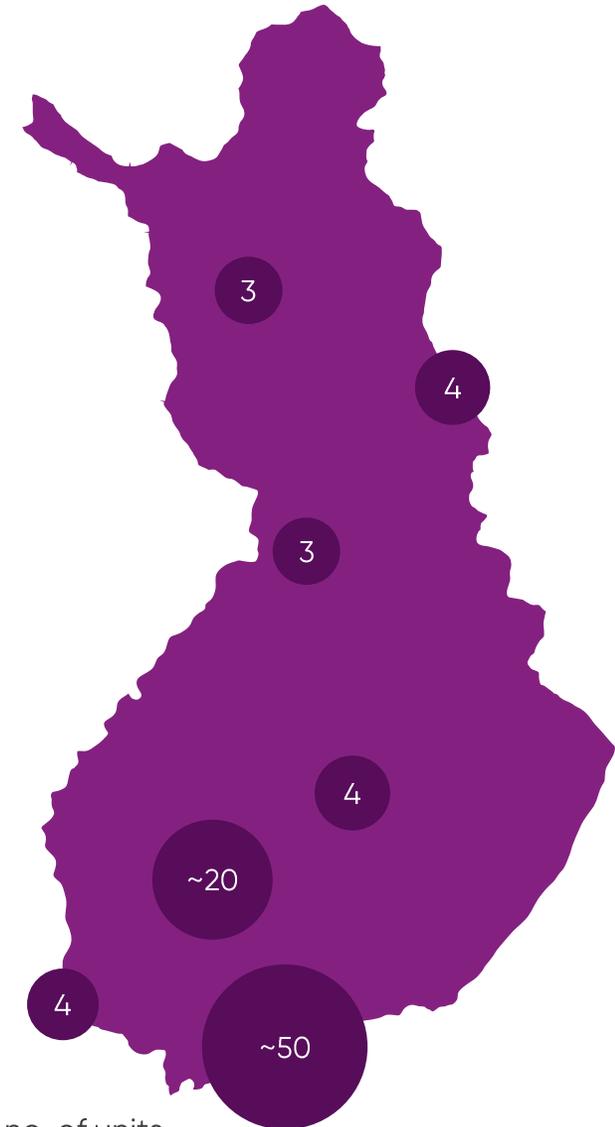


52%

Share of our turnover in Finland 2023

Units in total
122

A large variety of brands in the largest cities and vital regional centers.



The no. of units per city

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Key sources for growth during the strategy cycle

Acquisitions

We continue to grow by acquiring restaurants with proven concepts in local markets

Opening new restaurants

Opening new restaurants in the most attractive locations

Scaling of concepts

Scaling up Hook-concept by opening new restaurants and through a franchising model

SAVOY

elite

Stefan's
STEAKHOUSE



strindberg



A winning blend of extensive expertise and top-quality brands

EVENTS



The largest event venues, Nokia Arena and Messukeskus (Helsinki Expo and Convention Centre) are part of our portfolio



We succeed in tenders due to our diverse brand portfolio and expertise in event management



Turnover MEUR 44 (2023)



15%

Share of our turnover in Finland 2023

Units in total

9+3 nationwide mobile operators

In addition to large urban projects, Royal Event Catering, Nordic Gourmet and Kampin Circus operate in festivals throughout Finland



#

The no. of units per city

NOHO

NORDIC HOSPITALITY PARTNERS

Key sources for growth during the strategy cycle

Contracts on profitable urban projects

- We target contracts for both existing and new venues in cities with significant potential
- We evaluate the potential of the offered venues on a case-by-case basis, taking into account the company's profitability criteria

Expanding the events business outside of the traditional venues

- We want to expand beyond traditional venues to include festival dining (Nordic Gourmet), drinks (Nordic Live), and high-margin catering services

Acquisitions

- Selected acquisitions of established and profitable event organizers and venues

MESSUKESKUS

NOKIA
ARENA

KATAJANOKAN
KASINO

VANHA

TAPAHTUMATALO
BANK



Market leader in the most profitable segment

ENTERTAINMENT RESTAURANTS



#1 in nightclubs in Finland

both in turnover and no. of units



#1 in gaming restaurants in Finland



Turnover MEUR 97

(2023)



33%

Share of our turnover
in Finland 2023

Nightclubs
23

Pubs
25

Gaming restaurants
13

**The most popular
nightclubs and the most
attractive spots to
spend leisure time in
prime locations**



The no. of units
per city

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Key sources for growth during the strategy cycle

Competitiveness of the current portfolio

- We ensure that our current portfolio develops and maintains its excellent profitability
- We will strengthen our #1 position in the market

Acquisition of locations

- Our comprehensive knowledge and experience in micro locations in Finland opens up possibilities to acquire interesting premises
- Utilizing the significant growth potential in gaming restaurants and increasing the number of units in the strategy period

Acquisitions

- Target to expand to new cities during the strategy cycle with selective acquisitions
 - For example Turku, Kuopio, Lahti

LÖYLY



APOLLO
LIVE CLUB

ILONA
VIIRDEMAILMA



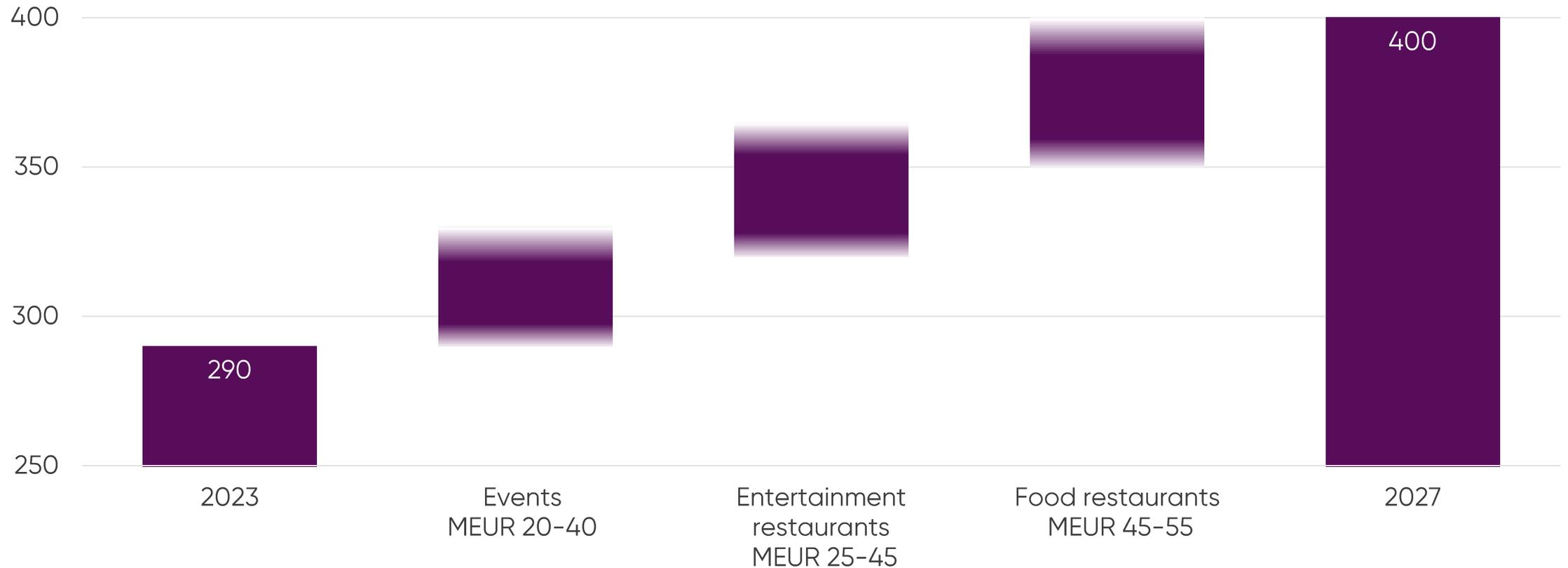
NONAME
BAR & NIGHTCLUB

MATTOLAITURI



All three segments will contribute to growth in the strategy cycle

WE MAINTAIN THE CURRENT GOOD PROFITABILITY LEVEL AND EBIT MARGIN





Q&A



NHFO

NORDIC HOSPITALITY PARTNERS



Better Burger Society

Yrjö Närhinen
Chairman of the Board,
Better Burger Society

Better Burger Society towards 2027

#1

Premium burger player in Europe



1-3

New markets



Faster than market average comparable **growth**



Short payback time for investments



Maintaining current excellent **profitability**



Approx. 5

New openings in every market per year



We operate in attractive markets

Possibilities to grow market share

Growing markets

Cycle tolerance

Hamburger market
No. of restaurants



FRIENDS & BRGRS

27



Hamburger market
No. of restaurants



**HOLY COW!
GOURMET BURGER Co.**

43

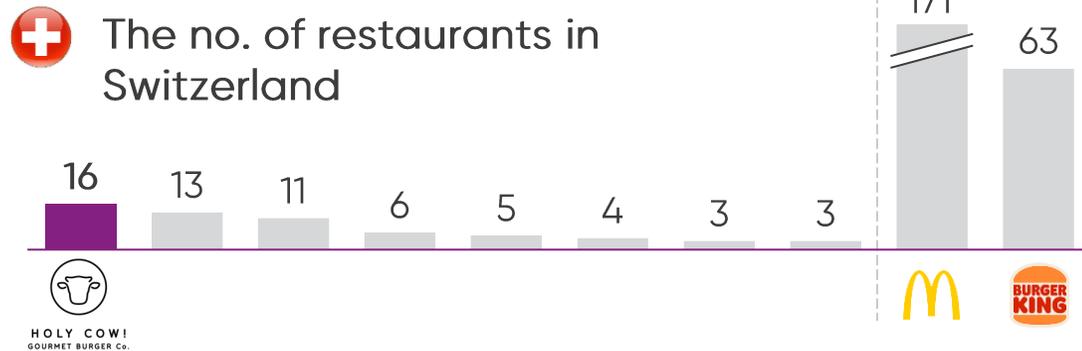
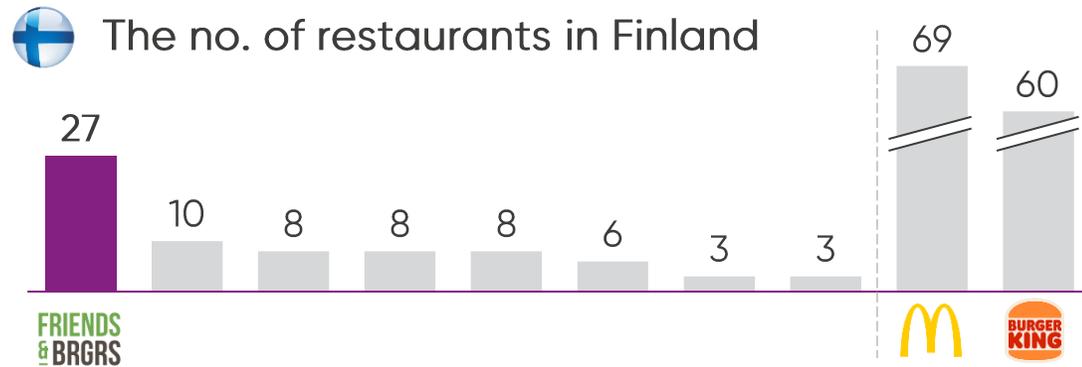


Expected market growth 5-7% both in Finland and in Switzerland

The 2008 financial crisis and the COVID-19 pandemic had very little impact on the development of fast food sales

BBS' brands are consumers' favourites

Both concepts are the biggest better burger chains in their home markets...



Source: Consumer research

...and consumers' favourites



7/10

Categories won in customer survey

#1

Price position among premium chains



9/10

Categories won in customer survey

#1

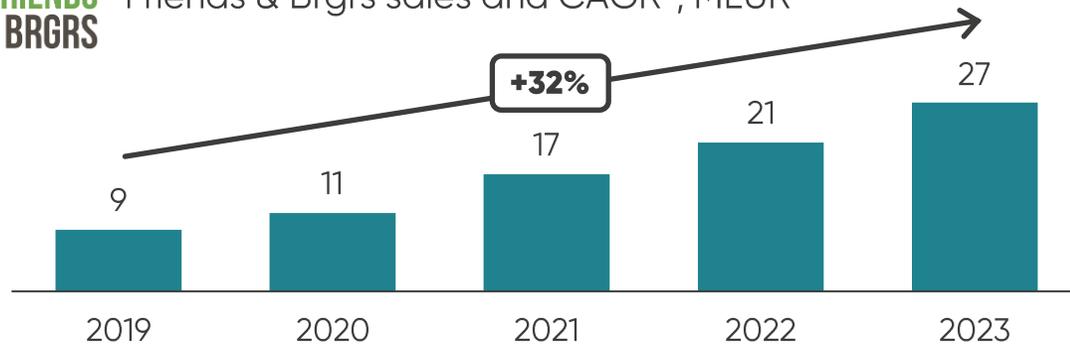
Price position among premium chains

BBS's brands have grown, and the units are performing well

Strong growth throughout COVID-19 pandemic

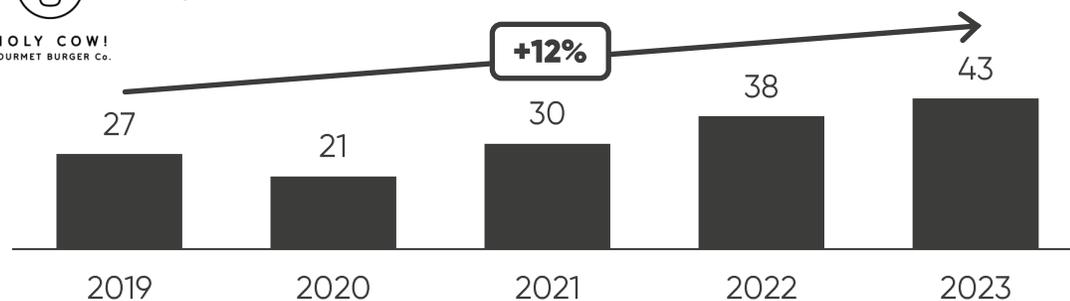


Friends & Brgrs sales and CAGR*, MEUR



HOLY COW!
GOURMET BURGER Co.

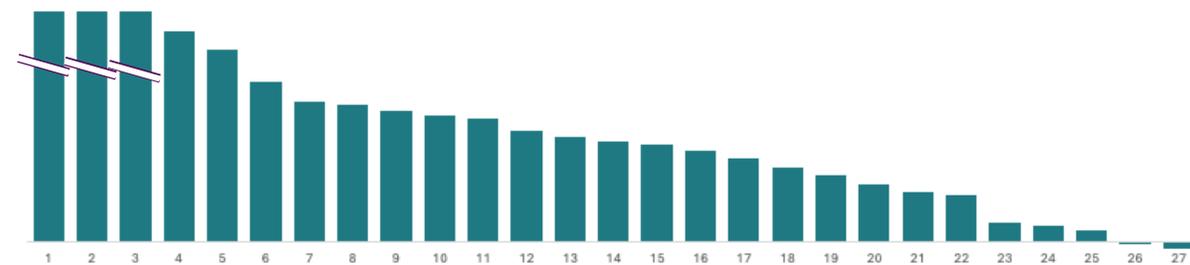
Holy Cow! Sales and CAGR*, MCHF



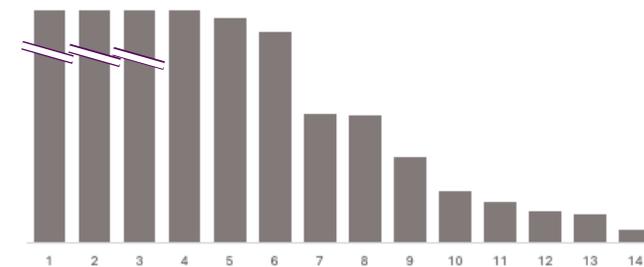
* Compounded annual growth rate,

Both brands function well and the portfolio is on a healthy basis, with an average EBITDA-margin of 15%

Friends & Brgrs EBITDA by units 2023



Holy Cow! EBITDA by units 2023

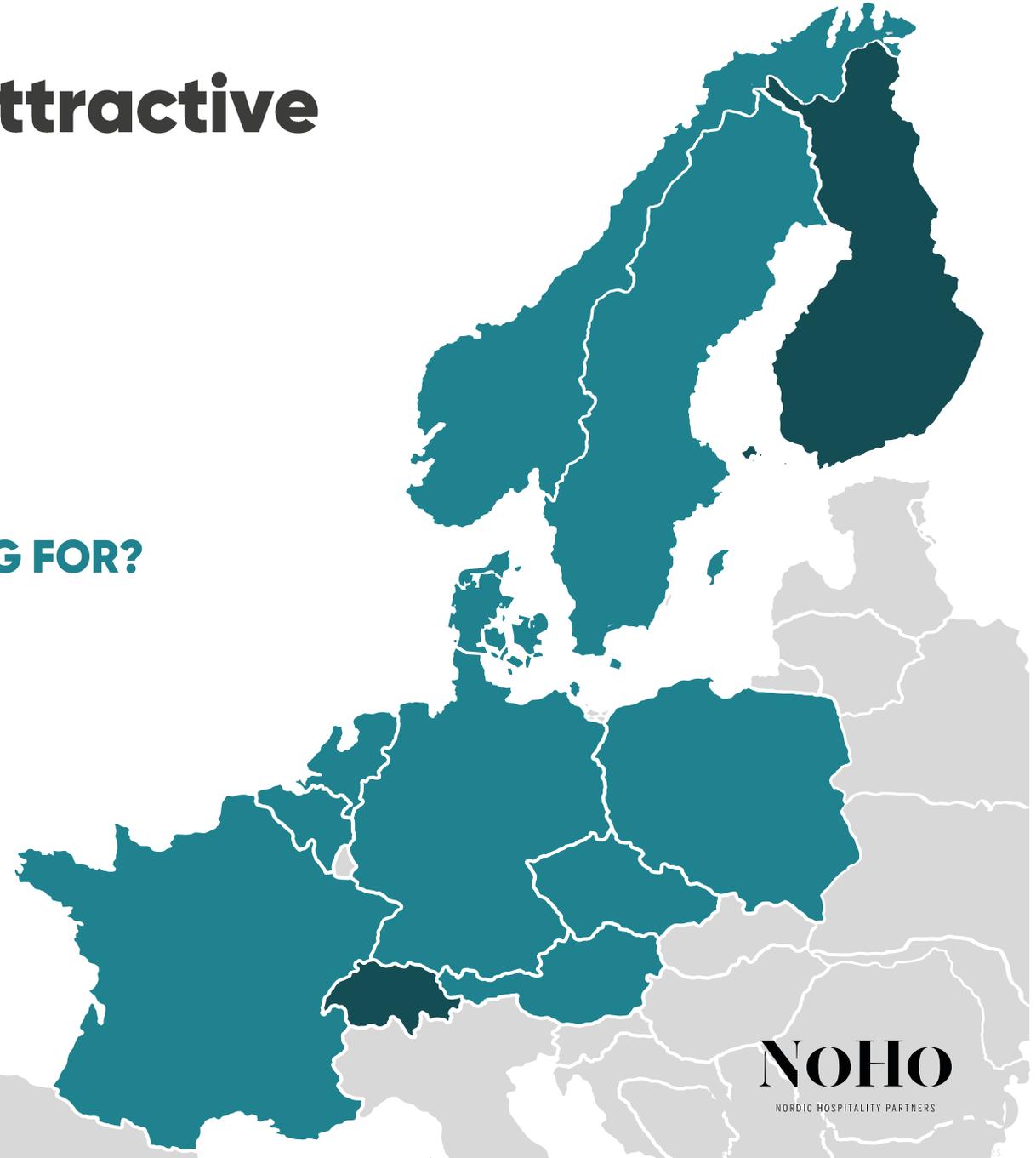


We want to expand into attractive European markets

Screening of **over 100** potential targets

WHAT KINDS OF COMPANIES ARE WE LOOKING FOR?

- Similar concept: fast, fresh, local
- Brand loved by customers
- A real restaurant chain model
- Growth potential in the home market



Our value creation is based on improved scalability

The #1 better burger company in Europe

Better burgers for all

Leading brands, partnerships

Fast, fresh, local



Accelerating comparable growth

Efficient new openings

Data based management and sustainability integrated into operations

Try, learn and share

Treat every customer and colleague well

Every buerger matters

Better Burger Society towards 2027

#1

Premium burger player in Europe



1-3

New markets



Faster than market average comparable

growth



Short payback time for investments



Maintaining current excellent **profitability**



Approx. 5

New openings in every market per year





Q&A



International business in Norway & Denmark

Benjamin Gripenberg
Director,
International business

International business towards 2027

#1 Norway



TOP 5 Denmark

0-3

New markets



Faster than market
growth



Return on invested capital

>10%



Maintaining current
profitability level



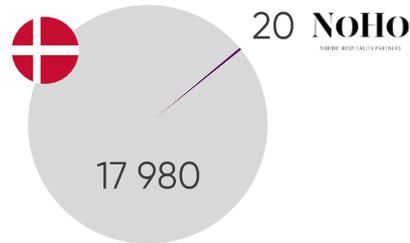
We operate in growing markets

Possibilities to grow market share

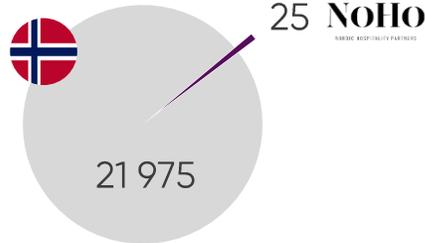
Growing markets

Cycle tolerance

Restaurant market
No. of restaurants



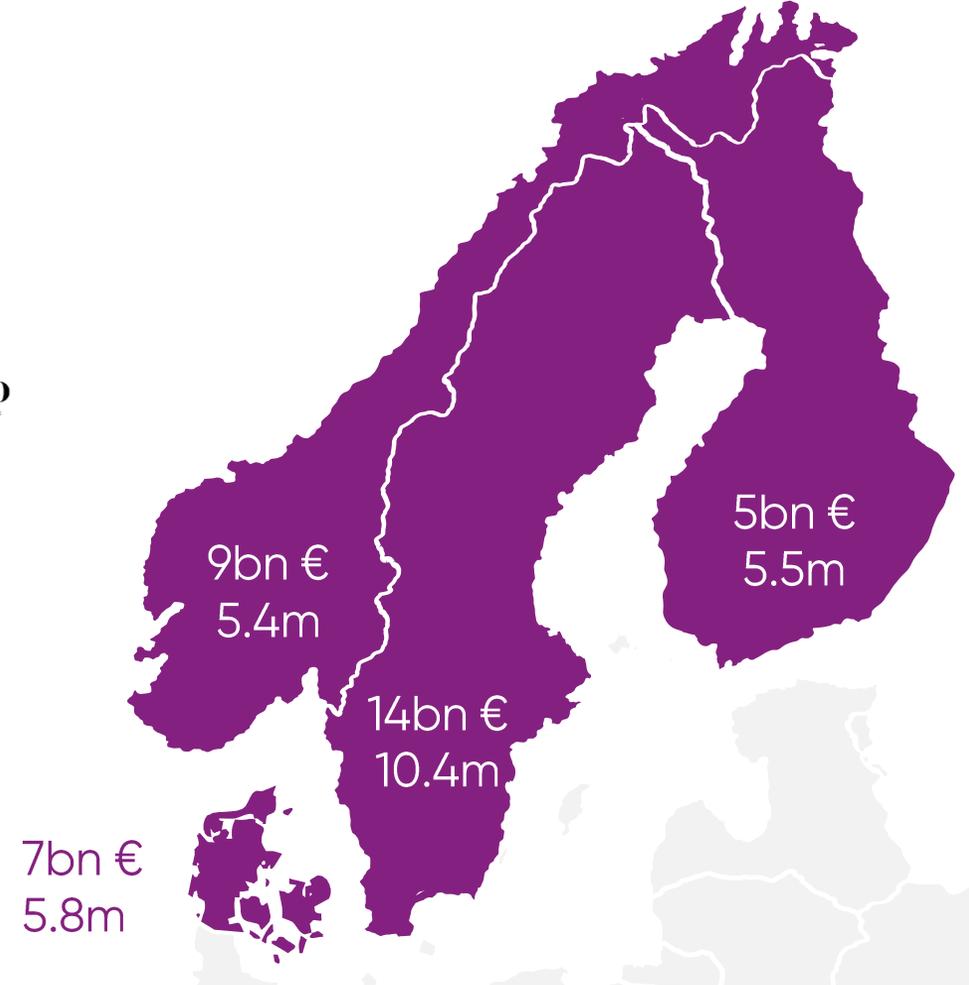
Restaurant market
No. of restaurants



Expected market growth:

- > 5-8% in Norway
- > 5-8% in Denmark

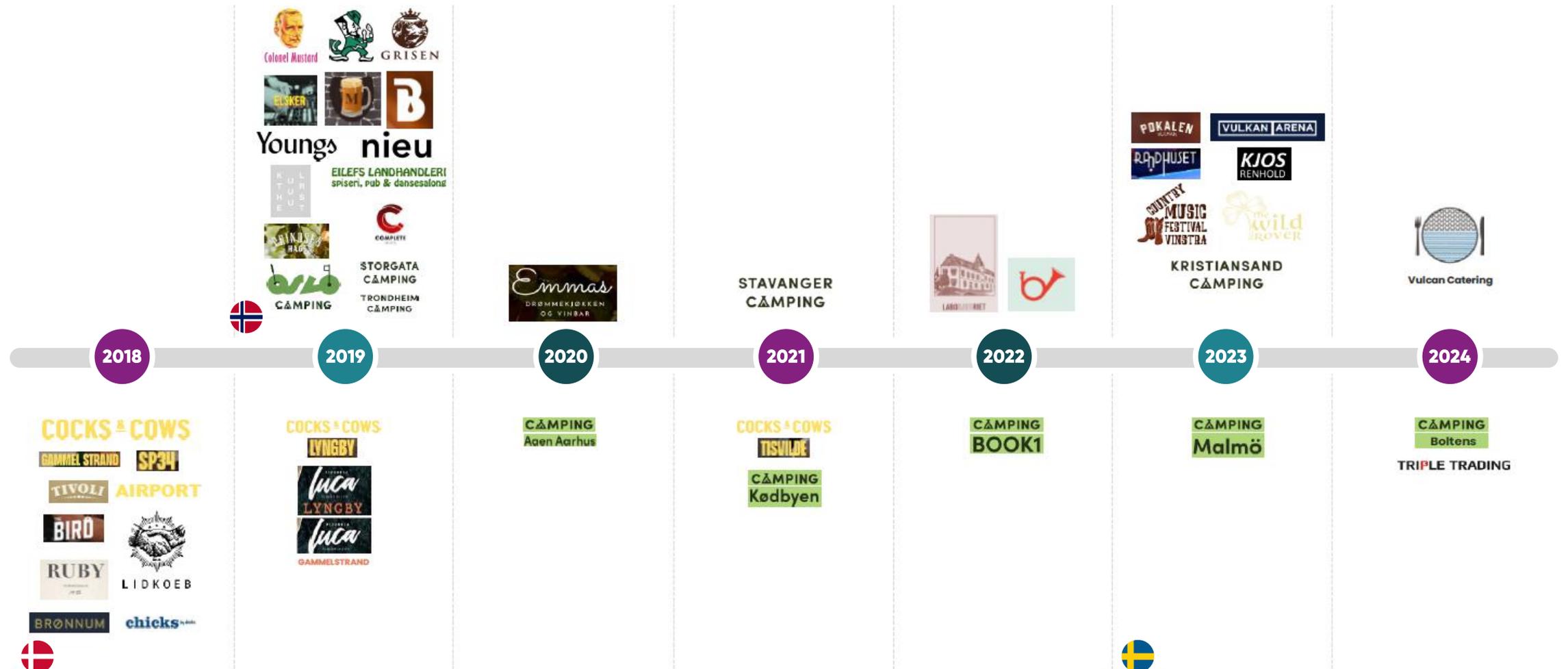
Versatile restaurant portfolio targeted for larger audiences



The no. of restaurants
Norway ~22 000
Denmark ~18 000
Sweden ~20 000

Source: Euromonitor, expert assessment

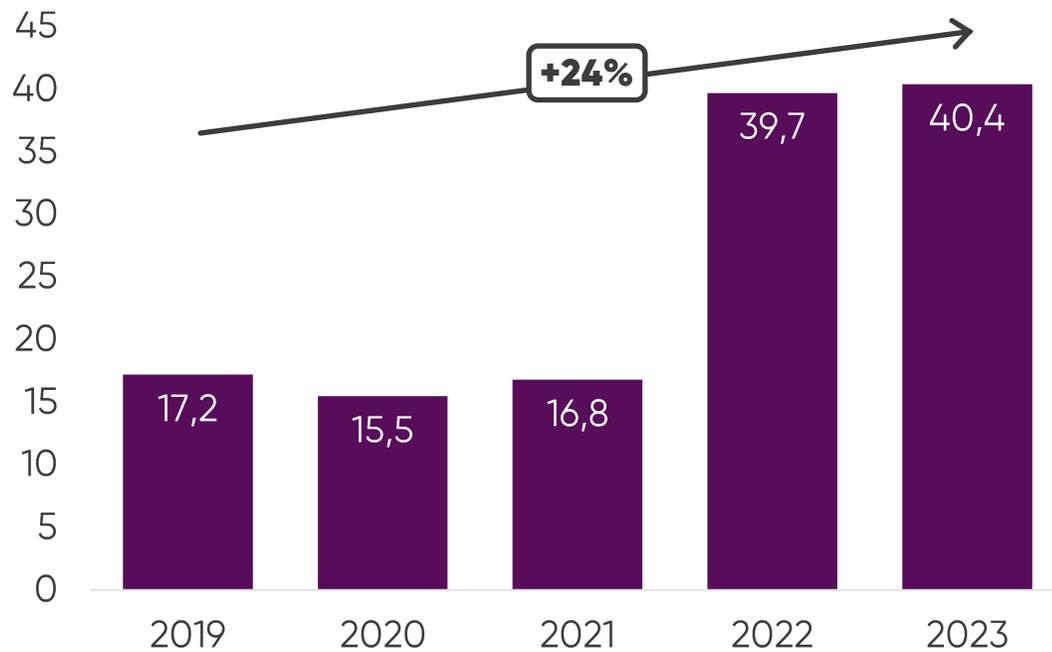
Versatile restaurant portfolio targeted for larger audiences



NoHo's international business on a growth track

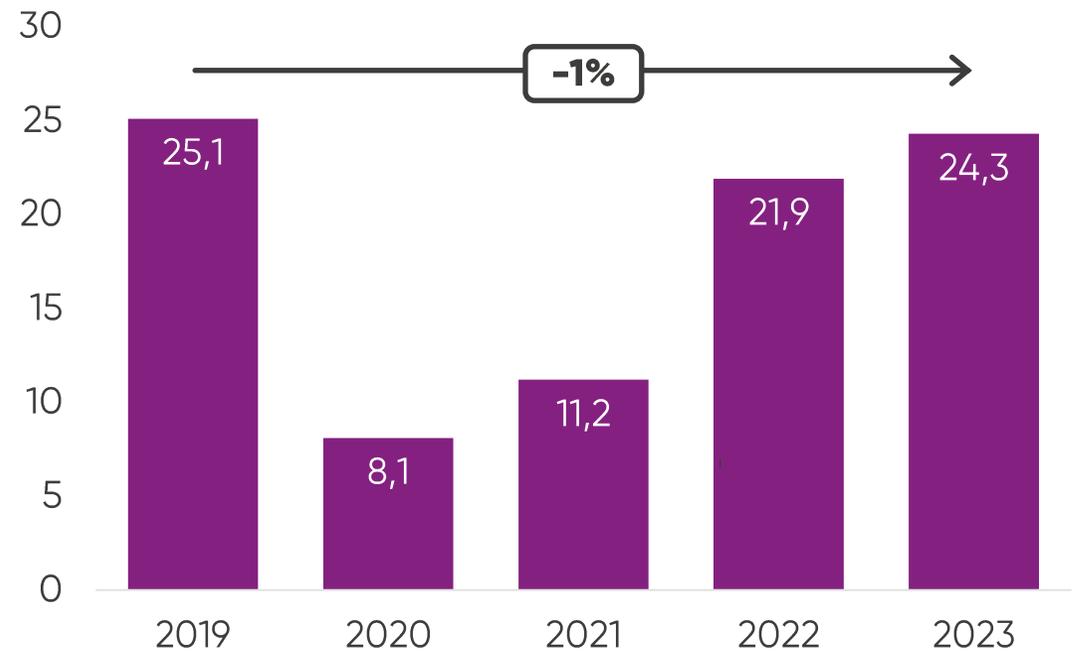
STRONG GROWTH IN NORWAY

Turnover in Norway and CAGR*, MEUR



FOCUS ON PROFITABILITY IN DENMARK

Turnover in Denmark and CAGR*, MEUR



* Compound annual growth rate



NoHo in Norway and in Denmark:

Operational excellence

- Unique operating model combined with strong local brands
- Decades-long experience and sustainable practices support profitable growth
- Versatile restaurant portfolio and solid operating model diminish seasonal and cyclical fluctuations

Synergies

- Procurement synergies and substantial scale benefits
- We steer value creation through our own operating model:
 - for example, security and cleaning services, supply chain

Partnerships

- Partnership model and our company culture are key competitive advantages
- Our position, reputation, and accumulated experience, combined with our partners' local expertise, open up access to numerous acquisition opportunities

Market is very fragmented: ~22k restaurants and EUR 9bn market (NOK 105bn)

The largest players in Norway:

Egon	appr. NOK 2bn turnover (1.9%)
Pizzabakeren	appr. NOK 1,5bn turnover (1.4%)
Peppes/Jordanes	appr. NOK 1,5bn turnover (1.4%)
Eik	appr. NOK 1bn turnover (0.9%)
Akershusgruppen	appr. NOK 690m turnover (0.7%)
Olivia	NOK 600m turnover (0.6%)
Noho Norway	NOK 566m turnover (0.5%)
Sabi Sushi	appr. NOK 300m turnover (0.3%)



Market leadership as a target in Norway: We are evaluating strategic options for accelerating profitable growth in our international business and gaining no. 1 position

Market is very fragmented : ~18k restaurants and EUR 7bn market (DKK 52.2bn)

The largest players in Denmark:

Madklubben	DKK 448m turnover (0.9%)
Cofoco	DKK 373m turnover (0.7%)
Sovino Brands	DKK 298m turnover (0.6%)
Noho Denmark	DKK 269m turnover (0.5%)
Dining Six	DKK 224m turnover (0.4%)

We are evaluating strategic options for accelerating the profitable growth of our international business





β Triple Trading: vertical synergies and investment activities

LARGEST CLIENTS – LOCAL BRANDS AND GLOBAL PARTNERS



KEVIN.MURPHY



OLIOLI
POKE BAR

NOHO
NORDIC HOSPITALITY PARTNERS



Q&A



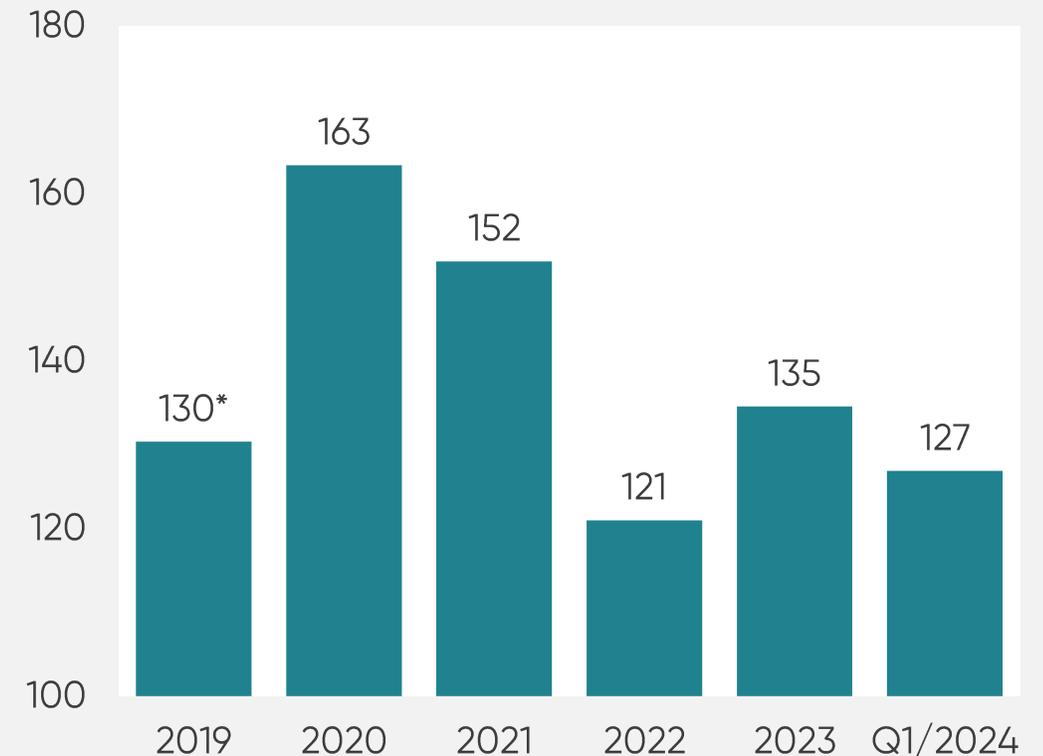
Financial targets for 2027

Jarno Vilponen
CFO

Net debt development

- Our balance sheet has strengthened since the COVID-19 pandemic
- Net debt is at a lower level than before COVID-19
- Simultaneously, company profits have increased substantially. Both turnover and profitability have increased significantly compared to pre-COVID times
- Net debt to operational EBITDA below 3x.
- **During the new strategy period, our target is to decrease the ratio of net debt to operational EBITDA to the level of approx. 2**

INTEREST BEARING NET LIABILITIES EXCLUDING IFRS 16 IMPACT (MEUR)

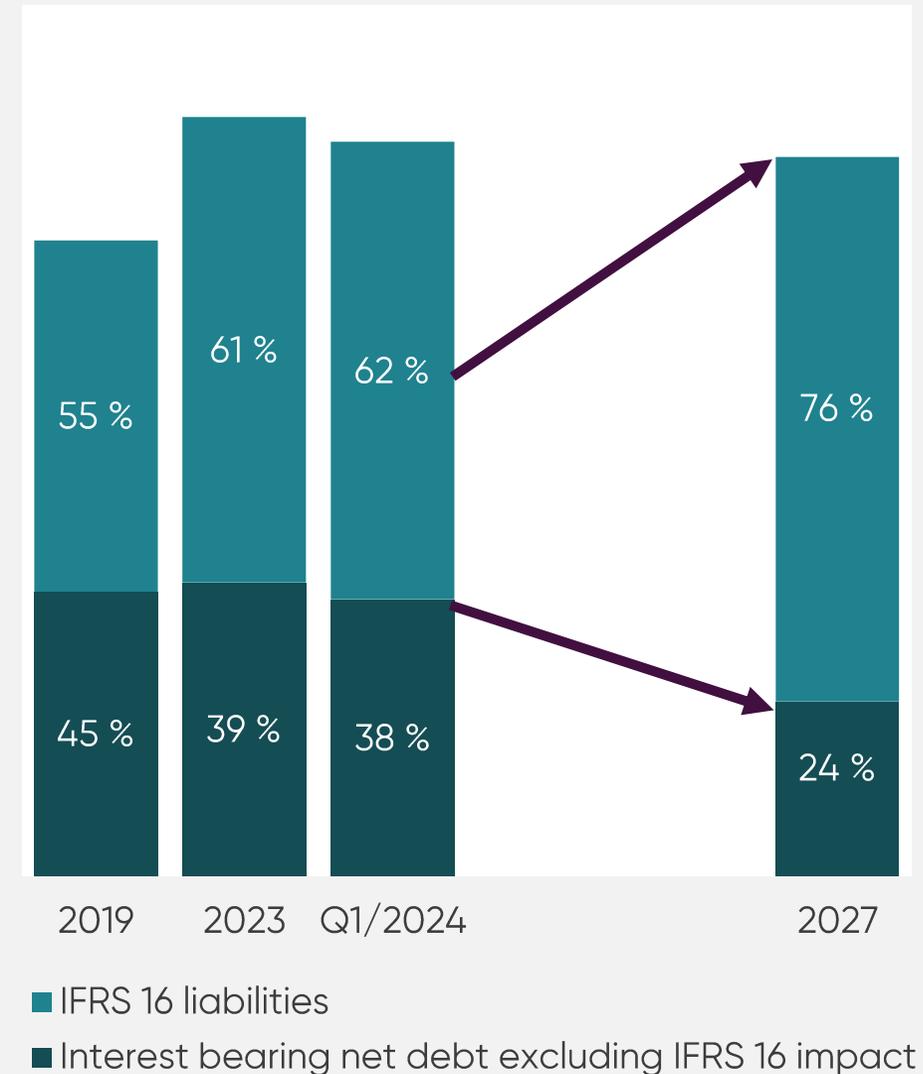


■ Interest bearing net liabilities excluding IFRS 16 impact (MEUR)

* Includes MEUR 25 hybrid loan

Understanding IFRS 16 liabilities

- Interest bearing liabilities in the balance sheet have grown substantially
 - Why?
 - Does the company have too much debt?
 - What will happen in the future?
- Understanding IFRS 16 liabilities
 - IFRS 16 liabilities will grow as the business grows
 - We do not optimize IFRS 16 debt. It is a prerequisite for growing our business, that the rental lease liabilities will also grow
 - Our most significant rental lease agreements can be sold anytime, and they should not be considered as real debt
- Investors should focus on liabilities excluding IFRS 16 impact





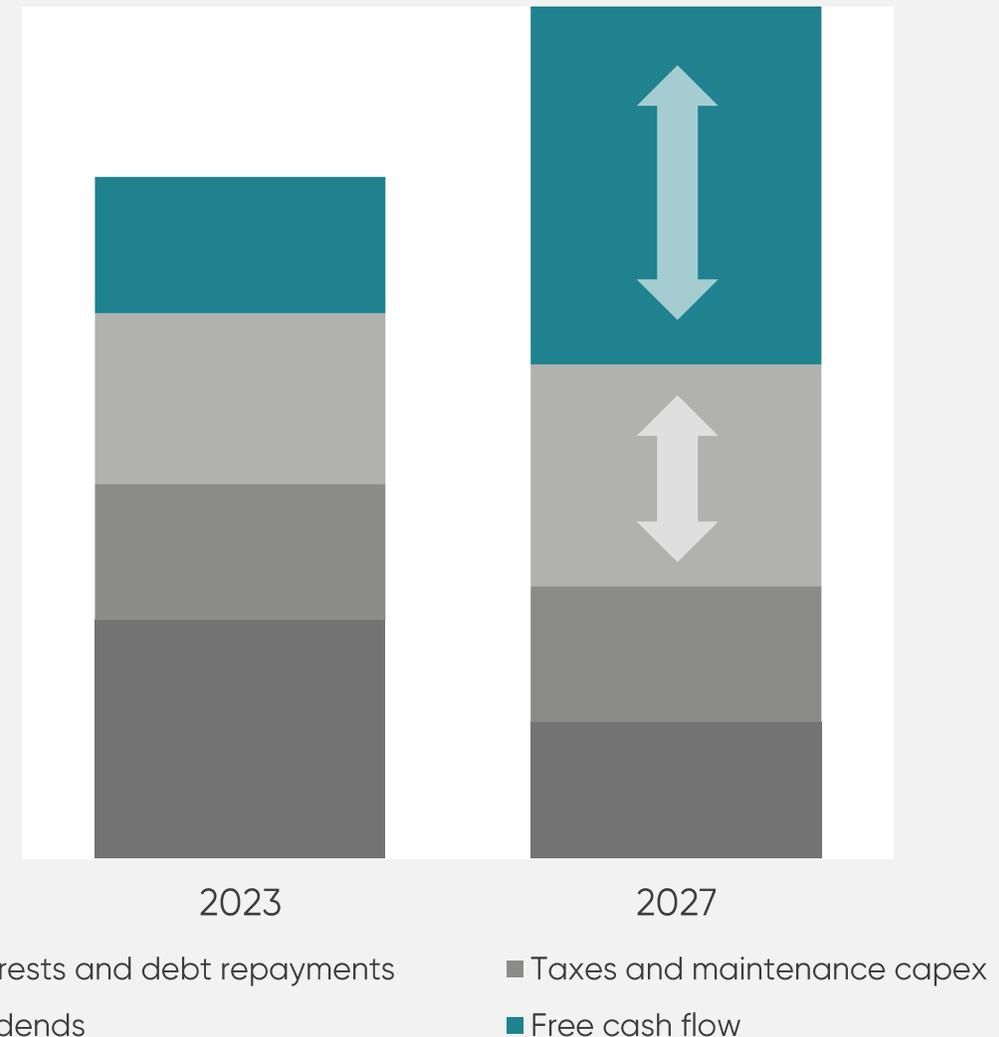
Financing

- We are negotiating on a new financing agreement, which would enable a more balanced repayment of loans and execution of our profitable growth strategy
- We are simultaneously evaluating strategic options to accelerate our international business' profitable growth
- New partnership model in BBS together with a private equity company enables growth with financing separated from the parent company

Our strong cash flow and negative net working capital support growth

Strong cash flow and negative net working capital enable the execution of our growth strategy

- The financing agreement under negotiations will release significant part of cash flows for business development
- Acquisitions remain in focus in our strategy, while paying more attention also to the levels of new debt and the price of money
- The increase in interest rates will also increase the requirement for returns on capital





Long-term financial targets

2025–2027

Finnish operations:

Turnover of approx. MEUR 400 and maintaining the current good level of EBIT margin

International business:

Profitable growth and creating shareholder value

Dividend:

Company aims to distribute annually increasing dividends

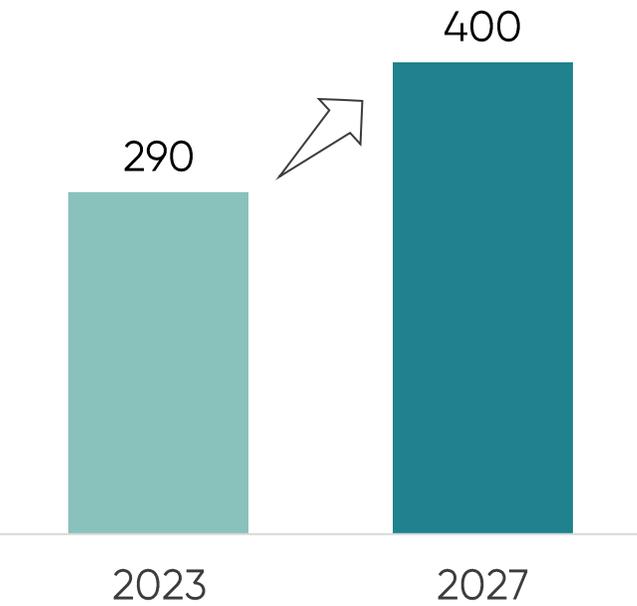
Net debt:

In the long-term, the company aims to decrease the ratio of net debt to operational EBITDA excl. IFRS 16 impact to the level of approx. two

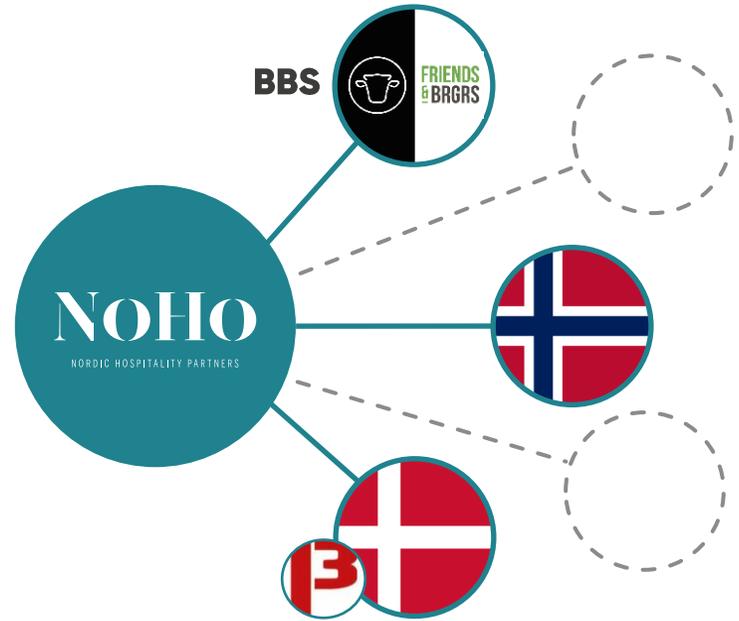


Strong and profitable growth in Finland, international business will continue with a new model

1 PROFITABLE GROWTH IN FINNISH RESTAURANT AND ENTERTAINMENT MARKET

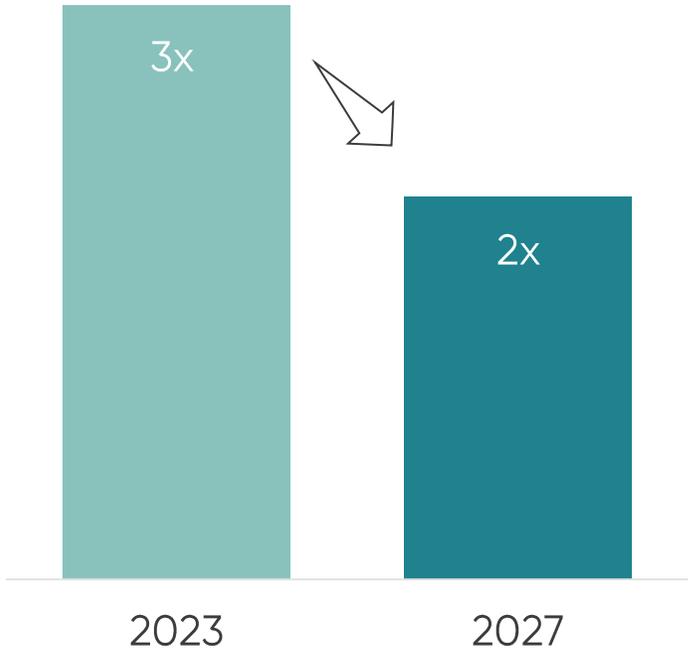


2 ACTIVE INVESTOR ROLE IN THE INTERNATIONAL RESTAURANT MARKET





Net debt to operational EBITDA around 2 at the end of the strategy period

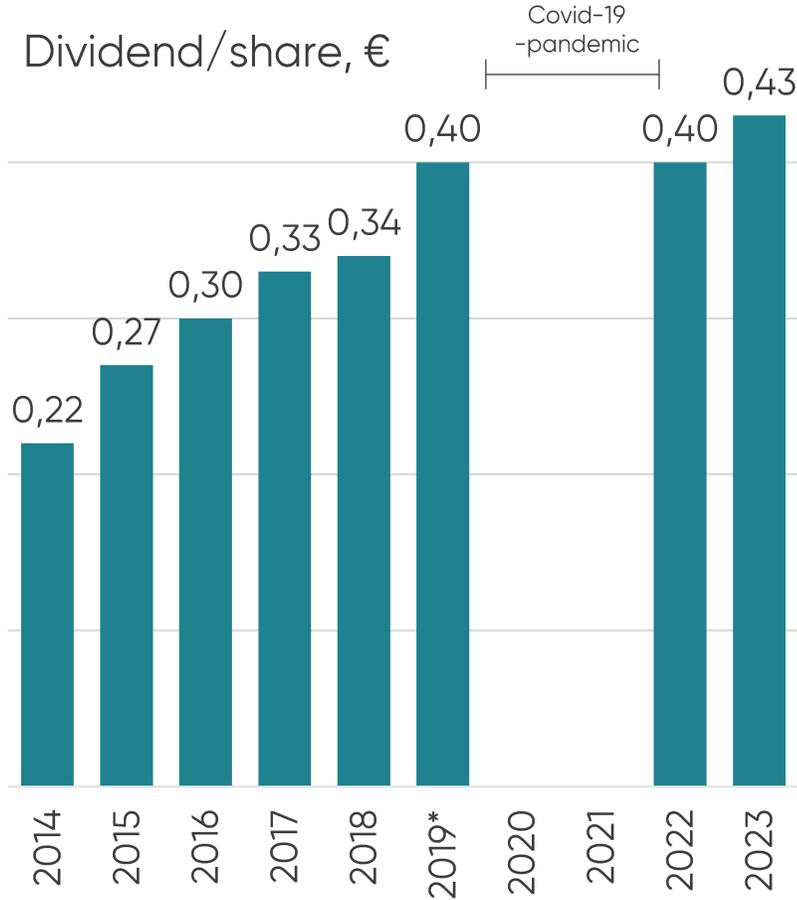


NET DEBT TO OPERATIONAL EBITDA

In the long-term term, the company aims to decrease the ratio of net debt to operational EBITDA, adjusted for IFRS 16 lease liability, to the level of approx. 2.



Our dividend policy remains unchanged



DIVIDEND POLICY

In the long-term, NoHo aims to distribute annually increasing dividends.

Dividend yield, calculated with share price at the end of December 2023, was 5.0%.

* The proposed dividend payment was cancelled



Q&A

NOTTO

NORDIC HOSPITALITY PARTNERS