



NORDIC HOSPITALITY PARTNERS

# **Inside information: NoHo Partners acquires the leading Swiss premium burger chain Holy Cow! in collaboration with Intera Partners**

NoHo Partners Plc

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NoHo Partners and private equity investor Intera Partners have established Better Burger Society, a company targeting a leading position in the growing premium burger market in Europe. As part of the transaction, NoHo Partners' share ownership in Friends & Brgrs is invested into the new company.

In addition to the MEUR 20.8 base valuation of the full share capital of Friends & Brgrs, the parties have agreed on a contingent consideration acquisition price of maximum MEUR 15 concerning Friends & Brgrs, which is conditional to the EBITDA development of Friends & Brgrs in 2023. Approximately 53% of Better Burger Society is owned by NoHo Partners, approximately 40% by Intera Partners' and approximately 7% by the executive management and the founding partners.

Better Burger Society's strategy is to expand through acquisitions combining leading local premium burger brands in Europe with an efficient operational model and sourcing synergies.

"We are going to grow our market position in Europe through Better Burger Society. Based on our extensive research of the European restaurant market in the past years, we have found that local brand, high quality and fresh ingredients are clear competitive advantages in a market that has been tough to enter for multinational brands. Our Friends & Brgrs acquisition in 2020 has confirmed this to be true also in Finland. We believe that by focusing our know-how in scalable brand business in one separate company, we can more efficiently expand our premium burger business into the large European markets", says NoHo Partners' CEO Aku Vikström.

## **The first acquisition of the new company is the Swiss market leader Holy Cow! hamburger chain**

The first acquisition of Better Burger Society is the Swiss premium burger chain Holy Cow! for an acquisition price of approximately MEUR 24 for a 76% ownership. In 2023, Holy Cow!'s net sales are estimated to amount approximately to MEUR 40 and operational EBITDA approximately to MEUR 6, adjusted by transaction costs. The acquisition is an all-cash transaction and a total of approximately MEUR 2 in one-off transaction costs, including consultant costs and transfer taxes related to the transactions, will be recorded in the third quarter of 2023. The acquisition will be financed with equity investments and bank loans. The transaction is not estimated to have a significant impact on Group net debt and the ratio of operational EBITDA to net debt is estimated to remain at targeted level under three. The transaction is expected to be completed during the third quarter of 2023 after the technical approval by the Finnish competition authorities. The acquisition does not impact Group reporting segments. Holy Cow!'s figures will be consolidated as part of the International Business -business segment.

The Swiss hamburger market is a developing market of about one billion euro in value and roughly one and a half times the size of the Finnish burger market. Holy Cow! has an established leading position in the rapidly growing Swiss premium burger segment. The chain has 16 restaurants and the intention to open several new units during the coming 12 months.

"According to our assessment of the European burger market, Switzerland is particularly interesting because of the consumer's purchasing power and the future growth potential. Holy Cow! is, like Friends & Brgrs, the biggest and most well-known brand in the market in its own segment. In addition, the Swiss Guy Bardet and Adrian Stadelmann, who continue as partners as part of the transaction, bring

invaluable knowledge of the local market. We estimate the growth potential to be very attractive and actively evaluate next potential acquisition targets where strong local brand and adequate size enable scaling up the business. Better Burger Society is an excellent platform for consolidating better burgers in Europe,” Vikström continues.

Tuomas Piirtola, M.Sc. (Econ.), has been appointed Managing Director of Better Burger Society. Piirtola has previously been Director of the fast food business at NoHo Partners. In his role, Piirtola reports to the Board of Directors of Better Burger Society, chaired by NoHo Partners' CEO Aku Vikström.

### NoHo Partners revises its financial guidance for the year 2023

Due to the acquisition, NoHo Partners has today issued a positive profit warning concerning revenue with a separate stock exchange release. The profit guidance concerning EBIT margin remains unchanged. The company estimates that, during the financial year 2023, it will achieve total turnover of approximately MEUR 380 and EBIT margin of approximately 9% in the restaurant business.

### Key figures of Holy Cow!

MCHF	2022	2021
<b>INCOME STATEMENT</b>		
Turnover	38.8	30.1
Operating profit	2.2	0.8
Net profit	1.4	1.3
<b>BALANCE SHEET</b>		
<b>Assets</b>		
Fixed assets	6.4	5.7
Current assets	4.8	5.0
<b>Total assets</b>	<b>11.2</b>	<b>10.8</b>
<b>Equity and liabilities</b>		
Total equity	-0.6	-2.1
Total current liabilities	11.7	12.9
<b>Total equity and liabilities</b>	<b>11.2</b>	<b>10.8</b>

### Additional information:

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*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 turnover of MEUR 400 by the end of 2024. The company's vision is to be the leading restaurant company in Northern Europe.*