
BUSINESS REVIEW Q1 2026

30 APRIL 2026

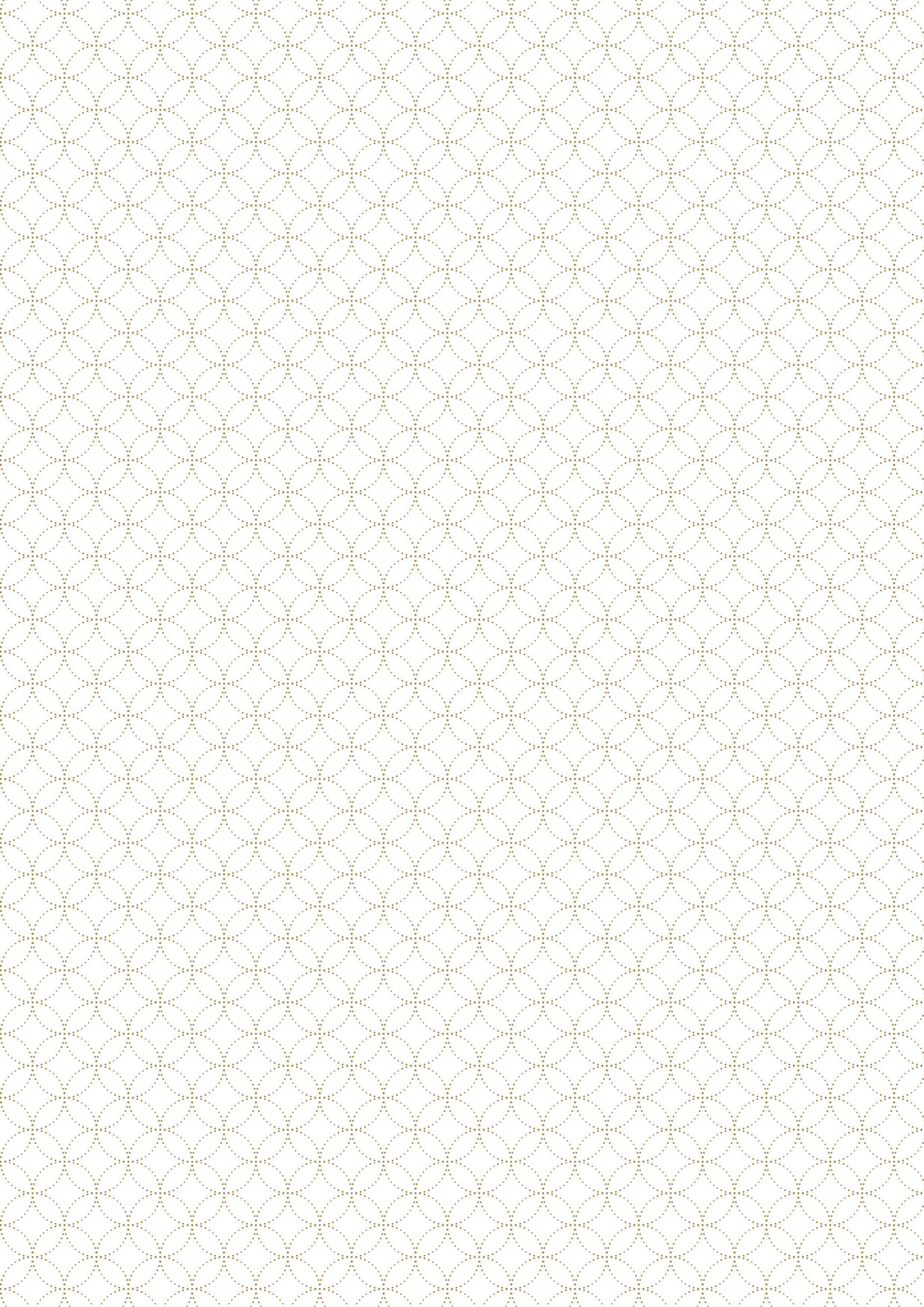


sunborn
INTERNATIONAL

BUSINESS REVIEW

Q1 2026







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Sunborn International Plc's (SBI) net sales continued to grow steadily in Q1 2026

Figures in parentheses refer to the corresponding period of the previous year, unless otherwise stated. The comparative figures for hotel operations reflect the yacht hotel operations of Sunborn International Holding Group (SBIH) for the corresponding prior-year period and are presented on a comparable basis.

EBITDAR refers to EBITDA before lease/rental expenses.

The business review is unaudited.

Key events 1 January – 31 March 2026

- The Group's net sales for the reporting period Q1 2026 grew +1.8% to EUR 5.23 million (5.14).
- London continued performing well in Q1 2026:
 - Net sales £2.435 million (2.135) +14%
 - EBITDAR £0.509 million (0.450) +13%
- Following a record-breaking year in 2025, Gibraltar reported weaker performance in Q1 2026:
 - Net sales £2.104 million (2.324) -9%
 - EBITDAR £0.104 million (0.413) -75%

The first quarter is seasonally the weakest period in the hotel business; however, Q1 2025 in Gibraltar was exceptionally strong, setting a high comparison base. In Q1 2026, rooms demand fell short of expectations, with cancellations in March related to geopolitical developments. This negatively impacted revenue, while cost adjustments did not fully align with the decline in revenue.

- Sunborn London Plc, a wholly owned subsidiary of Sunborn International Plc, extended the maturity of its EUR 24.5 million Senior Secured Bond to 5 February 2027.
- Sunborn Gibraltar Limited is in the final stages of refinancing its EUR 58 million senior secured bond. Closing of the new senior secured loan facility, provided by an international lender, is expected during the first week of May 2026. As part of the ongoing refinancing structure, the Sunborn Gibraltar yacht hotel will be transferred from the Finnish maritime register to the Bahamas maritime register to accommodate post-Brexit Finnish maritime law regarding foreign owned vessels in the Finnish registry. The change of registry is part of the refinancing structure and is not expected to have a material impact on the Group's operations or financial position.

CEO Hans Niemi

The first quarter of 2026 was a quarter of contrasts for Sunborn International. Consolidated net sales for the period Q1 2026 amounted to EUR 5.23 million, broadly in line with the comparison quarter, with strong growth in London partially offsetting a weaker quarter in Gibraltar following its record-breaking Q1 in 2025.

In London, the yacht hotel delivered an excellent start to the year. Net sales rose by 14% to £2.435 million (2.135) and EBITDAR grew by 13% to £0.509 million (0.450). Performance reflected sustained demand across rooms, food and beverage, and event-related activities, supported by effective commercial execution and a favourable events calendar.

In Gibraltar, performance moderated against an exceptionally strong prior-year comparison period. Net sales declined by 9% to £2.104 million (2.324) and EBITDAR was £0.104 million (0.413). The contraction was concentrated in the rooms division, particularly in the FIT (Free Independent Traveler) and corporate segments, cancellations in March related to geopolitical tensions. Food and beverage and ancillary revenues remained resilient. Restoring FIT and corporate demand momentum in Gibraltar is a key operational focus in the coming quarters. The EU-UK-Gibraltar treaty and related opening of the border is now scheduled for July and is expected to positively impact demand.



A central focus during the period has been the refinancing of the Sunborn Gibraltar Ltd bond. Following an exclusive financing mandate with an international lender, the Company is preparing closing of the refinancing and bond redemption in full expected to complete during the first week of May. As part of the transaction, the Sunborn Gibraltar yacht hotel will be transferred from the Finnish maritime register to the Bahamas maritime register, together with the related vessel mortgages.

The new financing arrangement is expected to provide the strategic flexibility to pursue the Company’s plan for a Gibraltar replacement vessel and the redeployment of the current vessel in cooperation with joint venture partners. The Company will provide further update on this workstream in due course.

On 14 April 2026, Vancouver City Council approved the rezoning application for company’s planned 250-room Sunborn Vancouver floating hotel in Coal Harbour, adjacent to the Vancouver Convention Centre — a pivotal milestone for one of the Group’s flagship development projects. We are now working with the City of Vancouver to complete the rezoning enactment process.

In April the Company was awarded the Nasdaq Green Equity Designation, following an independent environmental assessment by S&P Global Ratings, with Sunborn International becoming the first Finnish real estate company to receive this designation.

Looking ahead, our priorities remain clear: completing the Gibraltar refinancing, advancing our development processes in Vancouver, London and Seville, and progressing the joint venture strategy. With supportive trading in London, a stabilised interest-rate environment, and tangible progress across our development projects, we remain confident in the Group’s medium-term trajectory.

With Vancouver's rezoning approval now in place and the renewal of the London development permit expected in the near term, the Company is preparing to launch a rigorous development financing process to fund the next phase of its growth pipeline. Engagement is already underway with a number of interested parties, and the Company is evaluating multiple financing structures and funding routes in parallel, with the objective of securing the most efficient capital solution to deliver the Group's expanded portfolio.

On 26 January 2026, trading in the Company’s shares commenced on the OTCID Market in the United States under the symbol SBINF, facilitating access for U.S. investors. The primary listing remains on Nasdaq First North Helsinki, and no new shares were issued in connection with the listing.

Key performance indicators for the hotel business

The table below shows the key performance indicators for Sunborn International Holding Group's yacht hotels for the periods presented. The figures are presented in the original currency (GBP) and have additionally been translated into euros in the table below for clarity, using the ECB exchange rate of 0.86833 as at the reporting date, 31 March 2026.

1 000 GBP	1 Jan - 31 Mar 2026	1 Jan - 31 Mar 2025	1 Jan - 31 Dec 2025
Net sales, London	2,435	2,135	11,027
Net sales, Gibraltar	2,105	2,324	11,809
Net sales total	4,539	4,459	22,836
Average daily rate (ADR), £	146.60	152.84	172.7
Revenue per available room (RevPar), £	94.67	96.56	116.1
Occupancy	64.6%	63.2%	67.2%



1 000 EUR (*)	1 Jan - 31 Mar 2026	1 Jan - 31 Mar 2025	1 Jan - 31 Dec 2025
Net sales, London	2,804	2,459	12,699
Net sales, Gibraltar	2,424	2,676	13,600
Net sales total	5,227	5,135	26,299
Average Daily Rate (ADR), €	168.8	176.0	198.9
Revenue per available room (RevPar), €	109.0	111.2	133.7
Occupancy	64.6%	63.2%	67.2%

*(all EUR figures are converted based on 31 March 2026 EUR/GBP exchange rate 0,86833 for comparability)

Business update

Sunborn London

Operator Sunborn International (UK) Ltd reported a strong performance in Q1 2026, with all departments exceeding both the prior year and budget.

- London hotel operations Q1 2026:
 - Net sales £2.435 million (2.135) +14%
 - EBITDAR £0.509 million (0.450) +13%

Total revenue for the period amounted to £2.435 million, representing a 14% increase compared to the prior year and 9% above the 2026 budget, reflecting a strong overall performance across all revenue streams.

Accommodation revenue for the year to date increased compared to the prior year and exceeded budget, reflecting a strong start to the year. Performance was driven by higher occupancy, indicating sustained demand and effective utilisation of room capacity, while average daily rates declined compared to both the prior year and budget, reflecting a more volume-driven sales mix. As a result, revenue per available room improved and exceeded budget, with strong occupancy more than offsetting the softer average rates.

Food and Beverage revenue increase reflects solid trading performance across outlets. Growth was supported by higher in-house demand driven by increased occupancy, as well as strong event-related activity. Other revenue, primarily driven by room hire, showed significant growth compared to the prior year and outperformed budget, reflecting robust demand for meeting and event spaces and higher utilisation supported by an increased volume of functions.

Overall, year-to-date performance reflects a strong start to the year, with all key revenue streams exceeding both the prior year and budget. The positive development has been driven by solid underlying demand across rooms, Food and Beverage, and event-related activities, supported by effective commercial strategies and a favourable events calendar.

Sunborn Gibraltar

Following a record-breaking Q1 in 2025, operator Sunborn (Gibraltar) Resort Limited reported weaker performance in Q1 2026. The first quarter is seasonally the weakest period in the hotel business; however, Q1 2025 in Gibraltar was exceptionally strong, setting a high comparison base. In Q1 2026, rooms demand fell short of expectations, with cancellations in March related to geopolitical developments. This negatively impacted revenue, while cost adjustments did not fully align with the decline in revenue.

- Gibraltar hotel operations Q1 2026:
 - Net sales £2.104 million (2.324) -9%
 - EBITDAR £0.104 million (0.413) -75%



Total revenue for the period amounted to £2.104 million, representing a 9% decrease compared to the prior year and 7% below the 2026 budget, primarily attributable to lower overall demand in Q1 and related average daily rate reduction. In particular, demand in the FIT (Free Independent Traveler) segment declined, and the corporate segment underperformed compared to the prior year – which was the best in record Q1 since opening.

Food & Beverage revenue remained in line with the prior year and was 6% above budget, demonstrating stable performance. Other revenues exceeded the budget by 3%, supported by events and ancillary services.

Overall, rooms revenue remained the principal driver of the underperformance, while Food and Beverage and other revenue streams remained resilient, partially mitigating the shortfall in total revenue.

Development projects

Sunborn International is actively executing its strategy to develop, own, and operate landmark yacht hotels and floating hospitality assets in prime urban waterfront locations. The Group's active pipeline comprises newbuild projects in Vancouver and London, alongside a coordinated relocation plan for its existing vessels in London and Gibraltar.

Taken together, these initiatives will expand the Group's portfolio to four yacht hotels and increase total room capacity from 327 to 802 rooms — an uplift of approximately 144%. Subject to permitting, financing and market conditions, the Company continues to target approximately EUR 70 million of revenue and EUR 28–30 million of EBITDA once new developments are completed.

Vancouver

On 14 April 2026, following a public hearing, Vancouver City Council approved the rezoning application for the planned 250-room Sunborn Vancouver floating hotel in Coal Harbour, adjacent to the Vancouver Convention Centre. This approval represents a pivotal milestone for the project.

Rezoning permits the development of the floating hotel, a floating public dock at water level, and dedicated public and commercial spaces. The project is being delivered in partnership with Vancouver Harbour Flight Centre at a prime waterfront location next to one of North America's leading conference and exhibition venues.

Sunborn International and its project partners are now working with the City of Vancouver to complete the rezoning enactment process, through which the Council's decision is given formal legal effect. In parallel, preparations are progressing for the construction of the vessel and for the development and building permit applications relating to the floating public dock and the associated hotel access and servicing infrastructure.

Sunborn Vancouver will be a landmark addition to the Group's portfolio, bringing the Company's distinctive floating hotel concept to one of the world's most dynamic and internationally recognised waterfront destinations.

London new yacht hotel

The resubmitted planning application for the proposed new yacht hotel at Royal Victoria Dock continues to advance and is at an advanced stage. The Company is awaiting confirmation of the date for the Newham Council planning committee hearing.

The statutory consultation process has progressed positively. Following further clarification provided by the Company, all relevant consultation responses have been completed with no objections.

The cancellation of Newham Council planning committee meetings in January and February 2026 has contributed to a backlog of pending applications across the local authority. The Company is engaging actively with the planning authority and anticipates confirmation of a committee hearing date in due course.



Seville & Gibraltar

As part of its strategy to optimise long-term returns and asset productivity, Sunborn International is implementing a coordinated relocation programme across its existing fleet, designed to align each vessel with its most commercially attractive berth and market profile and thereby enhance revenue potential and return on invested capital.

Under this programme, the current London yacht hotel is scheduled to be relocated to Seville, while the existing Gibraltar yacht hotel is intended to be redeployed to a new international location and replaced at its current berth by a newbuild vessel. Each step of the programme remains subject to the finalisation of commercial leases and applicable permitting processes.

In Seville, the project is progressing through the public concession process. The Company is awaiting the mandatory maritime safety report from the Maritime Captainty (Capitanía Marítima), and any resulting conditions will be reflected in the port lease terms. The Company expects to receive the report and execute the 30-year port lease in the near term.

Nasdaq Green Equity

During the period, Sunborn International was awarded the Nasdaq Green Equity Designation, following an independent environmental assessment conducted by S&P Global Ratings which confirmed that the Company meets the requirements set out in the Nasdaq Green Equity Principles.

According to S&P Global Ratings' report dated 10 April 2026, 99% of Sunborn International's 2024 turnover was derived from assets assigned a Shade of Green, and 95% of operating and capital expenditure was similarly classified. The report further confirmed that Sunborn International had no turnover derived from fossil fuel activities.

S&P Global Ratings assessed Sunborn International's overall Shade as Light Green and highlighted in particular the energy efficiency of the Company's yacht hotel portfolio, its commitment to phasing out remaining fossil fuel heating, and its continuing investment in integrated energy solutions delivered through Sunborn Energy.

The Nasdaq Green Equity Designation marks an important milestone for Sunborn International. It reinforces the Company's sustainability strategy, enhances transparency for investors and other stakeholders, and provides independent external validation of the Group's green profile and its long-term commitment to energy-efficient floating hospitality assets. Nasdaq has further noted that Sunborn International is the first Finnish real estate company to receive the Nasdaq Green Equity Designation.

Significant events after the end of the reporting period

Forecasts for the 2026 operating period indicate solid performance, supporting continued revenue growth.

Sunborn Gibraltar Limited is in the final stages of refinancing its outstanding senior secured bond of EUR 58 million. Closing of the new senior secured loan facility, provided by a mandated international lender, is expected during the first week of May 2026. As part of the ongoing refinancing structure, the Sunborn Gibraltar yacht hotel will be transferred from the Finnish maritime register to the Bahamas maritime register to accommodate post-Brexit Finnish maritime law regarding foreign owned vessels in the Finnish registry. The change of registry is part of the refinancing structure and is not expected to have a material impact on the Group's operations or financial position.



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Sunborn International in brief

Sunborn International (Nasdaq: SBI) is an internationally operating, innovative developer, owner, and operator of high-end yacht hotels, floating structures and prop tech. Yacht hotels and floating structures make it possible to utilise water areas in city harbours and prime waterfront locations. Sunborn International currently owns two yacht hotels, one located in London and the other in Gibraltar. The yacht hotels combine exclusive accommodation, restaurant services, and conference and event facilities. Sunborn International is a pioneer in its field and has long-standing experience in shipbuilding and design, as well as in the development and permitting processes of waterfront areas and ports in various countries. The company is actively expanding into new markets and has key development projects in Vancouver, London, and around the world.

