

sunborn
INTERNATIONAL

BUSINESS REVIEW Q3 2026

NASDAQ GREEN EQUITY DESIGNATION

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Sunborn International Plc (SBI) Business Review Q3 2026

Unless otherwise stated, figures in parentheses refer to the corresponding period in the previous year.

The Business Review is unaudited.

January – September 2026 in brief

- The Group's net sales for the period were EUR 19.850 (2025: 12.278) million. Net sales for the reporting period in 2025 include net sales of the yacht hotels operating in London and Gibraltar only for 5 months after the completion of the share exchange (May-September 2025). On a comparable nine-month period, the Group's net sales in original currency (GBP) grew by 1.8%.
- EBITDA for the reporting period was EUR 3.589 (4.674) million. The decline was primarily attributable to non-recurring other operating income of EUR 1.884 million recognised in the comparative period.
- In September, Sunborn International Plc established a new subsidiary, Sunborn Modular Solutions Oy, which has had no financial impact on the Group to date.

CEO Hans Niemi comments

The first nine months of 2026 were a period of steady operational performance and significant strategic progress for Sunborn International. Consolidated net sales for the reporting period amounted to EUR 19.850 million. On a comparable nine-month basis, hotel revenue in local currency (GBP) grew by 1.8%, with London up 4.6% and Gibraltar broadly flat against an exceptionally strong 2025. Group occupancy increased to 72.3% (70.6%), while ADR (Average Daily Rate) was 3.2% lower year-on-year, resulting in RevPAR (Revenue per Available Room) declining by 0.8%. However, both hotels benefit from significant food and beverage and events revenue streams, which supported a 1.8% year-on-year increase in combined Total RevPAR across the two properties.

In London, the yacht hotel continued to perform well. Net sales for the nine months rose by 4.6% to GBP 8.423 (8.053) million and operational EBITDAR grew to GBP 2.482 (2.328) million. The third quarter was particularly encouraging: against a record-breaking comparison period, which benefited from the biennial DSEI (Defence and Security Equipment International) exhibition at ExCeL London next to the hotel, revenue was maintained at GBP 2.939 (2.928) million while operational EBITDAR and increased by 16.2% to GBP 1.001 (0.860) million. The result reflects stable occupancy (+2.4%), growth in event room hire and other ancillary income, and a disciplined focus on cost control resulting in improved profitability in Q3.

In Gibraltar, trading stabilised in the third quarter after a softer first half. Net sales for the quarter increased by 1.4% to GBP 3.356 (3.308) million, bringing nine-month net sales to GBP 8.713 (8.778) million and

operational EBITDAR to GBP 2.102 (2.438) million. September occupancy was the highest monthly level of the year to date. The leisure BAR (Best Available Rate) segment has been the standout performer, reflecting a continued shift towards last-minute bookings, while the corporate, FIT (Free Independent Traveler) and MICE (Meetings, Incentives, Conferences and Events) segments remain below the prior year and budget. The opening of the EU-UK-Gibraltar border in mid-July has increased daily visitor traffic into Gibraltar but has not yet translated into higher overnight demand. Food and beverage revenues remained resilient and ahead of the prior year. Rebuilding rooms demand in the corporate and group segments remains our key operational focus for the coming quarters. An organisational change has been implemented after the reporting period, consolidating management responsibilities under a single Director to strengthen synergies between the London and Gibraltar management and operations.

Group EBITDA for the reporting period was EUR 3.589 (4.674) million. The decrease is explained by the non-recurring other operating income of EUR 1.884 million recognised in the comparison period, which also included the yacht hotels for only five months following the share exchange in May 2025.

The refinancing of Sunborn Gibraltar, completed in May, was the central financing achievement of the year. The EUR 58 million senior secured bond and the GBP 1.5 million COVID-19 period loan were repaid through a new EUR 62.5 million facility with an international bank, maturing in May 2029 with an option to extend by a further two years on improved credit terms. As part of the transaction the Gibraltar mooring agreement was extended, securing a long-term operational basis for the yacht hotel, and the vessel was transferred to the Bahamas maritime register. Our immediate financing priority is the refinancing of the EUR 22.1 million outstanding bond of the subsidiary Sunborn London Plc (original issue EUR 25.5 million), which has been gradually amortised using free cash flow in accordance with the agreed amortisation schedule. The remaining balance matures on 5 February 2027, and the refinancing process is underway following the signing of a mandate with DNB Carnegie.

On the development side, the year has delivered two pivotal milestones. In April, 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, and we continue to work with the city to complete the rezoning enactment process. In June, planning permission was granted for the replacement of the existing Sunborn London yacht hotel with a newbuild, next-generation vessel together with a permanent enhanced mooring position at Royal Victoria Dock.

In September we established a new subsidiary, Sunborn Modular Solutions Oy, to develop the Group's modular property technology and floating construction solutions alongside the yacht hotel business. The new business segment's interim strategy focuses on creating accommodation solutions for the datacenter buildout pipeline announced in Finland.

Relocation and replacement plans for the Gibraltar yacht hotel are also progressing, with related permitting and co-investor processes in advanced stages. The company is expecting to make significant progress towards announcing a project update and schedule in the beginning of 2027.

Earlier in the year, the Company was awarded the Nasdaq Green Equity Designation following an independent environmental assessment by S&P Global Ratings, becoming the first Finnish real estate company to receive this designation, and trading in the Company's shares commenced on the OTCID Market in the United States, facilitating future access for U.S. investors.

Looking ahead, our priorities remain clear: refinancing the Sunborn London bond, advancing our development projects in London, Vancouver and Seville, and progressing the planned joint venture for Gibraltar relocation and replacement. With planning approvals in place in both London and Vancouver, we are negotiating multiple financing and capital structures in parallel, with the objective of securing the most efficient capital solution to deliver the Group's expanded portfolio. Construction of the new London and Vancouver yacht hotels is expected to commence in 2027.

With resilient trading in London, a stabilising demand picture in Gibraltar, an extended debt maturity profile and tangible progress across our development projects, we remain confident in the Group's medium-term trajectory.

Key performance indicators for the hotel business

The table below shows the key performance indicators of Sunborn International Holding sub-Group's yacht hotels for the periods presented. The figures are presented in the original currency (GBP), while the corresponding EUR figures have been translated using the ECB exchange rate of EUR 1 = GBP 0.85463 as at 30 September 2026, applied consistently across all periods for comparability. However, the reported net sales are translated into EUR using the average GBP/EUR exchange rate for the reporting period.

The reported net sales for 1-9/2025 include revenue from the hotel business for only 5 months (May-September 2025). For consistency and ease of comparison, the figures presented in the table below cover the full nine-month period. The figures for the financial year 2025 include yacht hotel operations for full 12 months.

GBP thousand	1 Jul - 30 Sep 2026	1 Jul - 30 Sep 2025	Change%	1 Jan - 30 Sep 2026	1 Jan - 30 Sep 2025	Change%	1 Jan - 31 Dec 2025
Net sales, London	2,939	2,928	0.4%	8,423	8,053	4.6%	11,027
Net sales, Gibraltar	3,356	3,308	1.4%	8,713	8,778	-0.7%	11,809
Net sales total	**6,295**	**6,236**	**0.9%**	**17,137**	**16,831**	**1.8%**	**22,836**
Average daily rate (ADR), £	176.5	183.1	-3.6%	165.9	171.3	-3.2%	172.7
Revenue per available room (RevPar), £	135.2	137.0	-1.3%	120.0	120.9	-0.8%	116.1
Total RevPar, £	209.3	207.3	0.9%	192.0	188.5	1.8%	191.3
Occupancy, %	76.6%	74.8%	2.4%	72.3%	70.6%	2.5%	67.2%

EUR thousand (1 EUR = 0.85463 GBP)	1 Jul - 30 Sep 2026	1 Jul - 30 Sep 2025	Change%	1 Jan - 30 Sep 2026	1 Jan - 30 Sep 2025	Change%	1 Jan - 31 Dec 2025
Net sales, London	3,439	3,426	0.4%	9,856	9,422	4.6%	12,903
Net sales, Gibraltar	3,927	3,871	1.4%	10,195	10,272	-0.7%	13,818
Net sales total	**7,366**	**7,297**	**0.9%**	**20,052**	**19,694**	**1.8%**	**26,720**
Average daily rate (ADR), €	206.6	214.3	-3.6%	194.1	200.5	-3.2%	202.1
Revenue per available room (RevPar), €	158.2	160.3	-1.3%	140.4	141.5	-0.8%	135.8
Total RevPar, €	244.8	242.5	0.9%	224.6	220.6	1.8%	223.9
Occupancy, %	76.6%	74.8%	2.4%	72.3%	70.6%	2.5%	67.2%

Business update in Q3 2026

Sunborn London

Sunborn International (UK) Ltd delivered a strong performance in Q3 2026, with a significant 16.2% increase in EBITDAR, despite revenue in line with last year - which was a record-breaking comparison period boosted by the biennial DSEI event at ExCeL London:

- Net sales increased by 0.4%: GBP 2.939 (2.928) million
- Operational EBITDAR increased by 16.2%: GBP 1.001 (0.860) million

Overall financial performance was strong, with total revenue reaching GBP 2.939 million, +2% above budget and slightly higher than in Q3 2025. The positive result was driven by an increase in other revenues.

Stable revenue and market segment mix and +2.4% in increased occupancy combined with lower expenses vs YoY in the period delivered Q3 EBITDAR growth of 16.2% year-on-year. Accommodation revenue was 3% above budget and 1% below Q3 2025.

Food & Beverage revenue was slightly behind the record Q3 2025, while restaurant, bar and events

trading remained solid.

Other revenue was a key contributor to the overall outperformance, reaching 20% above budget and 26% above Q3 2025. The increase was driven by growth in event room hire and other ancillary income.

Overall, the quarter demonstrates resilient trading, an effective management strategy and a significant improvement in profitability, driven by a strong focus on RevPar optimisation and cost control.

Sunborn Gibraltar

Sunborn (Gibraltar) Resort Limited recorded growth in revenue in Q3 2026 following a record-breaking comparative Q3 2025:

- Net sales increased by 1.4%: GBP 3.356 (3.308) million
- Operational EBITDAR decreased by 2.0%: GBP 1.019 (1.039) million

Year to date, Sunborn Yacht Hotel Gibraltar has delivered a mixed financial performance. In September, accommodation revenue remained broadly in line with the previous year and budget, representing a significant improvement compared to August. Occupancy reached its highest monthly level of the year to date, with higher occupancy offsetting lower average room rates and keeping RevPAR stable and close to budget.

The BAR (Best Available Rate) segment has been the standout performer year to date, reflecting a continued shift towards last-minute bookings as leisure guests delay their travel commitments in anticipation of lower airfares. This trend has been compounded by ongoing uncertainty surrounding the conflict in the Middle East. Corporate, FIT (Free Independent Traveler) and MICE (Meetings, Incentives, Conferences and Events) segments continued to perform below both the previous year and budget.

The EU-UK-Gibraltar Treaty-related border opening in mid-July has not yet had the anticipated positive impact on visitor numbers and accommodation demand. The open border has so far increased daily traffic into Gibraltar, but not overnight stays.

Food & Beverage and other revenue demonstrated greater resilience, with revenue ahead of prior year and broadly in line with budget.

Future outlook

Operational business continues on a stable footing in London and Gibraltar. The management's focus is on increasing revenue, improving EBITDAR and carrying out improvements in the hotel properties. Strict cost control remains essential. The Group's strategy is to drive significant growth through new projects involving the development of the yacht hotel concept and other floating construction solutions.

After the reporting period, the company has made concrete steps to reorganize and consolidate the management of its hotel operations to improve operational efficiency and synergies between the two hotel operations. Marc Skvorc, Chief Operating Officer, has left the Group, and Karen Thomson, previously UK Country Manager, was appointed Director for UK and Overseas Territories. In her new role, she is responsible for the management of both of the Group's yacht hotels, Sunborn London and Sunborn Gibraltar. The new organisational model is intended to improve administration processes, cost control and performance across both properties.

The company's management believes that the hotel operations in London and Gibraltar will continue to do business successfully and that the Group's financial performance and debt servicing capacity will remain stable. Forecasts for the 2026 financial year indicate growth in London and Gibraltar in line with year-on-year revenue. New product initiatives and effective cost control programs are expected to improve future profit margins.

The Group's most significant financing item is the refinancing of the EUR 22.1 million outstanding bond of the subsidiary Sunborn London Plc (original issue EUR 25.5 million), which has been gradually amortised using free cash flow in accordance with the agreed amortisation schedule. The remaining balance matures on 5 February 2027, and the refinancing process is underway following the signing of a mandate with DNB Carnegie.

The SBI Group focuses on the development, ownership and operation of yacht hotels and other mobile or modular properties. The company's operations are growth-driven, and in the medium term, the goal is to deliver new London and Vancouver yacht hotels by the end of 2028, which would increase the company's hotel capacity by +475 rooms, aiming for a total capacity of approximately 800 rooms (+144%).

The Group will continue to advance its growth projects, with construction of the new yacht hotels in London and Vancouver targeted to commence in 2027 and the London hotel expected to open in 2028. The Seville hotel is also expected to open within the same time frame in 2028, further supporting the Group's expansion and long-term growth strategy. In addition, the relocation and replacement plans for the Gibraltar hotel are underway to optimise the business opportunity for the asset and location with permitting and co-investor processes in advanced stages. The Group continues work on construction agreements, financing and permitting for the new and relocation projects targeted to open in 2028.

Calculation formulas for key figures

Key figure	Formula used
EBITDA	operating profit + depreciation and impairment losses
Average Daily Rate (ADR)	hotel room revenue / hotel rooms sold
Revenue per available room (RevPar)	hotel room revenue / total available hotel rooms
Total RevPar	total revenue / total available hotel rooms
Occupancy, %	hotel rooms sold / total available hotel rooms × 100

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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 modular property technology. Yacht hotels and floating structures make it possible to utilize water areas in city harbours and prime waterfront locations. Sunborn International currently owns and operates two yacht hotel assets, 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, modular construction 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.

Sunborn International Plc

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