



SUNBORN LONDON OYJ

2726819-7

HALF YEAR FINANCIAL REPORT H1/2025

1 January – 30 June 2025

26 August 2025

HALF YEAR REPORT 1 January – 30 June 2025
Key Figures – Sunborn London Oyj

	H1/2025	H1/2024	
	1 Jan – 30 Jun	1 Jan – 30 Jun	1 Jan – 31 Dec
EUR thousand	2025	2024	2024
Rental income	1 760	1 724	3 471
EBITDA	1 642	1 616	3 183
Operating profit	888	862	1 675
Investment property (Yacht hotel)	29 763	31 272	30 517
Total Equity	25 315	26 377	24 570
Borrowings	23 470	24 399	23 820

Key Figures – Operator Sunborn International (UK) Ltd

	H1/2025	H1/2024	
	1 Jan – 30 Jun	1 Jan – 30 Jun	1 Jan – 31 Dec
GBP thousand	2025	2024	2024
Revenue	5 125	4 994	10 598
EBITDAR	1 450	1 608	3 589

CEO Hans Niemi

“Issuer lease income was € 1,760 M (€ 1,724 M), operating costs and EBITDA € 1,642 M (1,616 M) were in line with management expectations.

Hotel operations under Sunborn International (UK) Ltd delivered revenue growth across all departments during the first half of the year, with total turnover rising to £5.125 million, up 2.6 % from £4.994 million in H1 2024. However, EBITDAR declined by 8.8 % to £1.466 million (2024: £1.608 million), as margin pressures intensified due to both internal and external cost factors.

The primary drivers of increased cost were higher staffing expenses linked to the London Living Wage, a shift in guest mix toward more leisure travellers—who typically generate greater variable costs—and an expansion in the food and beverage business. These dynamics raised both material inputs and wages by approximately 1 %. Additionally, the end of business rates relief and increased reliance on third-party booking channels, which elevated commission fees, further eroded profitability. The relocation of a major event at ExCeL contributed to a drop in high-yield event-driven revenue.

Despite these headwinds, operational indicators remain encouraging. Occupancy improved by 4.5 % year-on-year, driven by the success of targeted demand stimulation strategies. While this increase was accompanied by a £12 decline in Average Daily Rate (ADR), resulting in a £2.31 reduction in RevPAR, Sunborn continues to outperform its competitive set—by 4.3 percentage points in occupancy and £3 in RevPAR—underscoring effectiveness of its market positioning and resilience in a sluggish trading environment.

Looking ahead, management remains confident in closing the year on a strong note. The DSEI 2025 event scheduled in Q3 is expected to be a key performance catalyst, helping bridge the EBITDAR gap YoY and projecting to align with 2024 levels, reflecting a stabilising trajectory in both revenue and cost structures.

Sunborn London Oyj bond is maturing on 5 February 2026, and refinancing process is well underway. The company is engaged in discussions with financing solutions to secure financing for full bond repayment before year-end 2025.

Financial summary 1 January – 30 June 2025

Sunborn London Oyj (“The Company”) continued to be a SPV with no other purpose than owning and leasing out the Sunborn London yacht hotel. The yacht hotel is leased out to Sunborn International (UK) Ltd, a sister company to the Company. The monthly charter cost has been GBP 246,000 per month from 1.1.2024 onwards.

Rental Income for the reporting period was 1.760 MEUR (1.724 MEUR). Rental income in EUR was slightly affected by exchange rate fluctuations. Operating costs were in line with the budget.

Book value of the yacht hotel as of 30 June 2025 approximates the fair value of the yacht hotel based on income approach using discounted cash flow analyses. The fair value of the Yacht hotel is 49.9 MEUR based on the latest valuation report dated March 3rd, 2025.

Operator Financial summary 1 January – 30 June 2025

We began the year with an aggressive rate strategy to drive occupancy, as the outlook for the first quarter was notably soft. A major factor impacting results was the relocation of the ICE exhibition to Barcelona, which historically generated substantial revenue for us. This change alone resulted in a loss in total Q1 revenue of approximately 16.8 %. To minimize this loss, we focused on capturing the leisure segment and expanding our distribution channels through targeted sales and marketing initiatives. Despite these efforts, the first quarter closed 9.3 % down year-on-year in total revenue, with Food & Beverage being the only positive performer, delivering a 4.4 % growth compared to last year.

The second quarter showed a significant overall improvement. Revenue increased by 9 % year-on-year, with Food & Beverage continuing its strong momentum, achieving a 10 % uplift. The increase focus on higher occupancy leisure segment during Q1 started to materialize increased revenues.

Occupancy during the first half of the year rose by 4.5 %, reflecting the success of our demand stimulation strategy. However, this was accompanied by a reduction in the average daily rate of £12, which led to a modest decrease in RevPAR of £2.31. While rate pressure remains a challenge, our performance relative to the market remains strong. We are outperforming our competitive set by 4.3 % in occupancy and maintaining a RevPAR advantage of £3, underscoring the resilience of our approach.

EBITDAR declined in H1, primarily due to servicing more leisure guests who tend to use more amenities, the loss of a major event in February, and the expansion of the food and beverage business — which drove up both material costs and wage costs (by 1 %). Additionally, commissions increased as the majority of bookings came through third-party agencies, and the end of the business rates relief further added to our monthly expenses.

Looking ahead, the business in the books is tracking positively, particularly for September and November, which have historically been our busiest months. We have also received several inquiries for exclusive-use bookings, which, if confirmed, will further boost revenue. Additionally, the Excel extension is scheduled to open in time for the September exhibitions, which is expected to attract more visitors to the area and benefit our occupancy. Based on current trends, forward bookings, and ongoing initiatives to optimize both rate and occupancy, we remain confident that the second half of 2025 will enable us to meet or exceed our budget targets. Our focus will continue to be on maintaining competitive positioning and driving incremental revenue across all departments to close the year strongly.

KPI's for H1 2025 vs. H1 2024

	Overall H1 2025	Overall H1 2024	Diff
Total Revenue M€	£ 5.12	£ 4.99	+ 3 %
EBITDAR M€	£ 1.46	£ 1.62	- 10 %
<i>Revenue split</i>			
Rooms Revenue	56 %	59 %	- 3 %
Food and Beverage	37 %	35 %	+ 2 %
Other	7 %	7 %	+ 1 %

Commentary:

During this period, occupancy grew by 4.5 %, but the average daily rate was reduced by £ 12.02, resulting in a decrease in RevPAR of £ 2.31.

Total Food and Beverage revenue increased by 8.5 %, rising from £ 1.72 million to £ 1.87 million.

Profitability declined in the first half of the year due to higher F&B revenue with higher associated costs. EBITDA as a percentage of revenue decreased from 32 % in 2024 to 29 % in 2025.

YoY change %	Overall H1 2025
ADR	- 12 %
Occupancy %	+ 5 %
RevPAR	- 2 %

Notable events during and after the end of the reporting period

Sunborn London Oyj bond is maturing on 5 February 2026, and refinancing process is well underway. The company is engaged in discussions with financing solutions to secure financing for full bond repayment before year-end 2025.

Sunborn London Oyj parent company Sunborn International Holding Oy and Rush Factory Oyj merged through a share exchange, after which Rush Factory Oyj's name was changed to Sunborn International Oyj. The transaction closed on 28 April 2025. Following completion, the shares of the newly formed Sunborn International Group were admitted to trading on Nasdaq First North Growth Market Finland, under the trading symbol "SBI". Trading commenced on 29 April 2025. The objective of the listing was to strengthen the SBI capital structure, increase SBI's visibility and support the implementation of the growth strategy by enabling the financing and development of new projects.

Estimated future development

Management believes the property will continue successful operations and Sunborn London Oyj's financial performance and debt service capacity to remain stable.

The Royal Docks are actively exploring opportunities to attract new businesses to the area, with the aim of transforming the western side into a landmark destination for both Londoners and tourists. Discussions are ongoing, and we anticipate growing momentum throughout next year.

The new extension at ExCeL has already proved its value as it was utilized during Formula E and is completely sold out for upcoming major events including DSEI and World Travel Market. Meanwhile, new activations and initiatives continue to enhance the ExCeL waterfront, further strengthening the area's appeal.

Short-term risks and uncertainties

Sunborn London's financial risks related to business are market risk (including interest rate risk and foreign currency risk), credit risk, liquidity risk and refinancing risk.

Sunborn London Oyj current senior bond is maturing for repayment on February 5, 2026. In the future, financing is anticipated to be arranged through the parent company. At the same time, the company's loan receivable from the parent company will be eliminated.

Floating interest rate risk has not been hedged and may negatively and materially impact Sunborn London Oyj liquidity.

The Company is exposed to foreign currency risk through rental receivables and future cash flows arising from the lease contract of the Yacht hotel that is denominated in GBP. The management of the company closely monitors the development of the GBP/EUR exchange rate and aims to protect the Company against unfavorable developments at the group level.

The Company's financial risk management aims to protect it against unfavorable developments in the financial markets and ensure performance. The management reviews financial risks on a regular basis to secure the financial risk position and decide on necessary actions.

Incidents relating to environmental or public health may cause the Operator potential business interruptions.

CONTENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)	7
CONSOLIDATED BALANCE SHEET (IFRS).....	8
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)	9
CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)	10
NOTES TO THE FINANCIAL STATEMENTS	11
1. General information.....	11
2. Summary of significant accounting policies.....	11
3. Rental income from related parties and other income	11
4. Investment property	12
5. Equity	13
6. Borrowings	13
7. Related parties.....	15
8. Events after the reporting date	16
Appendix 1 Sunborn International (UK) Ltd	17

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR thousand	Note	1 Jan – 30 Jun 2025	1 Jan – 30 Jun 2024	1 Jan - 31 Dec 2024
Rental income from group companies	3, 7	1 760	1 724	3 471
Depreciation	4	-754	-754	-1 508
Other operating expenses		-119	-108	-288
Operating profit		888	862	1 675
Finance income	7	1 033	1 157	2 319
Finance costs		-990	-1 389	-2 973
Finance income and costs, net		43	-232	-654
Profit before taxes		931	629	1 021
Income tax		-308	-264	0
Change in deferred tax		122	138	-204
Profit for the period		745	504	817
Total comprehensive income for the period		745	504	817

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET (IFRS)

EUR thousand	Note	30 Jun 2025	31 Dec 2024	30 Jun 2024
Assets				
Non-current assets				
Investment property	4	29 763	30 517	31 272
Receivables from group companies	7	26 278	25 150	26 365
Total non-current assets		56 041	55 667	57 637
Current assets				
Trade receivables from group companies	7	-	-	-
Trade and other receivables		12	15	15
Cash and cash equivalents		44	9	371
Total current assets		56	24	386
Total assets		56 096	55 691	58 023
Equity and liabilities				
Share capital	5	80	80	80
Reserve for invested unrestricted equity		600	600	600
Retained earnings		24 635	23 890	25 697
Total equity		25 315	24 570	26 377
Liabilities				
Non-current liabilities				
Borrowings	6	-	23 120	-
Deferred income tax liabilities		5 829	5 950	6 138
Total non-current liabilities		5 829	29 070	6 138
Current liabilities				
Borrowings	6	23 470	700	24 399
Payables to group companies	7	1 138	1 272	784
Trade and other payables		3	29	17
Accrued expenses		342	50	308
Total current liabilities		24 953	2 051	25 508
Total liabilities		30 781	31 121	31 646
Total equity and liabilities		56 096	55 691	58 023

The above balance sheet should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

EUR thousand	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total equity
Equity at 1.1.2024	80	600	25 193	25 873
Profit for the period			504	504
Total comprehensive income	0	0	504	504
Total contributions by and distributions to owners of the parent, recognised directly in equity	0	0	0	0
Equity at 30.6.2024	80	600	25 697	26 377
Equity at 1.7.2024	80	600	25 697	26 377
Profit for the period			313	313
Total comprehensive income	0	0	313	313
Transactions with owner:				
Group contribution	0		-2 120	-2 120
Total contributions by and distributions to owners of the parent, recognised directly in equity	0	0	-2 120	-2 120
Equity at 31.12.2024	80	600	23 890	24 570
Equity at 1.1.2025	80	600	23 890	24 570
Profit for the period			745	745
Total comprehensive income	0	0	745	745
Total contributions by and distributions to owners of the parent, recognised directly in equity	0	0	0	0
Equity at 30.6.2025	80	600	24 635	25 315

The above statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS (IFRS)

EUR thousand	Note	1 Jan – 30 Jun 2025	1 Jan – 31 Dec 2024	1 Jan – 30 Jun 2024
Cash flows from operating activities				
Profit before tax		931	1 021	629
Adjustments for				
Depreciation	4	754	1 508	754
Finance income and costs, net		-43	654	232
Change of working capital				
Change in trade and other receivables		3	7	7
Change in trade and other payables		-160	1 275	775
Net cash flows from operating activities		1 484	4 465	2 398
Cash used in investing activities				
Capital Expenditure	4	-	-	-
Net cash flows used in investing activities		-	-	-
Cash flows from financing activities				
Repayment of borrowings		-350	-675	0
Contribution from/to Sunborn group companies	7	-126	-1 361	-1 081
Transaction / loan agent costs		0	-325	0
Interest and finance costs paid		-974	-2 318	-1 186
Net cash flows from financing activities		-1 449	-4 679	-2 267
Cash and cash equivalents at the beginning of period		9	234	234
Effects of exchange rate changes on cash and cash equivalents		-1	-11	6
Change in cash and cash equivalents		34	-224	137
Cash and cash equivalents at the end of period		44	9	371

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Sunborn London Oyj is a public limited liability company ("the Company") incorporated in Finland. Registered address of the Company is Juhana Herttuan puistokatu 23, Turku, Finland. Sunborn London Oyj was established on April 30, 2016. Sunborn London Oyj owns a luxury yacht hotel "Sunborn London" docked at Royal Victoria Dock in London ("Yacht hotel"), which it has leased to its sister company Sunborn International (UK) Limited ("Sunborn UK").

The Yacht hotel is equipped with 138 cabins, including five suites, conference and auditorium facilities for up to 200 delegates, restaurant and two bars. The Company had no employees in 2025 and 2024. Sunborn London Oyj's ultimate parent company Sunborn Oy provides management and administrative services to the Company. Sunborn UK's sole operations consist of acting as the lessee and operator of the Yacht hotel.

Sunborn International Holding Oy is the parent company of Sunborn London Oyj owning 100 % of the shares of the Company, as well as Sunborn International UK. Sunborn International Holding Oy is a family-owned company based in Finland. Sunborn Group focuses on the development of luxury spa and yacht hotels, restaurants and other high-quality properties and has over 50 years of experience in the hospitality sector.

2. Summary of significant accounting policies

Basis of preparation

This half year financial report for six months ended 30 June 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS), *IAS 34 interim Financial Reporting*, as adopted by the European Union. The half year financial report is based on the same accounting policies and calculation methods as used in the financial statements for the year 2024, as well as on the new and updated IFRS standards described in the financial statements for the year 2024. However, the half year financial report does not include all the information and notes that are presented in the annual financial statements. As such the half year financial report should be read in conjunction with the financial statements for the year ended 31 December 2024.

The preparation of the half year financial report in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The actual outcomes may differ from these estimates and judgments. The most significant estimates made by the management relating to the accounting policies and uncertainties are the same as applied in the financial statements for the year 2024.

The financial statements are presented in thousands of euros unless otherwise stated. All figures presented have been rounded and consequently the sum of individual figures may deviate from the presented sum figure.

The half-year financial report is unaudited.

3. Rental income from related parties and other income

The Group's rental income consists of rental income from Sunborn UK. Bareboat charter agreement is in force until terminated by either party subject to six months' prior notice. Rental income relates to investment property, see note 4 for detail.

The monthly charter cost has been GBP 246,000 per month from 1.1.2024 onwards.

Future lease payments are translated at exchange rate prevailing on each balance sheet date as follows:

EUR thousand	30 Jun 2025	31 Dec 2024	30 Jun 2024
Within 1 year	1 725	1 780	1 744
Between 1 and 2 years	-	-	-
Between 2 and 3 years	-	-	-
Between 3 and 4 years	-	-	-
Between 4 and 5 years	-	-	-
Later than 5 years	-	-	-
Total	1 725	1 780	1 744

4. Investment property

The Group presents as investment property its investment in a Yacht Hotel that is leased out under operating lease and it is operated as Yacht hotel Sunborn London Sunborn International (UK) Ltd. The investment property is carried at cost less any accumulated depreciation and any accumulated losses.

Fair value of the yacht hotel as of 30 Jun 2025 has been estimated to be EUR 37 million (31.12.2024: EUR 37 million), which approximates the book value of the yacht hotel. The fair value has been determined based on income approach using discounted cash flow analyses. The fair value measurement is based on unobservable inputs and accordingly, is classified in Level 3 in the fair value hierarchy. The volatility in the fair value is due to the impact of estimated cash flows and from the fluctuation of the GBP/EUR exchange rate. The value of the Yacht hotel is 49.9 MEUR based on the latest valuation report dated March 3rd, 2025 by an external evaluator.

The Yacht hotel is registered in Finland but located in London, United Kingdom, where it is leased under a Bareboat Charter agreement to Sunborn UK. Sunborn International (UK) Ltd is responsible for the management and costs of operation.

Investment property

EUR thousand	Yacht hotel
Cost at January 1, 2024	45 574
Cost at June 30, 2024	45 574
Accumulated depreciation at January 1, 2024	13 548
Depreciation	754
Accumulated depreciation and impairment at June 30, 2024	14 302
Net book value at January 1, 2024	32 026
Net book value at June 30, 2024	31 272

EUR thousand	Yacht hotel
Cost at July 1, 2024	45 574
Cost at December 31, 2024	45 574
Accumulated depreciation at July 1, 2024	14 302
Depreciation	754
Accumulated depreciation and impairment at December 31, 2024	15 056

Net book value at July 1, 2024	31 272
Net book value at December 31, 2024	30 517

EUR thousand	Yacht hotel
Cost at January 1, 2025	45 574
Cost at June 30, 2025	45 574
Accumulated depreciation at January 1, 2025	15 056
Depreciation	754
Accumulated depreciation and impairment at June 30, 2025	15 810
Net book value at January 1, 2025	30 517
Net book value at June 30, 2025	29 763

Rental income and direct operating expenses related to Yacht hotel recognised in the comprehensive income statement are as follows:

EUR thousand	1 Jan – 30 Jun 2025	1 Jan – 31 Dec 2024	1 Jan – 30 Jun 2024
Rental income	1 760	3 471	1 724
Direct operating expenses from property that generated rental income	57	112	56

5. Equity

Number of the shares has been 200 shares since the establishment of the parent Company. Shares have no nominal value.

6. Borrowings

EUR thousand	30 Jun 2025	31 Dec 2024	30 Jun 2024
Non-current:			
Senior secured bond	-	23 120	-
Current:			
Senior secured bond	23 470	700	24 399
Total	23 470	23 820	24 399

At 22 September 2021 the Company issued senior secured bonds with nominal amount of EUR 25.5 million to certain qualified institutional investors mainly to refinance the maturing bonds with equivalent terms and conditions. The bonds are denominated in euros and mature by 5 February 2026. The bonds shall be fully redeemed on maturity date at nominal amount in addition to 1 % call premium. The contractual interest is 5.5 % plus 3-month Euribor. The effective interest rate is 7.54 %.

Management estimates that the fair value of the bond payable approximates the carrying amount as credit standing of the Company has not changed significantly from the issue date.

A summary table with maturity of all financial liabilities is presented below. The amounts disclosed in the tables below are the contractual undiscounted cash flows including the interest payments. The interest payments are calculated based on the interest rate level on the balance sheet dates presented.

30 Jun 2025

EUR thousand	< 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Payables to group companies	1 138	-	-	-	1 138
Trade and other payables	3	-	-	-	3
Senior secured bond	23 475	-	-	-	23 475
Senior secured bond, interest payments	1 106	-	-	-	1 106
Total	25 722	-	-	-	25 722

31 Dec 2024

EUR thousand	< 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Payables to group companies	1 272	-	-	-	1 272
Trade and other payables	29	-	-	-	29
Senior secured bond	700	23 125	-	-	23 825
Senior secured bond, interest payments	2 295	231	-	-	2 526
Total	4 296	23 356	-	-	27 652

30 Jun 2024

EUR thousand	< 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Payables to group companies	784	-	-	-	784
Trade and other payables	17	-	-	-	17
Senior secured bond	24 500	-	-	-	24 500
Senior secured bond, interest payments	570	-	-	-	570
Total	25 871	-	-	-	25 871

Collaterals and guarantees given

The bonds are secured by a 1st lien mortgage in the Yacht hotel. In addition the security package includes a pledge over shares of Sunborn London Oyj and Sunborn International (UK) Ltd, a pledge granted on Subordinated Loans, Parent loan, intra-group loans, pledged Accounts and other bank accounts held by the Issuer, a floating charge over relevant assets, rights and revenues of the Issuer, an assignment by the Issuer of all rights, titles and interests, under the Bareboat Agreement, including step-in rights for the Trustee, a floating charge granted by the Guarantor creating security over all relevant assets, rights and revenues of the Guarantor and a pledge granted by the Guarantor of the Guarantor's Receivable and any Intra-Group Loans from time to time, an assignment by the Guarantor of any relevant insurances related to the Barge and an on demand guarantee (In Norwegian: "påkravsgaranti").

The bond terms include an asset cover ratio of a minimum of 120.0 % to maintain the market value to adjusted financial indebtedness, an interest cover ratio covenant of EBITDA to net finance charges of no less than 1.10:1.00 to maintain profitability and the covenant for maintain liquidity in an amount exceeding the aggregate amount of six months of interests. The financial covenants are measured semi-annually. Since the Issuer made a significant loan repayment just before the end of H1, the Issuer did not meet the minimum cash covenant under the Maintenance Test at the testing point June 30, 2025. As the Liquidity Covenant was not met, the parent company has provided the deficit 70 k€ as an Equity Cure to ensure compliance with the H1 minimum cash covenant.

7. Related parties

Transactions with related parties

Related parties are the ultimate parent company Sunborn Oy, sub-group parent company Sunborn International Oyj, the direct parent company Sunborn International Holding Oy, other Sunborn Group entities, the board of directors and key management of the Group and the Board of Directors and management of the parent company, together with their close family members, and companies controlled by these individuals.

The following table summarises the Group's transactions and outstanding balances with related parties during or at the end of the years presented:

EUR thousand	1 Jan – 30 Jun 2025			1 Jan – 30 Jun 2024		
	Rental income from the operating lease	Management fee	Interest income	Rental income from the operating lease	Management fee	Interest income
Ultimate parent – Sunborn Oy	-	-20	-	-	-29	-
Sub-group parent – Sunborn International Oyj	-	-10	-	-	-	-
Parent – Sunborn International Holding Oy	-	-	1 002	-	-	1 146
Sunborn UK	1 760	-	-	1 724	-	-
Total	1 760	-30	1 002	1 724	-29	1 146

EUR thousand	1 Jan – 31 Dec 2024		
	Rental income from the operating lease	Management fee	Interest income
Ultimate parent – Sunborn Oy	-	-58	-
Parent – Sunborn International Holding Oy	-	-100	2 301
Sunborn UK	3 471	-	-
Total	3 471	-158	2 301

EUR thousand	30 Jun 2025		31 Dec 2024		30 Jun 2024	
	Receivables	Liabilities	Receivables	Liabilities	Receivables	Liabilities
Ultimate parent – Sunborn Oy	12	-	-	-	-	-
Sub-group parent – Sunborn International Oyj	-	10	-	-	-	-
Parent – Sunborn International Holding Oy	26 266	-	25 150	-	26 365	-
Sunborn UK	-	1 128	-	1 272	-	784
Total	26 278	1 138	25 150	1 272	26 365	784

The rental income arises from the Bareboat Charter agreement related to the Yacht hotel with Sunborn UK. This agreement is in force until terminated by either party subject to six months' prior notice.

The Group has paid management fee to Sunborn Oy and Sunborn International Oyj during the period, and received interest income from Sunborn International Holding Oy. The interest income arises from the receivable from the parent company as described below.

The intercompany receivable from the parent company Sunborn International Holding Oy matures in September 2026, however subject to the occurrence of certain events in the bond terms receivable mature and become immediately due. The loan receivable accumulates interest income, which is recognised as receivable from the parent company. The interest is in line with the interest of external financing and is at 7.54 % on June 30, 2025. Fair value of the loan receivable approximates it's carrying amount, as the management estimates that the credit standing of the debtor has not changed significantly from the issue date, and it carries interest rate based on market rate.

Sunborn UK and Sunborn International Holding Oy have guaranteed the senior secured bonds of the Company. Detailed information on the guarantee is described in note 6 Borrowings.

8. Events after the reporting date

Nothing to report.

Appendix 1 Sunborn International (UK) Ltd

Sunborn International (UK) Ltd
HALF-YEAR UNAUDITED REPORT 1 January – 30 June 2025

STATEMENT OF COMPREHENSIVE INCOME (IFRS)

GBP thousand	Note	1 Jan – 30 Jun 2025	1 Jan - 30 Jun 2024	1 Jan – 31 Dec 2024
Revenue	3	5,125	4,994	10,598
Cost of sales		(1,294)	(1,200)	(2,591)
Depreciation	5	(238)	(230)	(424)
Bare Boat Charter	4	(1,476)	(1,476)	(2,952)
Administrative expenses		(2,381)	(2,186)	(4,418)
Operating profit		(264)	(98)	213
Finance income		7	13	-
Finance costs		(22)	(4)	(28)
Profit before taxes		(279)	(89)	185
Corporation tax				(19)
Profit for the period		(279)	(89)	166
Total comprehensive income for the period		(279)	(89)	166

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

BALANCE SHEET

GBP thousand	Note	30-Jun-25	30-Jun-24	31-Dec-24
Assets				
Non-current assets				
Property, plant and equipment	4	252	371	229
Right-of-use assets	4	575	430	627
Total non-current assets		827	801	857
Current assets				
Inventories		116	122	127
Amounts due from group companies	6	965	687	1055
Trade and other receivables		996	666	633
Cash and cash equivalents		657	533	763
Total current assets		2,734	2,008	2,578
Total assets		3,561	2,809	3,434
Equity and liabilities				
Share capital		150	150	150
Retained earnings		330	343	608
Total equity		480	493	758
Non-current liabilities				
Lease liabilities	5	353	315	422
Total non-current liabilities		316	315	422
Current liabilities				
Trade and other payables		1,972	1,545	1,591
Payables to group companies	6	-	-	-
Income tax liability		19	-	-
Lease liabilities	5	241	123	226
Accrued expenses		496	333	417
Total current liabilities		2,728	2,001	2,253
Total liabilities		3,081	2,316	2,676
Total equity and liabilities		3,561	2,809	3,434

STATEMENT OF CHANGES IN EQUITY

GBP thousand	Share Capital	Retained Earnings	Total
Equity at 1.1.2024	150	443	593
Profit for the period	-	(100)	(100)
Total comprehensive income	150	(100)	(100)
Equity at 30.6.2024	150	343	493
Equity at 1.1.2024	150	443	593
Loss for the period	-	165	165
Total comprehensive income	150	608	758
Equity at 31.12.2024	150	608	758
Equity at 1.1.2025	150	608	758
Profit for the period	-	(279)	(279)
Total comprehensive income	-	(279)	(279)
Equity at 30.6.2025	150	330	480

STATEMENT OF CASH FLOW

GBP thousand	1 Jan to 30 Jun 2025	1 Jan to 30 Jun 2024	1 Jan to 31 Dec 2024
Cash flows from operating activities			
Profit for the period	(279)	(100)	184
Finance income	(7)	(13)	(20)
Finance cost	22	4	28
Depreciation	238	230	424
(Increase)/decrease in inventories	11	(6)	(12)
(Increase)/decrease in receivables	(273)	(1,081)	(1,408)
(Decrease)/increase in payables	438	(338)	(210)
Interest paid in cash	7	13	20
Net cash utilised in operating activities	157	(1,291)	(994)
Cash flows from investing activities			
Acquisition	(139)	(227)	(216)
Disposal	-	-	93
Net cash from investing activities	(139)	(227)	(123)
Cash flows from financing activities			
Repayment of lease liabilities	(124)	11	(160)
Net cash utilised in financing activities	(124)	11	(160)
Net increase in cash and cash equivalents	(106)	(1,507)	(1,277)
Cash and cash equivalents at beginning of period	763	2,040	2,040
Cash and cash equivalents at end of period	657	533	763

NOTES TO THE FINANCIAL STATEMENTS

1. General information

Sunborn International (UK) Limited ('the Company') is a private Company limited by share capital incorporated in England and Wales under the Companies Act. Its ultimate parent and holding Company is Sunborn Oy, an undertaking incorporated in Finland. Sunborn International (UK) Limited ("Sunborn UK") is acting as a charterer for a luxury yacht hotel "Sunborn London" docked at 'at Royal Victoria Dock in London, the UK ("Yacht hotel"), which it is own by its sister Company Sunborn London Oyj. The Yacht hotel is equipped with 138 cabins, including 5 suites, conference and auditorium facilities for up to 100 delegates, restaurant and two bars. Since 2021 operations consist of acting as the charterer and operator of the Yacht hotel.

2. Summary of significant accounting policies

Basis of preparation

This half year financial report for six months ended 30 June 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS), IAS 34 interim Financial Reporting, as adopted by the European Union. The half year financial report is based on the same accounting policies and calculation methods as used in the financial statements for the year 2024, except for as presented below. The half year financial report does not include all the information and notes that are presented in the annual financial statements. As such the half year financial report should be read in conjunction with the financial statements for the year ended 31 December 2024.

The preparation of the half year financial report in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The actual outcomes may differ from these estimates and judgments. The most significant estimates made by the management relating to the accounting policies and uncertainties are the same as applied in the financial statements for the year 2024. The financial statements are presented in thousands of pounds sterling unless otherwise stated. All figures presented have been rounded and consequently the sum of individual figures may deviate from the presented sum figure. The half year financial report is unaudited.

3. Revenue

During the reporting period the company generates revenue from hotel operations.

4. Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

- Improvements to property 10 years straight line
- Equipment 3 years straight line

GBP thousand	Improvements to property	Right to use asset	Equipment	Total
Cost at 1.1.2024	1,359	921	366	2,646
Addition	36	83	109	228
Disposal				
Cost at 30.6.2024	1,395	1,004	475	2,874
Accumulated depreciation at 1.1.2024	1,222	509	112	1,843
Depreciation	89	65	76	230
Accumulated depreciation and impairment at 30.6.2024	1,311	574	188	2,073
Net book value at 1.1.2024	137	412	254	803
Net book value at 30.6.2024	83	430	287	801
Cost at 1.1.2025	1,370	1,276	459	3,105
Addition	26	70	113	209
Disposal	-	-	-	-
Cost at 30.6.2025	1,396	1,346	572	3,314
Accumulated depreciation at 1.1.2025	1,328	649	272	2,249
Depreciation	22	122	94	238
Accumulated depreciation and impairment at 30.6.2025	1,350	771	366	2,487
Net book value at 1.1.2025	42	627	187	856
Net book value at 30.6.2025	46	575	206	827
Cost at 1.1.2024	1,359	921	367	2,647
Addition	75	355	140	570
Disposal	(64)	-	(48)	(112)
Cost at 31.12.2024	1,370	1276	459	3,105
Accumulated depreciation at 1.1.2024	1,222	510	112	1,844
Depreciation	117	139	168	424
Released at disposal	(11)	-	(8)	(19)
Accumulated depreciation and impairment at 31.12.2024	1,328	649	272	2,249
Net book value at 1.1.2024	137	411	255	803
Net book value at 31.12.2024	42	627	187	856

5. Lease liabilities

At 30 June 2025 the company is committed to £ 594k in future lease payments which relate to the long-term mooring agreement and other assets under finance leases. The carrying amount of the lease liabilities approximate the fair value.

GBP thousand	30 Jun 2025	30 Dec 2024	30 Jun 2024
Within 1 year	274	274	144
Between 1 and 2 years	274	274	144
Between 2 and 3 years	114	212	144
Between 3 and 4 years	78	-	48
Total	741	761	480
Less unearned interest cost	-147	-60	-43
Lease liabilities	594	701	437

From 1 January 2024 the Bareboat charter agreement between the hotel operator, Sunborn International (UK) Ltd and the yacht hotel owner, Sunborn London Oyj was renewed with a fixed sum of GBP 246,000 per month.

Bareboat Charter agreement is in force until terminated by either party subject to six months' prior notice.

From 1 November 2024 the hotel operator had new lease liabilities for soft assets including equipment and furniture for a term of three years.

6. Transactions with related parties

The Company's related parties are its parent company Sunborn International Holding Oy, ultimate parent company Sunborn Oy, other Sunborn Group entities, the board of directors and key management of the Company and the Board of Directors and management of the parent company, together with their close family members, and companies controlled by these individuals.

The following table summarises the Company's transactions and outstanding balances with related parties during or at the end of the periods presented:

	30 Jun 2025		30 Jun 2024		31 Dec 2024	
GBP thousand	Receivables	Liabilities	Receivables	Liabilities	Liabilities	Receivables
Sunborn London Oy	965	-	687	-	1,055	-
Sunborn International Holding Oy	-	-	-	-	4	-
Total	965	-	687	-	1,059	-

The lease expenses of the Company arise from a lease contract related to the Yacht hotel with its sister Company, Sunborn London Oyj. The Lease contract ("Bareboat charter agreement") is in force until terminated by either party subject to six months' prior notice. The lease expense charged to the income statement was as follows:

	1 Jan – 30 Jun 2025	1 Jan – 30 Jun 2024	1 Jan - 31 Dec 2024
	Bareboat Charter	Bareboat Charter	Bareboat Charter
GBP thousand			
Sunborn London Oyj	1,476	1,476	2,952
Total	1,476	1,476	2,952

7. Events after the reporting date

Nothing to report.