



SUNBORN LONDON OYJ

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FINANCIAL STATEMENTS 2025

31 March 2026



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REPORT OF BOARD OF DIRECTORS 2025

Key Figures – Sunborn London Oyj

EUR thousand	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Rental income	3 555	3 471
EBITDA	3 290	3 183
Operating profit	2 441	1 675
Investment property (yacht hotel)	29 668	30 517
Total Equity	24 043	24 570
Borrowings	23 122	23 820

Key Figures – Operator Sunborn International (UK) Ltd

GBP thousand	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Revenue	11 027	10 598
EBITDAR	3 382	3 589

Financial summary 1 January - 31 December 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 to Sunborn International (UK) Ltd, a sister company to the Company.

Rental income for the reporting period was EUR 3.555 million (3.471). Rental income in EUR was slightly affected by exchange rate fluctuations. Operating costs were in line with the previous year.

The operations of the sister company Sunborn International (UK) Ltd remained strong, once again achieving solid performance across key performance metrics (ADR, occupancy rate, and RevPAR). The monthly lease amounted to GBP 246,000 during the first half of the year and was increased to GBP 260,000 as of 1 July 2025 to cover capital costs, planned bond repayments, as well as vessel insurance and classification expenses.

During the period, the company made a repayment of EUR 0.700 million, and the outstanding nominal value of bond on 31 December 2025 was EUR 23.125 million.

Book value of the yacht hotel as of 31 December 2025 approximates the fair value of the yacht hotel based on income approach using discounted cash flow analyses. According to the most recent valuation report dated 3 March 2025, the fair value of the vessel hotel amounts to EUR 49.9 million.

Business environment

Operational performance in London remained stable despite rising labor costs and general economic uncertainty. Both pricing and relative competitiveness remained stable.

Year 2025 reflected variable event activity at ExCeL London exhibition center, located next to the yacht hotel. Strong performance in the second half of the year offset a weaker first half of the year, primarily due

to the content of the event calendar at ExCeL London. The hotel successfully managed to balance leisure and contracted event demand to support occupancy and rate integrity. September delivered a significant uplift due to DSEI event (Defence Security Equipment International) at ExCeL London under an exclusive nine-day contract. Overall, the year demonstrated commercial resilience.

Profitability was impacted by higher labour costs, higher distribution commissions and the expiry of business rates relief. Despite cost pressures, operational discipline supported stable earnings performance.

Notable events during and after the reporting period

On 28 April 2025, Sunborn International Holding Oy, the parent company of Sunborn London Oyj, carried out a share exchange with Rush Factory Oyj, following which Rush Factory Oyj changed name to Sunborn International Oyj ("SBI") and it became the new parent company of Sunborn International Holding Oy Group. As a result of the transaction, Sunborn International Oyj was listed on the Nasdaq First North Growth Market in Helsinki, and trading in the Company's shares commenced on 29 April 2025. The successful listing strengthened the Company's capital structure, thereby enabling the development of new projects within the Group.

In January 2026, Sunborn London Oyj successfully obtained bondholders' approval for amendments to the terms of its Senior Secured Bonds (ISIN NO0011099772). The approved amendments include an extension of the bond maturity to 5 February 2027. The resolution was passed according to the required voting thresholds, and Nordic Trustee AS implemented the changes. The Company is preparing for the refinancing of its bond during 2026.

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 increased level of activity in the vicinity of the hotel is expected to have a positive impact on revenue and visitor numbers. The development of advance bookings, together with a strengthened and more balanced event portfolio, supports a stable outlook for the full year 2026, and revenue is expected to continue to grow despite fluctuations in event activity.

Short-term risks and uncertainties

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

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 unfavourable developments at the group level.

The Company's financial risk management aims to protect it against unfavourable developments in the financial markets and ensure the performance. The management reviews financial risks on 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.

Company's shares

The number of shares has been 200 shares since the establishment of the Company. Shares have no nominal value.

Corporate Governance

Sunborn London Oyj's ownership, corporate structure, operational activities and related party transactions are described in notes to the financial statements.

The governance of Sunborn London Oyj is based on the Finnish Limited Liability Companies Act and Sunborn London Oyj's articles of association. The Company's shares are not listed for public trading. Sunborn London Oyj has issued a secured bond that is listed by NASDAQ Helsinki Oy, and the company complies with its rules and regulations for listed bonds, the Securities Markets Act as well as the Financial Supervisory Authority's regulations.

The Annual General Meeting is the highest decision-making body in Sunborn London Oyj, deciding on matters laid down in the Finnish Limited Liability Companies Act. The AGM is held once a year, in June at the latest, on a date determined by the company's Board of Directors.

The Board of Directors of Sunborn London Oyj consists of four ordinary members, elected by the AGM for one year at a time. The Board of Directors decides on significant matters concerning the company strategy, investments and finance. In 2025 the Board had two meetings.

Members of the Board of Directors in 2025 were Ritva Niemi, Pekka Niemi, Hans Niemi and Jari Niemi. There has not been any remuneration for the Board of Directors in 2025. Sunborn London Oyj has no committees.

Sunborn London Oyj's Board of Directors appoints the Chief Executive Officer. The CEO Hans Niemi is responsible for the Company's financial performance and for organizing business operations and administration according to legislation as well as instructions and orders issued by the Board.

The Annual General Meeting elects the authorized public accountants until further notice. Sunborn London Oyj auditors are Grant Thornton Oy with Riku Vuorinen, APA, as principal auditor.

Proposal for profit distribution

The Board of Directors proposes to the Annual General Meeting that the funds are carried forward to retained earnings.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

EUR thousand	Note	1 Jan -31 Dec 2025	1 Jan -31 Dec 2024
Rental income from group companies	5,13	3 555	3 471
Depreciation	9	-850	-1 508
Other operating expenses	6	-264	-288
Operating profit		2 441	1 675
Finance income	7,13	1 964	2 319
Finance costs	4,7	-1 987	-2 973
Finance income and costs, net		-23	-654
Profit before taxes		2 418	1 021
Income tax expense	8	0	0
Change in deferred tax	8	-484	-204
Profit for the period		1 934	817
Total comprehensive income for the period		1 934	817
Profit attributable to Shareholders of the Parent company		1 934	817

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

CONSOLIDATED BALANCE SHEET (IFRS)

EUR thousand	Note	31 Dec 2025	31 Dec 2024
Assets			
Non-current assets			
Investment property	9	29 668	30 517
Receivables from group companies	13	22 985	25 150
Total non-current assets		52 652	55 667
Current assets			
Trade and other receivables		40	15
Cash and cash equivalents		476	9
Total current assets		515	24
Total assets		53 168	55 691
Equity and liabilities			
Equity			
Share capital	11	80	80
Reserve for invested unrestricted equity		600	600
Retained earnings		23 363	23 890
Total equity		24 043	24 570
Liabilities			
Non-current liabilities			
Borrowings	4,12	21 722	23 120
Deferred income tax liabilities	10	5 819	5 950
Total non-current liabilities		27 540	29 070
Current liabilities			
Borrowings	4,12	1 400	700
Payables to group companies	13	126	1 272
Trade and other payables		11	29
Accrued expenses		48	50
Total current liabilities		1 584	2 051
Total liabilities		29 124	31 121
Total equity and liabilities		53 168	55 691

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			817	817
Total comprehensive income	0	0	817	817
Transactions with owner:				
Group contribution net of tax			-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			1 934	1 934
Total comprehensive income	0	0	1 934	1 934
Transactions with owner:				
Group contribution net of tax			-2 461	-2 461
Total contributions by and distributions to owners of the parent, recognised directly in equity	0	0	-2 461	-2 461
Equity at 31.12.2025	80	600	23 363	24 043

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 – 31 Dec 2025	1 Jan – 31 Dec 2024
Cash flows from operating activities			
Profit before tax		2 418	1 021
Adjustments for			
Depreciation	9	850	1 508
Finance income and costs, net	7	23	654
Change of working capital			
Change in trade and other receivables		-25	7
Change in trade and other payables		-1 165	1 275
Net cash flows from operating activities		2 100	4 465
Cash used in investing activities			
Capital Expenditure		-	-
Net cash flows used in investing activities		-	-
Cash used in financing activities			
Repayment of borrowings	12	-700	-675
Contribution from/to Sunborn group companies	13	1 006	-1 361
Transaction / loan agent costs		-80	-325
Interest and finance costs paid		-1 875	-2 318
Net cash used in financing activities		-1 649	-4 679
Cash and cash equivalents at the beginning of period		9	234
Effects of exchange rate changes on cash and cash equivalents		14	-11
Change in cash and cash equivalents		466	-224
Cash and cash equivalents at the end of period		476	9

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

NOTES TO THE FINANCIAL STATEMENTS (IFRS)

1. General information

Sunborn London Oyj is a public limited liability company (“the Company”) incorporated in Finland. The registered address of Sunborn London Oyj is Juhana Herttuan puistokatu 23, Turku, Finland. Sunborn London Oyj was established on April 30, 2016, through a demerger of Sunborn International Oy. Sunborn London Oyj owns a luxury yacht hotel “Sunborn London” docked at Royal Victoria Dock in London, the UK (“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.

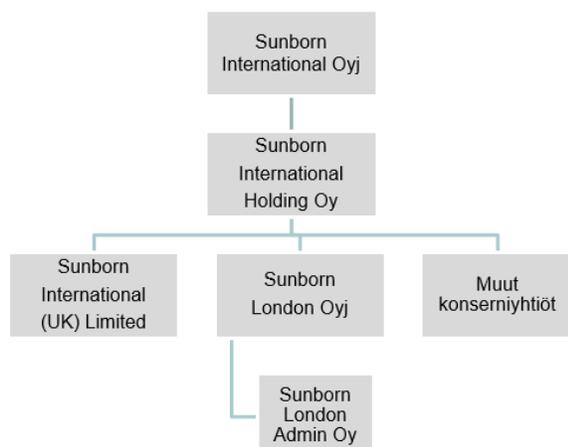
Sunborn International Holding Oy is the parent company of Sunborn London Oyj owning 100% of the shares of the Company, as well as Sunborn International UK. Sunborn International Holding Oy is owned by Sunborn International Oy, whose largest shareholder is Sunborn Oy. Sunborn International Group focuses on the development of luxury yacht hotels, floating structures and other high-quality properties. Sunborn International Oy prepares consolidated financial statements under Finnish Accounting Standards. The copies of the consolidated financial statements as well as the Company’s standalone financial statements are available at the parent company’s headquarters, Juhana Herttuan puistokatu 23, Turku, Finland.

Sunborn London Oyj owns a dormant subsidiary for administrative purposes and is the parent company of the group (“Group”). The consolidated financial statements have been prepared in accordance with the basis of preparation and accounting policies set out below.

These financial statements have been published in accordance with the European Single Electronic Format (ESEF) reporting requirements.

These financial statements were approved for publication at the Sunborn London Oyj board meeting on March 20, 2026. According to the Finnish Companies Act, the annual general meeting can change or reject the financial statements.

Sunborn International Group structure:



2. Summary of significant accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, conforming with the IAS and IFRS standards as well as SIC and IFRIC interpretations applicable as per December 31, 2025. International Financial Reporting Standards refer to the standards and interpretations applicable by corporations set out by the Finnish accounting ordinance and other guidance set out on the basis of this ordinance enforced for application in accordance with the procedure stipulated in the regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the financial statements also comply with the Finnish accounting and corporate legislation complementing the IFRS standards. There are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's financial statements.

These financial statements have been prepared primarily under the historical cost convention unless otherwise indicated.

Preparation of consolidated financial statements 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 group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The consolidated 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.

Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The functional currency of the Company is euro, which is also the presentation currency of these consolidated statements.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. All foreign exchange gains and losses are presented in the income statement within finance income or costs.

Investment property

The Company 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" by Sunborn UK. The Yacht hotel has the physical characteristics of a building. It is a non-propelled vessel that is permanently moored along the quayside at Royal Victoria Dock in London, the UK. The Yacht hotel, as it is lacking propels and other standard equipment of a ship, is not readily movable and the future rental cash flows to be earned from the Yacht hotel depend largely upon its permanent location.

An investment property is measured initially at its cost. Directly attributable transaction costs are included in the initial measurement. The Company measured the investment property at fair value as at 1 January 2015, as the Company applied the exemption provided in IFRS 1 to use the fair value of the investment property as deemed cost at the date of transition to IFRS. Any improvement costs for the renovation and repair that add value to Yacht hotel are capitalized as additions to the Yacht hotel and depreciated over the shorter of the improvements' estimated useful lives or that of the Yacht hotel.

Subsequently, the investment property is carried at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate the cost to the residual value over their estimated useful lives. The estimated useful life of the Yacht hotel divided to its significant components is presented in the table below:

Yacht	40 years
Yacht, short term components (interior and fittings)	10 years

The Yacht hotel's residual value is estimated to be EUR 5 million. The residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Transfers to and from investment property are made if there is a change in use. Investment property is derecognised on disposal or when the asset is withdrawn from use and no future economic benefits are expected.

Impairment of investment property

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Financial assets

The group classifies all its financial assets as financial assets measured at amortised cost. The group's financial assets comprise lease receivables and loan receivables and are held within a business model whose objective is to collect the contractual cash flows, and the financial assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets at amortised cost are recognised initially at fair value, including any transaction costs incurred. They are subsequently carried at amortised cost less provision for impairment. Interest income is recognised in the income statement using the effective interest method. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or the group transfers the financial asset or the group of financial assets in question.

The group's financial assets are included in current assets, except for maturities greater than 12 months after the end of the reporting period in which case they are classified as non-current assets. The financial assets comprise non-current loan given to Sunborn International Holding Oy, a parent company of Sunborn London Oyj, current trade and other receivables which include mainly rental receivable from the lessee Sunborn UK, related party, and cash and cash equivalents, which includes deposits held at call with banks.

Impairment of financial assets at amortised cost

The group assesses on a forward-looking basis the expected credit losses associated with the receivables which are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. If there is no significant increase in credit risk, 12 month expected losses are recognised in profit or loss. Otherwise, the lifetime expected credit losses are recognised.

The group assesses expected losses based on the historical payment profiles and the corresponding historical credit losses experienced within the current period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments for a period of greater than 360 days past due.

Financial liabilities

Financial liabilities of the group consist of borrowings and accounts and other payable. A financial liability is derecognized when it is extinguished – that is when the obligation is discharged, cancelled or expired. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement as interest expense over the period of the borrowings using the effective interest method. The group's borrowings consist of senior secured bonds which the Company withdrew during 2021.

Accounts payable and other payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables consist of interest and tax accruals. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Accounts payable are recognised initially at fair value and subsequently measured at amortised cost.

Current tax and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to group contribution that is recognised directly in equity. In this case, the tax is also recognised directly in equity. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group entities operate and generate taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Recognition of rental income

The Company recognises rental income from renting out the Yacht hotel “Sunborn London” to Sunborn UK based on fixed monthly payments determined in the lease contract. The lease of the Yacht hotel is classified as operating lease since the Company retains a significant share of risks and rewards of ownership. Rental income from operating leases is recognised on a straight-line basis over the lease term.

Interest income

Interest income on the loan to the parent company Sunborn International Holding Oy is recognised using the effective interest method and presented within finance income in the statement of comprehensive income.

Group contribution

Group contribution given under Finnish Group Contribution Act 1986/825 to the entities in the Sunborn Group in Finland is recognised as a liability or receivable in the consolidated financial statements in the period to which it relates to. Group contribution is deducted directly from equity net of taxes.

Segment reporting

The Group only has one operation (owning and leasing the Yacht hotel), so it constitutes a single operating segment. The chief operating decision maker is determined as the Board of Directors of the Company who monitors the result of the group after its establishment based on the rental income generated from the lease agreement less operating expenses.

3. Critical accounting estimates and management judgement

The preparation of financial statements in compliance with IFRS requires making estimates and assumptions. Application of accounting policies requires making judgements. The estimates and underlying assumptions are reviewed on an ongoing basis. The estimates and assumptions, and judgements are based on historical experience and various other factors, including projections of future events, which are believed to be reasonable under current circumstances.

Useful life and residual value of the Yacht hotel

The Yacht hotel has been built as permanently floating real estate and hull and structure is designed to have a technical lifespan of over 70 years, subject to normal maintenance and upkeep over the lifespan. In addition to the high technical specification of the hull and its protection systems, the hotel is typically moved only once every 10 to 15 years for refitting and is not normally subjected to adverse sea conditions, salt water, and friction. As a non-moving vessel, it will not be impacted by encounters with land or vessels. The management of the Company has made estimates on the depreciation period and residual value of the Yacht hotel. The management has estimated that the useful life of the Yacht hotel is 40 years for the hull and structure and 10 years for the interior and fittings. The residual value is estimated to be EUR 5 million. Should certain factors or circumstances cause the management to revise its estimates of the Yacht hotel's useful lives or projected residual values, depreciation expense could be materially higher or lower. If the estimated average Yacht hotel useful life had reduced or increased by one year, depreciation expense for 2025 would have increased by approximately EUR 0.02 million / decreased by 0.02 million. If the Yacht hotel was estimated to have no residual value, depreciation expense for 2025 would have increased by approximately EUR 0.13 million.

Determination of the functional currency of the Company

Determination of the functional currency of the Company requires critical judgement. The management of the Company has prepared the financial statements based on the judgement that the functional currency is the Euro. Management's view is that the Company acts as an extension of its ultimate parent entity Sunborn International Oyj, whose functional currency is euro.

Impairment of the long-term loan receivable from the parent entity

The management has applied judgement in considering that the credit risk of the loan receivable from the parent entity has not increased significantly. If the credit risk for a loan receivable is not significantly increased, the impairment loss is recognized based on 12 month expected losses. If the credit risk is significantly increased, the impairment is recognized based on lifetime expected losses. This might have a significant impact on the profit for the period.

4. Financial risk management

The financial risks related to business are market risk (including interest rate risk and foreign currency risk), credit risk, liquidity risk and refinancing risk. Financial risk management carried out by the management aims to protect the group against unfavourable developments in the financial markets and ensure the performance. The management review financial risks on regular basis to manage financial risk position and decide on necessary actions.

Foreign exchange risk

The objective of foreign exchange risk management is to reduce the uncertainty caused by fluctuations in foreign exchange rates in the group's profit and loss, cash flows and balance sheet to an acceptable level. The Group 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 unfavourable developments at the group level.

The GBP denominated receivables and cash balances on the balance sheet in the periods presented are as follows:

EUR thousand	31 Dec 2025	31 Dec 2024
Lease receivables	-	-
Cash and cash equivalents	0	1
Total	0	1

At December 31, 2025, if the GB Pound strengthened/weakened by 15 % against the euro, post-tax profit for the year would have been EUR 0 thousand (2024: EUR 0 thousand) higher/lower.

Interest rate risk

The Company has issued senior secured bonds during year 2021 whose interest is bound to 3-month Euribor. The nominal value of the bonds is EUR 23.125 million in total and they carry interest at rate of 7.54 % as of December 31, 2025 consisting of margin of 5.5 % plus 3-month Euribor at 2.04 %. Cash and cash equivalents do not carry significant interest. The loan receivable, amounting to EUR 23 million from the parent of the Company Sunborn International Holding Oy, carries floating interest rate based on 3-month Euribor, being 7.54 % as of December 31, 2025.

If the Euribor had increased 100 basis points higher or lower during the periods presented, that would have had EUR 0.24 million impact on the interest expense or interest income. Possible future fluctuations in interest rates would be mainly offset by the opposite impacts of the changes in interest rates on the receivable and liability. The management of the Company monitors changes in the interest rate level and its possible impact on future cash outflows. The need for any hedging activity is assessed continuously.

Credit risk

Credit risk is the risk that the other party to the loans and receivables will cause a financial loss for the group by failing to discharge an obligation. Credit risk arises from rental receivables from its sister company Sunborn UK, loan to Sunborn International Holding Oy, the parent company, and cash and cash equivalents held at banks.

The Company assesses on a forward-looking basis the expected credit losses associated with these receivables. The impairment methodology applied depends on whether there has been a significant increase in credit risk. If there is no significant increase in credit risk, 12 month expected losses are recognized in profit or loss. Otherwise, the lifetime expected credit losses are recognized.

The Company has leased the Yacht hotel to its sister company Sunborn UK. As of 31 December 2025 and 31 December 2024, the company had no lease receivables from Sunborn UK. Sunborn UK makes the lease payments according to the contract, and the management has assessed that there is no significant increase in the credit risk of the receivables. The management has assessed that the 12-month expected loss on the lease receivables is not material.

The most significant receivable is the loan granted to the parent Sunborn International Holding Oy. The loan carries normal credit risk related to intra-group receivables. The credit quality of the loan depends on the financial performance of the parent company. Financial activities of the Sunborn International Group companies are directed by common management. The amounts and terms and conditions of the receivables and payables from group companies are presented in note 13.

The management considers that there has not been a significant increase in credit risk since initial recognition of the loan receivable. Accordingly, impairment based on 12 month expected losses is recognised. The management of the Company has made the assessment and concluded that there is no material impairment loss to be recognised.

Cash and cash equivalents are held in reputable Nordic banks, whose credit ratings are strong. While cash and cash equivalents are also subject to the same impairment requirements as other receivables, the management has assessed that the impairment loss for them is immaterial.

The calculations of expected credit loss for financial assets are based on assumptions about risk of default and expected loss rates. The management uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Liquidity risk and refinancing risk

Liquidity risk is the risk that existing funds and borrowing facilities become insufficient to meet the Company's business needs or high extra costs are incurred for arranging them. Refinancing risk is the risk that refinancing of the existing borrowings and/or raising new funding will not be available or is available at high price.

Prudent liquidity risk management implies maintaining sufficient cash, and the availability of adequate funding. In the long run the principal source of liquidity is expected to be the cash flow generated by the lease agreement. The Group's liquidity position is monitored by the management.

The bond terms include an interest cover ratio, which requires the Company to generate EBITDA minimum of 1.1 times the net finance charge 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. The Issuer was in compliance with all covenants as of the testing date, 31 December 2025.

A summary table with maturity of the 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.

31 Dec 2025

EUR thousand	< 1 year	1 to 2 years	2 to 3 years	3 to 5 years	Total
Payables to group companies	126	-	-	-	126
Trade and other payables	11	-	-	-	11
Senior secured bond	23 125	-	-	-	23 125
Senior secured bond, interest payments	1 731	205	-	-	1 936
Total	24 993	205	-	-	25 198

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

Capital management

Capital of the group as monitored by the management consists of borrowings and equity as shown in the balance sheet.

Capital management is based on the evaluation of essential risks concerning the group. The management of the Company monitors equity ratio. Capital is managed through group contributions or equity instalments. In accordance with the terms of bonds issued by the Company and guaranteed by Sunborn UK, as described in note 12 Borrowings, the Company is not permitted to raise new external debt, however intra-group financing is allowed if needed either in form of equity or debt instruments.

The bond terms include an asset cover ratio covenant, which requires the Company, together with the guarantor, to maintain the asset cover ratio of a minimum 120.0 %. The covenant is calculated based on the market value of the yacht hotel calculated by approved shipbroker appointed by the Company and approved by the bond trustee, divided by financial indebtedness of the Company. The financial covenant is measured semi-annually, and the Company has not breached the covenant.

5. Rental income from related parties and other income

The Group's rental income consists of rental income from Sunborn UK. The 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 9 for details.

The monthly charter fee was adjusted for inflation to GBP 260,000 per month (2024: GBP 246,000) with effect from 1 July 2025 and was further increased to GBP 270,000 per month from 1 January 2026 to reflect updated capital cost, planned bond repayments, vessel insurance and classification costs.

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

EUR thousand	31 Dec 2025	31 Dec 2024
Within 1 year	1 857	1 780
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	1 857	1 780

6. Operating expenses

Operating expenses are presented in the table below:

Operating expenses	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
EUR thousand		
Insurance	113	112
Professional services	40	43
Management fee	82	78
Administrative expenses	29	55
Total	264	288

Auditor's fee	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
EUR thousand		
Statutory fees	12	10

7. Finance income and costs

Finance income and costs are presented in the table below:

	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
EUR thousand		
Finance income:		
Interest income on loan given to parent company	1 917	2 301
Foreign exchange gains	46	18
Total finance income	1 964	2 319
Finance expenses:		
Interest expenses on borrowings	-1 957	-2 704
Amendment fee	-	-245
Foreign exchange losses	-30	-24
Total finance costs	-1 987	-2 973
Finance income and costs, net	-23	-654

Foreign exchange differences relate mainly to the lease receivables from Sunborn UK which are denominated in GBP. Terms and conditions on loan given to the parent company is described in note 13 Related party transactions.

8. Income tax expense

The effective tax rate in 2025 and in 2024 was 20 %.

Income tax expense

	1 Jan - 31 Dec	1 Jan - 31 Dec
EUR thousand	2025	2024
Current tax	0	0
Change in deferred taxes	-484	-204
Total	-484	-204

Tax charge

	1 Jan - 31 Dec	1 Jan - 31 Dec
EUR thousand	2025	2024
Profit before income tax	2 418	1 021
Tax calculated at Finnish tax rate (20%)	-484	-204
Tax recognized in profit loss	-484	-204

9. 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 by Sunborn International UK Ltd. The investment property is carried at cost less any accumulated depreciation and any accumulated losses.

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 UK is also responsible for the management.

Fair value measurement of the Yacht hotel

Fair value of the yacht hotel as of 31 December 2025 has been estimated to be EUR 37 million (31 December 2024: EUR 37 million). 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 the fluctuation of the GBP/EUR exchange rate. Fair value of the yacht hotel as at 31, December 2025 exceeds the book value of the yacht hotel. The value of the Yacht hotel is 49.9 MEUR based on the latest valuation report dated March 2025 by an external evaluator.

The calculation considers different scenarios for determining the residual value after the contractual lease term: its estimated terminal value at the end of the lease term and assumed continuation of the lease contract after the contractual fixed period. Discount rate of 7 % is based on hotel yields in London added by average annual inflation of 2 %. The payments for the extrapolated period include adjustment for risk of 1 %.

The fair value measurement is prepared using unobservable inputs based on the management estimation. The cash flows in the discounted cash flow calculation are based on the fixed payments in the lease contract less estimated operating expenses. If the discount rate used in the calculation would be one percentage point lower/higher, the fair value would have been approximately 4.0 million higher / 3.4 million lower.

Changes in the carrying amount of investment property

EUR thousand	Yacht hotel
Cost at January 1, 2025	45 574
Cost at December 31, 2025	45 574
Accumulated depreciation at January 1, 2025	15 056
Depreciation	850
Accumulated depreciation and impairment at December 31, 2025	15 905
Net book value at January 1, 2025	30 517
Net book value at December 31, 2025	29 668
EUR thousand	Yacht hotel
Cost at January 1, 2024	45 474
Cost at December 31, 2024	45 574
Accumulated depreciation at January 1, 2024	13 548
Depreciation	1 508
Accumulated depreciation and impairment at December 31, 2024	15 056
Net book value at January 1, 2024	32 026
Net book value at December 31, 2024	30 517

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

EUR thousand	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Rental income	3 555	3 471
Direct operating expenses from property that generated rental income	113	112

10. Deferred tax assets and liabilities

EUR thousand	1 Jan - 31 Dec 2025	1 Jan - 31 Dec 2024
Deferred tax liabilities:		
Depreciation difference on investment property	5 818	5 949
Measurement of the borrowings using effective interest method	1	1
Total	5 819	5 950
At January 1	5 950	6 276
Recognized in income statement	-132	-326
Book value at December 31	5 819	5 950
Deferred tax assets and liabilities, net	5 819	5 950

The Company has recognised directly in equity income tax liability related to group contribution EUR 0.615 (2024: EUR 0.530) million.

11. Equity

Number of the shares has been 200 shares since the establishment of the Company. Shares have no nominal value. The Company has not distributed any dividend and the bond agreement set some restrictions for distribution of dividend. However, group contributions are allowed. The group contribution recognised directly in equity amounted to EUR 2.461 (2024: EUR 2.120) million net of tax.

12. Borrowings

EUR thousand	31 Dec 2025	31 Dec 2024
Non-current:		
Senior secured bond	21 722	23 120
Current:		
Senior secured bond	1 400	700
Total	23 122	23 820

The bonds are denominated in euros and mature by 5 February 2027. The bonds have been repaid by the Company in small instalments and the remaining amount will 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 %.

The 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 in note 4 Financial risk management.

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 maintaining liquidity in an amount exceeding the aggregate amount of six months of interests. The financial covenant is measured semi-annually, and the Company was in compliance with all covenants as of the testing date, 31 December 2025. The financial covenants are further described in note 4 Financial risk management.

Changes in liabilities from financing activities:

EUR thousand	Borrowings due within 1 year	Borrowings due after 1 year	Total
Liabilities as at January 1 2024	24 185	0	24 185
Cash flows - repayment (-) / withdrawal (+) of bonds	-675	0	-675
Amortisation using effective interest method	315	-5	310
Other changes	-23 125	23 125	0
Liabilities as at December 31 2024	700	23 120	23 820
Liabilities as at January 1 2025	700	23 120	23 820
Cash flows - repayment (-) / withdrawal (+) of bonds	-700	0	-700
Amortisation using effective interest method	-3	5	2
Other changes	21 725	-21 725	0
Liabilities as at December 31 2025	21 722	1 400	23 122

13. Related parties

Transactions with related parties

Related parties are the ultimate parent company Sunborn International Oyj, the direct parent company Sunborn International Holding Oy, 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 – 31 Dec 2025			1 Jan – 31 Dec 2024		
	Rental income from the operating lease	Management fee	Interest income	Rental income from the operating lease	Management fee	Interest income
Ultimate parent - Sunborn International Oyj	-	-140	-	-	-	-
Parent - Sunborn International Holding Oy	-	-	1 917	-	-100	2 301
Sunborn Oy	-	-22	-	-	-58	-
Sunborn UK	3 555	-	-	3 471	-	-
Total	3 555	-162	1 917	3 471	-158	2 301

EUR thousand	31 Dec 2025		31 Dec 2024	
	Receivables	Liabilities	Receivables	Liabilities
Ultimate parent – Sunborn International Oyj	-	126	-	-
Parent - Sunborn International Holding Oy	22 985	-	25 150	-
Sunborn UK	-	-	-	1 272
Total	22 985	126	25 150	1 272

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 International Oyj and Sunborn Oy during the period, previously also to Sunborn International Holding Oy, 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 February 2027, 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 31 Dec 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 12 Borrowings.

14. Events after the balance sheet date

In January 2026, Sunborn London Oyj successfully obtained bondholders' approval for amendments to the terms of its Senior Secured Bonds (ISIN NO0011099772). The approved amendments include an extension of the bond maturity to 5 February 2027. The resolution was passed according to the required voting thresholds, and Nordic Trustee AS implemented the changes.

PARENT COMPANY INCOME STATEMENT (FAS)

	1 Jan – 31 Dec 2025		1 Jan – 31 Dec 2024	
TURNOVER		3 554 630,45		3 471 255,32
Depreciation		-292 616,88		-292 616,88
Other operating charges		-264 346,75		-288 045,76
		=====		=====
Operating profit		2 997 666,82		2 890 592,68
Financial income and expenses				
Interest income and financial income	1 963 887,03		2 319 068,91	
Interest expenses and financial expenses	-1 984 728,73	-20 841,70	-2 852 344,04	-533 275,13
		=====		=====
PROFIT BEFORE ADJUSTMENT ITEMS AND TAXES		2 976 825,12		2 357 317,55
Adjustment items				
Group contribution		-3 076 600,00		-2 649 870,00
Increase (-) or decrease (+) in depreciation difference		99 812,57		292 616,88
		=====		=====
PROFIT FOR THE PERIOD		37,69		64,43

PARENT COMPANY BALANCE SHEET (FAS)

ASSETS	31 Dec 2025		31 Dec 2024	
FIXED ASSETS				
Tangible assets				
Machinery and equipment	6 438 795,80		6 731 412,68	
Construction in process	261 205,30	6 700 001,10	261 205,30	6 992 617,98
Investments				
Shares		2 500,00		2 500,00
CURRENT ASSETS				
Receivables				
Receivables from Group companies		22 984 602,66		25 149 767,00
Current receivables				
Other receivables	30 477,33		4 782,40	
Prepaid expenses and accrued income	9 382,33	39 859,66	9 762,78	14 545,18
Cash and bank receivables		473 088,46		6 977,54
		=====		=====
TOTAL ASSETS		30 200 051,88		32 166 407,70
EQUITY AND LIABILITIES	31 Dec 2025		31 Dec 2024	
SHAREHOLDERS' EQUITY				
Share capital	80 000,00		80 000,00	
Reserve for invested non-restricted equity	600 000,00		600 000,00	
Retained earnings	350 438,98		350 374,55	
Profit for the period	37,69	1 030 476,67	64,43	1 030 438,98
APPROPRIATIONS				
Accumulated depreciation difference		5 860 382,86		5 960 195,43
LIABILITIES				
Non-current liabilities				
Bonds		21 725 000,00		23 125 000,00
Current liabilities				
Bonds	1 400 000,00		700 000,00	
Debt to group companies	125 500,00		1 271 928,38	
Accounts payable	10 849,29		29 175,74	
Accrued liabilities and deferred income	47 843,06	1 584 192,35	49 669,17	2 050 773,29
		=====		=====
TOTAL LIABILITIES		30 200 051,88		32 166 407,70

PARENT COMPANY CASH FLOW STATEMENT (FAS)

	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2 976 825,12	2 357 317,55
Depreciation and amortisation	292 616,88	292 616,88
Finance costs	20 841,70	533 275,13
Change in trade and other receivables	-25 314,48	7 203,70
Change in trade and other payables	-1 164 754,83	1 274 671,66
Net cash flows from operating activities	2 100 214,39	4 465 084,92
CASH FLOW USED IN INVESTING ACTIVITIES		
Capital Expenditure	0,00	0,00
Net cash flows used in investing activities	0,00	0,00
CASH FLOW USED IN FINANCING ACTIVITIES		
Proceeds from borrowings	-700 000,00	-675 000,00
Contribution to group companies	1 006 000,00	-1 360 878,16
Transaction costs	-80 000,00	-338 549,25
Interest and finance costs paid	-1 874 505,60	-2 304 574,55
Net cash flow used in financing activities	-1 648 505,60	-4 679 001,96
Change in cash and cash equivalents	451 708,79	-213 917,04
Cash and cash equivalents at the beginning of period	6 977,54	231 213,50
Effects of exchange rate changes on cash and cash equivalents	14 402,13	-10 318,92
Cash and cash equivalents at the end of period	473 088,46	6 977,54

NOTES TO THE FINANCIAL STATEMENTS (FAS)

ACCOUNTING PRINCIPLES

The accounting period of the company is a calendar year.

Valuation principles for fixed assets

Fixed assets are valued at their current acquisition cost less planned depreciation. Planned depreciation is calculated according to the predefined depreciation plan as straight-line depreciation on the original acquisition cost of fixed assets. Minor acquisitions (below EUR 850) are booked as costs for accounting period.

Depreciation periods based on estimated economic working lives are as follows:

Machinery and equipment 25 years

Receivables and liabilities denominated in foreign currency

Receivables and liabilities denominated in foreign currency are valued on the basis of the average rate on the balance sheet date.

Consolidated Financial Statements

Sunborn London Oyj's parent company, Sunborn International Holding Oy, completed a share exchange with Rush Factory Oyj on 29 April 2025. As a result of the transaction, Rush Factory Oyj was renamed Sunborn International Oyj and became the new parent company of Sunborn International Holding Oy, holding 100% of its shares. Trading in the shares of Sunborn International Oyj (SBI) on the Nasdaq First North Growth Market Finland commenced on 29 April 2025. Following the listing, the company's capital structure was strengthened, enabling the financing and development of new projects.

Since the share exchange, the company belongs to the Sunborn International Group. The parent company is Sunborn International Oyj, domicile in Turku. Copies of group financial statements are available at the Group's Headquarters: Juhana Herttuan puistokatu 23, 20100 TURKU, FINLAND.

DEPRECIATON AND DEPRECIATION DIFFERENCE

Tangible assets	2025	2024
Machinery and equipment		
Planned depreciation	292 616,88	292 616,88
Depreciation difference	-99 812,57	-292 616,88
Total depreciation	<u>192 804,31</u>	<u>0,00</u>

OTHER OPERATING EXPENSES

	2025	2024
Administrative expenses	123 286,85	143 073,62
Repair and maintenance	0,00	0,00
Insurance expenses	112 968,45	112 220,09
Other expenses	<u>28 091,45</u>	<u>32 752,05</u>
Total	264 346,75	288 045,76

AUDITOR'S FEES

	2025	2024
Grant Thornton Oy		
Audit fees	12 180,00	9 797,29

FINANCIAL INCOME AND EXPENSES

	2025	2024
Financial income		
Interest income from group companies	1 917 435,66	2 300 814,55
Other financial income	46 451,37	18 238,95
Total	<u>1 963 887,03</u>	<u>2 319 053,50</u>
Financial expenses		
Interest expenses	1 862 504,85	2 296 460,47
Other financial expenses	122 223,88	555 883,57
Total	<u>1 984 728,73</u>	<u>2 852 344,04</u>
Financial income and expenses total	-20 841,70	-533 290,54

GROUP CONTRIBUTIONS

	2025	2024
Group contributions given	3 076 600,00	2 649 870,00

CHANGES IN FIXED ASSETS

Tangible assets:	2025	2024
Machinery and equipment		
Acquisition cost 1 Jan	24 359 160,04	24 359 160,04
Additions	0,00	0,00
Accumulated depreciation 1 Jan	17 627 747,36	17 335 130,48
Depreciation during the financial year	292 616,88	292 616,88
Accumulated depreciation 31 Dec	<u>17 920 364,24</u>	<u>17 627 747,36</u>
Book value 31 Dec	6 438 795,80	6 731 412,68
Construction in process		
Acquisition cost 1 Jan	261 205,30	261 205,30
Additions	0,00	0,00
Disposals	0,00	0,00
Acquisition cost 31 Dec	<u>261 205,30</u>	<u>261 205,30</u>
Accumulated depreciation difference		
Machinery and equipment	5 860 382,86	5 960 195,43

INVESTMENTS

<u>Name</u>	<u>Holding %</u>	<u>Domicile</u>	<u>Share capital</u>
Sunborn London Admin Oy	100 %	0,00	2 500,00

Subgroup companies are consolidated in the Sunborn International Group's financial statements.

INTERCOMPANY BALANCES

	2025	2024
Long-term receivables	22 984 602,66	25 149 767,00
Short-term liabilities		
Accounts payable	125 500,00	0,00
Other liabilities	0,00	1 271 928,38
Total	125 500,00	1 271 928,38

PREPAID EXPENSES AND ACCRUED INCOME

	2025	2024
Other receivables	9 382,33	9 762,78

SHAREHOLDERS' EQUITY

	2025	2024
Shareholders' equity		
Share capital 1 Jan	80 000,00	80 000,00
Share capital 31 Dec	80 000,00	80 000,00
Reserve for invested non-restricted equity 1 Jan	600 000,00	600 000,00
Reserve for invested non-restricted equity 31 Dec	600 000,00	600 000,00
Retained earnings 1 Jan	350 438,98	350 374,55
Profit for the period 31 Dec	37,69	64,43
Total shareholders' equity	1 030 476,67	1 030 438,98
Distributable assets 31 Dec		
Reserve for invested non-restricted equity	600 000,00	600 000,00
Retained earnings	350 438,98	350 374,55
Profit for the period	37,69	64,43
	950 476,67	950 438,98

The number of company shares is 200. Each share entitles equal voting rights and rights to dividend and company assets. The company's shares are 100 % owned by Sunborn International Holding Oy.

ACCRUED EXPENSES

	2025	2024
Interest accrual	47 843,06	49 669,17

COLLATERALS AND CONTINGENT LIABILITIES

	2025	2024
Bonds	23 125 000,00	23 825 000,00
Mortgages	40 000 000,00	40 000 000,00
Floating charge	41 600 000,00	41 600 000,00
Pledged bank accounts	472 994,56	6 883,64
Pledged internal receivables	22 984 602,66	25 149 767,00

PROPOSAL OF PROFIT DISTRIBUTION

The Board of Directors proposes to the Annual General Meeting that no dividend be distributed and that the profit for the period, amounting to 37,69 euros, be carried forward to retained earnings.

SIGNATURES FOR THE FINANCIAL STATEMENTS

SUNBORN LONDON OYJ

Turku, March 20, 2026

Ritva Niemi Chairman of the Board	Pekka Niemi Board member
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Jari Niemi Board member	Hans Niemi Board member and Chief Executive Officer (CEO)
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THE AUDITOR'S NOTE

A report on the audit performed has been issued today.

Turku, the date of electronic signature

Grant Thornton Oy

Authorized Public Accountant Firm

Riku Vuorinen

Authorized Public Accountant

COMPANY NUMBER 03843168

SUNBORN INTERNATIONAL (UK) LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025



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COMPANY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2025

Directors:	Hans Niemi Karen Thomson Javier Bordes
Secretary:	Goodwille Limited
Registered office:	1 Chapel Street Warwick United Kingdom CV34 4HL
Registered number:	03843168 (England and Wales)
Independent Auditor:	Shaw Gibbs (Audit) Limited Statutory Auditor Salatin House 19 Cedar Road Sutton Surrey SM2 5DA



STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The directors of Sunborn International (UK) Limited (“the Company”) present Strategic report for the year ended 31 December 2025.

FAIR REVIEW OF THE BUSINESS

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 International Oyj, 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 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.

The second half of the year started steadily, with year-over-year (YOY) revenue holding flat in July. Revenue streams Q3 and Q4 were at record breaking levels and overall performance was above expectations and a clear improvement over the first half of the year.

KEY PERFORMANCE INDICATORS

To measure the performance and progress of the group, several Key Performance Indicators (KPIs) have been established, which are monitored and analysed on a regular basis. These KPIs include, but are not limited to:

1. Total Revenue per available room (TrevPAR): This KPI calculates the TOTAL revenue generated by each available room and measures the revenue generating performance.
2. Average Daily Rate (ADR) : This KPI measures the average revenue earned for an occupied room per day highlighting the profitability of its services.
3. Occupancy rate: This KPI measures the percentage of occupied rooms in the yacht hotel at a given time designed to demonstrate efficiency and financial success.

Key performance indicator (KPI)	YoY Comparison %
TRevPAR	4%
ADR	3%
Occupancy rate	-1%

PRINCIPAL RISKS AND UNCERTAINTIES

The Company identifies several key business risks and uncertainties that could potentially impact its operations, including market risk, credit risk, liquidity risk and refinancing risk. To effectively manage these risks, the Company implements a robust monitoring system, utilizing various key performance indicators as part of its monthly accounting and management reporting processes. This enables the Company to proactively identify, assess, and mitigate potential risks and challenges.

FINANCIAL RISK MANAGEMENT

The Company recognises the importance of managing financial risks to ensure the stability and sustainability of its operations. Key financial risks include currency fluctuations, interest rate changes, and credit risk. The Company’s financial risk management aims to protect it against unfavourable 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. Further details of the financial risks are on page 26.



STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2025
(CONTINUED)

FUTURE DEVELOPMENTS

Management believes the property will continue successful operations and the Company's immediate parent's, Sunborn London Oyj's, financial performance and debt service capacity to remain stable. Management expects the Royal Docks area to continue positive development and to meet robust demand for hotel rooms and services. London Excel is also developing new operations in the vicinity of the hotel, the new Immerse LDN, set to be UK's largest immersive entertainment district. Parts of this development already opened in 2024 located on the waterfront promenade of Excel, in front of the hotel vessel. The additional footfall and hub of activity in the direct vicinity of the hotel is estimated already to positively impact revenue and visitor numbers.

In conclusion, the Company remains committed to supporting the growth and development of its activities, while also focusing on key strategic initiatives that will drive long-term value creation for all stakeholders. By closely monitoring its KPIs, managing financial risks, and investing in future developments, the group aims to achieve sustainable growth and success in the years to come.

The Strategic report was approved by the board on^{31 March 2026} and signed on its behalf by:

H Niemi
Director



REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025

The directors of Sunborn International (UK) Limited (“the Company”) present their annual report and audited financial statements for the year ended 31 December 2025.

PRINCIPAL ACTIVITY

The principal activity of the Company is that of the operation of a luxury floating hotel and restaurant from the yacht, Sunborn London.

DIRECTORS

The directors of the Company during the year and up to the approval of the financial statements were as follows:

Javier Bordes
Hans Niemi
Karen Thomson

DIVIDENDS

No dividends were declared or paid by the Company during the current period and the directors do not propose a final dividend.

GOING CONCERN

The directors have considered the Company’s financial position, liquidity and expected future performance, together with financial projections for the Company and the wider Sunborn International Group covering a period of at least twelve months from the date of approval of these financial statements.

During the year, the Company continued to operate the Sunborn London yacht hotel in Royal Victoria Dock and maintained a strong market position within the London hospitality sector. The Group’s yacht hotel operations generated resilient operating performance during the period, supported by stable revenue generation and positive operating margins despite cost inflation within the sector.

Subsequent to the reporting period, bondholders of Sunborn London Oyj approved amendments to the terms of the Group’s senior secured bond, including an extension of the maturity date to 5 February 2027. This extension provides additional time for the Group to manage its financing arrangements and supports the Group’s liquidity planning.

The directors have considered the Group’s projected cash flows, expected operating performance and the and financial support from the wider group. Based on these considerations, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

Accordingly, the financial statements have been prepared on a going concern basis.



REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

NON ADJUSTING EVENTS AFTER THE FINANCIAL PERIOD

Subsequent to the reporting period, bondholders of Sunborn London Oyj approved amendments to the terms of the Group's senior secured bond, including an extension of the maturity date to 5 February 2027. This extension provides additional time for the Group to manage its financing arrangements and supports the Group's liquidity planning.

There have been no other matters or circumstances not otherwise dealt with, within the financial statements that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the period subsequent to the year ended 31 December 2025.

FINANCIAL INSTRUMENTS

Details of financial instruments and their associated risks are given in note 21 to the financial statements.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

Each of the current directors who held office at the date of approval of this directors' report confirms that:

- so far as the director is aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

REAPPOINTMENT OF AUDITORS

Shaw Gibbs (Audit) Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

INFORMATION INCLUDED IN THE STRATEGIC REPORT

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic information relating to: Financial risks and Future Developments of the business required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Sch. 7 to be contained in the directors' report.

The directors' report was approved by the board on^{31 March 2026}.....and signed on its behalf by:


.....
H Niemi
Director



STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation. Company law requires the directors to prepare financial statements for each financial year.

Under that law the directors have prepared the company financial statements in accordance with UK-adopted international accounting standards.

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SUNBORN INTERNATIONAL (UK) LIMITED FOR THE YEAR ENDED 31 DECEMBER 2025

OPINION

We have audited the financial statements of Sunborn International UK Limited (the 'Company') for the year ended 31 December 2025 which comprise: the statement of comprehensive income, statement of financial position, statement of changes in equity, statements of cash flows, and the notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted International Accounting Standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2025, and of its profit for the year ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SUNBORN INTERNATIONAL (UK) LIMITED FOR THE YEAR ENDED 31 DECEMBER 2025

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SUNBORN INTERNATIONAL (UK) LIMITED FOR THE YEAR ENDED 31 DECEMBER 2025

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations. We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements;
- we obtained an understanding of the legal and regulatory frameworks that the Company operates in, and identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our cumulative audit and commercial knowledge and experience of the Company and the hospitality sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We are also required to perform specific procedures to respond to the risk of management bias and override of controls. To address this, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates set out in note 5 were indicative of potential bias; and investigated the business rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement to disclosures underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, analysing legal costs to ascertain if there have been instances of non-compliance with laws and regulations



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SUNBORN INTERNATIONAL (UK) LIMITED FOR THE YEAR ENDED 31 DECEMBER 2025

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF THIS REPORT

This report is made solely to the Company's member, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Ransford Agyei-Boamah FCA FCCA (Senior Statutory Auditor)
For and on behalf of Shaw Gibbs (Audit) Limited, Statutory Auditor

Salatin House
19 Cedar Road
Sutton
Surrey
SM2 5DA

Date 31 March 2026



COMPANY NUMBER 03843168

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025**

	<i>Note</i>	2025	2024
		£	£
Continuing operations			
Revenue	6	11,027,244	10,597,875
Cost of sales		(5,892,427)	(5,543,400)
Gross profit		<u>5,134,817</u>	<u>5,054,475</u>
Administrative expenses	7	(5,301,105)	(4,862,408)
Operating profit		<u>(166,288)</u>	<u>192,067</u>
Net Finance income/(costs)	8	(55,922)	(7,871)
Profit/(Loss) before tax		<u>(222,210)</u>	<u>184,196</u>
Taxation		-	(18,598)
Profit /(Loss) for the year attributable to the shareholder		<u>(222,210)</u>	<u>165,598</u>
Total comprehensive profit/ (loss) for the year attributable to the shareholder		<u>(222,210)</u>	<u>165,598</u>
Profit / (Loss) per share			
		2025	2024
		£	£
Basic and diluted profit/ (loss) per share	12	<u>(1.48)</u>	<u>1.10</u>



COMPANY NUMBER 03843168

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	<i>Note</i>	2025 £	2024 £
ASSETS:			
Non-current assets			
Property, plant and equipment	13	277,392	229,316
Right-of-use asset	19	807,029	627,244
Total non-current assets		1,084,421	856,560
Current assets			
Inventories	14	126,767	126,804
Trade and other receivables	15	751,123	1,687,875
Cash and cash equivalents	16	1,191,329	762,979
Total current assets		2,069,219	2,577,658
Total assets		3,153,640	3,434,218
EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS:			
Share capital	17	150,000	150,000
Retained earnings		386,270	608,480
Total equity		536,270	758,480
LIABILITIES:			
Non-current liabilities			
Lease liabilities	19	540,761	422,234
Total non-current liabilities		540,761	422,234
Current liabilities			
Trade and other payables	18	1,773,823	2,027,014
Lease liabilities	19	302,786	226,490
Total current liabilities		2,076,609	2,253,504
Total liabilities		2,617,370	2,675,738
Total equity and liabilities		3,153,640	3,434,218

ON BEHALF OF THE BOARD:

The financial statements of Sunborn International (UK) Limited were approved and authorised for issue by the board of directors on and signed on its behalf by:

.....
H Niemi
 Director



COMPANY NUMBER 03843168

STATEMENT OF CHANGES IN EQUITY

	Share capital £	Retained Earnings £	Total £
Balance at 1 January 2024	150,000	442,882	592,882
Profit for the year and total comprehensive income	-	165,598	165,598
Total comprehensive income for the year	-	165,598	165,598
Balance at 31 December 2024	150,000	608,480	758,480
Balance at 1 January 2025	150,000	608,480	758,480
Profit for the year and total comprehensive income	-	(222,210)	(222,210)
Total comprehensive income for the year	-	(222,210)	(222,210)
Balance at 31 December 2025	150,000	386,270	536,270



STATEMENTS OF CASH FLOWS

For the Year Ended 31 December 2025

	2025	2024
	£	£
Cash flows from operating activities		
Profit / (loss) for the year	(222,210)	184,196
Finance cost	(11,802)	(19,875)
Finance income	67,724	27,746
Depreciation	511,683	424,420
(Increase)/decrease in inventories	37	(12,030)
(Increase)/decrease in receivables	936,752	(1,408,367)
Increase/(decrease) in payables	(234,593)	(210,000)
Interest paid	11,802	19,875
Tax paid	(18,598)	-
Net cash generated from/(utilised in) operating activities	1,040,795	(994,035)
Cash flows from investing activities		
Purchases of property, plant and equipment	(285,689)	(215,501)
Released at disposal	-	92,918
Net cash used in investing activities	(285,689)	(122,583)
Cash flows from financing activities		
Repayment of lease liabilities	(326,756)	(160,308)
Net cash used in financing activities	(326,756)	(160,308)
Net increase/(decrease) in cash and cash equivalents	428,350	(1,276,926)
Cash and cash equivalents at beginning of the year	762,979	2,039,905
Cash and cash equivalents at end of the year	1,191,329	762,979



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. Reporting entity and nature of operation

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 Oyj, an undertaking incorporated in Finland. The address of the Company's registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the directors' report on page 2.

Sunborn International (UK) Limited ("Sunborn UK") is acting as a charterer for a luxury yacht hotel "Sunborn London" docked 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. Basis of preparation

The financial statements have been prepared in accordance with UK-adopted IAS. Details of the Company's accounting policies, including changes during the year, are included in note 4.

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgements and estimates have been made in preparing the financial statements and their effects are disclosed in note 5.

2.1 Statement of compliance

The financial statements of the company have been prepared in accordance with UK-adopted IAS. They have also been prepared with those parts of the Companies Act 2006 applicable to companies reporting under IAS.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain financial instruments, as described in the accounting policies set out below.

3. Functional and presentational currency

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

4. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are summarised below. They have all been applied consistently throughout the year and the preceding year.

4.1 Going concern

The directors have considered the Company's financial position, liquidity and expected future performance, together with financial projections for the Company and the wider Sunborn International Group covering a period of at least twelve months from the date of approval of these financial statements.

During the year, the Company continued to operate the Sunborn London yacht hotel in Royal Victoria Dock and maintained a strong market position within the London hospitality sector. The Group's yacht hotel operations generated resilient operating performance during the period, supported by stable revenue generation and positive operating margins despite cost inflation within the sector.

Subsequent to the reporting period, bondholders of Sunborn London Oyj approved amendments to the terms of the Group's senior secured bond, including an extension of the maturity date to 5 February 2027. This extension provides additional time for the Group to manage its financing arrangements and supports the Group's liquidity planning.

The directors have considered the Group's projected cash flows, expected operating performance and the and financial support from the wider group. Based on these considerations, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

Accordingly, the financial statements have been prepared on a going concern basis.

4.2 Revenue recognition

Revenue represents amounts receivable for food, drinks, accommodation and events provided in the normal course of business, net of value added tax. The Company's revenue comprises the provision of hotel accommodation and events, sale of food and beverage and other revenue. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities. Revenue from accommodation is recognised when rooms are occupied. Revenue from events when the events takes place, revenue from food and beverages is recognised is recognised when these are sold.

4.3 Foreign currency

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

4.4 Short term and long term employee benefits

An expense relating to contributions for defined contribution retirement benefit plans is recognised when employees have rendered the service entitling them to the contributions. The assets of the scheme are held separately from those of the Company in an independently administered fund. The Company has no obligation to fund any shortfall between the value of these assets and the return that the employees were hoping to earn.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

4.4 Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

4.6 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following range:

- Furniture and fittings 3 years straight line
- Improvements to property 10 years straight line



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

4.7 Impairment of assets

Depreciable assets are assessed to determine any decrease in value resulting from events or changes in circumstances indicating that the carrying amount might not be recoverable. An impairment loss is recognised in the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value of the asset less selling expenses and value in use. In assessing impairment loss, assets are grouped at the lowest levels at which there are separate identifiable

cash flows (cash-generating units). For assets that have been previously impaired, testing is conducted on each balance-sheet date on whether reversal should be done.

4.8 Leases

Company as a lessee

At inception of the contract, the Company assesses whether a contract is, or contains, a lease. It recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee. The right-of-use assets and the lease liabilities are presented as separate line items in the statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. It is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, plus lease payments made on or before the commencement day, less any lease incentives received and plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is recognized using the straight-line basis so as to write the cost of assets over the lease term.

Company as a lessor

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as finance lease. The Company recognises a lease receivable at the net present value of the lease payments receivables and derecognises the right-of-use asset when the Company becomes an intermediate lessor in accordance with IFRS 16.

4.9 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.10 Trade and other receivables

Trade and other receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

for the impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

4.11 Cash and cash equivalents

Cash and cash equivalents comprise bank current account and cash balances. Bank overdrafts that are repayable on demand and form an integral part of the cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows where applicable.

4.12 Trade and other payable

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

5. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The risk associated with going concern as explained in Note 4.1 is considered by management to be the only critical judgement and estimate for investors to understand when considering some of the processes reasoning that go into the preparation of the Company's financial statements, providing some insight also to uncertainties that could impact the Company's financial results.

6. Revenue

	2025	2024
	£	£
Accommodation and events	6,308,969	6,183,161
Food and beverages	3,920,837	3,726,012
Other revenue	797,438	688,702
	<u>11,027,244</u>	<u>10,597,875</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

7. Expenses by Nature

	2025	2024
	£	£
Employment costs	3,423,008	3,142,191
Depreciation & amortisation	511,683	424,420
Legal & Professional	69,212	63,194
Repairs & maintenance	171,491	187,708
Advertising & marketing	184,546	180,881
Bank charges	164,612	209,309
Management fees	-	-
Other costs	676,553	634,830

8. Finance Income/(Cost)

	2025	2024
	£	£
Other interest income	11,802	19,875
Other interest (payable)	(67,724)	(27,746)
	(55,922)	(7,871)

9. Operating Profit for the year

The profit for the year is stated after charging:	2025	2024
	£	£
Depreciation of owned assets	237,613	284,634
Depreciation of right to use assets	274,070	139,786
(Gain)/loss in relation to Sale & Leaseback transactions	-	(19,198)
Auditor's remuneration:		
Audit of these financial statements	9,500	9,000
Other services	8,500	8,500

10. Personnel expenses (including Directors' remuneration)

The average number of employees during the period, including directors were as follows:

	2025	2024
Operations	113	127

The aggregate staff costs of Company employees were as follows:

	2025	2024
	£	£
Wages and salaries	3,021,735	2,835,439
Social security costs	347,622	257,095
Pension costs – defined contribution plans	53,651	49,657
	3,423,008	3,142,191

A director charged the Company £24,000 (2024: £24,000) during the year for his services. All other directors were remunerated by other group undertakings.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

11. Income tax expense

Recognised in the income statement

	2025	2024
	£	£
Current tax expense		
UK Corporation tax	-	18,598
	<u>-</u>	<u>18,598</u>
Reconciliation of effective tax rate		
	2025	2024
	£	£
Profit / (Loss) before tax	(222,210)	184,196
Income tax using the UK corporation tax rate of 25% (2024: 25%)	(55,553)	46,049
Depreciation in excess of capital allowances and depreciation	(15,722)	12,770
Depreciation in excess of disallowable expense	2,748	2,902
Tax losses (utilised)/carried forward	68,527	(38,323)
Tax increase/(decrease) due to profit on disposal of assets	-	(4,800)
Income tax charge	<u>-</u>	<u>18,598</u>

The Company has unrelieved tax losses of £Nil (2024: £Nil) carried forward at 31 December 2025. These unrelieved tax losses are available for tax utilisation against future trading profits. No deferred tax asset is recognised in the Statement of Financial Position in respect of these losses.

12. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 31 December 2025 was based on the (loss)/profit attributable to ordinary shareholders of (£222,210) (2024: of £143,636) and a weighted average number of ordinary shares outstanding during the period ended 31 December 2025 of £150,000 (2024: £150,000) calculated as follows:

Profit attributable to ordinary shareholders

	2025	2024
	£	£
Profit/(loss) for the period	(222,210)	165,598
Profit/(loss) attributable to ordinary shareholders	<u>(222,210)</u>	<u>165,598</u>

Weighted average number of ordinary shares

	2025	2024
	Number	Number
Number of shares in issue at beginning of year	150,000	150,000
Weighted average number of ordinary shares in issue for the year	<u>150,000</u>	<u>150,000</u>
	2025	2024
	£	£
Earnings per share	<u>(1.48)</u>	<u>1.10</u>

Diluted earnings per share is the same as basic earnings per share as there were no dilutive instruments.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

13. Property, plant and equipment

	Improvements to property £	Fixtures & fittings £	Total £
Cost			
Balance at 1 January 2024	1,359,042	366,225	1,725,267
Additions	75,130	140,371	215,501
Disposals	(64,000)	(48,115)	(112,115)
Balance at 31 December 2024	<u>1,370,172</u>	<u>458,481</u>	<u>1,828,653</u>
Balance at 1 January 2025	1,370,172	458,481	1,828,653
Additions	43,275	242,414	285,689
Disposals	-	-	-
Balance at 31 December 2025	<u>1,413,447</u>	<u>700,895</u>	<u>2,114,342</u>
Depreciation			
Balance at 1 January 2024	1,222,480	111,422	1,333,902
Depreciation charge for the period	116,654	167,987	284,641
Released at disposal	(11,398)	(7,808)	(19,206)
Balance at 31 December 2024	<u>1,327,736</u>	<u>271,601</u>	<u>1,599,337</u>
Balance at 1 January 2025	1,327,736	271,601	1,599,337
Depreciation charge for the period	41,643	195,970	237,613
Released at disposal	-	-	-
Balance at 31 December 2025	<u>1,369,379</u>	<u>467,571</u>	<u>1,836,950</u>
Net book value			
At 31 December 2024	<u>42,436</u>	<u>186,880</u>	<u>229,316</u>
At 31 December 2025	<u>44,068</u>	<u>233,324</u>	<u>277,392</u>

In order to improve the cashflow of the company the company entered into Sale & Leaseback arrangements during the year ended 31 December 2024.

14. Inventories

	2025 £	2024 £
Food & Beverage	126,767	126,804
	<u>126,767</u>	<u>126,804</u>

15. Trade and other receivables

	2025 £	2024 £
Trade receivables	63,177	167,409
Amounts due from group undertakings	16	1,054,673
Other receivables	687,930	465,793
	<u>751,123</u>	<u>1,687,875</u>

The carrying value of trade and other receivables classified as loans and receivables approximates fair value. The average credit period for trade receivables is 14 days. The directors consider that the carrying value of trade receivables approximates to their fair value.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

The amounts due from group undertakings disclosed as falling within one year are secured, payable on demand and non-interest bearing.

Included within other receivables is an outstanding loan amount totalling £164,345 (2024: £157,000) to cover the payment of operational expenses to a related party, Sunborn Energy Limited, which is a company registered in the UK and is majority owned by one of the directors of the Company therefore under common control. These amounts due from this related party are disclosed as falling due within one year are secured, payable on demand and non-interest bearing.

16. Cash and cash equivalents

	2025	2024
	£	£
Bank balances	1,189,589	761,579
Petty cash	1,740	1,400
	1,191,329	762,979

17. Share capital and reserves

	2025		2024	
	No.	£	No.	£
Authorised, allotted, called up and fully paid shares of £1 each	150,000	150,000	150,000	150,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The Company has one class of share capital which carries no right to fixed income.

Reserves

The retained earnings reserve represents cumulative profit or losses net of dividends and other adjustments.

Capital management

The Company is not subject to either internally or externally imposed capital requirements. The Company's objective when managing capital is to provide sufficient resources and to safeguard the Company's ability to continue as a going concern, so that it can continue to increase the value of the entity for the benefit of its shareholder.

The Company manages capital by regularly monitoring its current and expected liquidity requirements rather than using debt/equity ratio analyses. No changes were made in the objectives, policies and processes during the current or previous year.

The directors consider the Company's capital as follows:

	2025	2024
	£	£
Cash and cash equivalents	1,191,329	762,979
Net cash	1,191,329	762,979
Equity	536,270	758,480
Total capital	1,727,599	1,521,459



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

18. Trade and other payables

	2025	2024
	£	£
Current Liabilities		
Trade payables	325,461	227,029
Amounts owed to group undertakings	-	-
Corporation tax payable	-	18,598
Other payables	1,051,541	1,364,332
Accruals	396,821	417,055
	<u>1,773,823</u>	<u>2,027,014</u>

Trade payables and accruals comprise amounts outstanding for trade purchases and ongoing costs. The average credit period for trade purchases is 69 days (2024: 70). No interest is charged on overdue amounts.

The directors consider that the carrying value of trade and other payables approximates to their fair value.

19. Leases

Company is the lessee

Right-of-use assets

	Mooring rights	Other assets	TOTAL
	£	£	£
Cost			
Balance at 1 January 2024	921,275	-	921,275
Additions	83,139	272,225	355,364
Balance at 31 December 2024	<u>1,004,414</u>	<u>272,225</u>	<u>1,276,639</u>
Balance at 1 January 2025	1,004,414	272,225	1,276,639
Additions	169,459	284,396	453,855
Balance at 31 December 2025	<u>1,173,873</u>	<u>556,621</u>	<u>1,730,494</u>
Depreciation			
Balance at 1 January 2024	509,609	-	509,609
Depreciation charge for the period	129,080	10,706	139,786
Balance at 31 December 2024	<u>638,689</u>	<u>10,706</u>	<u>649,395</u>
Balance at 1 January 2025	638,689	10,706	649,395
Depreciation charge for the period	119,917	154,153	274,070
Balance at 31 December 2025	<u>758,606</u>	<u>164,859</u>	<u>923,465</u>
Net book value			
At 31 December 2024	365,725	261,519	627,244
At 31 December 2025	415,267	391,762	807,029



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

At 31 December 2025 the Company is committed to £843,547 (2024: £648,724) in future lease payments, split between Non-current and current. The carrying amount of the lease liabilities approximate the fair value.

The future lease payments analysed as:

	2025	2024
	£	£
Non-current	302,786	526,157
Current	540,761	122,567
	843,547	648,724

Amounts recognised in statement of comprehensive income:

	2025	2024
	£	£
Depreciation of right-of-use assets	274,070	139,786
Interest expense on lease liabilities	67,724	27,746
	341,794	167,532

Cash Flows

The total cash outflows for leases amounted to £326,756 (2024: £160,308), split as follows:

- cash payments of £259,032 (2024: £132,561) for the principal portion of the lease liabilities within financing activities; and
- cash payments of £67,724 (2024: £27,746) for the interest portion of the lease liabilities within operating activities.

20. Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £53,651 (2024: £49,657). Contributions totalling £nil (2024: £10,261) were payable to the scheme at the end of the year are included in other payables.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

21. Financial instruments

The principal financial assets comprise: cash and cash equivalents; amounts due from group undertakings; and trade and other receivables. The financial liabilities comprise: trade payables; amount due the parent undertaking; other payables and accrued expenses. All of the financial liabilities are measured at amortised cost and their financial assets are classified as loans and receivables and measured at amortised cost. The Company held the following categories of financial instruments at 31 December 2025:

	2025	2024
	£	£
Financial assets		
Loans and receivables at amortised cost:		
Amounts owed by group undertakings	687,946	1,054,673
Other receivables	687,930	465,793
Cash at bank	1,191,329	762,979
Total financial assets	<u>1,879,275</u>	<u>2,283,445</u>
Liabilities at amortised cost or equivalent:		
	2025	2024
	£	£
Trade payables	(325,461)	(227,029)
Amount owed to group undertakings	-	-
Corporation tax	-	(18,598)
Other payables	(1,051,541)	(1,364,332)
Accruals and deferred income	(396,821)	(417,056)
Total financial liabilities	<u>1,773,823</u>	<u>2,027,014</u>

There were no financial assets and financial liabilities that are measured at fair value on a recurring basis at the current or previous year ends. In consequence, no further information has been presented about how the Company establishes the fair values of financial instruments.

The directors determine, as required, the degree to which it is appropriate to use financial instruments and hedging techniques to mitigate risks. The main risks for which such instruments may be appropriate are liquidity risk, credit risk, market risk and interest rate risk each of which is discussed below.

Liquidity risk

Liquidity risk arises from the management of working capital and the finance and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The trade payables, other payables and accrued expenses are generally due between one and three months.

Credit risk

The principal financial assets are bank balances and cash, trade and other receivables. The credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful debts. It is Company policy to assess the credit risk of new customers and to factor the information from these credit ratings into future dealings with the customers. At the statement of financial position date there were no significant concentrations of credit risk.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's market risks arise from open positions in interest-bearing assets and liabilities, to the extent that these are exposed to general and specific market movements (interest rate risk). The Company is not exposed to foreign exchange rate risk as all its financial assets and liabilities are denominated in British pound. The Company has no significant exposure to price risk as it does not hold any equity securities or commodities.

Interest rate risk

Company's interest rate risk principally arises from long-term loan receivable and borrowing. As they bear variable interest rates, they expose the Company to cash flow interest rate risk. On the other hand, not having loan receivables and borrowings at fixed rates, does not expose the Company to fair value interest rate risk. Trade and other receivables and trade and other payables are interest free and with a term of less than one year, so it is assumed that there is no interest rate risk associated with these financial assets and liabilities.

Company's interest rate risk is monitored on a regular basis. Various scenarios are simulated, taking into consideration refinancing, renewal of existing positions and alternative financing sources.

Fair values

In the directors' opinion there is no material difference between the book value and fair value of any of the financial instruments.

Classes of financial instruments

The classes of financial instruments are the same as the line items included on the face of the statement of financial position and have been analysed in more detail in the notes to the accounts. All the Company's financial assets are categorised as receivables and all financial liabilities are measured at amortised cost.

22. Related parties

The Company's related parties are Sunborn International group entities controlled by Sunborn International Oyj and the board of directors of the Company, the board of directors of the ultimate parent Company Sunborn International Oyj together with their close family members, and companies controlled by these individuals.

At the year end the Company was owed by its sister company Sunborn London Oyj £nil (2024: £1,054,673). These amounts due from group undertakings disclosed as falling within one year are secured, payable on demand and non-interest bearing.

During 2024, the Company provided a loan of £110,000 and further advances of £47,000 to cover operational costs to a related party, Sunborn Energy Limited. Sunborn Energy Limited is a company incorporated in the United Kingdom and is majority-owned by one of the Company's directors, thereby placing it under common control. These amounts, disclosed as due within one year, are secured, repayable on demand, and non-interest bearing. The outstanding balance due from Sunborn Energy Limited as at the year end was £164,345 (2024: £157,000).

23. Immediate and ultimate parent undertaking

The Company is a wholly owned subsidiary of Sunborn International Holding Oyj. The smallest and largest group in which the results of the Company are consolidated is that of Sunborn International Oyj, the ultimate



parent undertaking. The financial statements of which can be obtained from Juhana Herttuan Puistokatu 23, 20100 Turku, Finland.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

24. Non adjusting events after the financial period

Subsequent to the reporting period, bondholders of Sunborn London Oyj approved amendments to the terms of the Group's senior secured bond, including an extension of the maturity date to 5 February 2027. This extension provides additional time for the Group to manage its financing arrangements and supports the Group's liquidity planning.

Sunborn International (UK)'s parent company, Sunborn International Holding Oyj, completed a share exchange with Rush Factory Oyj on 29 April 2025. In connection with the transaction, Rush Factory Oyj was renamed Sunborn International Oyj ("SBI") and became the parent company of the Sunborn International Holding Group. As a result of the transaction, Sunborn International Oyj was listed on the Nasdaq First North Growth Market Finland, and trading in the company's shares commenced on 29 April 2025. Following the successful listing, the company's capital structure was strengthened, enabling the Group to advance its new development projects.

There have been no other matters or circumstances not otherwise dealt with, within the financial statements that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in the period subsequent to the year ended 31 December 2025.

25. Application of new and revised International Financial Reporting Standards (IFRSs)

New standards, interpretations and amendments not yet adopted by the company:

The Company applies all standards and interpretations that have been adopted for use in the UK and are effective for the reporting period beginning 1 January 2025. The company has applied the following UK-adopted amendments for the first time in the year ended 31 December 2025:

Standard/Amendment/ Interpretation	Effective date (annual periods beginning on or after)	Status for the Company at 31 Dec 2025
Amendments to IAS 21: Lack of Exchangeability	1 January 2025	Applied in 2025 reporting period

The amendments introduce guidance on (i) assessing when a currency is exchangeable into another currency and (ii) determining the exchange rate to use and the related disclosures when exchangeability is lacking. Adoption of these amendments did not have a material impact on the company's financial statements or key metrics.

New standards, interpretations and amendments not yet effective:

At 31 December 2025, the following UK-adopted standards/amendments had been issued and endorsed for use in the UK but were not yet effective for the company's reporting period (and have not been early adopted):

Standard/Amendment/ Interpretation	Effective date (annual periods beginning on or after)	Status for the Company at 31 Dec 2025
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026	Not yet effective



Amendments to IFRS 9 and IFRS 7 — Classification and Measurement of Financial Instruments	1 January 2026	Not yet effective
Amendments to IFRS 9 and IFRS 7 — Contracts Referencing Nature-dependent Electricity	1 January 2026	Not yet effective
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	UK-adopted, not yet effective
IFRS 19 Subsidiaries without Public	1 January 2027	Not yet UK-adopted
Accountability: Disclosures	N/A	draft endorsement under consideration

Where an IFRS Accounting Standard or amendment has been issued and UK-adopted but is not yet effective at 31 December 2025, the company has made an assessment of its requirements and potential effects. The Company has elected not to early adopt any of the standards, interpretations or amendments that are not yet effective. For all of the above new and amended standards that are not effective at 31 December 2025, the Company expects no material effect on its recognised assets, liabilities, equity, profit or loss, or presentation disclosures when such standards become effective.