



## SUNBORN GIBRALTAR LTD INTERIM REPORT FOR JANUARY - MARCH 2020

29.5.2020 21:15:00 EEST | Sunborn (Gibraltar) Limited | Interim report (Q1 and Q3)

STOCK EXCHANGE RELEASE This is a summary of the Q1 2020 interim financial report. The complete report is attached to this release and is also available at [www.sunborn.com/press/](http://www.sunborn.com/press/)

SUNBORN GIBRALTAR LTD

### INTERIM REPORT FOR JANUARY - MARCH 2020

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### Key Figures (IFRS) - Issuer Sunborn Gibraltar Plc

#### Executive Director, Hans Niemi

"The performance and circumstances of the Sunborn Gibraltar operations in Q1 are both unexpected and unprecedented. The first two months of Q1 began quite similar to previous years with positive EBITDA figures in both months. In mid March the business encountered severe travel restrictions and a sudden government imposed lockdown of Gibraltar due to the pandemic. This led to the eventual winding down and freezing of normal hotel services by March 22. Therefore, the Q1 results came in far below expectations and resulted in negative trading with zero income with most of the costs intact towards the end of the period. Tourism and all operating businesses trading in Gibraltar have been impacted negatively during the period while the hospitality industry anxiously awaits the opening and recovery. Q1 occupancy reduced by -45 % YoY and Total revenue -39 %, EBITDA decreased £ -590k YoY."

#### Sunborn Gibraltar Plc Financial summary 1 January - 31 March 2020

Sunborn receives lease income from the management company. Lease income was £795K in 2020 (£795K in 2019).

The value of the Yacht hotel is at €113.6M based on the latest valuation report dated May 2019.

#### Business environment

Tourism and all operating businesses trading in Gibraltar have been impacted negatively during the period.

Pandemic related restrictions on normal business operation in Gibraltar started in March 13th and continue to be in force today. As the hotel is reliant on clients being able to travel via airlines and the Gibraltar-Spain land border, the business is unlikely to open for normal business until imposed restrictions on free movement of people, public gathering and food and beverage services are lifted.

#### Notable events after the end of the reporting period and estimated future development

Since 13th March 2020, the coronavirus (COVID-19) has led to unprecedented and gradually worsening business situation in the global hospitality sector, including Gibraltar. COVID-19 impacts

Sunborn Gibraltar Ltd through the operator Sunborn Gibraltar Resort Ltd's ability to continue operations during national emergency and pay the contractual rental payments, which are the main

income for the Company.

Sunborn Gibraltar initiated a written procedure to request the bondholders to vote in favor of certain waivers and amendments of the terms and conditions of the bonds and Sunborn Gibraltar Ltd management is confident the written

procedure for the amendments and waivers will be accepted.

### **Short-term risks and uncertainties**

The COVID-19 outbreak is severely and negatively affecting the tourism globally.

As the company is reliant on the ability of the property operator to pay rent, recent temporary closure of the underlying business and the subsequent forecasted recovery period is likely to affect the performance of the operator in the short and medium term.

The impact of the unprecedented crisis is difficult to predict and it is unknown when the full recovery of the affected businesses will take place.

Sunborn Gibraltar Plc  
Board of Directors

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### **Sunborn Group in brief**

Sunborn is over 40 years old, privately owned company based in Finland, with decades of experience in the hospitality sector. Our focus is on the development of luxury spa and yacht hotels, restaurants and other high-quality property.

Sunborn is present at the moment in Finland, Denmark, United Kingdom and Gibraltar. Operations vary from spa resorts and residential communities to hotels and yacht hotels, restaurants, and catering operations in the best locations.

[www.sunborn.com](http://www.sunborn.com)

### **Disclaimer**

*The information contained in this release shall not constitute an offer to sell or the solicitation of an offer to buy securities of Sunborn Gibraltar Plc in any jurisdiction.*

### **About Sunborn (Gibraltar) Limited**

Sunborn Gibraltar is part of the Sunborn Group, which is over 40 years old, privately owned group of companies based in Finland, with decades of experience in the hospitality sector. Sunborn's focus is on the development of luxury spa and yacht hotels, restaurants and other high-quality property.

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### **Attachments**

- [Download announcement as PDF.pdf](#)
- [Sunborn Gibraltar Q1 2020 Report.pdf](#)
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