



SUNBORN GIBRALTAR LTD: INTERIM REPORT FOR JANUARY - MARCH 2023

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SUNBORN GIBRALTAR LTD

INTERIM REPORT FOR JANUARY - MARCH 2023

STOCK EXCHANGE RELEASE

This is a summary of the Q1 2023 interim financial report. The complete report is attached to this release and is also available at www.sunborn.com/press/

GBP thousand	1 Jan - 31 Mar 2023	1 Jan - 31 Mar 2022	1 Jan - 31 Dec 2022
Rental income	1,050	795	3,180
EBITDA	1,010	750	3,034
Investment property (yacht hotel)			78,707
Total equity			5,742
Bond			51,170

Sunborn Gibraltar Ltd Financial summary 1 January - 31 March

The Issuer Sunborn Gibraltar Ltd lease income in Q1 2023 from the Operator was as per budget £1,050M and costs were also in line with expectations.

Operator Financial summary 1 January - 31 March

Overall Q1 compares similarly to those in pre-pandemic years. Total Revenue came in at £M 1,671 (+8 % YoY 2022). Rooms revenue contributed to this with an increase in Occupancy +5 % YoY. EBITDA came in at £M 0,038 (-74 % YoY 2022). The negative results are the outcome of one restaurant being closed with ramp up of new concept as well as the higher expense costs in various areas particularly in utilities. Operational results were positive with an increase of ADR at 5% and RevPar +5 % for the period over 2022. The outlook for Q2 is picking up in the second half and management is seeing increases in MICE and corporate business.

Business environment

After the reporting period, the number of flights has increased to 40 flights per week in April 2023 which is slightly below previous summer schedules. The availability cost and number of flights correlates strongly with hotel room bookings volume as most clients fly into Gibraltar.

During the period, the hotel continued to maintain high levels of Guest satisfaction ratings reflected by Trip Advisor rating of #2, [Booking.com](https://www.booking.com) rating of 8.5/10, [Hotels.com](https://www.hotels.com) rating of 9.2/10, [Expedia.com](https://www.expedia.com) 9.2/10 during the period. In May 2023, the hotel was inspected and received the continued AA-rating of Five Star for the hotel and 2 Rosettes for the main restaurant.

Notable events during and after the end of the reporting period and estimate future development

In February 2023, the hotel received the International Environmental Certificate, Green Key, issued by the Foundation for Environmental Education.

Amendment proposal has been approved to extend the final maturity date of the bonds by 18 months to 5 March 2024.

The war in Ukraine continues to impact prices of various items, particularly in food and beverage such as grain related items as well as various supplies which are reliant upon fuel prices that have increased. Management is adapting to the price increases.

Short-term risks and uncertainties

Floating interest rate risk has not been hedged and may negatively and materially impact Sunborn Gibraltar's liquidity.

Continued UK inflationary pressure may cause significant increases in cost of materials and labour, consequently requiring faster than expected price development for our sales and short-term fluctuations in profit margins as the business adapts to volatile market conditions.

The Company's bond is maturing for repayment on 5 March 2024. Management views the current high yield market conditions to be less favourable but financing to be available subject to terms and conditions.

Sunborn Gibraltar Ltd
Board of Directors

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Sunborn Group in brief

Sunborn is privately owned and 50 years old group of companies headquartered in Finland. Sunborn focuses on development, management and ownership of high-quality hospitality property and business operations. Sunborn group has presence in seven countries with operations ranging real-estate, hotels and lodging, residential communities, yacht hotels, food service, and catering among others.

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.

Attachments

- [Download announcement as PDF.pdf](#)
- [Financial Statements Sunborn Gibraltar Ltd Q1 2023.pdf](#)