



# SUNBORN GIBRALTAR LTD INTERIM REPORT FOR APRIL - JUNE 2023

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SUNBORN GIBRALTAR LTD

## INTERIM REPORT FOR APRIL - JUNE 2023

STOCK EXCHANGE RELEASE

This is a summary of the Q2 2023 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/)

GBP thousand	Q2 2023	Q2 2022	H1 2023	H1 2022	FY 2022
Rental income	1 150	795	2 200	1 590	3 180
EBITDA	1 064	785	2 075	1 535	3 034
Investment property (Yacht hotel)			77 989	78 896	78 707
Total equity			6 461	3 727	5 742
Bond			49 754	50 049	51 170

### Issuer Sunborn Gibraltar Ltd Financial summary 1 April-30 June 2023

The Issuer Sunborn Gibraltar Ltd lease income in Q2 2023 from the Operator was as per budget £1,050M and costs were also in line with expectations.

The fair value of the Yacht hotel is at €108.6 Million based on the latest valuation report dated June 2023.

### Operator Financial summary 1 April - 30 June 2023

Operator total Revenue for the period came in at £M 3,09 (-10 % YoY 2022). Rooms revenue and demand fell short of expectations therefore with a decrease in occupancy -12 % YoY. EBITDA came in at £M 1,04 (-27 % YoY 2022). Operations maintained ADR at 0% variance however RevPar fell -13 % for the period over 2022. Major factors impacting EBITDA and Net Profit were increased Mooring Fee and Bare Board Charter, +26% and +32% respectively over the same period in 2022.

### Business environment

Corporate segment improved significantly by +10 % and Leisure (FIT) as well at +11%, however, MICE and Government segments decreased by -31 % compared to Q2 2022.

The number of flights increased to 40 flights per week as of April 2023 as per normally schedule. Flight arrivals were nearly at par with 2022. The availability cost and number of flights correlates strongly with hotel room bookings volume as most hotel clients fly into Gibraltar.

Short let apartments in the jurisdiction have increased exponentially in the past two years from approximately ~100 to ~380. In the market where there are 590 hotel rooms, the short-let market has a significant effect on hotel market trading levels and will continue to impact performance unless regulation is introduced.

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

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.

### 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 05 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 50 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.*

### **Attachments**

- [Download announcement as PDF.pdf](#)
- [Financial Statements Sunborn Gibraltar Ltd Q2 2023.pdf](#)