



SUNBORN GIBRALTAR LTD: INTERIM REPORT FOR OCTOBER - DECEMBER 2020

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SUNBORN GIBRALTAR LTD

INTERIM REPORT FOR OCTOBER - DECEMBER 2020

STOCK EXCHANGE RELEASE

This is a summary of the Q4 2020 interim financial report. The complete report is attached to this release and is also available at www.sunborn.com/press/

Key Figures (IFRS) - Issuer Sunborn Gibraltar Ltd

Sunborn Gibraltar Ltd Financial summary 1 October - 31 December 2020

The operations in Q4 continued under Covid-19 impact. The Issuer Sunborn Gibraltar Ltd receives lease income from the Operator. Lease income in Q4 was £795 K (£795K in Q4 2019).

Operator Sunborn Gibraltar Resort Q4 revenue was £1.15M (£2.3M) and EBITDAR was £0.32M (£0.5M), a good result considering the challenging negative business environment in the quarter. Strong sales in October and stringent cost controls sustained Q4 operational EBITDAR positive. October performance was excellent and pre-bookings for November and December were at good levels until a swift deterioration in the business environment in Gibraltar due to Covid-19.

The value of the Yacht hotel is at €110.6M based on the latest valuation report dated June 2020. Parent entity Sunborn International Oy converted £5,000,000 of debt to equity.

Business environment

The Covid-19 business environment continues to impact the underlying hotel operation.

Positively, there are new airline routes and carriers coming to Gibraltar. Leisure travel from UK is expected to rebound towards the summer and pre-bookings are showing good level of demand. The period leading up to the summer will however be difficult and business levels unpredictable.

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

Pandemic related restrictions on normal business operation in Gibraltar started in March and many policy decisions by government continued in Q4. The first quarter of 2021 has begun under worsening circumstances where the FCDO continues to ban non-essential travel and local government restrictions are in place on restaurants and events.

While the Covid-19 situation is an unprecedented scenario, the management is confident the property is well placed to continue operations normally upon the lifting of prohibitive restrictions regardless of the subsequent changes in the operating environment.

UK has officially left the EU 31.12.2020. Gibraltar, UK and Spain are in process of ratifying an in-principle agreement allowing Gibraltar to form part of Schengen travel zone. Management views this as a major positive step in development of future tourism and travel in Gibraltar.

Parent entity Sunborn International Oy converted £5,000,000 of debt to equity.

Short-term risks and uncertainties

Prolonged Covid -19 restrictions could further impact the Company's business through continued negative impact on the operator. The impact of the unprecedented crisis is difficult to predict, and it is unknown when the recovery of the affected businesses will take place. Prolonged crisis could also in the long term impact the fair value of the yacht hotel the Company holds as investment property.

Sunborn Gibraltar Ltd
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

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 Q4 2020.pdf](#)