



## Sunborn Finance Oyj: INTERIM REPORT FOR JULY- SEPTEMBER 2022

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STOCK EXCHANGE RELEASE

This is a summary of the Q3 2022 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/)

### Key Figures (IFRS) - Sunborn Finance Oyj

EUR thousand	1 Jul- 30 Sep 2022	1 Jul- 30 Sep 2021	1 Jan- 30 Sep 2022	1 Jan- 30 Sep 2021	1 Jan - 31 Dec 2021
Revenue	951	915	2 850	2 871	3 856
EBITDA	788	751	2 322	2 415	3 239
Investment property (Spa Hotels)			61 760	61 820	61 759
Total equity			2 355	2 734	2 638
Bond			50 133	49 831	49 906

### Sunborn Finance Oyj Financial summary 1 July - 30 September 2022

Sunborn Finance revenue 0.95 M€ consists of fixed lease income from the operator and other services income. Lease income Q3 2022 was 0.88 M€ (Q3 2021 0.85 M€). Other services income refers to personnel costs for facility services and is a cost/income neutral line item. Costs were in line with previous year.

According to December 2021 valuation reports the value of the Spa hotels is at Naantali Spa 52.2 M€ and at Ruissalo Spa 26.7 M€ (1/3 of Ruissalo Spa is owned by Sunborn Finance and shown as its assets). During 2022 the company renovated hotel reception, cafe and lobby bar. Renovations are reflected in changes in fair value of investment property in the income statement.

### Notable events during the reporting period and estimated future development

Corporate business showed signs of recovery already in June and continued at a good level even in August and September. Companies are finally willing to organize events and conferences again after a two-year break, for example bookings for corporate Christmas parties. Similarly, volumes in the rehabilitation business are running at a high level. Leisure segment is showing signs of uncertainty as customers are cutting back on consuming and travelling.

Sunborn Saga Oy continuously strives to improve our environmental performance. The company has implemented a 3-year ESG strategy to among other objectives to achieve major reductions in energy consumption and carbon footprint.

Our business strategy continues to focus on corporate and other groups, domestic leisure and medical rehabilitation in the coming months. Q4 will focus on lowering variable costs in connection with variable occupancy and incoming revenue.

### Business environment

In spite of increasing number of Covid cases, this no longer is the main driver impacting travelling industry. People look to reconnect, explore new products, and revisit reliable favorites. Willingness to travel abroad after two years break increased noticeably during the summer. At the same time many people are still expected to favor domestic travel due to the risk of falling ill abroad.

Russia's invasion of Ukraine causes a bigger and long-term concern in forms of increasing costs such as energy expenditure, food and laundry costs. With the inflation pressures, consumer buying behavior is shifting and the industry must adapt.

Customer satisfaction of the hotels continues to be good and has not been affected by the pandemic or the war against Ukraine. On the contrary net promotion score is on a high level in both hotels.

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

Floating interest rate risk has not been hedged and may negatively and materially impact Sunborn Finance Oyj liquidity.

The continuing pandemic is an ongoing uncertainty. The war in Ukraine is unlikely to have a direct impact on the company's operations. However, inflationary pressure will continue to effect energy expenditure and will increase cost of materials and labour. The situation impacts on customer demand and behavior.

The Company's bond is maturing for repayment on 9th February 2023. Management views the current high yield market conditions to be less favourable due to the higher industry risk and ongoing risks but financing to be available subject to terms and conditions. Company has engaged advisors and is in progress of pursuing refinancing in advance of maturity.

Sunborn Finance Oyj  
Board of Directors

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### **Sunborn Finance in brief**

Sunborn Finance is a public limited liability company incorporated in Finland and established in 2017. The company owns the award winning Naantali Spa Hotel located in Naantali by the Baltic Sea and Ruissalo Spa Hotel located in Turku by the scenic Finnish archipelago. Sunborn Finance also provides property management and IT support services.

The company is owned by the Niemi family, which also controls the Sunborn Group. Sunborn Group's focus is on the development of luxury spa and yacht hotels, restaurants and other high-quality property, with over 50 years of expertise in the hospitality sector.

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

### **Information**

*This information is information that Sunborn Finance Oyj is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 11:30 am CET on 7th November 2022.*

### **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 Finance Oyj in any jurisdiction.*

### **Attachments**

- [Download announcement as PDF.pdf](#)
- [Sunborn Finance Q3 2022 Report Final.pdf](#)