



## Sunborn Finance Oyj: INTERIM REPORT FOR JANUARY - MARCH 2020

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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/)

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

EUR thousand	1 Jan- 31 Mar 2020	1 Jan- 31 Mar 2019	1 Jan - 31 Dec 2019
Revenue	911	907	3 625
EBITDA	766	651	2 806
Investment property (Spa Hotels)	65 914	63 500	65 914
Total equity	6 820	5 485	6 909
Bond	49 194	48 922	49 130

### Executive Director, Hans Niemi

Year 2020 started with record breaking performance until the abrupt government imposed COVID19 restrictions forced freeze of operations in mid to end of March. Sunborn Finance Oyj Rental income however remained as expected at 0.9 M euros (0.9 M euros) and costs were in line with previous year.

Whist operations in Sunborn Saga Oy were heavily affected from 13th March onwards, strong performance in January and February provided a good foundation for Q1 revenues, which decreased only -6 % and EBITDA was -88 keur vs. 170 keur last year. Management has revised all business forecasts for 2020 to account for the disruption of the pandemic. Business operations are planned to reopen 1st June whilst the COVID 19 is expected to continue to heavily impact all business during the remainder of 2020."

### Sunborn Finance Oyj Financial summary 1 January - 31 March 2020

Sunborn Finance revenue consists of fixed lease income from the operator and other services income. Lease income 1-3/2020 was 0.85 M€ (1-3/2019 0.85 M€). Other services income refers to personnel costs for facility services and is a cost/income neutral line item. Costs in 2019 included one-time costs related to the listing.

The value of the Spa hotels is at Naantali Spa 54 M€ and at Ruissalo Spa 28,5 M€ (1/3 in Sunborn Finance assets) according the valuation reports.

### 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 Finland. COVID-19 impacts Sunborn Finance Oyj through the operator Sunborn Saga Oy's ability to continue operations during national emergency and pay the contractual rental payments, which are the main income for the Company.

Sunborn Finance 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 Finance Oyj management is confident the written procedure for the amendments and waivers

will be accepted.

### **Business environment**

The COVID-19 restrictions are expected to increase domestic leisure travel demand while reducing international and business travel.

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

The COVID-19 outbreak is severely and negatively affecting the tourism market in Finland. 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 Finance Oyj  
Board of Directors

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### **Sunborn Group in brief**

Sunborn is over 40 year 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 Finance Oyj in any jurisdiction.*

### **About Sunborn Finance Oyj**

Sunborn Finance 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](#)