



SUNBORN CAPITAL MARKETS DAY 2019

17TH SEPTEMBER 2019



sunborn

Sunborn Gibraltar Senior Secured Bond

Q2 Presentation – September 2019



TWO AA ROSETTES
FOR CULINARY EXCELLENCE



Gibraltar's
Leading
Hotel



Gibraltar's
Leading
Conference
Hotel



WINNER GOLD
BEST INTERIOR DESIGN



NOMINEE 2019
MOST INNOVATIVE HOTEL CONCEPT

Sunborn Gibraltar yacht hotel - the operation and asset at a glance



Description

- Launched in 2014, the Sunborn Gibraltar is a 5 star Grand Luxe yacht hotel. Sunborn Gibraltar is the Group's most sophisticated vessel, with state-of-the-art facilities and has been finished to a high specification. The vessel is a purpose-built, self-propelled yacht designed to enable short voyages and for manoeuvring in ports
- The Sunborn Gibraltar has 189 rooms, including 22 suites. Additionally, there is ballroom and conference facilities for up to 700 delegates, numerous restaurants including a 7th deck Sky Restaurant with panoramic views, 3 bars, a fitness centre and spa as well as a casino
- The vessel is superbly located in Gibraltar's Ocean Village Marina and has over 10 years left of a 15 year Mooring Agreement
- The vessel is operated by Sunborn (Gibraltar) Resort Ltd, with an Internal Bareboat Agreement regulating the lease from the vessel owner, Sunborn (Gibraltar) Ltd, together the ring-fenced group
- The unique hotel offering of the Sunborn Gibraltar is evidenced by excellent customer satisfaction, being rated as the #1 hotel in Gibraltar by Trip Advisor and scoring 9.1/10 on Booking.com

Customer satisfaction

Booking.com

9.1 / 10

"Amazing views, wonderful staff and location was great"

tripadvisor

#1 out of 6 hotels rated in Gibraltar

"Certificate of excellence"

Expedia

4.6 / 5

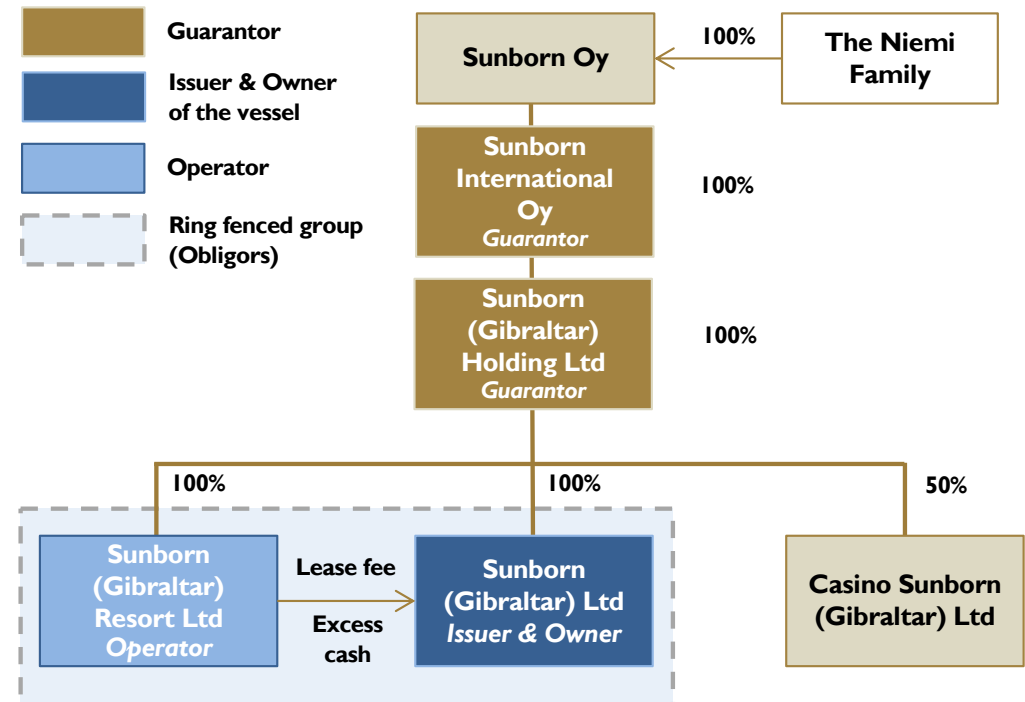
"95% of guests recommend"

Hotels.com

4.6 / 5

"Superb"

structure





Chief Executive Director, Hans Niemi

- Q2 2019 total turnover ended relatively flat, cumulatively +3% YoY.
- Rooms sold at +1% YoY during the period contributing to a YTD cumulative of +15%YoY
- RevPar for the period experienced an increase of +2% YoY and Q2 EBITDA increased +5% YoY.
- Exceptional April
- Otherwise monthly performance improved on YoY. Numbers are close to 2017 peak year.
- During the Q2 period total revenue increased +4%increase

Key Figures Issuer Sunborn (Gibraltar) PLC

GBP thousand	1 Apr-30 Jun 2019	1 Apr-30 Jun 2018	1 Jan -30 Jun 2019	1 Jan -30 Jun 2018	1 Jan- 31 Dec 2018
Rental income	795	750	1,590	1,500	3,180
EBITDA	746	700	1,504	1,408	2,984
Investment property (yacht hotel)	86,284	88,898	86,284	88,933	87,522
Total Equity			6,741		8,251
Bond			50,667		50,461

Key Figures Operator Sunborn (Gibraltar) Resort Limited

GBP thousand	1 Apr-30 Jun 2019	1 Apr-30 Jun 2018	1 Jan -30 Jun 2019	1 Jan -30 Jun 2018	1 Jan- 31 Dec 2018
Turnover	3,017	3,081	5,342	5,185	10,693
EBITDAR	1,073	1,145	1,650	1,576	3,106



STATEMENT OF COMPREHENSIVE INCOME

GBP thousand	Note	Audited				
		1 Apr – 30 June 2019	1 Apr – 30 June 2018	1 Jan – 30 June 2019	1 Jan – 30 June 2018	1 Jan - 31 Dec 2018
Rental income from group companies	3	795	750	1,590	1500	3,180
Depreciation	4	(630)	(378)	(1,260)	(1,255)	(2,522)
Other operating expenses		(48)	(50)	(86)	(92)	(196)
Operating profit/(loss)		117	322	244	153	462
Waiver of loan from holding company		-	-	-	-	10,000
Foreign exchange loss		(16)	-	(16)		(423)
Finance cost – amortisation of borrowing cost		(97)		(192)		(386)
Finance cost – group borrowings		(116)	(924)	(232)	(1,832)	(615)
Finance costs – bond & other borrowings		(666)		(1,314)		(2,672)
Finance costs, net		(895)	(924)	(1,754)	(1,832)	(4,096)
Profit/(loss) before taxes		(778)	(602)	(1,510)	(1,679)	6,366



STATEMENT OF FINANCIAL POSITION

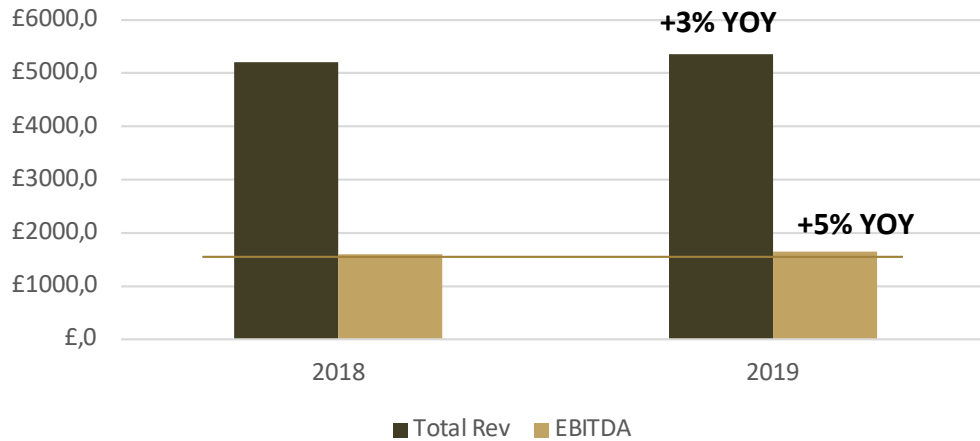
GBP thousand	Note	30 June 2019	31 December 2018
ASSETS			
Non-current assets			
Investment property	4	86,284	87,522
Property plant and equipment	5	122	145
		<u>86,406</u>	<u>87,667</u>
Current assets			
Receivables from group companies		2,018	1,682
Other Receivables		201	69
Cash and cash equivalents		1,140	1,366
Total current assets		<u>3,359</u>	<u>3,117</u>
Total assets		<u>89,765</u>	<u>90,784</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	6	3	3
Share premium	6	15,604	15,604
Capital reserves	6	10,000	10,000
Retained result		(18,866)	(17,356)
Total equity		<u>6,741</u>	<u>8,251</u>

GBP thousand	Note	30 June 2019	31 December 2018
LIABILITIES			
Non-current liabilities			
Borrowings		30,997	30,997
		<u>50,667</u>	<u>50,461</u>
Total non-current liabilities		<u>81,664</u>	<u>81,458</u>
Current liabilities			
Payables to group companies		863	631
Other payables		497	444
Total current liabilities		<u>1,360</u>	<u>1,075</u>
Total liabilities		<u>83,024</u>	<u>82,533</u>
Total equity and liabilities		<u>89,765</u>	<u>90,784</u>

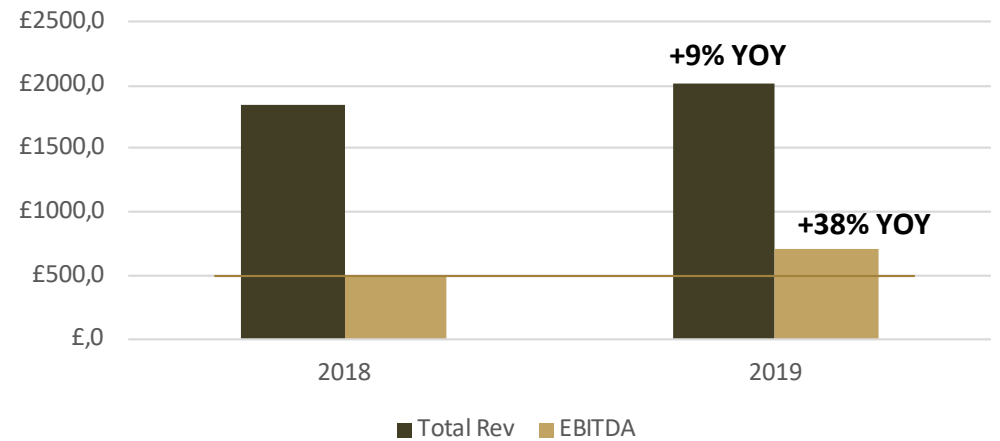


“Good Performance over Summer and YTD, Conversion to EBITDA high”

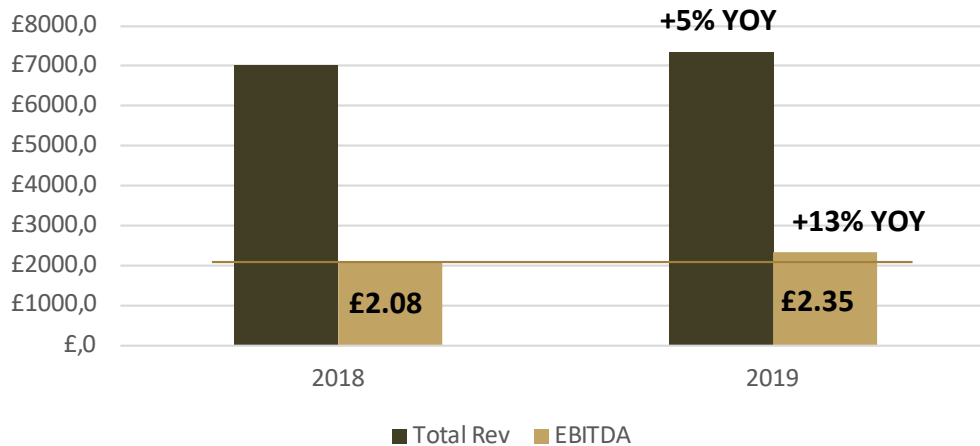
H1 2019 vs 2018



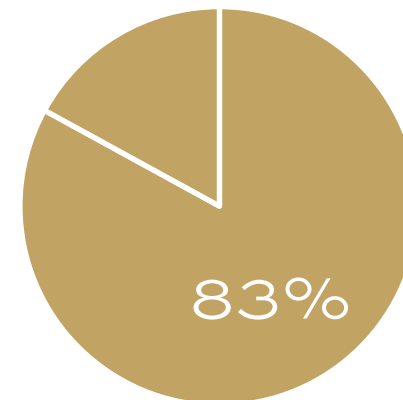
July - August 2019 vs 2018



Cum 1-8 2019 vs 2018



Cumulative Incremental Revenue Conversion to EBITDAR YoY YTD





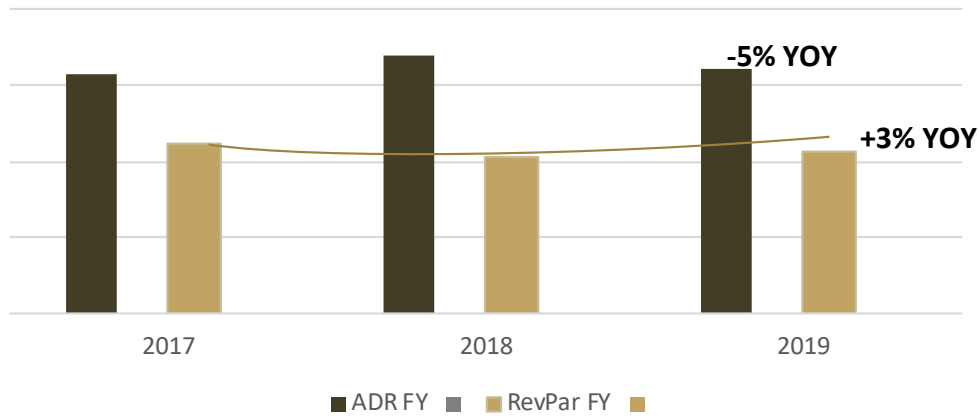
Unaudited Income Statement

	Unaudited 3 months ended 30 Jun 19	Unaudited 3 months ended 30 Jun 18	Unaudited 6 months ended 30 Jun 19	Unaudited 6 months ended 30 Jun 18	Audited Year ended 31 Dec 18
REVENUE	3,017,026	3,080,779	5,341,607	5,185,421	10,693,332
Cost of sales					
Food	69,274	172,879	327,170	327,569	669,395
Beverage	174,480	57,684	114,860	94,309	231,064
Agent commission	72,765	67,620	143,899	108,579	301,337
Other	16,411	7,146	26,641	16,837	37,945
	<u>332,930</u>	<u>305,328</u>	<u>612,570</u>	<u>547,294</u>	<u>1,239,741</u>
GROSS PROFIT	2,684,096	2,775,451	4,729,037	4,638,127	9,453,591
Administrative and other expense:	(1,611,627)	(1,630,001)	(3,079,010)	(3,061,947)	(6,347,382)
EBITDAR	1,072,469	1,145,450	1,650,027	1,576,180	3,106,209
Rent cost due to related entity	(795,000)	(750,000)	(1,590,000)	(1,500,000)	(3,180,000)
Depreciation	36,678	20,201	73,111	39,304	101,048
Interest expense	730	0	1,461	208	3,256
Result before tax	240,060	375,248	(14,544)	36,668	(178,095)
Taxation		-			-
Result for period/year	<u>240,060</u>	<u>375,248</u>	<u>(14,544)</u>	<u>36,668</u>	<u>(178,095)</u>

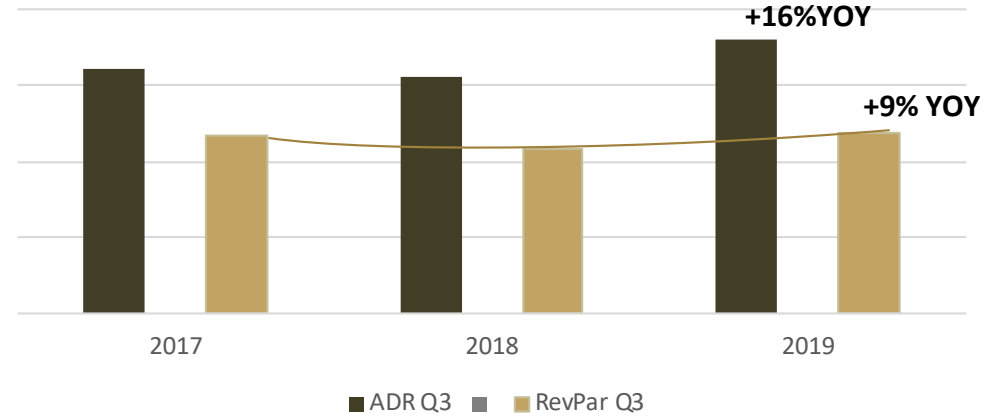


“RevPar increased YTD, Revenue now at 2017 YTD figures”

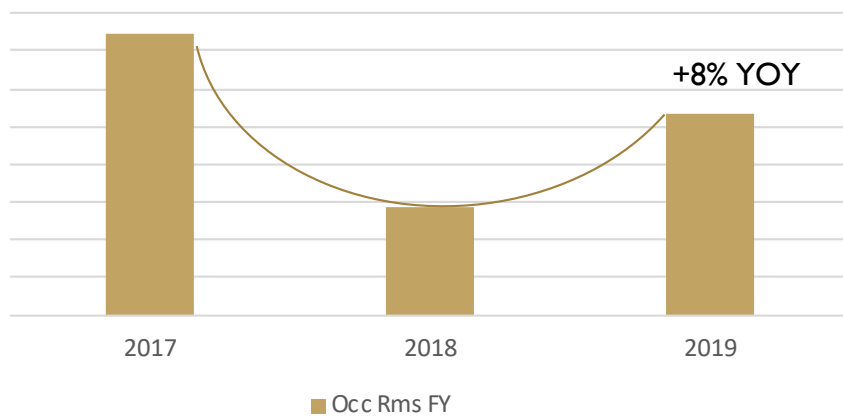
ADR and RevPar YTD



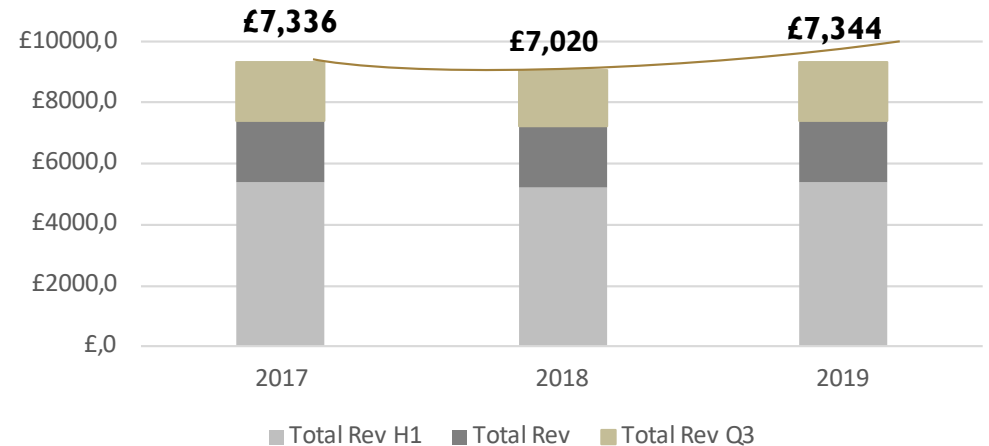
ADR and RevPar July & Aug



Occ Rms YTD



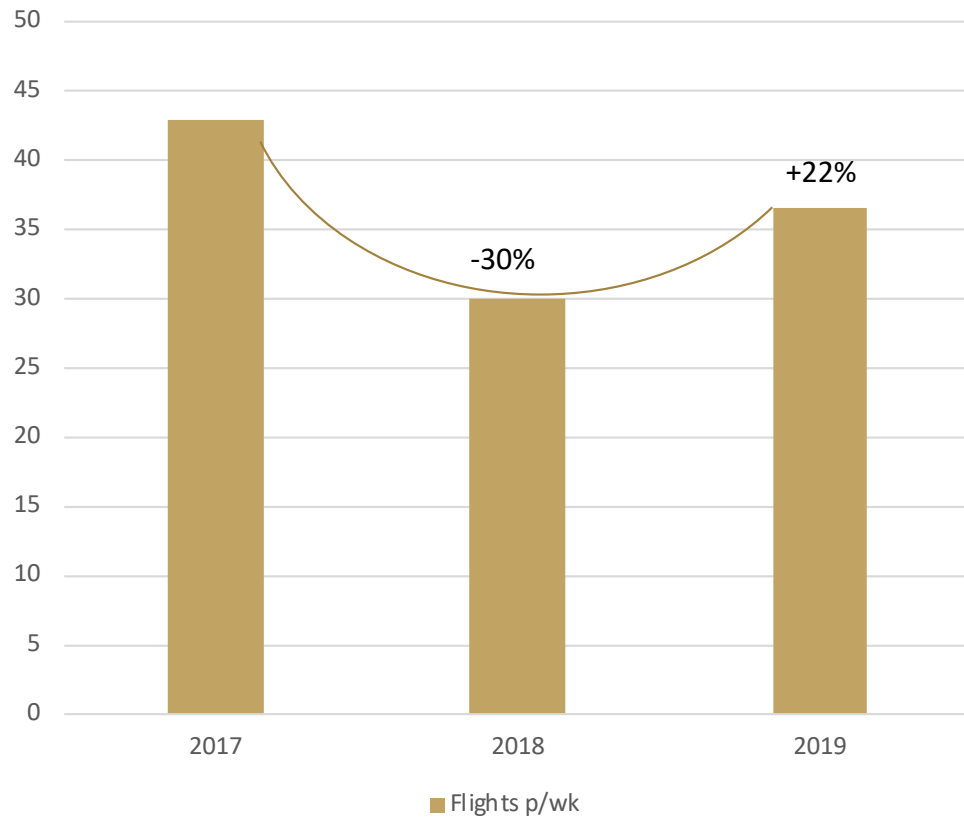
Total Revenue H1 + Q3 000's





“Airline Volumes are still rebounding but not far from 2017 all time record levels”

Average Weekly Flights



Airline Passengers YTD 000's

