



Bloomberg Resorts Corporation

BLOOMBERRY RESORTS CORPORATION

(incorporated in the Philippines)

PSE: BLOOM

FIRST QUARTER 2020 UNAUDITED RESULTS ANNOUNCEMENT

Bloomberg 1Q2020 net income declines by 38% YoY to P1.4 billion

1Q2020 HIGHLIGHTS:

- First quarter results negatively impacted by economic and tourism implications of the COVID-19 pandemic as well as the temporary suspension of gaming operations at Solaire since March 16, 2020
- Total GGR at Solaire was P12.2 billion, representing a decrease of 10% from P13.6 billion in the first quarter of 2019. VIP GGR was P4.7 billion, representing a decline of 21% year-over-year. Mass tables and EGM GGR each declined by 2% year-over-year to P3.9 billion and P3.6 billion, respectively
- Consolidated net revenue was P9.4 billion, representing a decline of 13% year-over-year
- Consolidated EBITDA was P3.5 billion, representing a decrease of 23% from P4.5 billion in the same quarter last year
- Consolidated net profit was P1.4 billion, representing a decline of 38% compared to P2.2 billion in the same quarter last year
- Consolidated cash and cash equivalents balance as of March 31, 2020 was P37.8 billion

Bloomberg Resorts Corporation (“Bloomberg”, “the Company”), whose subsidiaries own and operate Solaire Resort & Casino (Solaire) and Jeju Sun Hotel & Casino (Jeju Sun), reported unaudited consolidated financial results for the three months ended March 31, 2020.

Enrique K. Razon Jr., Bloomberg chair and CEO, says, “Our first quarter results have been significantly impacted by the COVID-19 pandemic. Global economic activity and tourism have drastically slowed while the Philippine Government’s Enhanced Community Quarantine has resulted in the temporary suspension of Solaire’s gaming operations.”

“We look forward to restart the gaming segment soon after the quarantine is lifted. We anticipate a slow recovery as our patrons, customers, and employees adjust to the “new normal.” For now, our team members are undergoing regular testing as part of a comprehensive plan to maintain safe working and recreational environments at Solaire.”

“At Solaire, we plan to meet and exceed the acceptable local safety standards. Our stringent regimen of safety measures will be world class examples of the safe re-opening of entertainment venues and of kickstarting the local economy to return the livelihoods of our communities. We will have clear, effective, comforting and consistently implemented protocols that will instill a true sense of safety and security for all.”

“Bloomberg stands united with the directives of our government and PAGCOR in defeating COVID-19. Our carefully and responsibly formulated procedures to re-open Solaire will be a key contribution in moving toward a safe, post-pandemic economy.”

Gaming Performance

Solaire's overall GGR performance in the first quarter was negatively impacted by the implementation of the Philippine Government's Enhanced Community Quarantine (ECQ) initiative and PAGCOR's March 15, 2020 directive in support of the ECQ. As such, gaming operations at Solaire have been suspended since March 16, 2020.

In the first quarter of 2020, total GGR at Solaire was P12.2 billion, representing a decrease of 10% from P13.6 billion in the first quarter of 2019. GGR at Solaire was 16% lower compared to the fourth quarter of 2019.

Solaire's VIP volume in the first quarter declined by 19% year-over-year to P150.8 billion. VIP GGR was P4.7 billion, representing a decline of 13% and 21% on a sequential and year-over-year basis, respectively. The VIP win rate was 3.13% compared to 2.59% in the previous quarter and 3.22% in the first quarter of last year.

Mass table drop and EGM coin-in at Solaire for the first quarter reached P9.7 billion and P54.0 billion, decreasing by 15% and 1%, respectively, compared to the first quarter of 2019. Mass table revenue and EGM revenue each declined by 2% year-on-year to P3.9 billion and P3.6 billion, respectively. On a sequential basis, mass table revenue declined by 12% while EGM revenue was lower by 22%.

Amounts in millions	1Q 2020			1Q 2019			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	150,829	₱4,728	3.13%	185,900	₱5,980	3.22%	(₱1,251)	(20.9)
Mass tables	9,707	3,928	40.5%	11,379	3,997	35.1%	(68)	(1.7)
Slots	54,012	3,556	6.6%	54,664	3,639	6.7%	(83)	(2.3)
Total GGR		12,213			13,615		(1,402)	(10.3)

*VIP volume represents rolling chips; Mass volume represents mass table drop; Slots volume represents coin in.

Solaire Korea's Jeju Sun reported gaming revenue of P93.1 million in the first quarter, representing a decrease of 63% from P253.6 million in the same quarter last year. In response to the COVID-19 situation in South Korea, Jeju Sun began a phased suspension of operations on March 6, 2020 with full suspension achieved by March 21, 2020.

Consolidated contra revenue accounts in the first quarter decreased by 7% to P3.7 billion. This represents 30% of consolidated GGR compared to 32% in the previous quarter and 29% in the same quarter last year.

Consolidated gaming revenue after contra revenue accounts for the first quarter reached P7.7 billion, representing a decrease of 12% and 13% on a sequential and year-over-year basis, respectively.

Non-gaming Revenues

As with the Company's gaming segments, the pandemic's implications on global travel and property visitation have negatively impacted consolidated non-gaming revenue.

The Company reported consolidated non-gaming revenue of P1.7 billion for the quarter, representing a decline of 10% from the P1.9 billion generated in the same quarter last year. Consolidated non-gaming revenue was lower by 20% compared to the fourth quarter of 2019.

At Solaire, non-gaming revenue for the first quarter was P1.7 billion, representing a decrease of 11% from the same quarter last year. Hotel occupancy was 67.3%, compared to 93.1% in the previous quarter and 87.8% in the same quarter last year.

At Jeju Sun, non-gaming revenue increased by 42% year-over-year to P17.9 million as non-gaming amenities at the property were partially reopened after the completion of extensive renovation works from the previous year.

Net Revenues

Bloomberry's consolidated net revenue in the first quarter was P9.4 billion, representing a decline of 13%

from P10.8 billion in the same period last year. Consolidated net revenue was lower by 14% compared to the fourth quarter of 2019.

Expenses

First quarter consolidated cash operating expenses reached P5.8 billion, lower by 7% compared to P6.2 billion in the same quarter last year. The decrease in cash operating expense was due to lower gaming taxes paid consistent with the decline in GGR, as well as reduced advertising and promotions expenses. Consolidated cash operating expenses were lower by 15% compared to the previous quarter.

EBITDA, Net Profit and Earnings Per Share

The Company's first quarter consolidated EBITDA was P3.5 billion, representing a decrease of 23% from P4.5 billion in the same quarter last year. Solaire contributed P3.6 billion to consolidated EBITDA, which was offset by the P109.9 million negative EBITDA recorded at Solaire Korea. Consolidated EBITDA was lower by 14% compared to the fourth quarter of 2019.

On a hold-normalized basis, Bloomberry's consolidated EBITDA for the first quarter was P3.2 billion, P288.8 million lower than the reported consolidated EBITDA of P3.5 billion. Hold-normalized EBITDA in the first quarter would have decreased by 22% year-over-year.

The Company reported consolidated net profit of P1.4 billion for the first quarter, representing a decline of 38% compared to P2.2 billion in the same quarter last year. Net profit grew by 1% on a sequential basis. Solaire Korea's Jeju Sun recorded a notable improvement in the bottom line with net loss reduced to P94.0 million from a loss of P224.3 million in the same quarter last year.

Bloomberry reported Basic Earnings per Share (EPS) of P0.125, representing a decline of 38% year-over-year.

Balance Sheet and Other Items

As of March 31, 2020, Bloomberry had a consolidated cash and cash equivalents balance of P37.8 billion. The Company's strong cash position will allow it to weather through the challenging environment brought about by the pandemic. Total outstanding long-term debt was P68.6 billion, which represents the current and non-current portions of the P73.5 billion Syndicated Loan. Total equity attributable to equity holders of the parent company was P42.2 billion.

As of March 31, 2020, Bloomberry had P2.4 billion in net receivables, 22% lower than at the beginning of the year due to significantly reduced credit issuances. Receivables over 90 days increased by P26.1 million from the end of the previous quarter to P585.1 billion. The Company made P155.6 million of additional provisions for bad debt in the first quarter, representing 5% of gross receivables.

Bloomberry's P40 billion Loan Facility reserved for the development of Solaire North has not been drawn as of March 31, 2020.

On March 6, 2020, Bloomberry's Board of Directors approved and declared a twenty-five centavo (P0.25) per share cash dividend to stockholders on record as of March 23, 2020. The dividend was paid on March 31, 2020.

About Bloomberry Resorts Corporation

Bloomberry Resorts Corporation (PSE: BLOOM) is a public company listed on the Philippine Stock Exchange that develops destination resorts featuring premium accommodations, gaming and entertainment, and world-class restaurants and other amenities. Bloomberry Resorts Corporation's subsidiaries own and operate the Solaire Resort & Casino (Solaire) in the Philippines and Jeju Sun Hotel & Casino (Jeju Sun) in Korea.

The company's flagship property, Solaire Resort & Casino, is a USD \$1.2 Billion integrated destination resort on an 8.3-hectare site in Manila, Philippines and the first to open in the PAGCOR-sponsored economic development zone known as Entertainment City.

For more information, please visit <http://www.bloomberry.ph> and <https://www.solaireresort.com>