



# Bloomberg Resorts Corporation

BLOOMBERRY RESORTS CORPORATION

*(incorporated in the Philippines)*

PSE: BLOOM

## FIRST QUARTER 2021 UNAUDITED RESULTS ANNOUNCEMENT

### **Bloomberg 1Q2021 EBITDA at P1.4 billion, net loss at P781 million Lower year-over-year, but improved from previous quarter**

#### **1Q2021 HIGHLIGHTS:**

- ⊕ Solaire recorded 88 days of limited operations in the first quarter and was closed on March 29, 2021 as the government reverted Metro Manila and nearby provinces to Enhanced Community Quarantine (ECQ) – the strictest form of quarantine. The ECQ was eased to Modified Enhanced Community Quarantine (MECQ) on April 12, 2021. Solaire remains closed to the public. Jeju Sun in South Korea remains closed.
- ⊕ Total GGR at Solaire was P6.9 billion, representing a decrease of 44% from P12.2 billion in the first quarter of 2020. GGR at Solaire improved by 29% compared to the fourth quarter of 2020 as domestic patron confidence improved prior to the return to ECQ at the end of March.
- ⊕ Consolidated net revenue was P5.5 billion, representing a decline of 41% year-over-year.
- ⊕ Consolidated EBITDA was P1.4 billion, representing a decrease of 59% from P3.5 billion in the same quarter last year and meaningfully higher than the P129.3 million consolidated EBITDA recorded in the fourth quarter of 2020.
- ⊕ Consolidated net loss was P780.8 million, representing a reversal from P1.4 billion net profit in the same quarter last year. Net loss improved by 68% compared to the P2.5 billion net loss reported in the fourth quarter of 2020.
- ⊕ Consolidated cash and cash equivalents balance as of March 31, 2021 was P23.4 billion.
- ⊕ Capital expenditures made related to health, safety, and sanitation totaled over P21 million.

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, 2021.

Enrique K. Razon Jr., Bloomberg Chairman and CEO, said, “Despite the challenges, the Company generated solid results in the first three months of 2021 with gaming revenues, EBITDA and the bottom line improving from the previous quarter. Our performance highlights our management team’s commitment to return to profitability as well as the dedication of our team members to creating unparalleled entertainment experiences for our returning guests.”

“Unfortunately, Solaire’s momentum, which was fueled by improving domestic patron confidence, has been cut short as it is faced with another closure for the duration of the MECQ. As expected, the road to recovery is not easy.”

“In the meantime, Bloomberry will carry on with further strengthening services and health security protocols at Solaire in anticipation of restarting operations as soon as allowed by the relevant authorities.”

## Gaming Performance

For 88 days in the first quarter, Solaire’s casino was operating at a capacity consistent with a limited dry-run as allowed by PAGCOR. Such dry run operations, which involve only long-stay and select invited guests, are a means for the industry to fine-tune its services in accordance with new normal protocols. With the rising number of COVID-19 cases in March 2021, Metro Manila and nearby provinces were reverted to Enhanced Community Quarantine (ECQ) on March 29, 2021 and transitioned to Modified Enhanced Community Quarantine (MECQ) on April 12, 2021. As such, Solaire has been closed to the public since March 29, 2021.

In the first quarter of 2021, total GGR at Solaire was P6.9 billion, representing a decrease of 44% from P12.2 billion in the first quarter of 2020. GGR at Solaire improved by 29% compared to the fourth quarter of 2020 as domestic patron confidence improved prior to the return to ECQ at the end of March.

Solaire’s VIP, mass table, and EGM GGR in the first quarter were P1.9 billion, P2.5 billion, and P2.4 billion, representing year-over-year declines of 59%, 36%, and 32%, respectively. On a sequential basis, VIP, mass table, and EGM GGR recorded increases of 65%, 27% and 12%, respectively. Quarter-on-quarter growth in VIP GGR was driven by a higher VIP hold rate of 4.26%, compared to 2.31% in the fourth quarter of 2020.

Amounts in millions	1Q 2021			1Q 2020			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	45,522	₱1,941	4.26%	150,829	₱4,728	3.13%	(₱2,787)	(58.9)
Mass tables	7,121	2,520	35.4%	9,707	3,928	40.5%	(1,408)	(35.8)
Slots	40,985	2,423	5.9%	54,012	3,556	6.6%	(1,133)	(31.9)
<b>Total GGR</b>		<b>6,884</b>			<b>12,213</b>		(5,329)	(43.6)

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

Solaire Korea’s Jeju Sun reported nil gaming revenue in the first quarter as operations at the property have been suspended since March 21, 2020.

Consolidated contra revenue accounts in the first quarter decreased by 52% year-over-year to P1.8 billion. This represents 26% of consolidated GGR compared to 28% in the previous quarter and 30% in the same quarter last year.

Consolidated net gaming revenue for the first quarter reached P4.7 billion, representing an increase of 35% sequentially and a decline of 40% year-over-year.

## Non-gaming Revenues

As with Solaire’s gaming segments, the non-gaming businesses operated at limited capacity throughout the quarter. The hotel, F&B and retail segments have not been accepting guests since March 29, 2021.

The Company reported consolidated non-gaming revenue of P872.9 million for the quarter, representing a decline of 49% from the P1.7 billion generated in the same quarter last year. Consolidated non-gaming revenue was higher by 15% compared to the fourth quarter of 2020.

At Solaire, non-gaming revenue for the first quarter was P872.1 million, representing a decrease of 49% from the same quarter last year. Hotel occupancy was 21.5%, compared to 21.9% in the previous quarter and 67.3% in the first quarter of 2020.

At Jeju Sun, non-gaming revenue was P0.7 million, representing a decline of 96% year-over year.

## Net Revenues

Bloomberry’s consolidated net revenue in the first quarter was P5.5 billion, representing a decline of 41% from P9.4 billion in the same period last year. Consolidated net revenue increased by 31% compared to the fourth quarter of 2020.

## Expenses

First quarter consolidated cash operating expenses reached P3.9 billion, lower by 33% compared to P5.8 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, reduced cost of sales, and a decline in salaries and benefits. Consolidated cash operating expenses were lower by 1% compared to the previous quarter.

## EBITDA, Net Profit and Earnings Per Share

The Company's first quarter consolidated EBITDA was P1.4 billion, representing a decrease of 59% from P3.5 billion in the same quarter last year. Solaire contributed P1.5 billion to consolidated EBITDA, which was offset by the P65.6 million LBITDA recorded at Jeju Sun. Consolidated EBITDA was meaningfully higher than the P129.3 million recorded in the fourth quarter of 2020.

On a hold-normalized basis, Bloomberry's consolidated EBITDA for the first quarter was P1.2 billion, P237.1 million lower than the reported consolidated EBITDA of P1.4 billion. Hold-normalized EBITDA in the first quarter would have decreased by 62.5% year-over-year.

The Company reported consolidated net loss of P780.8 million for the first quarter, representing a reversal from P1.4 billion net profit in the same quarter last year. Net loss improved by 68% compared to the P2.5 billion net loss reported in the previous quarter.

Bloomberry reported Basic Earnings per Share (EPS) loss of P0.070, compared to EPS gain of P0.125 in the first quarter of 2020.

## Balance Sheet and Other Items

As of March 31, 2021, Bloomberry had a consolidated cash and cash equivalents balance of P23.4 billion. Total outstanding long-term debt was P69.9 billion, which represents the balance of the current and non-current portions of the amended P73.5 billion and P40.0 billion Syndicated Loan Facilities. Total equity attributable to equity holders of the parent company was P32.1 billion.

As of March 31, 2021, the Company has not drawn on the P20 billion Additional Facility, while it has drawn P3.9 billion from the P40.0 billion Syndicated Loan Facility that was set up to fund the construction of Solaire North.

As of March 31, 2021, Bloomberry had P1.8 billion in net receivables, 5% higher than at the beginning of the year due to minimal additional credit issuances. The Company made P202.7 million of additional provisions for bad debt in the first quarter, representing 7% of gross receivables.

Capital expenditures made related to health, safety, and sanitation totaled over P21 million for the quarter, adding to the over P400 million already spent in 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>*