



# Bloomberg Resorts Corporation

BLOOMBERRY RESORTS CORPORATION

*(incorporated in the Philippines)*

PSE: BLOOM

## SECOND QUARTER AND FIRST HALF 2021 UNAUDITED RESULTS ANNOUNCEMENT

**Bloomberg 2Q2021 EBITDA reaches P1.0 billion despite limited operating days  
First half 2021 EBITDA higher by 63% year-over-year**

### 2Q2021 HIGHLIGHTS:

- ⊕ On March 29, 2021 the government reverted Metro Manila and nearby provinces to Enhanced Community Quarantine (ECQ). The ECQ was eased to Modified Enhanced Community Quarantine (MECQ) on April 12, 2021 and further eased to General Community Quarantine (GCQ) on May 15, 2021. Solaire virtually had no gaming activity in the first 44 days of the quarter.
- ⊕ Total GGR at Solaire was P5.7 billion, representing a decrease of 18% from P6.9 billion in the previous quarter when Solaire had 88 days limited capacity operations. Year-over-year, GGR was higher by P5.0 billion since Solaire had minimal gaming activity for the whole second quarter of 2020.
- ⊕ Consolidated net revenue was P4.7 billion, representing a P3.8 billion increase from P940.9 million in the same period last year.
- ⊕ Consolidated cash operating expenses were lower by 9% compared to the first quarter due to lower gaming taxes paid and cost of sales as well as cost savings realized in salaries and benefits, general office expenses, advertising and promotions, and other cost areas.
- ⊕ Consolidated EBITDA was P1.0 billion, representing a P3.0 billion reversal from LBITDA of P2.0 billion in the second quarter of 2020.
- ⊕ Consolidated net loss was P1.2 billion, representing a P3.5 billion improvement from net loss of P4.7 billion in the same quarter last year.
- ⊕ Consolidated cash and cash equivalents balance as of June 30, 2021 was P22.3 billion.

### FIRST HALF 2021 HIGHLIGHTS:

- ⊕ Consolidated GGR was P12.6 billion, representing a decline of 3% from P13.0 billion in the first half of 2020.
- ⊕ Consolidated net revenue was P10.3 billion, representing a decrease of 1% against P10.4 billion in the same period last year.
- ⊕ Consolidated cash operating expenses in the first half was P7.4 billion, lower by 12% year-over year.
- ⊕ Consolidated EBITDA was P2.5 billion compared to P1.5 billion in the first six months of the previous year, higher by 63% year-over-year.
- ⊕ Consolidated net loss was P1.9 billion, an improvement compared to net loss of P3.3 billion in the first half of 2020.

Bloomberry Resorts Corporation (“Bloomberry”, “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 and six months ended June 30, 2021.

Enrique K. Razon Jr., Bloomberry Chairman and CEO, said, “Bloomberry generated respectable results during the quarter despite having virtually no gaming operations between April and mid-May. Consolidated EBITDA reached P1.0 billion in the second quarter as we benefitted from high hold rates at Solaire and realized savings from our continuous group-wide cost optimization efforts.”

“As the pandemic continues to evolve, we hope to see more of our countrymen get vaccinated and build the much-needed immunity against the virus. Solaire is doing its part through the Solaire-ICTSI Vaccination Center which has so far administered close to 32,000 shots since it opened last June 28, 2021. I am pleased to report that all rostered team members at Solaire have received both doses of the vaccine and will be considered fully protected by mid-August. Also, first dose vaccinations for our employees’ dependents began last month.”

## Gaming Performance

Metro Manila was placed under ECQ from March 29 to April 11, 2021, then was eased to MECQ from April 12 to May 14, 2021. The classification was further eased to GCQ from May 15 to the end of the quarter. The result was Solaire having virtually no gaming operations in the first 44 days of the quarter and was closed to the public. Between May 15 and June 30, 2021, Solaire reopened utilizing its invite-only policy while the casino operated at a capacity consistent with a limited dry-run as allowed by PAGCOR.

In the second quarter of 2021, total GGR at Solaire was P5.7 billion, representing a decrease of 18% from P6.9 billion in the previous quarter when Solaire had 88 days limited capacity operations. Year-over-year, GGR was higher by P5.0 billion since Solaire had only 16 days of limited operations in the second quarter of 2020. GGR at Solaire in the first half was P12.6 billion, 3% lower compared to the first half of 2020.

Solaire’s VIP, mass table, and EGM GGR in the second quarter were P1.2 billion, P2.8 billion, and P1.7 billion, representing year-over-year gains of P1.0 billion, P2.5 billion, and P1.4 billion, respectively. On a sequential basis, VIP and EGM GGR recorded decreases of 40% and 31%, respectively, while mass tables recorded an increase of 13%. First half VIP GGR was P3.1 billion, representing a decline of 36% year-over-year. Mass table and EGM GGR were P5.4 billion and P4.1 billion, representing increases of 27% and 7%, respectively.

Amounts in millions	2Q 2021			2Q 2020			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	35,492	₱1,157	3.26%	3,985	₱122	3.05%	₱1,035	850.5
Mass tables	4,739	2,843	60.0%	604	304	50.3%	2,539	835.9
Slots	28,048	1,673	6.0%	3,182	261	8.2%	1,412	540.7
<b>Total GGR</b>		<b>5,673</b>			<b>687</b>		4,986	726.2

\*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 second quarter as operations at the property have been suspended since March 21, 2020.

Consolidated contra revenue accounts in the second quarter increased by P1.1 billion year-over-year to P1.3 billion, consistent with the increased gaming activity during the quarter. This represents 23% of consolidated GGR compared to 26% in the previous quarter and 20% in the same quarter last year. First half consolidated contra revenue accounts declined by 20% compared to the same period last year to P3.1 billion.

Consolidated net gaming revenue for the second quarter reached P4.1 billion, representing a decrease of 12% sequentially and a P3.7 billion increase from the same quarter last year. Consolidated net gaming revenue in the first six months was P8.7 billion, up by 9% compared to the same period last year.

## **Non-gaming Revenues**

The Company reported consolidated non-gaming revenue of P657.0 million for the quarter, representing an increase of 7% from the P613.2 million generated in the same quarter last year. Consolidated non-gaming revenue was lower by 25% compared to the previous quarter. Consolidated non-gaming revenue in the first half was P1.5 billion, lower by 34% compared to the same period last year.

At Solaire, non-gaming revenue for the first quarter was P655.9 million, representing an increase of 7% from the same quarter last year. Hotel occupancy was 14.9%, compared to 21.5% in the previous quarter and 14.5% in the second quarter of 2020. Non-gaming revenue at Solaire in the first six months was P1.5 billion, representing a decline of 34% year-over-year.

At Jeju Sun, non-gaming revenue for the quarter was P1.1 million, representing a decline of 58% year-over-year.

## **Net Revenues**

Bloomberg's consolidated net revenue in the second quarter was P4.7 billion, representing an increase of P3.8 billion from P940.9 million in the same period last year. Consolidated net revenue decreased by 14% compared to the previous quarter. Consolidated net revenue in the first half was P10.3 billion, lower by 1% year-over-year.

## **Expenses**

Second quarter consolidated cash operating expenses reached P3.5 billion, higher by 32% compared to P2.7 billion in the same period last year. The increase in cash operating expense was primarily due to higher cost of sales and gaming taxes paid consistent with the increase in GGR. Consolidated cash operating expenses were lower by 9% compared to the previous quarter due to lower gaming taxes paid and cost of sales as well as cost savings realized in salaries and benefits, general office expenses, advertising and promotions, and other cost areas. Consolidated cash operating expenses in the first half was P7.4 billion, lower by 12% compared to the first six months of 2020.

## **EBITDA (LBITDA), Net Profit and Earnings Per Share**

The Company's second quarter consolidated EBITDA was P1.0 billion, representing a P3.0 billion reversal from LBITDA P2.0 billion in the same quarter last year. Solaire contributed P1.1 billion to consolidated EBITDA, which was off-set by the P84.4 million LBITDA recorded at Solaire Korea. Consolidated EBITDA was 28% lower than the P1.4 billion recorded in the first quarter of 2021. Consolidated EBITDA in the first six months was P2.5 billion, representing an increase of 63% from P1.5 billion in the same period last year.

On a hold-normalized basis, Bloomberg's consolidated EBITDA for the second quarter was P918.1 million, P107.6 million less than the reported consolidated EBITDA of P1.0 billion. Hold-normalized EBITDA in the second quarter would have increased by P2.9 billion and reversed from hold-normalized LBITDA of P2.0 billion in the same period last year. Hold-normalized EBITDA in the first half was P2.1 billion, higher by 73% year-over-year.

The Company reported consolidated net loss of P1.2 billion for the second quarter, representing a P3.5 billion improvement from net loss of P4.7 billion in the same quarter last year. Net loss worsened by 49% compared to the P780.8 million net loss reported in the previous quarter. Consolidated net loss in the first six months was P1.9 billion, compared to net loss of P3.3 billion in the first half of 2020.

Bloomberg reported Basic Earnings per Share (EPS) loss of P0.106, compared to EPS loss of P0.428 in the second quarter of 2020. EPS in the first six months was a loss of P0.176, compared to a loss of P0.302 in the same period last year.

## **Balance Sheet and Other Items**

As of June 30, 2021, Bloomberry had a consolidated cash and cash equivalents balance of P22.3 billion. Total outstanding long-term debt was P71.9 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 P30.5 billion.

As of June 30, 2021, the Company has drawn P2.5 billion and P3.9 billion from the P20 billion additional facility and the P40.0 billion Syndicated Loan Facility, respectively.

As of June 30, 2021, Bloomberry had P1.7 billion in net receivables, 2% lower than at the beginning of the year. The Company made P151.4 million of additional provisions for bad debt in the second quarter, representing 5% of gross receivables.

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### **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.solairesort.com>*