



# Bloomberg Resorts Corporation

BLOOMBERRY RESORTS CORPORATION

*(incorporated in the Philippines)*

PSE: BLOOM

## THIRD QUARTER AND NINE MONTHS 2021 UNAUDITED RESULTS ANNOUNCEMENT

**Bloomberg's third quarter gaming revenues increase by 62% year-over-year  
Nine months EBITDA higher by 159%**

### 3Q2021 HIGHLIGHTS:

- ⊕ Shifting quarantine classifications resulted in Solaire being closed to the public for 41 out of 92 days in the quarter. In the 51 days that it was open, Solaire kept to its invite-only policy and operated the casino at a limited capacity as allowed by PAGCOR.
- ⊕ Total GGR at Solaire was P7.1 billion, representing an increase of 62% from P4.4 billion in the same quarter last year. VIP rolling chip volume, mass table drop, and EGM coin-in showed signs of recovery in the third quarter on both sequential and year-over-year bases, indicating much improved domestic patron confidence.
- ⊕ Consolidated net revenue was P5.1 billion, representing an increase of 59% from P3.2 billion in the same period last year.
- ⊕ Consolidated EBITDA was P910.1 million, representing a P1.1 billion reversal from LBITDA of P203.7 million in the third quarter of 2020.
- ⊕ Consolidated net loss was P1.1 billion, representing a P1.5 billion improvement from net loss of P2.5 billion in the same quarter last year.
- ⊕ Consolidated cash and cash equivalents balance as of September 30, 2021 was P24.4 billion.

### NINE MONTHS 2021 HIGHLIGHTS:

- ⊕ Consolidated GGR was P19.6 billion, representing an increase of 13% from P17.4 billion in the first nine months of 2020.
- ⊕ Consolidated net revenue was P15.4 billion, representing an increase of 13% against P13.6 billion in the same period last year.
- ⊕ Consolidated cash operating expenses in the first nine months was 11.4 billion, lower by 3% year-over year.
- ⊕ Consolidated EBITDA was P3.4 billion compared to P1.3 billion in the first nine months of the previous year, higher by 159% year-over-year.
- ⊕ Consolidated net loss was P3.0 billion, an improvement compared to net loss of P5.9 billion in the first nine months of 2020.

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 and nine months ended September 30, 2021.

Enrique K. Razon Jr., Bloomberry Chairman and CEO, said, “In the third quarter, Bloomberry realized higher gaming volumes and revenues despite the intermittent business conditions brought about by shifting quarantine classifications. We are prepared to continue operating in such an environment, but are looking forward to a more stable one should domestic restrictions be eased in line with the increasing vaccination rate.”

“Even with now relatively relaxed limitations on mobility, Bloomberry remains committed to safeguarding the health of its onsite customers and team members by maintaining its industry benchmark health and safety security protocols.”

“Last August, Bloomberry, in partnership with the ICTSI Foundation, opened the Solaire-ICTSI Foundation Vaccination Center. This large-scale inoculation operation that features both ambulatory and drive-thru vaccination facilities is part of our ongoing contribution to the pandemic response effort. Operations in this new site and the one in Solaire continue to be smooth, efficient, and safe.”

## Gaming Performance

Metro Manila was placed under ECQ from August 6 to August 20, 2021, which was then eased to MECQ from August 20, 2021 to September 15, 2021. On September 16, 2021, Metro Manila quarantine restrictions were eased under a new classification scheme to “GCQ Alert Level 4” until the end of the quarter. The result was Solaire having been closed to the public for 41 days out of the 92 days during the quarter. On September 16, 2021, Solaire reopened its doors and, keeping to its invite-only policy, operated the casino at a limited capacity as allowed by PAGCOR.

In the third quarter of 2021, total GGR at Solaire was P7.1 billion, representing an increase of 62% from P4.4 billion in the same quarter of last year. Compared to the previous quarter, GGR improved by 25%. GGR at Solaire in the first nine months was P19.6 billion, higher by 14% year-over-year.

Solaire’s VIP GGR in the third quarter was P2.0 billion, representing a 1.0% decline from the same quarter last year. Solaire’s mass table and EGM GGR were P2.7 billion and P2.4 billion, representing year-over-year gains of 144% and 89%, respectively. On a sequential basis, VIP and EGM GGR recorded increases of 72% and 42%, respectively. Mass tables GGR recorded a quarter-on-quarter decrease of 4%, mainly due to a lower hold rate.

VIP rolling chip volume, mass table drop, and EGM coin-in showed signs of recovery in the third quarter on both sequential and year-over-year bases, indicating improved domestic patron confidence.

In the first nine months, Solaire’s VIP GGR increased by 26% year-over-year to P5.1 billion, while mass table and EGM GGR grew by 51% and 27% year-over-year to P8.1 billion and P6.5 billion, respectively.

Amounts in millions	3Q 2021			3Q 2020			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	107,786	P1,994	1.85%	62,591	P2,008	3.21%	P(14)	(0.7)
Mass tables	5,962	2,727	45.8%	3,330	1,116	33.5%	1,611	144.4
Slots	39,008	2,368	6.1%	20,310	1,255	6.2%	1,113	88.7
<b>Total GGR</b>		<b>7,089</b>			<b>4,379</b>		2,710	61.9

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

Consolidated contra revenue accounts in the third quarter increased by P853.0 million year-over-year to P2.3 billion, consistent with the increased gaming activity during the quarter. This represents 33% of consolidated GGR compared to 23% in the previous quarter and 33% in the same quarter last year. Consolidated contra revenue accounts in the first nine months increased by 2% compared to the same period last year to P5.4 billion.

Consolidated net gaming revenue for the third quarter reached P4.4 billion, representing an increase of 7% and 65% on a sequential and year-over-year basis, respectively. Consolidated net gaming revenue in the first nine months was P13.1 billion, up by 23% compared to the same period last year.

## **Non-gaming Revenues**

The Company reported consolidated non-gaming revenue of P768.5 million for the quarter, representing an increase of 31% from the P585.5 million generated in the same quarter last year. Consolidated non-gaming revenue was higher by 17% compared to the previous quarter. Consolidated non-gaming revenue in the first nine months was P2.3 billion, lower by 21% compared to the same period last year.

At Solaire, non-gaming revenue for the third quarter was P767.3 million, representing an increase of 31% from the same quarter last year. Hotel occupancy was 18.3%, compared to 14.9% in the previous quarter and 17.6% in the third quarter of 2020. Non-gaming revenue at Solaire in the first nine months was P2.3 billion, representing a decline of 21% year-over-year.

At Jeju Sun, non-gaming revenue for the quarter was P1.2 million, representing a decline of 7% year-over-year.

## **Net Revenues**

Bloomberry's consolidated net revenue in the third quarter was P5.1 billion, representing an increase of 59% from P3.2 billion in the same period last year. Consolidated net revenue increased by 9% compared to the previous quarter. Consolidated net revenue in the first nine months was P15.4 billion, higher by 13% year-over-year.

## **Expenses**

Third quarter consolidated cash operating expenses reached P3.9 billion, higher by 11% sequentially and by 22% compared to the same quarter 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. The increase in cash operating expenses was tempered by savings realized in salaries and benefits. Consolidated cash operating expenses in the first nine months was P11.4 billion, lower by 3% compared to the first nine months of 2020.

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

The Company's third quarter consolidated EBITDA was P910.1 million, representing a P1.1 billion reversal from LBITDA of P203.7 million in the same quarter last year. Solaire contributed P994.7 million to consolidated EBITDA, which was off-set by the P84.7 million LBITDA recorded at Solaire Korea. Consolidated EBITDA was 11% lower than the P1.0 billion recorded in the second quarter of 2021. Consolidated EBITDA in the first nine months was P3.4 billion, representing an increase of 159% over P1.3 billion in the same period last year.

On a hold-normalized basis, Bloomberry's consolidated EBITDA for the third quarter was P1.6 billion, P674.7 million more than the reported consolidated EBITDA of P910.1 million. Hold-normalized EBITDA in the third quarter would have increased by P1.9 billion and reversed from hold-normalized LBITDA of P307.7 million in the same period last year. Hold-normalized EBITDA in the first nine months was P3.7 billion, higher by P2.8 billion year-over-year.

The Company reported consolidated net loss of P1.1 billion for the third quarter, representing a P1.5 billion improvement from net loss of P2.5 billion in the same quarter last year. Net loss improved by P112.3 million from the P1.2 billion net loss reported in the previous quarter. Consolidated net loss in the first nine months was P3.0 billion, compared to net loss of P5.9 billion in the first nine months of 2020.

Bloomberry reported third quarter Basic Earnings per Share (EPS) loss of P0.096, compared to EPS loss of P0.232 in the third quarter of 2020. EPS in the first nine months was a loss of P0.272, compared to a loss of P0.534 in the same period last year.

## **Balance Sheet and Other Items**

As of September 30, 2021, Bloomberry had a consolidated cash and cash equivalents balance of P24.4 billion. Total outstanding long-term debt was P74.8 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 P29.2 billion.

As of September 30, 2021, the Company has drawn P5.0 billion each from the P20 billion additional facility and the P40.0 billion Syndicated Loan Facility.

As of September 30, 2021, Bloomberry had P1.4 billion in net receivables, 19% lower than at the beginning of the year. The Company continues to conservatively manage its receivables book and made P293.6 million of provisions for bad debt in the third quarter, representing 9% 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.solaireresort.com>*