

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

B	L	O	O	M	B	E	R	R	Y	R	E	S	O	R	T	S	C	O	R	P	O	R	A	T	I	O	N
A	N	D	S	U	B	S	I	D	I	A	R	I	E	S													

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

T	h	e	E	x	e	c	u	t	i	v	e	O	f	f	i	c	e	s	,	S	o	l	a	i	r	e
R	e	s	o	r	t	&	C	a	s	i	n	o	,	1	A	s	e	a	n	A	v	e	n	u	e	,
E	n	t	e	r	t	a	i	n	m	e	n	t	C	i	t	y	,	T	a	m	b	o	,			
P	a	r	a	ñ	a	q	u	e	C	i	t	y														

Form Type

1	7	-	A
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	A
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COMPANY INFORMATION

Company's Email Address

investorrelations@bloomberry.ph

Company's Telephone Number

8888-8888

Mobile Number

-

No. of Stockholders

98

Annual Meeting (Month / Day)

Every Third Thursday of April

Fiscal Year (Month / Day)

December 31

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Gerard Angelo Emilio J. Festin

Email Address

gerardfestin@solairesort.com

Telephone Number/s

8883-8921

Mobile Number

-

CONTACT PERSON'S ADDRESS

The Executive Offices, Solaire Resort & Casino, 1 Asean Avenue, Entertainment City, Tambo Parañaque City

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
OF THE CORPORATION CODE OF THE PHILIPPINES

1. For the fiscal year ended **31 December 2025**
2. SEC Identification Number **A1999-04864** 3. BIR Tax Identification No. **204-636-102-000**
4. Exact name of issuer as specified in its charter **BLOOMBERRY RESORTS CORPORATION**
5. **Philippines** Province, Country or other jurisdiction of incorporation or organization
6. (SEC Use Only) Industry Classification Code:
7. **The Executive Offices, Solaire Resort & Casino, 1 Asean Avenue, Entertainment City, Tambo Parañaque City** **1701**
Address of principal office Postal Code
8. **(02) 8883-8921**
Issuer's telephone number, including area code
9. **N/A**
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Unclassified Shares Outstanding
Unclassified Shares, P1.00 par value	11,488,557,907 Shares

11. Are any or all of these securities listed on a Stock Exchange.

Yes [x] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange **Unclassified Shares**

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [x] No []

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [x] No []

13. The aggregate market value of the voting stock held by non-affiliates of the registrant as of January 31, 2026 are follows:

(a) Total number of shares held by non-affiliates as of January 31, 2026 is 3,395,196,862 shares.

(b) Closing price of the Registrant's share on the exchange as of January 31, 2026 is ₱2.86.

(c) Aggregate market price of (a) as of January 31, 2026 is ₱9,710,263,025.

SEC FORM 17-A

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PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Business

1.1 Business Development

Bloomberry Resorts Corporation (referred to as “Bloomberry” or “Parent Company”), is incorporated in the Philippines and was registered with the Securities and Exchange Commission (SEC) on May 3, 1999. The Parent Company’s corporate life is perpetual under the Revised Corporation Code (R.A. No. 11232). Bloomberry’s primary purpose is to subscribe, acquire, hold, sell, assign or dispose of shares of stock and other securities of any corporation, including those engaged in hotel and/or gaming and entertainment business, without engaging in dealership in securities or in the stock brokerage business or in the business of an investment company, to the extent permitted by law, and to be involved in the management and operations of such investee companies; and to guarantee the obligations of its subsidiaries or affiliates or any entity in which the Parent Company has lawful interest.

Bloomberry’s shares of stock are publicly traded in the Philippine Stock Exchange (PSE) under the ticker BLOOM.

As of December 31, 2011, the Parent Company was a majority-owned subsidiary of Wespac Holdings Incorporated (WHI). On January 26, 2012, Prime Strategic Holdings, Inc. (PSHI) acquired 60,000,000 shares of Bloomberry, constituting 75% of the outstanding capital stock, from WHI and other stockholders through a cross-sale transaction in the PSE.

On February 6, 2012, PSHI sold 100% of its ownership interest in Sureste Properties, Inc. (“Sureste”), to Bloomberry for ₱5.9 billion. As of December 31, 2025, Bloomberry’s subsidiaries include Sureste and its wholly-owned subsidiary, Bloomberry Resorts and Hotels, Inc. (BRHI), Bloom Capital B.V, Solaire Korea Co., Ltd (“Solaire Korea”) and its subsidiaries Golden & Luxury Co., Ltd (“G&L”) and Muui Agricultural Corporation (“Muui”), Bloomberry Cruise Terminal, Inc. (“BCTI”), Solaire Properties Corporation (“SPC”) and Solaire Resorts Corporation (“SRC”) (collectively referred to as “the Group”).

On February 27, 2012, the SEC approved the increase in the authorized capital stock of the Company to ₱15 billion divided into 15 billion shares and the following amendments in its articles of incorporation, among others: change in the corporate name to Bloomberry Resorts Corporation; change in the primary purpose to that of a holding company; and change in the Parent Company’s registered office address to Unit 601, 6/F Ecoplaza Building, Chino Roces Avenue Extension, Makati City. This was further amended to its present address at the Executive Offices of Solaire Resort & Casino in June 2014.

For the increase in the authorized capital stock, PSHI subscribed to additional 7,265,656,500 shares of Bloomberry.

In May 2012, Bloomberry and its parent company, PSHI, completed a Placing and Subscription Transaction under which PSHI first sold in a private placement to various institutional investors 1,179,963,700 shares of stock in Bloomberry at ₱7.50 per share. The transaction was crossed through the Philippine Stock Exchange on May 5, 2012. PSHI then used the proceeds of the placing transaction to subscribe to an equivalent number of shares in Bloomberry at the same subscription price of ₱7.50 per share.

A total of 1,297,960,000 new shares were subscribed by PSHI as a result of the foregoing Placing and Subscription Transaction, including the exercise of the over-allotment option by the stabilizing agent, CLSA Limited. These shares were listed in the Philippine Stock Exchange on December 7,

2012. On December 18, 2012, PSHI purchased an additional 3,000,000 Bloomberry shares from the market.

In November 2014, Bloomberry and its parent company, PSHI, completed a Placing and Subscription Transaction under which PSHI first sold in a private placement to various institutional investors 435,000,000 shares of stock in Bloomberry at ₱13.00 per share. The net proceeds of the private placement were used by PSHI to subscribe to the equivalent number of new shares in Bloomberry at the same subscription price of ₱13.00 per share.

In September 2023, Bloomberry and Quasar Holdings, Inc. (Quasar), one of its affiliates, completed another Placing and Subscription Transaction under which Quasar first sold in a private placement to various institutional investors 559,000,000 shares of stock in Bloomberry at ₱10.00 per share. Quasar then used the proceeds of the placing transaction to subscribe to an equivalent number of shares in Bloomberry at the same subscription price of ₱10.00 per share.

As of December 31, 2025, Bloomberry is a subsidiary of PSHI, with Razon & Co. Inc. as its ultimate parent company.

On September 9, 2011, Sureste and BRHI jointly entered into a Management Services Agreement (MSA) with Global Gaming Philippines, LLC (GGAM) for the technical assistance on all aspects of planning, design, layout, and construction of the Project within Entertainment City and for services related to recruitment, selection, and hiring of employees for the Project. GGAM through the Management Team shall also provide management and other related services upon commencement of the Project's commercial operations. Fees per contract amounts to US\$100,000 per month for the technical assistance and US\$75,000 monthly for services related to the preopening operations. Upon commencement of the commercial operations and five years thereafter, the Group will pay GGAM annual fees equivalent to certain percentages of Sureste's and BRHI's earnings before interest, taxes, depreciation and amortization.

Sureste and BRHI terminated the MSA effective September 12, 2013 because of material breach of the MSA by GGAM after prior notice and failure of discussions to settle their dispute. GGAM denies having breached the MSA and alleges that it is BRHI and Sureste who breached the MSA. The parties submitted their dispute to arbitration before a 3-member arbitral tribunal in Singapore under the arbitration rules of the United Nations Commission on International Trade Law ("UNCITRAL") using Philippine law as the governing law.

Under the MSA, GGAM was granted an option over the shares of Bloomberry. After the backdoor listing of Bloomberry the option was granted under an Equity Option Agreement to purchase up to 921.2 million shares, equivalent to 9.91% of Bloomberry's outstanding shares (prior to Bloomberry's top-up equity offering) from PSHI at a purchase price equivalent to ₱1.00 per share plus US\$15 million. On December 21, 2012, GGAM exercised its option to purchase 921,184,056 shares of Bloomberry from PSHI at the agreed option strike price of ₱1.67 per share and was crossed through the Philippine Stock Exchange on December 28, 2012. On February 25, 2014, the Makati Regional Trial Court (MRTC) granted the application of BRHI, Sureste and PSHI for measures of protection in the form of writs of preliminary attachment and preliminary injunction to restrain GGAM from disposing the Bloomberry shares in order to maintain the status quo. GGAM filed a petition for review on certiorari with the Court of Appeals against the decision of the MRTC.

On December 9, 2014, the tribunal issued its Order in Respect of Claimants' Interim Measures of Protection, declaring among others, that the February 25, 2014 Order of MRTC is superseded and that parties are restored to their status quo ante as of January 15, 2014 and allowed GGAM to sell the shares.

GGAM filed a Manifestation with the MRTC concerning the order of the arbitral tribunal and seeking assistance in the enforcement thereof. BRHI, Sureste and PSHI filed a Counter-Manifestation on impropriety of GGAM Manifestation given its non-compliance with requirements of the Special Rules of Court on Alternative Dispute Resolution (Special ADR Rules) for enforcement of judgment/interim measures of protection. GGAM also filed a Manifestation and

Motion with the Court of Appeals seeking the same relief as that filed with the MRTC. BRHI, Sureste and PSHI filed a Comment/Opposition arguing against the grant of the Motion with the Court of Appeals for non-compliance with the Special ADR Rules as well as for forum-shopping. In a resolution dated May 29, 2015 and affirmed on November 27, 2015, the Court of Appeals remanded back the case to the MRTC for further proceedings.

On September 20, 2016, the arbitral tribunal issued a partial award on liability. It declared that 1) GGAM (Claimants) has not misled BRHI/Sureste (Respondents) into signing the MSA, and the Respondents were not justified to terminate the MSA because the services rendered by the Respondent's Management Team should be considered as services rendered by GGAM under the MSA, 2) rejected GGAM's claim that GGAM was defamed by the publicized statements of the Chairman of BRHI/Sureste, 3) that there is no basis for Respondents to challenge GGAM's title to the 921,184,056 Bloomberry shares because the grounds for termination were not substantial and fundamental, thus GGAM can exercise its rights in relation to those shares, including the right to sell them; 4) reserved its decision on reliefs, remedies and costs to the Remedies Phase which is to be organized in consultation with the Parties, 5) reserved for another order its resolution on the request of GGAM: (a) for the Award to be made public, (b) to be allowed to provide a copy of the Award to Philippine courts, government agencies and persons involved in the sale of the shares, and (c) to require BRHI/Sureste and Bloomberry to inform Deutsche Bank AG that they have no objection to the immediate release of all dividends paid by Bloomberry to GGAM.

On August 31, 2017, BRHI and Sureste filed a request for reconsideration of the partial award in the light of U.S. Department of Justice (DOJ) and SEC findings of violations of the Foreign Corrupt Practices Act (FCPA) by GGAM officers Weidner and Chiu, and for false statements and fraudulent concealment by GGAM in the arbitration. GGAM opposed the request on September 29, 2017. In a decision dated November 22, 2017, the tribunal denied the request for reconsideration saying it has no authority to reconsider the partial award under Singapore law. The tribunal said that the courts might be the better forum to look into the allegations of fraud.

On December 21, 2017, BRHI and Sureste filed a petition in the High Court of Singapore to set aside the June 20, 2017 judgment of the Court and to either remit the partial award to the tribunal for correction, or otherwise set aside the partial award based on the fraud allegations previously raised in the request for reconsideration.

In a resolution dated November 23, 2017, the MRTC affirmed the continuing validity of its February 25, 2014 order and the writ of preliminary injunction and attachment issued pursuant thereto. GGAM filed a petition for review with the Court of Appeals to question this MRTC order. The Court of Appeals denied this petition, and GGAM filed a petition in the Supreme Court to question the decision of the Court of Appeals.

On September 27, 2019, BRHI and Sureste received the Final Remedies Award of the arbitration tribunal in the case filed. The Final Award awarded less than half of the damages sought by GGAM. It provides that:

- a) Respondents pay US\$85.2 million as damages for lost management fees to Claimants;
- b) Respondents pay US\$391,224 as pre-termination fees and expense to Claimants;
- c) Respondents pay ₱10,169,871,978.24 for the (921,184,056) GGAM shares in Bloomberry in exchange for Claimants turning over the Shares after the payment. If Respondents do not pay for the Shares, GGAM may sell the Shares in the market and Respondents are directed to take all steps necessary to facilitate this sale. Respondents will be liable for the difference in the selling price if it is less than the awarded price;
- d) Respondents to take all steps necessary to release to GGAM the cash dividends on the Shares (currently subject of the injunction of the RTC Makati);
- e) Respondents to pay Claimants Cost of US\$14,998,052.
- f) Post-award interest at the annual rate of 6%, compounded annually, or 50 basis per month for the pre-termination expenses in (b), beginning 30 days after the Award.

On November 5, 2019, BRHI and Sureste filed in the Singapore High Court an application to set aside the Final Award on the grounds of fraud and fraudulent concealment among others.

BRHI and Sureste received a decision of the Singapore High Court dated January 3, 2020 in Originating Summons 1432 of 2017 (OS 1432) dismissing their petition to vacate and oppose the enforcement of the Partial Award of the Arbitration Tribunal dated September 20, 2016. The Court said that the FCPA Findings (referring to the U.S. DOJ non-prosecution agreement with Las Vegas Sands and the U.S. SEC order on FCPA involving Weidner and Chiu while they were with Las Vegas Sands) “do not constitute strong and cogent evidence of any species of fraud” raised by Sureste and BRHI against GGAM. On February 3, 2020, BRHI and Sureste appealed this decision to the Court of Appeals in Singapore. In a decision dated February 16, 2021, the Singapore Court of Appeals denied the appeal of BRHI and Sureste.

On May 29, 2020, the Singapore High Court issued a decision dismissing Sureste and BRHI’s petition to set aside/resist enforcement of the Final Award of the Arbitration Tribunal dated September 27, 2019.

The Singapore High Court ruled that the “Constructive Remedy,” which requires Sureste and BRHI to either (1) pay for the Bloomberg shares held by GGAM in exchange for the Bloomberg shares, or (2) take steps to facilitate GGAM’s sale of the Bloomberg shares, was not outside the scope of the parties’ arbitration agreement. The Singapore High Court also rejected the challenges based on the FCPA Findings (referring to the findings of the U.S. Department of Justice and the U.S. SEC regarding conduct by two of GGAM’s four executives during their tenure at Las Vegas Sands that violated the U.S. FCPA and GGAM’s fraudulent concealment of evidence during the Arbitration. The Singapore High Court likewise denied the argument that GGAM Netherlands, to which the MSA was assigned, was a sham entity established solely to evade U.S. and Philippine taxes, because the Arbitration Tribunal rejected the same argument, and thus, the High Court found that the grant of damages to GGAM Netherlands is not contrary to Singapore public policy. Costs were charged against Sureste and BRHI.

On June 29, 2020, Sureste and BRHI filed a Notice of Appeal to the Singapore Court of Appeals to appeal the Singapore High Court’s decision dated May 29, 2020 in case number OS 1385 dismissing Sureste and BRHI’s petition to set aside/resist enforcement of the Final Award of the Arbitration Tribunal dated September 27, 2019 docketed as CA98. On October 4, 2021, the Singapore Court of Appeals issued a decision which denied the appeal of BRHI and Sureste against the decision dated May 29, 2020.

BRHI and Sureste were advised by Philippine counsel that an award of the Arbitral Tribunal can only be enforced in the Philippines through an order of a Philippine court of proper jurisdiction after appropriate proceedings taking into account applicable Philippine law and public policy. GGAM has not filed the required petition to enforce the arbitral award in the Philippines.

On March 29, 2021, GGAM (without GGAM Netherlands joining) sued Enrique K. Razon Jr., BRHI, Sureste and other companies in the U.S. associated with Mr. Razon in the U.S. District Court in Southern District of New York. By this suit GGAM wants to enforce in the U.S. against Mr. Razon personally and companies in the U.S. associated with him the arbitral award that was issued only against BRHI and Sureste. On March 21, 2022, the court did not grant the motion to dismiss the complaint of GGAM as against Sureste, BRHI and Mr. Enrique K. Razon Jr. but the court granted the dismissal of the case against all other defendants.

GGAM has amended its complaint to allege trespass to chattels against Mr. Razon, to which Mr. Razon has filed a motion to dismiss. On January 11, 2023, the US District Court denied Mr. Razon’s motion to dismiss. BRHI and Sureste maintain their position that the New York court has no jurisdiction over them as they do not do business in New York nor in the U.S. Mr. Razon maintains the position that there is no basis to pierce the corporate veil of BRHI and Sureste to reach him as BRHI and Sureste are owned by Bloomberg, a publicly listed company.

On September 12, 2023, the US District Court granted Mr. Razon’s motion for summary judgement on the trespass to chattel and declared that GGAM did not proffer sufficient evidence of Mr. Razon’s interference with GGAM’s Bloomberg shares. The Court denied the motions and cross-

motions for summary judgement of the parties on the issue of personal jurisdiction over BRHI and Sureste and on the issue of the enforcement of the arbitral award against Mr. Razon as the alter ego of BRHI and Sureste. The Court essentially said that the parties have introduced sufficient evidence to allow a reasonable fact finder to find in their favor, hence there is need for a trial to determine which side will prevail. The Court also denied without prejudice GGAM's motion to confirm the Final Award.

On January 22 and 23, 2024, the Court held a hearing on the threshold issue of personal jurisdiction over BRHI and Sureste with the parties presenting their respective witnesses. The Court also encouraged the parties to discuss the possible settlement of this case because a trial on the various issues, if the Court affirms its jurisdiction, will take many years.

In March 2024, Sureste and BRHI reached an agreement for a universal settlement of their dispute with GGAM. The universal settlement will cover all the pending cases between the parties including the following:

- a) Case filed by GGAM in the US District Court of the Southern District of New York against Mr. Enrique K. Razon Jr., SPI and BRHI with docket no. 21-CV-2655(LGS)-(SN) to enforce an arbitral award;
- b) SP. PROC. M-7567, "Bloomberg Resorts and Hotels Inc., Sureste Properties Inc. and Prime Metroline Holdings Inc. vs. Global Gaming Philippines LLC, et al.", an injunction and attachment case filed by Sureste, BRHI and Prime Metroline Holdings Inc. (now Prime Strategic Holdings Inc., PSHI) before the RTC of Makati Br. 66;
- c) G.R. No. 243314, "Global Gaming Philippines LLC vs. Bloomberg Resorts and Hotels, Inc., Sureste Properties, Inc., PSHI and Deutsche Bank AG, Manila Branch", a certiorari case filed by GGAM in the Philippine Supreme Court questioning the decision of the Court of Appeals which affirmed the order of the RTC Makati affirming the validity of the writ of preliminary attachment and writ of preliminary injunction that it issued over the shares in Bloomberg held by GGAM;
- d) The Arbitral Award issued against Sureste and BRHI in favor of GGAM and GGAM Netherlands relating to the termination of GGAM's Management Services Agreement with Sureste and BRHI;
- e) The judgment of various Singapore Courts relating to the confirmation of the Arbitral Award in favor of GGAM and GGAM Netherlands against BRHI and Sureste. The settlement with GGAM requires Sureste to purchase the 921,184,056 shares in Bloomberg held by GGAM for a total purchase price of USD 300 Million.

On April 30, 2024, Sureste purchased 921,184,056 Bloomberg shares from GGAM at a purchase price of ₱18.32 per share, at the conversion rate of ₱55.94 to USD 1.00, through a Special Block Sale on the Philippine Stock Exchange pursuant to the Settlement Agreement. The Settlement Agreement was therefore completed. The purchase of Sureste of the 921,184,056 Bloomberg shares from GGAM amounting to ₱17,348.0 million was recorded under "Cost of shares held by a subsidiary" account in the consolidated financial statements.

Solaire Resort North

In 2015, Sureste purchased from the National Housing Authority (NHA) 15,676 square meters of land in Vertis North, Quezon City Central Business District and was issued Transfer Certificates of the Title on June 24, 2016. This property is the site of "Solaire Resort North," BRHI's second integrated resort in the Philippines under the same PAGCOR license. Solaire Resort North commenced operations on May 25, 2024.

Solaire Resort North has approximately 13,000 square meters of mass and VIP gaming space across 4 gaming levels, 526 guest rooms and suites, 14 dining options ranging from casual cafes, signature restaurants, to premium bars and lounges. It also has an expansive 1,800 sqm pillarless grand ballroom that can accommodate more than 1,600 guests at theatre-style seating, a 1,400-square meter state-of-the-art health club featuring a high-end gym and expansive spa, an outdoor swimming pool with a kids' waterpark, and an indoor Kids' Club.

Terminated Investment in Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp.

On May 6, 2022, Bloombergry signed a term sheet with PH Travel and Leisure Corp., a subsidiary of PH Resorts Group Holdings, Inc. which covers the proposed investment of Bloombergry into Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp. which are developing the Emerald Bay Resort Hotel and Casino in Punta Engano, Lapu-Lapu City, Cebu, and The Base Resort Hotel and Casino in Clark, Pampanga, respectively. The term sheet is subject to several Conditions to Closing including: (a) the execution of mutually acceptable definitive agreements; (b) approval of regulators; (c) approval of creditors; (d) completion of audited financial statements; (e) corporate approvals, and cooperation on and satisfactory result of due diligence, among others.

On March 22, 2023, Bloombergry terminated the term sheet because of adverse due diligence findings and regulatory actions. The parties agreed that the ₱1.0 billion deposit made under the term sheet shall be returned to Bloombergry through execution of certain transactions. As of December 31, 2025, the outstanding receivable has been fully collected.

Paniman Project

On May 18, 2022, Bloombergry through SPC entered into an agreement with a group of landowners comprising Boulevard Holdings Inc., Puerto Azul Land, Inc., Ternate Development Corporation and Monte Sol Development Corporation (the "Sellers") for the purchase by SPC of a total of 2,797,768 square meters of land in the Paniman area in Ternate, Cavite at the average price of P2,700 per square meter. In addition to the land purchased from the Sellers, SPC has also purchased additional parcels of land in Ternate, Cavite from other sellers. As of December 31, 2025, SPC has purchased 223 lots with a total land area of 2,036,665 square meters.

SPC intends to develop the Paniman property into an integrated resort and entertainment complex with a world class casino, hotel, golf course, commercial, residential and mixed-use development.

The development timeline for this project is yet to be finalized.

Bloombergry is continually exploring potential projects in the Philippines and other parts of the world.

1.2 Business of Issuer

Overview

The Parent Company was engaged in the manufacture of printed circuit boards up to 2003. It ceased commercial operations in December 2003 up until 2011. On February 27, 2012, the SEC approved the change in its primary purpose to that of a holding company. The Company has Sureste, BRHI, Bloom Capital B.V., Solaire Korea, G&L, Muui, BCTI, SRC and SPC as its subsidiaries. BRHI has 49% shareholdings in Falconer Aircraft Management Inc., a company engaged in aircraft management.

Sureste Properties, Inc.

Sureste was incorporated in 1993 as a property holding company. On July 2, 2010, Sureste amended its primary purpose to develop and operate tourist facilities including hotel - casino entertainment complexes. Sureste is registered with the Philippine Economic Zone Authority ("PEZA") as developer of a hotel project in a PEZA Tourism Economic Zone. As such, Sureste enjoys certain incentives granted by the government in relation to the hotel component of Solaire Resort Entertainment City, including reduced tax rates. Sureste acquired all the shares of BRHI on January 12, 2011.

Bloombergry Resorts and Hotels Inc.

On February 27, 2008, BRHI was incorporated as Bloombury Investments Holdings Inc. ("BIHI") for the purpose of developing and operating tourist facilities, including casino-entertainment complexes with casino, hotel, retail and amusement areas and themed development components.

On April 8, 2009, BRHI was granted a Provisional License by PAGCOR to establish and operate an integrated casino, hotel and entertainment complex at the Entertainment City in Paranaque City. On September 21, 2010, the SEC approved the change of BIHI's name to BRHI. On May 7, 2015, BRHI's Provisional License was replaced with a regular casino Gaming License upon full completion of the Project, referred to as "Solaire Resort Entertainment City". The Gaming License has the same terms and conditions as the Provisional License.

Bloom Capital B.V.

On November 21, 2013, Bloomberry subscribed to 60% of the capital stock of Bloom Capital B.V., a financial holding entity incorporated in the Netherlands as a private company with limited liability under Dutch law. On October 23, 2014, Bloomberry acquired the remaining 40% of the capital stock of Bloom Capital B.V.

Bloomberry Cruise Terminals Inc.

Bloomberry established BCTI to manage and operate its port terminal assets including the proposed Solaire Cruise Center and Yacht Harbor. The proposed Solaire Cruise Center and Yacht Harbor was designated by the Tourism Infrastructure and Enterprise Zone Authority as a Tourism Enterprise Zone.

Solaire Korea Co., Ltd.

On December 28, 2014, Bloomberry established, through a nominee, Solaire Korea Co., Ltd. (Solaire Korea), to hold the Group's investment interest in the Republic of Korea. After a series of stock subscriptions, Bloomberry came to own 100% of Solaire Korea.

Golden & Luxury Co., Ltd.

On April 24, 2015, Solaire Korea acquired 77.26% of the outstanding shares of Golden & Luxury Co., Ltd. (G&L). On May 22, 2015, it acquired an additional 18.97% of G&L, bringing Solaire Korea's ownership in G&L to 96.23%. On August 20, 2015, Bloomberry acquired 10.00% of the outstanding shares of G&L from Solaire Korea. G&L is a hotel and casino operator in Jeju Island in the Republic of Korea.

In October 2025, G&L entered into a Share Purchase Agreement (SPA) to spin off its casino business into a newly established company, Heaven Co. Ltd., through a demerger. As of March 4, 2026, the demerger has been completed and the gaming license and operations of G&L have been successfully transferred to Heaven Co. Ltd. On the same date, G&L transferred ownership of Heaven Co. Ltd. to the buyer, Blue One Ltd., following the payment totaling KRW 7.0 billion of the purchase price. The remaining balance of KRW 3.0 billion is scheduled for payment on or before February 27, 2027. Following the sale, Heaven Co. Ltd. will continue to operate the casino business at G&L's Jeju Island property under a lease agreement until a new location for its operations is secured.

Muui Agricultural Corporation

On March 8, 2016, Solaire Korea established Muui Agricultural Corporation (Muui) to hold Solaire Korea's investment interest in agricultural land in the Muui and Silmi islands pending their conversion. Solaire Korea owns 90% of Muui.

Solaire Properties Corporation

On April 29, 2022, Bloomberry established SPC (formerly Solaire Entertainment Properties Holdings, Inc.) to acquire and subsequently develop a property in Paniman, Ternate, Cavite into an integrated resort and entertainment complex with a casino, hotel, golf course, commercial, residential and mixed-use development.

Solaire Resorts Corporation

On October 18, 2022, SRC was incorporated to develop and operate an integrated resort including a casino duly licensed by the Philippine Amusement and Gaming Corporation and other relevant government regulators.

Solaire Resort Entertainment City (Solaire Resort & Casino)

Solaire Resort Entertainment City is the first premium/luxury hotel and gaming resort in Entertainment City. BRHI, as the license holder, owns and operates the casino while Sureste owns and operates the hotel and other non-gaming business.

Upon completion of Phase 1 of Solaire Resort Entertainment City, now referred to as the Bay Tower, BRHI and Sureste commenced commercial operations on March 16, 2013. Solaire Resort Entertainment City opened with its main gaming area and initial non-gaming amenities, which included the hotel, and a number of food and beverage outlets.

Phase 1 of Solaire Resort Entertainment City consists of a casino with an aggregate gaming floor area of approximately 18,500 square meters (including approximately 6,000 square meters of exclusive VIP gaming areas), with approximately 1,653 slot machines, 295 gaming tables and 88 electronic table games. Phase 1 has 488 hotel rooms, suites and bayside villas, and 15 specialty restaurants and F&B outlets including (the number of seats are approximations): a 240-seat Chinese restaurant, a 182-seat Korean restaurant (operated by a third party), a 150-seat Japanese restaurant, a 120-seat Italian restaurant, a 322-seat international buffet/coffee shop, a 170-seat noodle shop, a 150-seat live entertainment lounge, a 406-seat food court, a 20-seat lobby bar, and a 50-seat lounge area. It has a spa and fitness center, a bayview promenade, and multilevel parking building with approximately 1,500 parking slots.

On November 22, 2014, Bloomberry opened the Sky Tower, which was previously referred to as Phase 1A development of Solaire Resort Entertainment City. Contiguous to the existing Solaire Resort and Casino, the Sky Tower consists of a 312 all-suite hotel, additional ten VIP gaming salons with 66 gaming tables and 230 slot machines, an exclusive House of Zhou Chinese restaurant and The Macallan Whisky and Cigar Bar for VIP patrons, state-of-the art meeting rooms ("The Forum"), and a lyrical theater ("The Theatre"). The Sky Tower also features two restaurants, the Waterside Restobar and Oasis Garden Café. The Theatre is a certified 1,740-seat theatre designed to provide a superior audio-visual experience for a wide range of theatre plays and musicals, concerts, shows and performing arts. The Forum is a 2,000 square-meter meeting facility with eight meeting rooms, two boardrooms and a flexible pre-function area. Sky Tower also features the Sky Range Shooting Club with 5 rifle shooting bays and 15 pistol bays. Sky Tower is accessible through a multi-level parking garage that, to date, can accommodate and secure over 1,050 vehicles. The Shoppes in the Sky Tower features retail stores, including premium brands such as Louis Vuitton, Dior, Yves Saint Laurent, and Prada, among others.

On December 7, 2018, Solaire Resort Entertainment City unveiled The Baccarat Room & Bar (previously The Cigar Bar and Poker Room), a high-end cigar bar with eight gaming tables. On February 11, 2019, Solaire Resort Entertainment City opened the Philippine's first electronic table games ("ETG") stadium called "Players Stadium" - an expansive and colorful entertainment space highlighted by a massive 360 square meter surround screen. On March 18, 2022, the Solaire Club was unveiled in its new location on Level 3, on what was previously the grand ballroom. The updated luxury space sprawls over 4,300 square meters featuring world-class casino facilities, new dining outlets, private salons, and exclusive amenities that make it one of Asia's finest gaming offerings. On December 1, 2023, the Solaire Grand Ballroom was opened in its new location at The Shoppes. The new ballroom's main event area is 2,400 sqm and seats up to 2,200 guests.

On June 8, 2025, Bloomberry soft-launched MegaFUNalo! -- a broad-mass digital gaming platform that effectively widens the Company's suite of gaming offerings and increases its exposure to online gaming.

Solaire Resort North

In 2015, Sureste purchased from the National Housing Authority (NHA) 15,676 square meters of land in Vertis North, Quezon City Central Business District and was issued Transfer Certificates of the Title on June 24, 2016. This property is the site of “Solaire Resort North,” BRHI’s second integrated resort in the Philippines under the same PAGCOR license. Solaire Resort North commenced operations on May 25, 2024.

Solaire Resort North has approximately 13,000 square meters of mass and VIP gaming space across 4 gaming levels, 526 guest rooms and suites, 14 dining options ranging from casual cafes, signature restaurants, to premium bars and lounges. It also has an expansive 1,800 sqm pillarless grand ballroom that can accommodate more than 1,600 guests at theatre-style seating, a 1,400-square meter state-of-the-art health club featuring a high-end gym and expansive spa, an outdoor swimming pool with a kids’ waterpark, and an indoor Kids’ Club.

Jeju Sun Hotel & Casino

On April 24, 2015 and subsequently on May 22, 2015, Bloomberry, through its wholly-owned subsidiary, Solaire Korea, acquired majority ownership of G&L. G&L operated a hotel and casino property in Jeju, South Korea under the brand name “T.H.E Hotel” and “LVegas Casino”. Upon takeover of operations by Bloomberry, the property was rebranded as “Jeju Sun Hotel & Casino” (“Jeju Sun”). The property consists of a 202-room hotel with 5 Hibiscus rating, 2,000 square meters of gaming space with 36 tables and 20 electronic gaming machines. The property has four food and beverage outlets to service its hotel guests and casino players. In 2018, a reorganization was implemented to separate hotel and casino operations. In the fourth quarter of 2018, Jeju Sun embarked on a renovation project covering 164 rooms, restaurants, lobby, building façade, sports bar, gym, sauna, back of the house and a new ballroom for the purpose of securing the 5 Hibiscus rating that is required to keep its gaming license. Renovations were completed in December 2019.

In October 2025, G&L entered into a Share Purchase Agreement (SPA) to spin off its casino business into a newly established company, Heaven Co. Ltd., through a demerger. As of March 4, 2026, the demerger has been completed and the gaming license and operations of G&L have been successfully transferred to Heaven Co. Ltd. On the same date, G&L transferred ownership of Heaven Co. Ltd. to the buyer, Blue One Ltd., following the payment totaling KRW 7.0 billion of the purchase price. The remaining balance of KRW 3.0 billion is scheduled for payment on or before February 27, 2027. Following the sale, Heaven Co. Ltd. will continue to operate the casino business at G&L’s Jeju Island property under a lease agreement until a new location for its operations is secured.

The completion of the transaction, including the full payment of the purchase price, remains subject to the successful completion of the demerger process, the Buyer’s due diligence, and the receipt of all necessary regulatory approvals.

Terminated Investment in Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp.

On May 6, 2022, Bloomberry signed a term sheet with PH Travel and Leisure Corp., a subsidiary of PH Resorts Group Holdings, Inc. which covers the proposed investment of Bloomberry into Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp. which are developing the Emerald Bay Resort Hotel and Casino in Punta Engano, Lapu-Lapu City, Cebu, and The Base Resort Hotel and Casino in Clark, Pampanga, respectively. The term sheet is subject to several Conditions to Closing including: (a) the execution of mutually acceptable definitive agreements; (b) approval of regulators; (c) approval of creditors; (d) completion of audited financial statements; (e) corporate approvals, and cooperation on and satisfactory result of due diligence, among others.

On March 22, 2023, Bloomberry terminated the term sheet because of adverse due diligence findings and regulatory actions. The parties agreed that the ₱1.0 billion deposit made under the term sheet shall be returned to Bloomberry through execution of certain transactions. As of December 31, 2025 the outstanding receivable has been fully collected.

Paniman Project

On May 18, 2022, Bloomberry through SPC entered into an agreement with a group of landowners comprising Boulevard Holdings Inc., Puerto Azul Land, Inc., Ternate Development Corporation and Monte Sol Development Corporation (the "Sellers") for the purchase by SPC of a total of 2,797,768 square meters of land in the Paniman area in Ternate, Cavite at the average price of P2,700 per square meter. In addition to the land purchased from the Sellers, SPC has also purchased additional parcels of land in Ternate, Cavite from other sellers. As of December 31, 2025, SPC has purchased 223 lots with a total land area of 2,036,665 square meters.

SPC intends to develop the Paniman property into an integrated resort and entertainment complex with a world class casino, hotel, golf course, commercial, residential and mixed-use development.

The development timeline for this project is yet to be finalized.

Competition

As integrated gaming resorts designed, planned and developed according to world-class industry standards, Solaire Resort Entertainment City and Solaire Resort North (known collectively as "Solaire") competes with integrated tourism resorts and casinos domestically in the Philippines, as well as in Macau, Malaysia, Singapore and other casinos and resort developments. Solaire competes against facilities in the world's other major gaming centers, including Las Vegas and Australia. In particular, with respect to VIP customers, the Company competes primarily with Macau, Malaysia, Cambodia, Vietnam and Australia for customers of independent junket promoters, while Singapore is a strong competition for Premium Direct customers.

The Company competes effectively because of its well-designed facilities and targeted gaming offerings, as well as the expertise of its current management team in effectively managing gaming and non-gaming operations, developing events and promotions for the mass market and procuring business from junket operators throughout the region.

In the Philippine gaming market, the Company is one of only four private gaming operators in Entertainment City, along with Travellers International Hotel Group, Inc. ("Travellers"), Melco Resorts and Entertainment (Philippines) Corporation ("Melco Philippines") and Tiger Resort Leisure & Entertainment, Inc. ("Tiger").

In terms of its integrated tourism resort business, the Company competes domestically with both Philippine and foreign-owned hotels and resorts.

With respect to its gaming business, Solaire competes domestically with PAGCOR gaming facilities, existing privately owned casinos such as those located in the Clark Ecozone, and the facilities built and operated by the three other developers in Entertainment City. As of end of 2025, there are 9 casino branches and 35 satellite casinos throughout the Philippines owned and/or operated by PAGCOR. In addition, outside of Entertainment City and Metro Manila, PAGCOR has licensed private casino operators in special economic zones, including four in the Clark Ecozone, one in Poro Point, La Union, and one in Binangonan, Rizal. The Villar Group has announced plans for two integrated resort developments, one in the City of Las Pinas and another in Villar City, a planned mixed-use development spanning parts of Metro Manila and Cavite. PAGCOR has granted provisional licenses for two integrated casino resorts in the province of Cebu, including the Emerald Bay project. In 2025, PAGCOR revoked the provisional license for the Emerald Bay integrated resort and casino in Mactan, Cebu, and the project has been cancelled. Other competitors licensed by government agencies include companies specializing in horse racing, cockfighting, lotteries, sweepstakes and other smaller-scale gaming operators.

Travellers opened Newport World Resorts (previously Resorts World Manila) in August 2009, the first PAGCOR-licensed integrated tourism resort located in the Newport City Cybertourism Zone ("Newport City") near Manila's international airport. Travellers was originally a joint venture between Genting Hong Kong Limited ("Genting HK"), a Hong Kong-based gaming operator and a

part of the Genting Group that has facilities worldwide, and Alliance Global Group, Inc. (“AGI”), a Philippine conglomerate that owns Megaworld Corporation, a large Philippine property developer. In 2023, Genting HK sold its shares in Travellers to AGI. In October 2019, Travellers and its subsidiary, Westside City Resorts World, entered into a co-development agreement with Suntrust Resort Holdings, Inc. (“Suntrust”) to develop the Westside Resort within Entertainment City. Suntrust is 51% owned by Fortune Noble Ltd., a subsidiary of LET Group Holdings Ltd. (formerly Suncity Group Holdings Ltd). Their property located adjacent to Solaire Resort Entertainment City is currently under construction.

City of Dreams Manila (“COD”) is a project of Melco Resorts Philippines (previously known as Melco Crown Philippines) and Belle Corporation thru its subsidiary, Premium Leisure Corp. COD is an integrated tourism resort within Entertainment City on an approximately 6.2-hectare site, which initially opened its doors to the public in December 2014. COD, which is solely operated and managed by Melco Resorts Philippines, includes gaming, hotel, retail, dining and entertainment facilities.

Okada Manila (“Okada”) is a project of Japan-based Universal Entertainment, through its domestic subsidiary, Tiger Resort Leisure & Entertainment Inc. Okada is an integrated tourism resort which occupies an area of 44 hectares in New Seaside Drive, Entertainment City. On December 21, 2016, the casino complex was opened for preview and officially commenced casino operations on December 30, 2016.

During the COVID-19 pandemic, Solaire and a number of its competitors in the Philippines were allowed by PAGCOR to accept bets via online gaming platforms. In April 2021, the Company launched Solaire Online which now competes with similar offerings by integrated resort operators, among others, in Entertainment City, Clark, and Cebu. In 2025, Solaire soft-launched MegaFUNalo!, an online gaming platform targeting a broader audience, which competes directly with other licensed electronic gaming operators, including BingoPlus, the online casino brand of Digiplus Interactive Corp.

The company believes that Solaire can continue to compete effectively against its competitors with its captured mass and VIP customers in the Philippines and across Asia, as well as through its superior product and excellent service. The company’s properties and online offerings appeal to the preferences of all segments of the Philippine gaming market, which are expected to grow significantly over the years ahead.

Principal Suppliers/ Service Providers

Sureste and BRHI retain various suppliers including Adventenergy Inc., Excell Contractors and Developers Inc., RGB (MACAU) Limited, Angel Japan Co., Ltd., Aimms High Non-Specialized Wholesale Trading, Insular Health Care Inc., Angel Singapore (Asia) Pte. Ltd., Royal Country Marketing, Viva Communications, Inc., Trends and Technologies, Inc., - Fortuna Games OÜ, - Malayan Insurance Co. Inc., Green Amenities Supply Corporation, - Billups Pte. Ltd., Carlx Shop General Merchandise, Touch Xda Inc., Louis Vuitton (Philippines), Inc., Marine Glory MNL Co. Ltd. Inc., Astral Data Systems Inc., and ABS-CBN Corporation.

Customers

The Company expects that each area of Solaire and its respective facilities and gaming offerings will meet the needs of each category of customer. Solaire’s world-class facilities are complemented by extensively trained employees with skillsets tailored to the customer base that they are serving, allowing Solaire to offer them the best possible gaming experience.

VIP Players

Solaire’s VIP customers are players who are on a rolling chip or revenue share program at Solaire. These VIP players may come to Solaire directly without any agent or independent gaming

promoter intermediary, or they may be sourced from independent gaming promoters or junket operators operating in the Philippines and across Asia.

Mass Market

Solaire's table and slot machine customers who do not fall under the VIP customer segments mentioned above are classified under Mass Market. These players can either be on-premise or online patrons.

Related Parties

The Company and its subsidiaries, in their ordinary course of business, engage in transactions with affiliates. The Company's policy with respect to related party transactions is to ensure that these transactions are entered into at arm's length terms comparable to those available from unrelated third parties.

In considering each possible related entity relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Intellectual Property, Licenses, Contract and Agreements

Sureste and BRHI, have registered or applied to register trademarks in connection with the Company's properties, facilities and development projects. The following trademarks are duly registered: "Solaire", "Solaire Manila", "Solaire Resort & Casino Manila", "Solaire Resort & Casino", "Solaire Resort Entertainment City", "Solaire Resort North", "Finestra", "Red Lantern", "Yakumi", "Lucky Noodles", "Sabong Cards Exclusive at Solaire", "Fresh" and "Food Court", "Manyaman", "House of Zhou", "Waterside", "the Space at Solaire", "Solaire Sports Club", "QC Quezon Club", "Dragon Bar", "Leaf & Barrel Society" and "Oasis Garden Café". These are brand names under which Sureste and BRHI market its properties and services. In addition, the respective company logos of Bloomberry, Sureste and BRHI are likewise duly registered. The Company considers these brand names to be important to its business since they have the effect of developing brand identification and awareness.

Sureste and BRHI also possess copyrights for certain proprietary software systems, whose remaining useful lives range from one to five years. The Group sees to it that its rights for the use of these software systems are secured at all times to ensure continued use and support from vendors.

Insurance

Sureste and BRHI maintain insurance which covers incidents such as damage to property; the transport of gaming chips, playing cards and equipment; monetary loss due to third party and/or employee theft or fraud; damage to third party property and injury / death to persons; and life, accident and medical insurance for employees. Each policy has exclusions customary in the Philippines. Sureste and BRHI also maintain business interruption insurance for Solaire.

Notwithstanding the insurance coverage, damage to its facilities, equipment, machinery, buildings or other properties as a result of occurrences such as fire, explosion, intentional unlawful act or natural disaster could nevertheless materially and adversely affect the Company's financial condition and results of operations to the extent that such occurrences disrupt the Company's normal operations. In addition, there are certain types of risks that are not covered by the Company's insurance policies, including acts of war and acts of terrorism.

The Company maintains a director and officers liability insurance, which covers directors and officers for errors and omissions. The Company does not maintain key personnel insurance for any of its directors or other members of senior management.

Government License and Regulatory

Provisional License/Gaming License

PAGCOR issued to BRHI a provisional license (“Provisional License”) for the development of an integrated casino, hotel and entertainment complex within Entertainment City on April 8, 2009. BRHI is one of four licensees in Entertainment City.

On May 7, 2015, BRHI’s Provisional License was replaced with a regular casino Gaming License upon full completion of the Project, referred to as “Solaire Resort Entertainment City”. The Gaming License has the same terms and conditions as the Provisional License. The US\$50 million held in escrow under the Provisional License was released upon issuance of the regular casino gaming license. The Provisional License, as well as the regular license issued to replace it, is co-terminus with PAGCOR’s franchise. PAGCOR’s franchise will expire on July 11, 2033 and the license may be renewed when PAGCOR’s franchise is renewed by law.

Solaire Resort North, BRHI’s second casino resort in the Philippines is covered by the same PAGCOR license.

PEZA Registration

Sureste is a PEZA-registered Tourism Economic Zone Enterprise for the construction, development, management and operation of a hotel and entertainment complex within Entertainment City.

Employees

The Group recruits most of Solaire’s gaming, hotel, food and beverage and other staff locally. The Group aims to generate jobs in Metro Manila in support of PAGCOR’s policy goals, both directly as Bloomberry expands and indirectly as the Company stimulates local tourism.

As of December 31, 2025, the Group employed 10,343 individuals at Solaire, 1,271 officers and managers, 2,660 supervisors and 6,412 rank and file employees. These employees serve various departments including management and administrative, gaming, hotel operations, food and beverage, property and marketing, among others.

The Group complies with all applicable Philippine labor and employment regulations. The Company currently has in place internal control systems and risk management procedures to monitor compliance with labor, employment and other applicable regulations. Going forward, the Company, through its human resources and legal departments, will continue to monitor all labor issues to ensure compliance with all applicable labor and employment regulations. Approximately 26% of the Group’s Philippine employees are covered by collective bargaining agreements.

Discussion of Risks

Management has identified major business risk factors affecting the Group as follows: (i) General Risks Relating to the Group; (ii) Risks Relating to the Gaming License and Regulation of the Philippine Gaming Industry; (iii) Risks Relating to Future Expansion; (iv) Risks Relating to the Operation of Solaire; and (v) Risks Relating to the Philippines.

General Risks Relating to the Group

The company is subject to significant risks and uncertainties. The Group’s operating history should be considered when determining its future operating results and prospects.

The Group’s businesses and assets are in the Philippines and South Korea, and a significant number of its VIP customers are from Greater China, South Korea, Singapore, Thailand, Malaysia and other parts of Asia. The gaming business is vulnerable to global economic downturns and pandemics.

Risks Relating to the Gaming License and Regulation of the Philippine Gaming Industry

The Company's gaming operations are dependent on the Gaming License issued by PAGCOR.

Any additional gaming licenses issued by PAGCOR could increase competition and diminish the value of the Company's Gaming License and the Company's business may be adversely affected by policy changes or additional conditions on its Gaming License. In 2018, Landing Resorts Philippines Development Corporation was granted a provisional license by PAGCOR but it was suspended after the lease contract over its project site was cancelled on instruction of then-President Rodrigo Duterte for violation of Philippine BOT Law.

New regulations or laws on gaming operations may adversely affect the gaming operations of BRHI. For example, smoking ban in casinos may have an adverse impact on customers who are smokers, or a change in tax regime for casinos. In July 2025, proposed legislation seeking to prohibit online gambling gained momentum in Congress, prompting inquiries in both the House and Senate. These proceedings led to the suspension of online gaming billboard advertising and the de-linking of online gaming platforms from e-wallets, actions that weighed on industry-wide online gaming revenues. Regulatory uncertainty persists as additional restrictions remain under consideration.

Risks Relating to Future Expansion

The Group's local, international, and online expansion plans and any further plans to expand Solaire may not materialize or be successful.

Risks Relating to the Operations of Solaire

The loss of members of Solaire's management team may adversely affect the Group's operations.

Solaire faces competition in the Philippines and elsewhere in Asia, and it may have difficulty in competing and gaining the desired market share. The Group also needs to maintain, or develop additional, successful relationships with reputable independent gaming promoters or junket operators to be successful as the Philippine gaming industry grows.

Solaire's success partly depends on the reputation and integrity of the independent gaming promoters or junket operators it engages, and the Group may be affected by a lack of probity and integrity of any such operators. There could also be increased regulation or scrutiny on independent gaming promoters.

The Group is exposed to risk on credit extended to its clients. Any default by VIP gaming customers may cause significant volatility in the Group's revenues and cash flows.

Solaire's ability to generate revenues depends to a substantial degree on Manila's development as a tourist and as a gaming destination. Metro Manila's transport infrastructure is a key component for the development of the Philippine's gaming industry.

The company's online operations will require working with various parties including internet gaming solutions providers, IT engineers, game developers, and content creators, among others. The success of Solaire's online business partly depends on the reputation and integrity of the parties it engages, and the company may be affected by a lack of probity of any such parties.

Solaire requires a substantial number of qualified managers and employees, and is dependent on the Group's ability to recruit, train and retain a sufficient number of such qualified personnel.

Risks Relating to the Philippines

The occurrence of natural catastrophes could adversely affect the Group's business, financial condition or results of operations. In addition, political instability in the Philippines could adversely affect the country and may have a negative effect on the Group. Acts of terrorism could also destabilize the country and could have a material adverse effect on the Group's assets and financial condition.

The Russian invasion of Ukraine, the Israel-Hamas conflict, heightened tensions in the Middle East involving Israel and Iran, and the recent joint military strikes of the United States and Israel on Iran have caused significant disruptions in global trade resulting in a supply constraint and increased food, fuel and commodity prices. These events, along with adverse effects of local typhoons, have contributed to elevated global inflation in recent years. While inflationary pressures have moderated over the last few quarters, renewed global trade tensions, including tariff measures involving the United States and its trading partners, pose potential risks to global price stability. Persistently high inflation will likely lead to a reduction in disposable income and elevated input costs which could adversely affect the business of the Company.

Artificial intelligence (AI) could displace positions in the Philippine job market by automating various customer service and back-office roles, among others. A widespread displacement could result in an adverse near- to medium- term impact on spending potentially reducing the size of the domestic casino market. Additionally, AI may accelerate the shift toward digital gaming, resulting in reduced foot traffic and revenues in integrated resorts in hubs like Entertainment City and Clark.

Item 2. Properties

On May 7, 2010, BRHI entered into a contract of lease with PAGCOR to lease 83,084 square meters of land for the construction of the hotel, gaming and entertainment facility. The lease period was for 23 years, and was co-terminus with the term of lessor as provided in the PAGCOR charter which will expire on July 11, 2033, unless sooner revoked, rescinded or cancelled. The schedule of the annual lease rental was provided for in the agreement. On May 20, 2011, BRHI and Sureste entered into a deed of assignment whereby BRHI assigned to Sureste all its rights and interest as a lessee under the contract of lease with PAGCOR. Such deed of assignment was approved by PAGCOR on May 26, 2011. BRHI remained solidarily liable to PAGCOR for Sureste's compliance with all the obligations and liabilities of the lessee under the contract of lease. In December 2012, BRHI and Sureste amended the deed of assignment. Pursuant to the amended deed of assignment and with the consent of PAGCOR, BRHI assigned 89% of its leasehold rights over the leased land to Sureste and retained the 11% of such rights. In 2013, an addendum to the contract of lease covering an additional 3,733 square meters of PAGCOR land was executed. In December 2014, a second addendum to the contract of lease covering 73,542 square meters of PAGCOR land was executed under similar terms and conditions of the original contract of lease. In late 2017, PAGCOR attempted to auction off the 160,359 square meters of land covered by the amended contract of lease. After two failed biddings, Sureste was able to negotiate its acquisition of the said land.

During the first quarter of 2015, the Company signed four real estate sales agreements with several landowners for the purchase of land with an aggregate area of 12.2 hectares located in Muui Island in the Republic of Korea. The property is intended to be developed into a leisure and tourism complex with entertainment facilities and mixed-use developments. The property was acquired under Solaire Korea. Bloomberry also signed a real estate sales agreement for the purchase of the Silmi Island in the Republic of Korea. Silmi Island has an area of 20.96 hectares and is adjacent to the 12.2 hectares property in Muui Island. Silmi Island is also intended to be developed into a leisure and tourism complex with entertainment facilities and mixed-use developments. The Silmi Island property was also acquired by Solaire Korea. On March 8, 2016, Solaire Korea established Muui Agricultural Corporation to hold Solaire Korea's investment interest in agricultural land. As of December 31, 2016, Muui Agricultural Corporation owns a total of 33.16 hectares of agricultural land located in the Muui and Silmi Islands.

In 2015, Sureste purchased from the NHA 15,676 square meters of land in Vertis North, Quezon City Central Business District and was issued Transfer Certificates of the Title on June 24, 2016. This property is the site of BRHI's second integrated resort in the Philippines, "Solaire Resort North", under the same PAGCOR license. Solaire Resort North commenced operations on May 25, 2024.

On May 18, 2022, Bloomberry through SPC entered into an agreement with a group of landowners comprising Boulevard Holdings Inc., Puerto Azul Land, Inc., Ternate Development Corporation and

Monte Sol Development Corporation (the “Sellers”) for the purchase by SPC of a total of 2,797,768 square meters of land in the Paniman area in Ternate, Cavite at the average price of P2,700 per square meter. In addition to the land purchased from the Sellers, SPC has also purchased additional parcels of land in Ternate, Cavite from other sellers. As of December 31, 2025, SPC has purchased 223 lots with a total land area of 2,036,665 square meters. SPC intends to develop the Paniman property into an integrated resort and entertainment complex with a world class casino, hotel, golf course, commercial, residential and mixed-use development. The development timeline for this project is yet to be finalized.

Item 3. Legal Proceedings

BRHI & Sureste vs. GGAM

Sureste and BRHI terminated the MSA effective September 12, 2013 because of material breach of the MSA by GGAM after prior notice and failure of discussions to settle their dispute. GGAM denied having breached the MSA and alleged that it was BRHI and Sureste who breached the MSA. The parties have submitted their dispute to arbitration before a 3-member arbitral tribunal in Singapore under the arbitration rules of the United Nations Commission on International Trade Law (“UNCITRAL”) using Philippine law as the governing law.

Under the MSA, GGAM was granted an option over the shares of Bloomberg. After the backdoor listing of Bloomberg the option was granted under an Equity Option Agreement to purchase up to 921.2 million shares, equivalent to 9.91% of Bloomberg’s outstanding shares (prior to Bloomberg’s top-up equity offering) from PSHI at a purchase price equivalent to ₱1.00 per share plus US\$15 million. On December 21, 2012, GGAM exercised its option to purchase 921,184,056 shares of Bloomberg from PSHI at the agreed option strike price of ₱1.67 per share and was crossed through the Philippine Stock Exchange on December 28, 2012. On February 25, 2014, the Makati Regional Trial Court (MRTC) granted the application of BRHI, Sureste and PSHI for measures of protection in the form of writs of preliminary attachment and preliminary injunction to restrain GGAM from disposing the Bloomberg shares in order to maintain the status quo. GGAM filed a petition for review on certiorari with the Court of Appeals against the decision of the MRTC.

On December 9, 2014, the tribunal issued its Order in Respect of Claimants’ Interim Measures of Protection, declaring among others, that the February 25, 2014 Order of MRTC is superseded and that parties are restored to their status quo ante as of January 15, 2014 and allowed GGAM to sell the shares.

GGAM filed a Manifestation with the MRTC concerning the order of the arbitral tribunal and seeking assistance in the enforcement thereof. BRHI, Sureste and PSHI filed a Counter-Manifestation on impropriety of GGAM Manifestation given its non-compliance with requirements of the Special Rules of Court on Alternative Dispute Resolution (Special ADR Rules) for enforcement of judgment/interim measures of protection. GGAM also filed a Manifestation and Motion with the Court of Appeals seeking the same relief as that filed with the MRTC. BRHI, Sureste and PSHI filed a Comment/Opposition arguing against the grant of the Motion with the Court of Appeals for non-compliance with the Special ADR Rules as well as for forum-shopping. In a resolution dated May 29, 2015 and affirmed on November 27, 2015, the Court of Appeals remanded back the case to the MRTC for further proceedings.

On September 20, 2016, the arbitral tribunal issued a partial award on liability. It declared that 1) GGAM has not misled BRHI/Sureste (Respondents) into signing the MSA, and the Respondents were not justified to terminate the MSA because the services rendered by the Respondent’s Management Team should be considered as services rendered by GGAM under the MSA, 2) rejected GGAM’s claim that GGAM was defamed by the publicized statements of the Chairman of BRHI/Sureste, 3) that there is no basis for Respondents to challenge GGAM’s title to the 921,184,056 Bloomberg shares because the grounds for termination were not substantial and fundamental, thus GGAM can exercise its rights in relation to those shares, including the right to sell them; 4) reserved its decision on reliefs, remedies and costs to the Remedies Phase which is to be organized in consultation with the Parties, 5) reserved for another order its resolution on the

request of GGAM: (a) for the Award to be made public, (b) to be allowed to provide a copy of the Award to Philippine courts, government agencies and persons involved in the sale of the shares, and (c) to require BRHI/Sureste and Bloomberry to inform Deutsche Bank AG that they have no objection to the immediate release of all dividends paid by Bloomberry to GGAM.

On August 31, 2017, BRHI and Sureste filed a request for reconsideration of the partial award in the light of U.S. DOJ and SEC findings of violations of the Foreign Corrupt Practices Act by GGAM officers Weidner and Chiu, and for false statements and fraudulent concealment by GGAM in the arbitration. GGAM opposed the request on September 29, 2017. In a decision dated November 22, 2017, the tribunal denied the request for reconsideration saying it has no authority to reconsider the partial award under Singapore law. The tribunal said that the courts might be the better forum to look into the allegations of fraud.

On December 21, 2017, BRHI and Sureste filed a petition in the High Court of Singapore to set aside the June 20, 2017 judgment of the Court and to either remit the partial award to the tribunal for correction, or otherwise set aside the partial award based on the fraud allegations previously raised in the request for reconsideration.

In a resolution dated November 23, 2017, the MRTC affirmed the continuing validity of its February 25, 2014 order and the writ of preliminary injunction and attachment issued pursuant thereto. GGAM filed a petition for review with the Court of Appeals to question this MRTC order. The Court of Appeals denied this petition, and GGAM filed a petition in the Supreme Court to question the decision of the Court of Appeals.

On September 27, 2019, BRHI and Sureste received the Final Remedies Award of the arbitration tribunal in the case filed. The Final Award awarded less than half of the damages sought by GGAM. It provides that:

- a) Respondents pay US\$85.2 million as damages for lost management fees to Claimants;
- b) Respondents pay US\$391,224 as pre-termination fees and expense to Claimants;
- c) Respondents pay ₱10,169,871,978.24 for the (921,184,056) GGAM shares in Bloomberry in exchange for Claimants turning over the Shares after the payment. If Respondents do not pay for the Shares, GGAM may sell the Shares in the market and Respondents are directed to take all steps necessary to facilitate this sale. Respondents will be liable for the difference in the selling price if it is less than the awarded price;
- d) Respondents to take all steps necessary to release to GGAM the cash dividends on the Shares (currently subject of the injunction of the RTC Makati);
- e) Respondents to pay Claimants Cost of US\$14,998,052.
- f) Post-award interest at the annual rate of 6%, compounded annually, or 50 basis per month for the pre-termination expenses in (b), beginning 30 days after the Award.

On November 5, 2019, BRHI and Sureste filed in the Singapore High Court an application to set aside the Final Award on the grounds of fraud and fraudulent concealment among others.

BRHI and Sureste received a decision of the Singapore High Court dated January 3, 2020 in OS 1432 dismissing their petition to vacate and oppose the enforcement of the Partial Award of the Arbitration Tribunal dated 20 September 2016. The Court said that the FCPA Findings (referring to the U.S. Department of Justice non-prosecution agreement with Las Vegas Sands and the U.S. SEC order on Foreign Corrupt Practices Act involving Weidner and Chiu while they were with Las Vegas Sands) “do not constitute strong and cogent evidence of any species of fraud” raised by Sureste and BRHI against GGAM. On February 3, 2020, BRHI and Sureste appealed this decision to the Court of Appeals in Singapore. In a decision dated February 16, 2021, the Singapore Court of Appeals denied the appeal of BRHI and Sureste.

On May 29, 2020, the Singapore High Court issued a decision dismissing Sureste and BRHI’s petition to set aside/resist enforcement of the Final Award of the Arbitration Tribunal dated September 27, 2019.

The Singapore High Court ruled that the “Constructive Remedy,” which requires Sureste and BRHI to either (1) pay for the Bloomberg shares held by GGAM in exchange for the Bloomberg shares, or (2) take steps to facilitate GGAM’s sale of the Bloomberg shares, was not outside the scope of the parties’ arbitration agreement. The Singapore High Court also rejected the challenges based on the FCPA Findings (referring to the findings of the U.S. Department of Justice and the U.S. Securities and Exchange Commission regarding conduct by two of GGAM’s four executives during their tenure at Las Vegas Sands that violated the U.S. Foreign Corrupt Practices Act) and GGAM’s fraudulent concealment of evidence during the Arbitration. The Singapore High Court likewise denied the argument that GGAM Netherlands, to which the MSA was assigned, was a sham entity established solely to evade U.S. and Philippine taxes, because the Arbitration Tribunal rejected the same argument, and thus, the High Court found that the grant of damages to GGAM Netherlands is not contrary to Singapore public policy. Costs were charged against Sureste and BRHI.

On June 29, 2020, Sureste and BRHI filed a Notice of Appeal to the Singapore Court of Appeals to appeal the Singapore High Court’s decision dated May 29, 2020 in case number OS 1385 dismissing Sureste and BRHI’s petition to set aside/resist enforcement of the Final Award of the Arbitration Tribunal dated September 27, 2019 docketed as CA98. On October 4, 2021, the Singapore Court of Appeals issued a decision which denied the appeal of BRHI and Sureste against the decision dated May 29, 2020.

BRHI and Sureste were advised by Philippine counsel that an award of the Arbitral Tribunal can only be enforced in the Philippines through an order of a Philippine court of proper jurisdiction after appropriate proceedings taking into account applicable Philippine law and public policy. GGAM has not filed the required petition to enforce the arbitral award in the Philippines.

On March 29, 2021, GGAM (without GGAM Netherlands joining) sued Enrique K. Razon Jr., BRHI, Sureste and other companies in the U.S. associated with Mr. Razon in the U.S. District Court in Southern District of New York. By this suit GGAM wants to enforce in the U.S. against Mr. Razon personally and companies in the U.S. associated with him the arbitral award that was issued only against BRHI and Sureste. On March 21, 2022, the court did not grant the motion to dismiss the complaint of GGAM as against Sureste, BRHI and Mr. Enrique K. Razon Jr. but the court granted the dismissal of the case against all other defendants.

GGAM has amended its complaint to allege trespass to chattels against Mr. Razon, to which Mr. Razon has filed a motion to dismiss. On January 11, 2023, the US District Court denied Mr. Razon’s motion to dismiss. BRHI and Sureste maintain their position that the New York court has no jurisdiction over them as they do not do business in New York nor in the U.S. Mr. Razon maintains the position that there is no basis to pierce the corporate veil of BRHI and Sureste to reach him as BRHI and Sureste are owned by Bloomberg, a publicly listed company.

On September 12, 2023, the US District Court granted Mr. Razon’s motion for summary judgement on the trespass to chattel and declared that GGAM did not proffer sufficient evidence of Mr. Razon’s interference with GGAM’s Bloomberg shares. The Court denied the motions and cross-motions for summary judgement of the parties on the issue of personal jurisdiction over BRHI and Sureste and on the issue of the enforcement of the arbitral award against Mr. Razon as the alter ego of BRHI and Sureste. The Court essentially said that the parties have introduced sufficient evidence to allow a reasonable fact finder to find in their favor, hence there is need for a trial to determine which side will prevail. The Court also denied without prejudice GGAM’s motion to confirm the Final Award.

On January 22 and 23, 2024, the Court held a hearing on the threshold issue of personal jurisdiction over BRHI and Sureste with the parties presenting their respective witnesses. The Court also encouraged the parties to discuss the possible settlement of this case because a trial on the various issues, if the Court affirms its jurisdiction, will take many years.

In March 2024, Sureste and BRHI reached an agreement for a universal settlement of their dispute with GGAM. The universal settlement will cover all the pending cases between the parties including the following:

- a) Case filed by GGAM in the US District Court of the Southern District of New York against Mr. Enrique K. Razon Jr., SPI and BRHI with docket no. 21-CV-2655(LGS)-(SN) to enforce an arbitral award;
 - b) SP. PROC. M-7567, “Bloomberry Resorts and Hotels Inc., Sureste Properties Inc. and Prime Metroline Holdings Inc. vs. Global Gaming Philippines LLC, et al.”, an injunction and attachment case filed by Sureste, BRHI and Prime Metroline Holdings Inc. (now Prime Strategic Holdings Inc., PSHI) before the RTC of Makati Br. 66;
 - c) G.R. No. 243314, “Global Gaming Philippines LLC vs. Bloomberry Resorts and Hotels, Inc., Sureste Properties, Inc., PSHI and Deutsche Bank AG, Manila Branch”, a certiorari case filed by GGAM in the Philippine Supreme Court questioning the decision of the Court of Appeals which affirmed the order of the RTC Makati affirming the validity of the writ of preliminary attachment and writ of preliminary injunction that it issued over the shares in Bloomberry held by GGAM;
 - d) The Arbitral Award issued against Sureste and BRHI in favor of GGAM and GGAM Netherlands relating to the termination of GGAM’s Management Services Agreement with Sureste and BRHI;
 - e) The judgment of various Singapore Courts relating to the confirmation of the Arbitral Award in favor of GGAM and GGAM Netherlands against BRHI and Sureste.
- The settlement with GGAM requires Sureste to purchase the 921,184,056 shares in Bloomberry held by GGAM for a total purchase price of USD 300 Million.

On April 30, 2024, Sureste purchased 921,184,056 Bloomberry shares from GGAM at a purchase price of ₱18.32 per share, at the conversion rate of ₱55.94 to USD 1.00, through a Special Block Sale on the Philippine Stock Exchange pursuant to the Settlement Agreement. The Settlement Agreement was therefore completed. The purchase of Sureste of the 921,184,056 Bloomberry shares from GGAM amounting to ₱17,348.0 million was recorded under “Cost of shares held by a subsidiary” account in the consolidated financial statements.

Proceedings Related to Money Laundering and the Bangladesh Bank

On March 15, 2016, the Court of Appeals (“CA”) issued a 30-day freeze order on one of BRHI’s bank accounts upon the petition filed by the Anti-Money Laundering Council (AMLC) in relation to their ongoing investigation. The freeze order of the CA on the bank account was lifted on April 14, 2016. Subsequently, on request of the AMLC, the Supreme Court reinstated the freeze order on the account, which contained the amount of ₱109.3 million that was frozen from the accounts of those patrons subject to the investigation. In a decision dated September 2, 2020, the Supreme Court denied AMLC’s petition for review and lifted the TRO on the bank account of BRHI. As of December 31, 2025 and December 31, 2024, the balance of this bank account amounting to ₱113.0 million, is presented as “Fund held in trust” under the “Prepayments and other current assets” account in the statement of financial position.

In February 2019, BRHI received the summons and complaint as one of 16 Philippine companies and individuals that the Bangladesh Bank impleaded in the civil suit that it filed in the US District Court in New York against RCBC for recovery of the US\$81 million allegedly stolen from Bangladesh Bank account with the Federal Reserve Bank in New York that were allegedly laundered through Philippine casinos. BRHI through counsel filed a motion to dismiss the case for lack of subject matter jurisdiction and for forum non-conveniens. On March 20, 2020, the Federal Court of New York granted the motion to dismiss the case. Bangladesh Bank filed an appeal of the dismissal with the U.S. Court of Appeals which it withdrew later.

On September 23, 2020, BRHI received the summons in the civil complaint filed by Bangladesh Bank against RCBC and 16 other Philippine companies and individuals (including BRHI) in the New York State Court. The complaint in the State Court is for: conversion/ theft/ misappropriation; aiding and abetting the same; conspiracy to commit the same; fraud (against RCBC); aiding and

abetting and conspiracy to commit fraud; conspiracy to commit trespass against chattels; unjust enrichment; and return of money received.

On December 9, 2020, BRHI filed its motion to dismiss the case because the Court has no jurisdiction over BRHI, the Philippines is the proper forum for the dispute and plaintiff's allegation is insufficient to plead any claim against BRHI under New York law. On April 8, 2022, New York Court granted BRHI's motion to dismiss the complaint filed by Bangladesh Bank for lack of jurisdiction. On May 11, 2022, Bangladesh Bank filed an appeal with the Appellate Division of the New York State Supreme Court, First Judicial Department, on the dismissal of its complaint against BRHI. On May 30, 2023, the Appellate Division of the New York Supreme Court upheld the order of the Supreme Court, New York County which granted BRHI's motion to dismiss the complaint filed by Bangladesh Bank as against BRHI for lack of jurisdiction.

Item 4. Submission of Matters to a Vote of Security Holders

None

PART II – SECURITIES OF THE REGISTRANT

Item 5. Market for Issuer’s Equity and Related Stockholder Matters

5.1 Market Information

Principal Market where Company’s shares are traded: Philippine Stock Exchange

As of the latest practicable trading date on January 30, 2026, the share prices of the Company were:

	Price/Share
Opening:	2.84
High:	2.88
Low:	2.78
Closing:	2.86

The high and low share prices for each quarter within the last two years are:

Calendar	Period	High	Low
<u>2024</u>			
	Quarter 1	11.78	9.70
	Quarter 2	11.12	9.30
	Quarter 3	9.78	7.25
	Quarter 4	10.70	9.10
<u>2025</u>			
	Quarter 1	4.92	2.91
	Quarter 2	6.18	2.62
	Quarter 3	5.08	2.93
	Quarter 4	4.30	2.53

5.2 Holders

The number of stockholders of record as of the latest practicable date on December 31, 2025 was 96 excluding shares under PCD Nominees. Shares outstanding as of the same date were 11,488,557,907 shares.

The following are the Company’s top 20 registered stockholders holding listed and unlisted shares as of December 31, 2025:

	Name	No. of Shares Held	% of Total
1	PCD Nominee (Filipino)	5,193,763,973	44.80%
2	Prime Strategic Holdings, Inc. (formerly Prime Metroline Holdings, Inc.)	3,494,472,444	30.15%
3	PCD Nominee (Non-Filipino)	1,186,490,543	10.24%
4	Sureste Properties, Inc.	921,184,056	7.95%
5	Quasar Holdings, Inc.	559,000,000	4.82%
6	Razon & Co. Inc. (formerly Falcon Investco Holdings Inc.)	225,000,000	1.94%
7	Lesothea Management Inc.	2,018,256	0.02%
8	Nossahead Management Inc.	2,018,256	0.02%
9	Ondareta Management Inc.	1,651,588	0.01%
10	Real Sociedad Management Inc.	1,651,588	0.01%

	Name	No. of Shares Held	% of Total
11	Hock Seng Yeo	1,500,000	0.01%
12	Chadbrad Management Inc.	833,400	0.01%
13	Croker Island Management Inc	833,300	0.01%
14	Yingcai Tan	261,000	0.00%
15	Medy Chua See	250,000	0.00%
16	Isabel C. Suntay	210,000	0.00%
17	Chaoyong Xu	156,600	0.00%
18	Diosdado M. Peralta	150,000	0.00%
19	Jose Manuel M. De Jesus	100,000	0.00%
20	Anita L. Kaw	91,000	0.00%

As of December 31, 2025, the public ownership level of the Company is at 29.55%.

5.3 Dividends

On March 11, 2025, the Parent Company's BOD approved the declaration of cash dividend of ₱0.0847 per share or an aggregate amount of ₱970.6 million to stockholders on record as of March 25, 2025 and was paid on April 3, 2025.

5.4 Recent Sales of Unregistered or Exempt Securities/ Exempt Transactions

The board of directors of Bloomberg in its meeting held on September 28, 2023, authorized an equity fundraising through a placing and subscription transaction.

The first part of the Transaction (the "Offer") was the offer and sale of 559 million shares with par value of Php1.00 each of Bloomberg (the "Shares") by Quasar Holdings, Inc. ("Quasar"), one of Bloomberg's controlling shareholders, (the "Offer Shares"): (a) offshore to investors outside the United States in reliance on Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act"); and (b) domestically in transactions that do not require registration under the Philippine Securities Regulation Code ("SRC"). The Offer Shares are listed on the Philippine Stock Exchange. The Offer Shares are exempt from the registration requirements of the SRC under SRC Rule 10.1(h), (k) and (l).

The second part of the Transaction, which happened concurrently upon the completion of the Offer, was the subscription by Quasar, and the issuance by Bloomberg to Quasar, of 559 million new Shares in the same number and at the same price as the Shares sold in the Offer (the "Subscription"). The Subscription was exempt from the registration requirements of the SRC under SRC Rule 10.1(k).

The offer price in the Offer was Php10.00 per Share (the "Offer Price") which was determined through a book-building process.

The subscription price for the Subscription Shares was Php10.00 per Share, the same as the Offer Price (the "Subscription Price"). The Subscription was conditional upon the completion of the Offer and receipt by Quasar of the proceeds of the Offer. The proceeds of the Offer were thereafter paid to Bloomberg as payment of the Subscription Price.

The Subscription Shares were issued to Quasar on payment of the Subscription Price. An application for the listing of the Subscription Shares has been filed with and is pending approval by the PSE.

The conduct of an equity fund raising by way of a placing and subscription transaction allowed Bloomberg to raise equity funds in a most expeditious and efficient manner, with the least cost to Bloomberg. The transaction was also intended to strengthen and broaden the capital base of Bloomberg, as well as to promote a wider dispersion of the Shares to a broad spectrum of institutional investors.

The total gross proceeds raised from the Offer and Subscription was ₱5.59 billion. After deducting placing commissions, market charges, lawyers' fees, and other expenses related to the Offer and the Subscription (which were for the account of the Bloomberg and credited as part of the payment for the subscription to the Subscription Shares), net proceeds was at approximately Php5,488,000,000.

The Subscription Shares were issued to Quasar on payment of the Subscription Price. An application for listing has been filed and was approved by the PSE but implementation is pending a clearance from the SEC.

The placing agreement and the subscription agreement for the placing and subscription transaction were executed, and the Offer Price was fixed, on September 28, 2023. The Offer Shares were crossed through the facilities of the PSE on September 29, 2023. Settlement for the Offer Shares occurred on October 03, 2023, being two (2) trading days after such cross ("Settlement Date"). The Subscription Shares were likewise fully paid on Settlement Date.

PART III – FINANCIAL INFORMATION

Item 6. Management’s Discussion and Analysis or Plan of Operations

The following discussion and analysis relate to the financial condition and results of operations of Bloomberry and should be read in conjunction with the accompanying audited financial statements and related notes as of and for the year ended December 31, 2025.

6.1 OVERVIEW

The Parent Company was engaged in the manufacture of printed circuit boards up to 2003. It ceased commercial operations in December 2003 up until 2011. On February 27, 2012, the SEC approved the change in its primary purpose to that of a holding company. The Company has Sureste, BRHI, Bloom Capital B.V., Solaire Korea, G&L, Muui, BCTI, SPC, and SRC as its subsidiaries. BRHI has 49% shareholdings in Falconer Aircraft Management Inc., a company engaged in aircraft management.

Sureste Properties, Inc.

Sureste was incorporated in 1993 as a property holding company. On July 2, 2010, Sureste amended its primary purpose to develop and operate tourist facilities including hotel – casino entertainment complexes. Sureste is registered with the Philippine Economic Zone Authority (“PEZA”) as developer of a hotel project in a PEZA Tourism Economic Zone. As such, Sureste enjoys certain incentives granted by the government in relation to the hotel component of Solaire Resorts & Casino, including reduced tax rates. Sureste acquired all the shares of BRHI on January 12, 2011.

Bloomberry Resorts and Hotels Inc.

On February 27, 2008, BRHI was incorporated as Bloombury Investments Holdings Inc. (“BIHI”) for the purpose of developing and operating tourist facilities, including casino-entertainment complexes with casino, hotel, retail and amusement areas and themed development components. On April 8, 2009, BRHI was granted a Provisional License by PAGCOR to establish and operate an integrated casino, hotel and entertainment complex at the Entertainment City in Paranaque City. On September 21, 2010, the SEC approved the change of BIHI’s name to BRHI. On May 7, 2015, BRHI’s Provisional License was replaced with a regular casino Gaming License upon full completion of the Project, referred to as “Solaire”. The Gaming License has the same terms and conditions as the Provisional License.

Bloomberry Cruise Terminals Inc.

Bloomberry established BCTI to manage and operate its port terminal assets including the proposed Solaire Cruise Center and Yacht Harbor. The proposed Solaire Cruise Center and Yacht Harbor was designated by the Tourism Infrastructure and Enterprise Zone Authority as a Tourism Enterprise Zone.

Bloom Capital B.V.

In 2013, Bloomberry subscribed to 60% of the capital stock of Bloom Capital B.V., a financial holding entity incorporated in the Netherlands as a private company with limited liability under Dutch law on November 21, 2013. On October 23, 2014, Bloomberry acquired the remaining 40% capital stock of Bloom Capital B.V.

Solaire Korea Co., Ltd.

On December 28, 2014, Bloomberry established, through a nominee, a company named Solaire Korea Co., Ltd. (Solaire Korea), to hold the Group’s investment interest in the Republic of Korea. After a series of stock subscriptions, Bloomberry came to own 100% of Solaire Korea.

Golden & Luxury Co., Ltd.

On April 24, 2015, Solaire Korea acquired 77.26% of the outstanding shares of Golden & Luxury Co., Ltd. (G&L). On May 22, 2015, it acquired an additional 18.97% of G&L, bringing Solaire Korea's ownership in G&L to 96.23%. On August 20, 2015, Bloomberry acquired 10.00% of the outstanding shares of G&L from Solaire Korea. G&L is a hotel and casino operator in Jeju Island in the Republic of Korea.

In October 2025, G&L entered into a Share Purchase Agreement (SPA) to spin off its casino business into a newly established company, Heaven Co. Ltd., through a demerger. As of March 4, 2026, the demerger has been completed and the gaming license and operations of G&L have been successfully transferred to Heaven Co. Ltd. On the same date, G&L transferred ownership of Heaven Co. Ltd. to the buyer, Blue One Ltd., following the payment totaling KRW 7.0 billion of the purchase price. The remaining balance of KRW 3.0 billion is scheduled for payment on or before February 27, 2027. Following the sale, Heaven Co. Ltd. will continue to operate the casino business at G&L's Jeju Island property under a lease agreement until a new location for its operations is secured.

The completion of the transaction, including the full payment of the purchase price, remains subject to the successful completion of the demerger process, the Buyer's due diligence, and the receipt of all necessary regulatory approvals.

Muui Agricultural Corporation

On March 8, 2016, Solaire Korea established Muui Agricultural Corporation (Muui) to hold Solaire Korea's investment interest in agricultural land in the Muui and Silmi islands pending their conversion. Solaire Korea owns 90% of Muui.

Solaire Properties Corporation

On April 29, 2022, Bloomberry established SPC (formerly Solaire Entertainment Properties Holdings, Inc.) to acquire and subsequently develop a property in Paniman, Ternate, Cavite into an integrated resort and entertainment complex with a casino, hotel, golf course, commercial, residential and mixed-use development.

Solaire Resort Corporation

On October 18, 2022, SRC was incorporated to develop and operate an integrated resort including a casino duly licensed by the Philippine Amusement and Gaming Corporation, and other relevant government regulators.

Solaire Resort Entertainment City

Solaire Resort Entertainment City, is the first premium/luxury hotel and gaming resort in Entertainment City. BRHI, as the license holder, owns and operates the casino while Sureste owns and operates the hotel and other non-gaming business.

Upon completion of Phase 1 of Solaire Resort Entertainment City, now referred to as the Bay Tower, BRHI and Sureste commenced commercial operations on March 16, 2013. Solaire opened with its main gaming area and initial non-gaming amenities, which included the hotel and a number of food and beverage outlets.

Phase 1 of Solaire Resort Entertainment City consists of a casino with an aggregate gaming floor area of approximately 18,500 square meters (including approximately 6,000 square meters of exclusive VIP gaming areas), with approximately 1,653 slot machines, 295 gaming tables and 88 electronic table games. Phase 1 has 488 hotel rooms, suites and bayside villas, and 15 specialty restaurants and F&B outlets including (the number of seats are approximations): a 240-seat Chinese restaurant, a 182-seat Korean restaurant (operated by a third party), a 150-seat Japanese restaurant, a 120-seat Italian restaurant, a 322-seat international buffet/coffee shop, a 170-seat noodle shop, a 150-seat live entertainment lounge, a 406-seat food court, a 20-seat lobby bar, and a 50-seat lounge area. It has a spa and fitness center, a bayview promenade, and multilevel parking building with approximately 1,500 parking slots.

On November 22, 2014, Bloomberry opened the Sky Tower, which was previously referred to as Phase 1A development of Solaire. Contiguous to the existing Solaire Resort and Casino, the Sky

Tower consists of a 312 all-suite hotel, additional ten VIP gaming salons with 66 gaming tables and 230 slot machines, an exclusive House of Zhou Chinese restaurant and The Macallan Whisky and Cigar Bar for VIP patrons, state-of-the art meeting rooms (“The Forum”), and a lyrical theater (“The Theatre”). The Sky Tower also features two restaurants, the Waterside Restobar and Oasis Garden Café. The Theatre is a certified 1,740-seat theatre designed to provide a superior audio-visual experience for a wide range of theatre plays and musicals, concerts, shows and performing arts. The Forum is a 2,000 square-meter meeting facility with eight meeting rooms, two boardrooms and a flexible pre-function area. Sky Tower also features the Sky Range Shooting Club with 5 rifle shooting bays and 15 pistol bays. Sky Tower is accessible through a multi-level parking garage that, to date, can accommodate and secure over 1,050 vehicles. The Shoppes in the Sky Tower features retail stores, including premium brands such as Louis Vuitton, Dior, Yves Saint Laurent, and Prada, among others.

On December 7, 2018, Solaire Resort Entertainment City unveiled The Baccarat Room & Bar (previously The Cigar Bar and Poker Room), a high-end poker area with eight gaming tables. On February 11, 2019, Solaire Resort Entertainment City opened the Philippine’s first electronic table games (“ETG”) stadium called “Players Stadium” – an expansive and colorful entertainment space highlighted by a massive 360 square meter surround screen. On March 18, 2021, the Solaire Club was unveiled in its new location on Level 3, on what was previously the grand ballroom. The updated luxury space sprawls over 4,300 square meters featuring world-class casino facilities, new dining outlets, private salons, and exclusive amenities that make it one of Asia’s finest gaming offerings. On December 1, 2023, the Solaire Grand Ballroom was opened in its new location at The Shoppes. The new ballroom’s main event area is 2,400 sqm and seats up to 2,200 guests.

On June 5, 2018, Sureste acquired the two parcels of land in Entertainment City from PAGCOR with a total area of 160,359 square meters where Solaire Resort Entertainment City is located.

During the COVID-19 pandemic, Solaire and a number of its competitors in the Philippines were allowed by PAGCOR to accept bets via online gaming platforms. In April 2021, the Company launched Solaire Online which now competes with similar offerings by integrated resort operators, among others, in Entertainment City, Clark, and Cebu. On June 8, 2025, Bloomberry soft-launched MegaFUNalo! -- a broad-mass digital gaming platform that effectively widens the Company’s suite of gaming offerings and increases its exposure to online gaming.

Solaire Resort North

In 2015, Sureste purchased from the National Housing Authority (NHA) 15,676 square meters of land in Vertis North, Quezon City Central Business District and was issued Transfer Certificates of the Title on June 24, 2016. This property is the site of “Solaire Resort North,” BRHI’s second integrated resort in the Philippines under the same PAGCOR license. Solaire Resort North commenced operations on May 25, 2024.

Solaire Resort North has approximately 13,000 square meters of mass and VIP gaming space across 4 levels, 526 guest rooms and suites, 14 dining options ranging from casual cafes, signature restaurants, to premium bars and lounges. It also has an expansive 1,800 sqm pillarless grand ballroom that can accommodate more than 1,600 guests at theatre-style seating, a 1,400-square meter state-of-the-art health club featuring a high-end gym and expansive spa, an outdoor swimming pool with a kids’ waterpark, and an indoor Kids’ Club.

Jeju Sun Hotel & Casino

On April 24, 2015 and subsequently on May 22, 2015, Bloomberry, through its wholly-owned subsidiary, Solaire Korea, acquired majority ownership of G&L. G&L operated a hotel and casino property in Jeju, South Korea under the brand name “T.H.E Hotel” and “LVegas Casino”. Upon takeover of operations by Bloomberry, the property was rebranded as “Jeju Sun Hotel & Casino” (“Jeju Sun”). The property consists of a 202-room hotel with 5 Hibiscus rating, 2,000 square meters of gaming space with 36 tables and 20 electronic gaming machines. The property has four food and beverage outlets to service its hotel guests and casino players. In 2018, a reorganization was implemented to separate hotel and casino operations. In the fourth quarter of 2018, Jeju Sun embarked on a renovation project covering 164 rooms, restaurants, lobby, building façade, sports bar, gym, sauna, back of the house and a new ballroom for the purpose of securing the 5 Hibiscus rating that is required to keep its gaming license. Renovations were completed in December 2019.

In October 2025, G&L entered into a Share Purchase Agreement (SPA) to spin off its casino business into a newly established company, Heaven Co. Ltd., through a demerger. As of March 4, 2026, the demerger has been completed and the gaming license and operations of G&L have been successfully transferred to Heaven Co. Ltd. On the same date, G&L transferred ownership of Heaven Co. Ltd. to the buyer, Blue One Ltd., following the payment totaling KRW 7.0 billion of the purchase price. The remaining balance of KRW 3.0 billion is scheduled for payment on or before February 27, 2027. Following the sale, Heaven Co. Ltd. will continue to operate the casino business at G&L's Jeju Island property under a lease agreement until a new location for its operations is secured.

The completion of the transaction, including the full payment of the purchase price, remains subject to the successful completion of the demerger process, the Buyer's due diligence, and the receipt of all necessary regulatory approvals.

Terminated Investment in Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp.

On May 6, 2022, Bloomberg signed a term sheet with PH Travel and Leisure Corp., a subsidiary of PH Resorts Group Holdings, Inc. which covers the proposed investment of Bloomberg into Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp. which are developing the Emerald Bay Resort Hotel and Casino in Punta Engano, Lapu-Lapu City, Cebu, and The Base Resort Hotel and Casino in Clark, Pampanga, respectively. The term sheet is subject to several Conditions to Closing including: (a) the execution of mutually acceptable definitive agreements; (b) approval of regulators; (c) approval of creditors; (d) completion of audited financial statements; (d) corporate approvals, and cooperation on and satisfactory result of due diligence, among others.

On March 22, 2023, Bloomberg terminated the term sheet after considering the results of due diligence. The parties agreed that the ₱1.0 billion deposit made under the term sheet shall be returned to Bloomberg through execution of certain transactions. As of December 31, 2025, the outstanding receivable has been fully collected.

Paniman Project

On May 18, 2022, Bloomberg through SPC entered into an agreement with a group of landowners comprising Boulevard Holdings Inc., Puerto Azul Land, Inc., Ternate Development Corporation and Monte Sol Development Corporation (the "Sellers") for the purchase by SPC of a total of 2,797,768 square meters of land in the Paniman area in Ternate, Cavite at the average price of P2,700 per square meter. In addition to the land purchased from the Sellers, SPC has also purchased additional parcels of land in Ternate, Cavite from other sellers. As of December 31, 2025, SPC has purchased 223 lots with a total land area of 2,036,665 square meters.

SPC intends to develop the Paniman property into an integrated resort and entertainment complex with a world class casino, hotel, golf course, commercial, residential and mixed-use development.

The development timeline for this project is yet to be finalized.

6.2 RESULTS OF OPERATIONS

The following are the key performance indicators of the Group in 2025 with comparison for 2024:

Table 6.0 Key Performance Indicators

<i>In thousands except for ratios</i>	For the Year Ended December 31	
	2025	2024
EBITDA	10,173,005	16,603,134
Net Debt to Equity Ratio	1.76	1.69
Current Ratio	1.87	2.06
Total Assets	190,498,624	199,696,925
Return on Equity	(4.5%)	4.2%

EBITDA is earnings before interest, taxes, depreciation and amortization

Net Debt to Equity Ratio is calculated by dividing total liabilities net of cash by shareholder's equity

Current Ratio is calculated by dividing current assets by current liabilities

Return on Equity is calculated by dividing the Company's earnings (loss) for the applicable period by shareholders' equity

OPERATING RESULTS FOR THE YEARS ENDED DECEMBER 31, 2025 COMPARED WITH 2024

The following table shows a summary of the results of operations for the years ended December 31, 2025 and 2024, as derived from the accompanying Audited Financial Statements.

In thousands, except % change data	For the Year Ended December 31										
	2025					2024					Consolidated % Change
	Solaire Resort Entertainment City	Solaire Resort North	Jeju Sun	Corporate and Non-operating Subsidiaries*	Consolidated	Solaire Resort Entertainment City	Solaire Resort North	Jeju Sun	Corporate and Non-operating Subsidiaries*	Consolidated	
Gross gaming revenues**	₱41,244,692	₱18,527,580	₱17,276	₱-	₱59,789,548	₱53,229,698	₱8,415,536	₱43,964	₱-	₱61,689,198	(3.1)
PFRS 15 allocation	(4,799,485)	(2,315,465)	-	-	(7,114,950)	(4,681,376)	(988,656)	-	-	(5,670,032)	25.5
Contra revenue accounts	(10,086,248)	(2,945,682)	(2,983)	-	(13,034,913)	(12,328,384)	(1,275,732)	(1,466)	-	(13,605,582)	(4.2)
Net gaming revenues	26,358,960	13,266,432	14,293	-	39,639,685	36,219,939	6,151,147	42,498	-	42,413,584	(6.5)
Non-gaming & other revenues	8,170,344	4,188,757	502,030	12,445	12,873,576	8,301,610	1,864,365	469,992	26,912	10,662,880	20.7
Hotel, food and beverage	4,265,061	2,617,994	414,557	-	7,297,611	3,930,107	1,125,476	393,250	-	5,448,833	33.9
Retail and others	3,754,752	1,510,211	87,413	2,133	5,354,510	4,114,142	702,214	76,710	4,178	4,897,244	9.3
Interest income	150,531	60,552	60	10,312	221,455	257,361	36,676	33	22,734	316,804	(30.1)
Net revenues	34,529,304	17,455,189	516,322	12,445	52,513,261	44,521,549	8,015,513	512,491	26,912	53,076,464	(1.1)
Cash operating expenses	(27,445,562)	(13,687,747)	(670,135)	(536,813)	(42,340,256)	(27,298,891)	(6,755,840)	(761,523)	(1,657,076)	(36,473,330)	16.1
EBITDA (LBITDA)	7,083,742	3,767,442	(153,812)	(524,367)	10,173,005	17,222,658	1,259,673	(249,032)	(1,630,164)	16,603,134	(38.7)
Depreciation and amortization	(2,687,321)	(4,686,498)	(98,806)	(9,600)	(7,482,224)	(3,127,068)	(2,715,336)	(117,484)	(36,134)	(5,996,022)	24.8
Interest expense	(4,654,938)	(3,399,044)	-	(1,064)	(8,055,046)	(6,631,901)	(1,716,731)	-	(535)	(8,349,167)	(3.5)
Foreign exchange gain (loss)	40,420	(6,763)	492	35,150	69,298	707,392	11,753	26	2,674	721,844	(90.4)
Others	(302,147)	2,945,828	733	9	2,644,424	(482,965)	569	59,600	29,617	(393,180)	n.m.
Benefit from (provision for) income tax	6,481	1,260	-	(3,272)	4,469	(1,083)	-	-	(2,825)	(3,908)	n.m.
Net Income (Loss)	(₱513,762)	(₱1,377,775)	(₱251,393)	(₱503,144)	(₱2,646,074)	₱7,687,032	(₱3,160,074)	(₱306,889)	(₱1,637,368)	₱2,582,702	n.m.
Basic Earnings (Loss) Per Share					(₱0.250)					₱0.242	
Diluted Earnings (Loss) Per Share					(₱0.250)					₱0.241	

* Includes non-operating subsidiaries (SPC, SRC, BCTI, BRJ, Solaire Korea and Muui) and pre-operating expenses of Solaire Resort North

** as defined under PFRS 15

6.3 OPERATING RESULTS FOR THE YEAR ENDED DECEMBER 31, 2025 COMPARED WITH 2024

6.3.1 REVENUES

Revenues consist of: (1) Gaming; (2) Hotel, food and beverage; (3) Retail and others and (4) Interest income. The table below illustrates the consolidated revenues for the year ended December 31, 2025 and 2024:

In thousands, except % change data	For the Year Ended December 31						% Change 2025 vs. 2024
	2025			2024			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	
Gaming	52,657,322	17,276	52,674,598	55,975,202	43,964	56,019,166	(6.0)
Hotel, food and beverage	6,883,055	414,557	7,297,611	5,055,583	393,250	5,448,833	33.9
Retail and others	5,264,964	89,547	5,354,510	4,816,356	80,887	4,897,244	9.3
Interest income	221,366	89	221,455	315,430	1,373	316,804	(30.1)
Gross revenues*	65,026,706	521,468	65,548,174	66,162,571	519,475	66,682,046	(1.7)
Less contra revenue accounts	13,031,930	2,983	13,034,913	13,604,116	1,466	13,605,582	(4.2)
Net revenues	51,994,777	518,485	52,513,261	52,558,455	518,009	53,076,464	(1.1)

* as defined under PFRS 15

In 2025, consolidated gaming revenue, non-gaming revenues (including hotel, food and beverage, retail and others), and interest income represented 80.4 percent, 19.3 percent and 0.3 percent of gross revenues, respectively. Gaming revenue, non-gaming revenues and interest income in the same period last year accounted for 84.0 percent, 15.5 percent and 0.5 percent of gross revenues, respectively. Contra revenue decreased to ₱13.0 billion, down by 4.2 percent year-on-year due to the lower rebates and customer promotions provided to VIP and mass gaming patrons .

6.3.1.1 Gaming

Philippines

In 2025, mass table drop and slot coin-in grew by 4.9 percent and 12.4 percent, respectively, while VIP rolling chip volume posted a decline of 32.7 percent.

Gaming revenues after PFRS 15 allocation in 2025 decreased by 5.9 percent or ₱3.3 billion as compared to 2024.

Below is the breakdown of gross gaming revenues:

Amounts in millions	2025			2024			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	297,561	8,116	2.73%	442,403	15,494	3.5%	(7,379)	(47.6)
Mass tables	58,669	24,284	41.4%	55,903	21,297	38.1%	2,987	14.0
Slots	481,442	27,373	5.7%	428,348	24,854	5.8%	2,519	10.1
		59,772			61,645		(1,873)	(3.0)
PFRS 15 Allocation		(7,115)			(5,670)		(1,445)	25.5
Total		52,657			55,975		(₱3,318)	(5.9)

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

Solaire Resort Entertainment City

In 2025, VIP rolling chip volume, mass table drop and slot coin-in posted a decline of 37.0 percent, 19.3 percent and 10.4 percent, respectively.

Gaming revenues after PFRS 15 allocation in 2025 decreased by 24.9 percent or ₱12.1 billion as compared to last year.

Below is the breakdown of gross gaming revenue:

Amounts in millions	2025			2024			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	274,846	₱7,038	2.56%	436,052	₱15,241	3.50%	(₱8,203)	(53.8%)
Mass tables	33,153	16,547	49.9%	41,058	17,628	42.9%	(1,080)	(6.1%)
Slots	319,283	17,659	5.5%	356,360	20,361	5.7%	(2,702)	(13.3%)
		41,245			53,230		(11,985)	(22.5%)
PFRS 15 Allocation		(4,799)			(4,681)		(118)	2.5%
Total		₱36,445			₱48,548		(₱12,103)	(24.9%)

VIP revenue totaled ₱7.0 billion, reflecting a decrease of 53.8 percent due to lower VIP volume. The VIP hold rate was 2.56 percent, lower than the 3.50 percent recorded last year and the normal hold rate of 2.85 percent. On a hold-normalized basis, VIP revenue would have decreased by 37.0 percent.

Mass table gaming revenue decreased by 6.1 percent to 16.5 billion mainly due to lower drop. Slot revenues decreased by 13.3 percent to ₱17.7 billion due to lower coin-in and slot hold rate.

There were 4,603,340 visitors in 2025, lower by 8.9 percent as compared to the same period last year.

Solaire Resort North

In 2025, VIP rolling chip volume, mass table drop and slots coin-in rose by 257.7 percent, 71.9 percent and 125.3 percent, when compared to volumes generated over the same period last year. Note that the property had only 221 operating days in 2024.

Below is the breakdown of gross gaming revenue:

Amounts in millions	2025			2024			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	22,715	₱1,077	4.74%	6,351	₱253	3.99%	₱824	325.4
Mass tables	25,517	7,736	30.3%	14,844	3,669	24.7%	4,067	110.8
Slots	162,159	9,714	6.0%	71,988	4,493	6.2%	5,221	116.2
		18,528			8,416		10,112	120.2
PFRS 15 Allocation		(2,315)			(989)		(1,327)	134.2
Total		₱16,212			₱7,427		₱8,785	118.3

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

VIP revenue was ₱1.1 billion, representing an increase of 325.4 percent compared to the same period last year. The VIP hold rate was 4.74 percent, higher than the 3.99 percent last year and the normal hold of 2.85 percent. On a hold-normalized basis, VIP revenue would have increased by 257.7 percent.

Mass table gaming revenue increased by 110.9 percent to 7.7 billion mainly due to higher drop and mass table hold rate. Slot revenues increased by 116.2 percent to ₱9.7 billion due to higher coin-in.

Korea

Jeju Sun reported gross gaming revenue of ₱17.3 million for 2025, representing a 60.7 percent decrease compared to the previous year as the property prepared for the divestment of its gaming operations. Following a downpayment received in the fourth quarter of 2025, the transaction to spin off and sell the casino business was completed on March 4, 2026.

6.3.1.2 Hotel, Food and Beverage

Philippines

Hotel, food and beverage revenue reached ₱6.9 billion in 2025, an increase of ₱1.8 billion or 36.1 percent, compared to last year.

Solaire Resort Entertainment City

Hotel, food and beverage revenue totaled ₱4.3 billion in 2025, up by ₱335.0 million or 8.5 percent. The increase was attributed to a higher hotel occupancy rate, REVPAR, and F&B covers. Hotel occupancy rate was 72.7 percent in 2025.

Hotel cash revenues were approximately 45.5 percent in 2025 compared to 38.1 percent for the comparative period in 2024. F&B cash revenues accounted for 57.7 percent of F&B revenues compared to 63.5 percent last year.

Solaire Entertainment City's F&B outlets served 2,063,025 covers as compared to 1,984,560 covers in 2024, representing an increase of 4.0 percent. Average checks down by 0.3 percent to ₱1,213.

Solaire Resort North

In 2025, Solaire Resort North generated hotel, food and beverage revenue of ₱2.6 billion representing a 132.6 percent year-on-year increase.

Hotel occupancy rate was 66.1 percent. Hotel cash revenues accounted for approximately 41.4 percent in 2025 compared to 39.2 percent for the comparative period in 2024. F&B cash revenues accounted for 73.3 percent of F&B revenues compared to 79.3 percent in the same period last year. F&B outlets served 2,234,244 covers as compared to 1,037,384 covers in the same period last year, representing an increase of 115.4 percent. Average checks declined by 2.3 percent to ₱998.

Korea

The hotel and F&B operation of Jeju Sun generated revenue of ₱414.6 million in 2025, representing an increase of 5.4 percent due to higher REVPAR. Hotel occupancy rate was 85.5 percent.

6.3.1.3 Retail and Others

Philippines

Retail and other revenues amounted to ₱5.3 billion in 2025, an increase of ₱448.6 million or 9.3 percent compared to last year.

Solaire Resort Entertainment City

Retail and other revenues amounted to ₱3.8 billion in 2025, a decrease of ₱359.4 million or 8.7 percent compared to last year.

Solaire Resort North

In 2025, Solaire Resort North generated retail and other revenues of ₱1.5 billion higher by 115.1 percent compared to last year.

Jeju Sun

The retail and other revenues of Jeju Sun increased by ₱10.7 million year-on-year to ₱87.4 million.

6.3.1.4 Interest Income

Consolidated interest income was ₱221.5 million, lower by 30.1 percent or ₱95.3 million compared to last year. The decrease was primarily due to a lower average cash balance in 2025.

6.3.2 EXPENSES

Total expenses include: (1) Operating costs and expenses; (2) Interest expense and (3) Foreign exchange gains (losses) - net. (4) Others.

In 2025, total consolidated expenses increased by 9.3 percent to ₱55.2 billion.

The table below shows the breakdown of total expenses for 2025 and 2024.

Table 6.3

In thousands, except % change data	For the Year Ended December 31						% Change 2025 vs. 2024
	2025			2024			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	
Cash operating expenses:							
Taxes and licenses	14,890,389	66,436	14,956,825	14,402,444	68,627	14,471,071	3.4
Salaries and benefits	8,089,926	474,703	8,564,628	7,027,394	477,664	7,505,058	14.1
Advertising and promotions	2,258,026	7,468	2,265,494	684,065	146,288	830,354	172.8
Office expenses	2,313,518	14,239	2,327,757	2,111,670	17,720	2,129,390	9.3
Outside services and charges	3,190,582	82,458	3,273,040	2,366,305	35,755	2,402,060	36.3
Utilities	2,105,873	40,742	2,146,615	1,599,204	41,944	1,641,148	30.8
Cost of sales	6,024,467	29,731	6,054,198	4,959,451	24,695	4,984,145	21.5
Rent	88,994	1,802	90,796	136,514	1,514	138,028	(34.2)
Repairs and maintenance	274,396	3,175	277,571	257,168	3,346	260,514	6.5
Software and hardware maintenance	952,272	3,807	956,080	636,210	4,981	641,191	49.1
Communication and transportation	254,095	5,174	259,269	285,844	5,439	291,282	(11.0)
Others	1,160,565	7,418	1,167,983	1,160,232	18,856	1,179,088	(0.9)
	41,603,103	737,153	42,340,256	35,626,501	846,828	36,473,330	16.1
Depreciation and amortization	7,383,419	98,806	7,482,224	5,878,539	117,484	5,996,022	24.8
Interest expense	8,053,982	1,064	8,055,046	8,348,632	535	8,349,167	(3.5)
Foreign exchange losses (gains) – net	(65,962)	(3,336)	(69,298)	(731,198)	9,354	(721,844)	(90.4)
Others	(2,643,691)	(733)	(2,644,424)	452,780	(59,600)	393,180	n.m.
Total Expenses	54,330,851	832,954	55,163,805	49,575,254	914,600	50,489,854	9.3

6.3.2.1 Cash Operating Expenses

Philippines

Cash operating expenses increased by 16.8 percent from ₱35.6 billion to ₱41.6 billion mainly due to operating expenses of Solaire Resort North and the newly launched digital gaming platform, MegaFUNalo!. Operating expenses associated with MegaFUNalo! amounted to ₱1.9 billion in 2025.

Korea

Solaire Korea reported cash operating costs and expenses of ₱737.2 million in 2025, representing a decrease of 13.0 percent or ₱109.7 million, compared to the same period last year.

Taxes and licenses

Taxes and licenses consist mainly of licenses fees (inclusive of the franchise tax) paid to PAGCOR. Taxes and licenses increased by 3.4 percent due to a shift in the revenue mix toward higher-taxed segments. While total gaming revenue declined, driven by a significant decrease in lower-taxed VIP volume, this was offset by growth in mass table and slot gaming revenues, which are subject to a higher license fee.

Salaries and benefits

Salaries and wages increased by 14.1 percent due to a higher headcount required to fill the manpower requirements of Solaire Resort North.

Advertising and promotions

Advertising and promotions expenses increased by 172.8 percent due to the marketing launch and promotional activities for MegaFUNalo!. This was further driven by the full-year impact of marketing initiatives at Solaire Resort North.

Office expenses

Office expenses increased by 9.3 percent. This account consists of costs of gaming and office supplies, guest supplies, cleaning supplies, property and other insurance, housekeeping supplies and employee related expenses.

Outside services and charges

Outside services and charges increased by 36.3 percent in 2025 as compared to the prior year. This account pertains to the cost of professional and third-party services which include, among others, legal services, consultancy services, marketing services, security services, audit services, landscaping services and maintenance and cleaning services.

Utilities

Utilities expenses are composed of electricity cost, water charges, fuel costs, gas, sewerage and cost of air conditioning supplies. Utilities expenses increased by 30.8 percent due to the 1) allocation of input VAT on electricity costs to a tax-exempt subsidiary, where the allocated VAT is now recorded as an additional utility expense. 2) full-year effect of utility expenses for Solaire Resort North in 2025, compared to only seven months of operations following its opening in late May 2024.

Cost of sales

Cost of sales was higher by 21.5 percent driven primarily by the first full year of operations at Solaire Resort North. This growth is attributed to increased promotional and complimentary items provided to guests and higher food and beverage costs, which are aligned with the significant growth in F&B revenue since the property's opening in May 2024.

Rent

Rent pertains to cost incurred for the usage of leased gaming equipment and overseas marketing offices. Rent expense is lower by 34.2 percent mainly due to the reversal of prior-period rent accruals reflecting the settlement of long-standing lease requirements that are no longer payable.

Repairs and maintenance

Repairs and maintenance represent cost associated with the upkeep of property and equipment, including casino equipment, furniture and fixtures, curtains and drapery, transportation equipment, electrical and mechanical equipment. Repairs and maintenance expenses increased by 6.5 percent.

Communication and transportation

Communication and transportation represent the cost of telephone and data communications, valet services, fleet management services and shuttle services. Costs of business travels are also charged to this account. Communication and transportation expenses decreased by 11.0 percent.

Others

Other expenses consist of miscellaneous expenses pertaining to complimentary service charges, representation, dues and subscriptions, freight charges, contract entertainment, trust fees, donations and community service expenses, credit card commissions and bank charges. Other expenses decreased by 0.9 percent.

6.3.2.2 Depreciation and Amortization

Depreciation and amortization pertains to the straight-line depreciation and amortization of property and equipment including operating equipment, over the useful lives of these assets which range between 3 years to 40 years. Depreciation and amortization increased by 24.8 percent

primarily due to the depreciation of property and equipment at Solaire Resort North following its opening.

6.3.2.3 Interest Expense

Interest expense decreased by 3.5 percent from ₱8.3 billion in 2024 to ₱8.1 billion in 2025 primarily due to a lower average interest rate after the refinancing of two syndicated loan facilities.

6.3.2.4 Foreign Exchange Losses (Gains) – Net

The Group reported a net foreign exchange gain of ₱69.3 million in 2025, compared to a net foreign exchange gain of ₱721.08 million last year. Net foreign exchange gains/losses were generated mainly from the translation of foreign currency cash balances, receivables and payables at the period-end closing rate.

6.3.2.5 Others

Others in 2025 primarily reflects a non-recurring gain of ₱2.9 billion resulting from the modification of the ₱40.0 billion Syndicated Loan Facility, along with an ₱80.0 million gain recognized from the disposal of property and equipment. These gains were partially offset by the impairment of investment in Aviation Concepts Technical Services, Inc. amounting to ₱383.3 million.

6.3.3 EBITDA (LBITDA)

Philippines

In 2025, Solaire Resort Entertainment City reported EBITDA of ₱7.1 billion, down by 58.9 percent year-on-year, driven mainly by a decline in net revenue and operating expenses associated with MegaFUNalo!. Meanwhile, Solare Resort North contributed ₱3.8 billion in EBITDA, representing an increase of ₱2.5 billion, as it continued to ramp up operations. EBITDA margins in 2025 stood at 20.5 percent for Solaire Resort Entertainment City and 21.6 percent for Solaire Resort North.

Korea

Solaire Korea posted ₱218.7 million LBITDA in 2025, improving from ₱328.8 million LBITDA in the previous year as a result of lower cash operating expenses.

CONSOLIDATED

Below is comparison of consolidated reported and hold-normalized EBITDA (LBITDA):

<i>In thousands, except % change data</i>	For the Year Ended December 31		Change
	2025	2024	
Net Revenue	52,513,261	53,076,464	(1.1%)
EBITDA	10,173,005	16,603,134	(38.7%)
EBITDA Margin	19.4%	31.3%	(11.9%)
Hold-Normalized EBITDA*	10,339,532	14,255,903	(27.5%)
Hold-Normalized EBITDA Margin*	19.6%	28.4%	(8.7%)

* Hold-normalized EBITDA is based on 2.85% VIP hold.

The reported VIP hold in 2025 was 2.60 percent, 25 basis points lower than the 2.85 percent normalized hold rate. This resulted in the reported EBITDA being 1.6 percent lower than hold-normalized EBITDA of ₱10.3billion.

6.3.4 BENEFIT FROM (PROVISION FOR) INCOME TAX

In 2025, the Group recognized ₱4.4 million benefit from income tax compared to ₱3.9 million provision for income tax recognized in 2024.

6.3.5 NET INCOME (LOSS)

The Group posted a consolidated net loss of ₱2.6 billion in 2025, reflecting a reversal from the ₱2.6 billion net income reported in the previous year.

6.3.6 EARNINGS (LOSS) PER SHARE

Basic loss per share was ₱0.250 in 2025, a reversal from the basic earnings per share of ₱0.242 reported last year. Diluted loss per share, after considering the shares granted under the stock incentive plan, was ₱0.250 compared to diluted earnings per share of ₱0.241 in the same period last year.

OPERATING RESULTS FOR THE YEARS ENDED DECEMBER 31, 2024 COMPARED WITH 2023

The following table shows a summary of the results of operations for the years ended December 31, 2024 and 2023, as derived from the accompanying Audited Financial Statements.

	For the Year Ended December 31										
	2024					2023					Consolidated % Change
	Solaire Resort Entertainment City	Solaire Resort North	Jeju Sun	Corporate and Non-operating Subsidiaries*	Consolidated	Solaire Resort Entertainment City	Jeju Sun	Corporate and Non-operating Subsidiaries*	Consolidated		
<i>In thousands, except % change data</i>											
Gross gaming revenues**	₱53,229,698	₱8,415,536	₱43,964	₱-	₱61,689,198	₱58,294,436	₱30,980	₱-	₱58,325,415	5.8	
PFRS 15 allocation	(4,681,376)	(988,656)	-	-	(5,670,032)	(4,262,565)	-	-	(4,262,565)	33.0	
Contra revenue accounts	(12,328,384)	(1,275,732)	(1,466)	-	(13,605,582)	(14,363,864)	(2,779)	-	(14,366,643)	(5.3)	
Net gaming revenues	36,219,939	6,151,147	42,498	-	42,413,584	39,668,006	28,200	-	39,696,207	6.8	
Non-gaming & other revenues	8,301,610	1,864,365	469,992	26,912	10,662,880	8,304,476	354,319	32,905	8,691,700	22.7	
Hotel, food and beverage	3,930,107	1,125,476	393,250	-	5,448,833	4,156,136	296,290	-	4,452,426	22.4	
Retail and others	4,114,142	702,214	76,710	4,178	4,897,244	3,689,474	53,638	2,814	3,745,926	30.7	
Interest income	257,361	36,676	33	22,734	316,804	458,866	4,391	30,091	493,348	(35.8)	
Net revenues	44,521,549	8,015,513	512,491	26,912	53,076,464	47,972,482	382,520	32,905	48,387,906	9.7	
Cash operating expenses	(27,298,891)	(6,755,840)	(761,523)	(1,657,076)	(36,473,330)	(27,085,253)	(620,797)	(1,326,361)	(29,032,411)	25.6	
Provision for doubtful accounts	-	-	-	-	-	(30,000)	-	-	(30,000)	(100.0)	
EBITDA	17,222,658	1,259,673	(249,032)	(1,630,164)	16,603,134	20,857,229	(238,278)	(1,293,456)	19,325,495	(14.1)	
Depreciation and amortization	(3,127,068)	(2,715,336)	(117,484)	(36,134)	(5,996,022)	(3,117,830)	(131,298)	(55,152)	(3,304,280)	81.5	
Interest expense	(6,631,901)	(1,716,731)	-	(535)	(8,349,167)	(6,522,784)	-	-	(6,522,784)	28.0	
Foreign exchange gain (loss)	707,392	11,753	26	2,674	721,844	(176,592)	4,157	(45,522)	(217,957)	n.m.	
Others	(482,965)	569	59,600	29,617	(393,180)	(166,715)	368,372	-	201,656	n.m.	
Benefit from (provision for) income tax	(1,083)	-	-	(2,825)	(3,908)	(1,283)	41,352	(768)	39,300	n.m.	
Net Income	₱7,687,032	(₱3,160,074)	(₱306,889)	(₱1,637,368)	₱2,582,702	₱10,872,025	₱44,305	(₱1,394,899)	₱9,521,430	(72.9)	
Basic Earnings Per Share					₱0.242				₱0.867		
Diluted Earnings Per Share					₱0.241				₱0.863		

* Includes non-operating subsidiaries (SPC, SRC, BCTI, BRJ, Solaire Korea and Muui) and pre-operating expenses of Solaire Resort North

** as defined under PFRS 15

6.3 OPERATING RESULTS FOR THE YEAR ENDED DECEMBER 31, 2024 COMPARED WITH 2023

6.3.1 REVENUES

Revenues consist of: (1) Gaming; (2) Hotel, food and beverage; (3) Retail and others and (4) Interest income. The table below illustrates the consolidated revenues for the year ended December 31, 2024 and 2023:

In thousands, except % change data	For the Year Ended December 31						% Change 2024 vs. 2023
	2024			2023			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	
Gaming	55,975,202	43,964	56,019,166	54,031,870	30,980	54,062,850	3.6%
Hotel, food and beverage	5,055,583	393,250	5,448,833	4,156,136	296,290	4,452,426	22.4%
Retail and others	4,816,356	80,887	4,897,244	3,689,474	56,452	3,745,926	30.7%
Interest income	315,430	1,373	316,804	488,764	4,584	493,348	(35.8%)
Gross revenues*	66,162,571	519,475	66,682,046	62,366,244	388,305	62,754,550	6.3%
Less contra revenue accounts	13,604,116	1,466	13,605,582	14,363,864	2,779	14,366,643	(5.3%)
Net revenues	52,558,455	518,009	53,076,464	48,002,380	385,526	48,387,906	9.7%

* as defined under PFRS 15

In 2024, consolidated gaming revenue, non-gaming revenues (including hotel, food and beverage, retail and others), and interest income represented 84.0 percent, 15.5 percent and 0.5 percent of gross revenues, respectively. Gaming revenue, non-gaming revenues and interest income in the same period last year accounted for 86.1 percent, 13.1 percent and 0.8 percent of gross revenues, respectively. Contra revenue decreased to ₱13.6 billion, down by 5.3 percent year-on-year due to lower rebates to junket operators and VIP patrons.

6.3.1.1 Gaming

Philippines

In 2024, mass table drop and slot coin-in grew by 9.3 percent and 20.1 percent, respectively, while VIP rolling chip volume posted a decline of 28.2 percent.

Gaming revenues after PFRS 15 allocation in 2024 increased by 3.6 percent or ₱1.9 billion as compared to 2023.

Below is the breakdown of gross gaming revenues:

Amounts in millions	2024			2023			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	442,403	15,494	3.5%	616,419	19,495	3.16%	(4,001)	(20.5)
Mass tables	55,903	21,297	38.1%	51,167	18,151	35.5%	3,146	17.3
Slots	428,348	24,854	5.8%	356,710	20,648	5.8%	4,206	20.4
		61,645			58,294		3,351	5.7
PFRS 15 Allocation		(5,670)			(4,263)		(1,407)	33.0
Total		55,975			54,032		₱1,943	3.6

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

Solaire Resort Entertainment City

In 2024, VIP rolling chip volume, mass table drop and slot coin-in posted a decline of 29.3 percent, 19.8 percent and 0.1 percent, respectively.

Gaming revenues after PFRS 15 allocation in 2024 decreased by 10.2 percent or ₱5.5 billion as compared to last year.

Below is the breakdown of gross gaming revenue:

Amounts in millions	2024			2023			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	436,052	₱15,241	3.50%	616,419	19,495	3.16%	(₱4,254)	(21.8)
Mass tables	41,058	17,628	42.9%	51,167	18,151	35.5%	(524)	(2.9)
Slots	356,360	20,361	5.7%	356,710	20,648	5.8%	(287)	(1.4)
		53,230			58,294		(5,065)	(8.7)
PFRS 15 Allocation		(4,681)			(4,263)		(419)	9.8
Total		₱48,548			54,032		(₱5,484)	(10.2)

VIP revenue totaled ₱15.2 billion, reflecting a decrease of 21.8 percent due to lower VIP volume. The VIP hold rate was 3.50 percent, higher than the 3.16 percent recorded last year and the normal hold rate of 2.85 percent. On a hold-normalized basis, VIP revenue would have decreased by 29.3 percent.

There were 5,054,583 visitors in 2024, lower by 1.4 percent as compared to the same period last year.

Solaire Resort North

In 2024, Solaire Resort North was operational for 221 days starting May 25, 2024. Below is the breakdown of gross gaming revenue:

Amounts in millions	Volume*	Revenue	Hold
VIP	6,351	₱253	3.99%
Mass tables	14,844	3,669	24.7%
Slots	71,988	4,493	6.2%
		8,416	
PFRS 15 Allocation		(989)	
Total		₱7,427	

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

In 2024, Solaire Resort North reported VIP revenue of ₱253.3 million, mass table revenue of ₱3.7 billion, and slot revenue of ₱4.5 billion.

Korea

Jeju Sun reported gross gaming revenue of ₱44.0 million for 2024, representing a 41.9 percent increase compared to the previous year.

6.3.1.2 Hotel, Food and Beverage

Philippines

Hotel, food and beverage revenue reached ₱5.1 billion in 2024, an increase of ₱899.4 million or 17.8 percent, compared to last year.

Solaire Resort Entertainment City

Hotel, food and beverage revenue totaled ₱3.9 billion in 2024, down by ₱226.0 million or 5.4 percent. The decrease was attributed to a lower hotel occupancy rate, REVPAR, and F&B covers. Hotel occupancy rate was 71.3 percent in 2024.

Hotel cash revenues were approximately 38.8 percent in 2024 compared to 38.1 percent for the comparative period in 2023. F&B cash revenues accounted for 61.6 percent of F&B revenues compared to 63.5 percent last year.

Solaire Entertainment City's F&B outlets served 1,984,840 covers as compared to 2,081,107 covers in 2023, representing a decrease of 4.6 percent. Average checks grew by 1.7 percent to ₱1,217.

Solaire Resort North

In 2024, Solaire Resort North generated hotel, food and beverage revenue of ₱556.7 million.

Hotel occupancy rate was 55.9 percent. Hotel cash revenues accounted for approximately 39.2 percent, while F&B cash revenues were approximately 79.3 percent. F&B outlets served 1,037,384 covers, with an average check of ₱1,022.

Korea

The hotel and F&B operation of Jeju Sun generated revenue of ₱111.3 million in 2024, representing an increase of 12.1 percent.

6.3.1.3 Retail and Others

Philippines

Retail and other revenues amounted to ₱4.8 billion in 2024, an increase of ₱1.1 billion or 23.4 percent compared to last year.

Solaire Resort Entertainment City

Retail and other revenues amounted to ₱4.1 billion in 2024, an increase of ₱424.7 million or 11.5 percent compared to last year.

Solaire Resort North

In 2024, Solaire Resort North generated retail and other revenues of ₱702.2 million.

Jeju Sun

The retail and other revenues of Jeju Sun increased by ₱23.1 million year-on-year to ₱76.7 million.

6.3.1.4 Interest Income

Consolidated interest income was ₱316.8 million, lower by 35.8 percent or ₱176.5 million compared to last year. The decrease was primarily due to a lower average balance of temporary cash investments in 2024.

6.3.2 EXPENSES

Total expenses include: (1) Operating costs and expenses; (2) Interest expense and (3) Foreign exchange gains (losses) - net. (4) Others.

In 2024, total consolidated expenses increased by 29.8 percent to ₱50.5 billion.

The table below shows the breakdown of total expenses for 2024 and 2023.

Table 6.3

<i>In thousands, except % change data</i>	For the Year Ended December 31						% Change 2024 vs. 2023
	2024			2023			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	
Cash operating expenses:							
Taxes and licenses	14,402,444	68,627	14,471,071	13,279,247	71,490	13,350,737	8.4
Salaries and benefits	7,027,394	477,664	7,505,058	5,272,923	446,490	5,719,413	31.2
Advertising and promotions	684,065	146,288	830,354	589,078	13,248	602,326	37.9
Office expenses	2,111,670	17,720	2,129,390	1,463,010	18,220	1,481,230	43.8
Outside services and charges	2,366,305	35,755	2,402,060	1,866,630	65,191	1,931,821	24.3
Utilities	1,599,204	41,944	1,641,148	807,234	42,912	850,146	93.0
Cost of sales	4,959,451	24,695	4,984,145	3,465,037	20,172	3,485,210	43.0
Rent	136,514	1,514	138,028	65,890	1,277	67,167	105.5
Repairs and maintenance	257,168	3,346	260,514	256,341	6,871	263,212	(1.0)
Software and hardware maintenance	636,210	4,981	641,191	481,118	5,026	486,144	31.9
Communication and transportation	285,844	5,439	291,282	219,452	6,106	225,557	29.1
Others	1,160,232	18,856	1,179,088	554,194	15,254	569,448	107.1
	35,626,501	846,828	36,473,330	28,320,154	712,257	29,032,411	25.6

(forward)

In thousands, except % change data	For the Year Ended December 31						% Change
	2024			2023			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	2024 vs. 2023
Depreciation and amortization	5,878,539	117,484	5,996,022	3,172,982	131,298	3,304,280	81.5
Provision for doubtful accounts	-	-	-	30,000	-	30,000	(100.0)
Interest expense	8,348,632	535	8,349,167	6,522,784	-	6,522,784	28.0
Foreign exchange losses (gains) – net	(731,198)	9,354	(721,844)	222,095	(4,138)	217,957	n.m.
Others	452,780	(59,600)	393,180	166,715	(368,372)	(201,656)	n.m.
Total Expenses	49,575,254	914,600	50,489,854	38,434,730	471,046	38,905,776	29.8

6.3.2.1 Cash Operating Expenses

Philippines

Cash operating expenses increased by 25.6 percent from ₱28.3 billion to ₱35.6 billion mainly due to pre-operating and operating expenses of Solaire Resort North. Pre-operating expenses associated with Solaire Resort North were P1.1 billion and P302.4 million in 2024 and 2023, respectively.

Korea

Solaire Korea reported operating costs and expenses of P846.8 million in 2024, representing an increase of 18.9 percent or ₱134.6 million, compared to the same period last year.

Taxes and licenses

Taxes and licenses consist mainly of licenses fees (inclusive of the franchise tax) paid to PAGCOR. The 8.4 percent increase in taxes and licenses is consistent with the increase in gaming revenues.

Salaries and benefits

Salaries and wages increased by 31.2 percent due to a higher headcount required to fill the manpower requirements of Solaire Resort North.

Advertising and promotions

Advertising and promotions expenses increased by 37.9 percent. This account consists of expenses relating to property and brand marketing, events and promotions, print and media placements, corporate giveaways, prizes and sponsorship of events, trade shows, exhibits and partnerships and other similar expenses.

Office expenses

Office expenses increased by 43.8 percent. This account consists of costs of gaming and office supplies, guest supplies, cleaning supplies, property and other insurance, housekeeping supplies and employee related expenses.

Outside services and charges

Outside services and charges increased by 24.3 percent in 2024 as compared to the prior year. This account pertains to the cost of professional and third-party services which include, among others, legal services, consultancy services, marketing services, security services, audit services, landscaping services and maintenance and cleaning services.

Utilities

Utilities expenses are composed of electricity cost, water charges, fuel costs, gas, sewerage and cost of air conditioning supplies. Utilities expenses increased by 93.0 percent due 1) reversal in 2023 of accruals made in 2022 for the fuel adjustment cost charged by Solaire's power supplier, 2) utilities expenses incurred by Solaire Resort North after its commencement of operations in May 2024.

Cost of sales

Cost of sales was higher by 43.0 percent due to increased promotional items and complimentary items given to patrons in Solaire Entertainment City and Solaire Resort North.

Rent

Rent pertains to cost incurred for the usage of leased gaming equipment and overseas marketing offices. Rent expense is higher by 105.5 percent mainly due to higher rental charges on leased gaming equipment resulting from increased gaming operations.

Repairs and maintenance

Repairs and maintenance represent cost associated with the upkeep of property and equipment, including casino equipment, furniture and fixtures, curtains and drapery, transportation equipment, electrical and mechanical equipment. Repairs and maintenance expenses decreased by 1.0 percent.

Communication and transportation

Communication and transportation represent the cost of telephone and data communications, valet services, fleet management services and shuttle services. Costs of business travels are also charged to this account. Communication and transportation expenses increased by 29.1 percent.

Others

Other expenses consist of miscellaneous expenses pertaining to complimentary service charges, representation, dues and subscriptions, freight charges, contract entertainment, trust fees, donations and community service expenses, credit card commissions and bank charges. Other expenses increased by 107.1 percent.

6.3.2.2 Depreciation and Amortization

Depreciation and amortization pertains to the straight-line depreciation and amortization of property and equipment including operating equipment, over the useful lives of these assets which range between 3 years to 40 years. Depreciation and amortization increased by 81.5 percent primarily due to the depreciation of property and equipment at Solaire Resort North following its opening.

6.3.2.3 Provision for Expected Credit Losses

The Group evaluates provision for expected credit losses based on a specific and collective review of customer accounts as well as experience with collection trends in the gaming industry and current economic and business conditions. In 2023, the Group provided ₱30.0 million for expected credit losses. No provision for doubtful accounts was provided in 2024.

6.3.2.4 Interest Expense

Interest expense increased by 28.0 percent from ₱6.5 billion in 2023 to ₱8.3 billion in 2024 mainly due to a higher average bank loan balance and the recognition of interest expenses on the P40.0 billion Syndicated Loan Facility which were previously capitalized as Solaire Resort North was being constructed.

6.3.2.5 Foreign Exchange Losses (Gains) – Net

The Group registered a net foreign exchange gain of ₱721.8 million in 2024 mainly arising from the translation of foreign currency cash balances, receivables and payables at the period-end closing rate. Net foreign exchange loss in the same period last year was ₱218.0 million.

6.3.2.6 Others

Others in 2024 pertains to the loss on loan refinancing, partly offset by the gain from indemnity received and gain on disposal of a subsidiary. Others in 2023 pertains to the gain on sale of property and equipment in Jeju Sun, partly offset by share in net loss of a joint venture.

6.3.3 EBITDA (LBITDA)

Philippines

In 2024, EBITDA was ₱16.9 billion, down by 13.8 percent or ₱2.7 billion, compared to the previous year. The EBITDA margin for this period was 32.2 percent, compared to 40.9 percent of the same period last year.

The decline in EBITDA and margin was primarily attributed to lower gaming revenue from Solaire Entertainment City and higher operating expenses, including pre-operating costs associated with Solaire Resort North. Since its opening, Solaire Resort North has contributed ₱1.3 billion in EBITDA.

Korea

Solaire Korea posted ₱328.8 million LBITDA in 2024, up from ₱326.7 million LBITDA in the previous year as a result of higher cash operating expenses.

CONSOLIDATED

Below is comparison of consolidated reported and hold-normalized EBITDA (LBITDA):

	For the Year Ended December 31		Change
	2024	2023	
<i>In thousands, except % change data</i>			
Net Revenue	53,076,464	48,387,906	9.7%
EBITDA	16,603,134	19,325,495	(14.1%)
EBITDA Margin	31.3%	39.9%	(8.6 pts)
Hold-Normalized EBITDA*	14,255,903	17,274,669	(17.5%)
Hold-Normalized EBITDA Margin*	28.4%	37.5%	(9.1 pts)

* Hold-normalized EBITDA is based on 2.85% VIP hold.

The reported VIP hold in 2024 was 3.68 percent, 83 basis points higher than the 2.85 percent normalized hold. This resulted in the reported EBITDA being 16.5 percent higher than hold-normalized EBITDA of ₱14.3 billion.

6.3.4 PROVISION FOR (BENEFIT FROM) INCOME TAX

In 2024, the Group recognized ₱3.9 million provision for income tax as compared to ₱39.3 million benefit from income tax in 2023.

6.3.5 NET INCOME

The Group posted a consolidated net income of ₱2.6 billion in 2024, reflecting a decline of 72.9 percent or ₱7.0 billion from the ₱9.5 billion net income reported in the previous year.

6.3.6 EARNINGS PER SHARE

Basic earnings per share of ₱0.242 in 2024 was 72.1 percent lower than the ₱0.867 reported last year. Diluted earnings per share, after considering the shares granted under the stock incentive plan, was ₱0.241 compared to ₱0.863 in the same period last year.

6.4 OPERATING RESULTS FOR THE YEAR ENDED DECEMBER 31, 2023 COMPARED WITH 2022

The following table shows a summary of the operating results of the Group for the year ended December 31, 2023 and 2022 as derived from the accompanying audited consolidated financial statements.

In thousands, except % change data	For the Year Ended December 31						Consolidated - % Change 2023 vs. 2022
	2023			2022			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	
Gross gaming revenues*	58,294,436	30,980	58,325,415	50,121,860	(8,530)	50,113,330	16.4
PFRS 15 allocation	(4,262,565)	-	(4,262,565)	(3,737,477)	-	(3,737,477)	14.0
Contra revenue accounts	(14,363,864)	(2,779)	(14,366,643)	(14,162,269)	(287)	(14,162,556)	1.4
Net gaming revenues	39,668,006	28,200	39,696,207	32,222,114	(8,818)	32,213,297	23.2
Non-gaming & other revenues**	8,334,374	357,326	8,691,700	6,663,946	48,664	6,712,610	29.5
Net revenues	48,002,380	385,526	48,387,906	38,886,060	39,847	38,925,907	24.3
Cash operating expenses	(28,320,154)	(712,257)	(29,032,411)	(24,101,417)	(455,167)	(24,556,584)	18.2
Provision for expected credit losses	(30,000)	-	(30,000)	(56,881)	-	(56,881)	(47.3)
EBITDA (LBITDA)	19,652,226	(326,731)	19,325,495	14,727,762	(415,321)	14,312,442	35.0
Depreciation and amortization	(3,172,982)	(131,298)	(3,304,280)	(3,379,907)	(130,530)	(3,510,437)	(5.9)
Interest	(6,522,784)	-	(6,522,784)	(5,781,939)	-	(5,781,939)	12.8
Foreign exchange gain (loss)	(222,095)	4,138	(217,957)	119,341	1,619	120,960	n.m.
Gain (loss) on disposal of property and equipment and others	(166,715)	368,372	201,656	-	-	-	n.m.
Benefit from (provision for) income tax	(2,052)	41,352	39,300	581	573	1,154	n.m.
Net Income (Loss)	9,565,598	(44,168)	9,521,430	5,685,839	(543,659)	5,142,181	85.2
Basic Earnings (Loss) Per Share			₱0.867			₱0.476	
Diluted Earnings (Loss) Per Share			₱0.863			₱0.474	

* before PFRS 15 allocation

** includes Interest income

6.4.1 REVENUES

Revenues consist of: (1) Gaming; (2) Hotel, food and beverage; (3) Retail and others and (4) Interest income. The table below illustrates the consolidated revenues for the year ended December 31, 2023 and 2022:

In thousands, except % change data	For the Year Ended December 31						% Change 2023 vs. 2022
	2023			2022			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	
Gaming	54,031,870	30,980	54,062,850	46,384,384	(8,530)	46,375,853	16.6
Hotel, food and beverage	4,156,136	296,290	4,452,426	3,214,013	41,955	3,255,968	36.7
Retail and others	3,689,474	56,452	3,745,926	3,331,854	6,675	3,338,528	12.2
Interest income	488,764	4,584	493,348	118,080	35	118,115	317.7
Gross revenues*	62,366,244	388,305	62,754,550	53,048,330	40,134	53,088,463	18.2
Less contra revenue accounts	14,363,864	2,779	14,366,643	14,162,269	287	14,162,556	1.4
Net revenues	48,002,380	385,526	48,387,906	38,886,060	39,847	38,925,907	24.3

* as defined under PFRS 15

In 2023, consolidated gross gaming, non-gaming revenues (including hotel, food and beverage, retail and others), and interest income represented 86.1 percent, 13.1 percent and 0.8 percent of gross revenues, respectively. Gross gaming, non-gaming revenues and interest income in the previous year accounted for 87.4 percent, 12.4 percent and 0.2 percent of gross revenues, respectively. Contra revenue increased to ₱14.4 billion, slightly up by 1.4 percent year-on-year, due to higher rebates to junket operators and VIP patrons.

6.4.1.1 Gaming

Philippines

In 2023, VIP rolling chip volume, mass table drop and slot coin-in grew by 28.0 percent, 34.7 percent and 15.9 percent year-over-year, respectively.

Gaming revenues after PFRS 15 allocation in 2023 increased by 16.5 percent or ₱7.6 billion as compared to 2022.

Below is the breakdown of gross gaming revenues:

Amounts in millions	2023			2022			Change in Revenue	
	Volume*	Revenue	Hold	Volume*	Revenue	Hold	Amount	%
VIP tables	616,419	19,495	3.16%	481,697	16,459	3.42%	3,036	18.4
Mass tables	51,167	18,151	35.5%	37,977	16,780	44.2%	1,371	8.2
Slots	356,710	20,648	5.8%	307,886	16,883	5.5%	3,765	22.3
		58,294			50,122		8,173	16.3
PFRS 15 Allocation		(4,263)			(3,737)		(525)	14.0
Total		54,032			46,384		₱7,647	16.5

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

VIP revenue was ₱19.5 billion, representing an increase of 18.4 percent as a result of higher VIP rolling chip volume. The VIP hold rate was 3.16 percent, lower than the 3.42 percent last year but higher than the normal hold of 2.85 percent. On a hold-normalized basis, VIP revenue would have increased by 28.0 percent.

Consistent with the performance of mass table drop and slot coin-in, mass table gaming and slot revenues increased by 8.2 percent and 22.3 percent, to ₱18.2 billion and ₱20.6 billion, respectively.

There were 5,127,234 visitors in 2023, higher by 23.2 percent as compared to the prior year.

Korea

Jeju Sun reported ₱31.0 million in gross gaming revenue for the year. In 2022, Jeju Sun reported gaming revenue of negative ₱8.5 million covering the October 3 to December 31, 2022 period. Jeju Sun's operations were suspended in March 2020 and reopened October 3, 2022.

6.4.1.2 Hotel, Food and Beverage

Philippines

Hotel, food and beverage revenue amounted to ₱4.2 billion in 2023, representing an increase of ₱942.1 million or 29.3 percent as compared to last year. The increase was due to higher hotel occupancy rate, F&B covers and increased complimentary items given to patrons which were allocated to hotel and food and beverage revenue to comply with PFRS 15. Hotel occupancy rate was 79.8 percent in 2023.

In 2023, hotel cash revenues were 38.1 percent as compared to 38.9 percent last year. F&B cash revenues accounted for 63.5 percent of F&B revenues as compared to 57.9 percent in the prior year.

Solaire F&B outlets served approximately 2,081,107 covers in 2023 as compared to 1,653,974 covers in 2022, an increase of 25.8 percent. Average checks decreased by 8.6 percent to ₱1,197.

Korea

The hotel and F&B operations of Jeju Sun generated revenue of ₱296.3 million in 2023. In 2022, Jeju Sun's hotel and F&B revenue was ₱42.0 million for the period covering October 3 to December 31, 2022. Jeju Sun's operations were suspended in March 2020 and reopened October 3, 2022.

6.4.1.3 Retail and Others

Philippines

Retail and other revenues amounted to ₱3.7 billion in 2023, representing an increase of 10.7 percent from ₱3.3 billion in 2022.

Korea

The retail and other revenues of Jeju Sun increased by ₱49.8 million year-on-year to ₱56.5 million.

6.4.1.4 Interest Income

Consolidated interest income amounted to ₱493.3 million in 2023, representing an increase of 317.7 percent from ₱118.1 million in 2022 due to higher average consolidated cash balances during the year.

6.4.2 EXPENSES

Total expenses include: (1) Cash operating expenses; (2) Depreciation and amortization; (3) Provision for doubtful accounts; (4) Interest expense; (5) Foreign exchange losses (gains) - net; and (6) Loss (gain) on disposal of property and equipment and others.

In 2023, total expenses of the Group increased by 15.2 percent to ₱38.9 billion.

Total cash operating expenses consist of: (1) Taxes and licenses; (2) Salaries and benefits; (3) Advertising and promotions; (4) Office expenses; (5) Outside services and charges; (6) Utilities; (7) Cost of sales; (8) Rent; (9) Repairs and maintenance; (10) Software and hardware maintenance (11) Communication and transportation and (12) Others.

The table below shows the breakdown of total expenses for 2023 and 2022.

Table 6.4

In thousands, except % change data	For the Year Ended December 31						% Change 2023 vs. 2022
	2023			2022			
	Philippines	Korea	Consolidated	Philippines	Korea	Consolidated	
Cash operating expenses:							
Taxes and licenses	13,279,247	71,490	13,350,737	₱11,330,300	₱71,428	₱11,401,728	17.1
Salaries and benefits	5,272,923	446,490	5,719,413	3,554,691	246,496	3,801,186	50.6
Advertising and promotions	589,078	13,248	602,326	422,327	6,812	429,140	40.4
Office expenses	1,463,010	18,220	1,481,230	1,208,566	5,130	1,213,695	22.0
Outside services and charges	1,866,630	65,191	1,931,821	1,975,674	17,157	1,992,830	(3.1)
Utilities	807,234	42,912	850,146	1,290,009	18,040	1,308,050	(35.0)
Cost of sales	3,465,037	20,172	3,485,210	3,013,255	3,828	3,017,083	15.5
Rent	65,890	1,277	67,167	50,510	1,037	51,546	30.3
Repairs and maintenance	256,341	6,871	263,212	203,627	2,446	206,073	27.7
Software and hardware maintenance	481,118	5,026	486,144	456,684	3,656	460,340	5.6
Communication and transportation	219,452	6,106	225,557	164,902	3,330	168,232	34.1
Others	554,194	15,254	569,448	429,674	75,808	505,482	12.7
	28,320,154	712,257	29,032,411	24,100,219	455,167	24,555,386	18.2
Depreciation and amortization	3,172,982	131,298	3,304,280	56,881	-	56,881	(5.9)
Provision for doubtful accounts	30,000	-	30,000	3,379,907	130,530	3,510,437	(47.3)
Interest expense	6,522,784	-	6,522,784	5,781,939	-	5,781,939	12.8
Foreign exchange losses (gains) – net	222,095	(4,138)	217,957	(119,341)	(1,619)	(120,960)	n.m.
Loss (gain) on disposal of property and equipment and others	166,715	(368,372)	(201,656)	1,198	-	1,198	n.m.
Total Expenses	38,434,730	471,046	38,905,776	₱33,200,802	₱584,079	₱33,784,881	15.2

6.4.2.1 Cash Operating Expenses

Philippines

Solaire cash operating expenses increased by 17.5 percent from ₱24.1 billion to ₱28.3 billion. Majority of the increase in cash operating expenses was due to higher a) gaming taxes which is consistent with the increase in gaming revenues b) salaries and benefits and c) cost of sales due to increased promotional and complimentary items given to patrons.

Korea

Solaire Korea registered ₱712.3 million of cash operating expenses in 2023 which was higher by 56.5 percent or ₱257.1 million from last year. The increase was mainly attributed to the expiry of government subsidies and the reopening of Jeju Sun on October 3, 2022.

Taxes and licenses

Taxes and licenses consist mainly of licenses fees (inclusive of the franchise tax) paid to PAGCOR. The 17.1 percent increase in taxes and licenses is consistent with the increase in gaming revenues.

Salaries and benefits

Salaries and wages increased by 50.5 percent due to the accrual of past and current service costs related to the Group's retirement liability, the expiry of government subsidies in Jeju Sun, and the reopening of Jeju Sun on October 3, 2022.

Advertising and promotions

Advertising and promotions expenses increased by 40.4 percent. This account consists of expenses relating to property and brand marketing, events and promotions, print and media placements, corporate giveaways, prizes and sponsorship of events, trade shows, exhibits and partnerships and other similar expenses.

Office expenses

Office expenses increased by 22.0 percent. This account consists of costs of gaming and office supplies, guest supplies, cleaning supplies, property and other insurance, housekeeping supplies and employee related expenses.

Outside services and charges

Outside services and charges decreased by 3.1 percent in 2023 as compared to the prior year. This account pertains to the cost of professional and third-party services which include, among others, legal services, consultancy services, marketing services, security services, audit services, landscaping services and maintenance and cleaning services.

Utilities

Utilities expenses are composed of electricity cost, water charges, fuel costs, gas, sewerage and cost of air conditioning supplies. Utilities expenses decreased by 35.0 percent in 2023 mainly due to the reversal in 2023 of accruals made in 2022 relating to the fuel adjustment cost charged by Solaire's power supplier.

Cost of sales

Cost of sales was higher by 15.5 percent due to increased promotional items and complimentary items given to patrons.

Rent

Rent pertains to cost incurred for the usage of leased gaming equipment and overseas marketing offices. Rent expense is higher by 30.3 percent mainly due to higher rental charges on leased gaming equipment resulting from increased gaming operations.

Repairs and maintenance

Repairs and maintenance represent cost associated with the upkeep of property and equipment, including casino equipment, furniture and fixtures, curtains and drapery, transportation equipment, electrical and mechanical equipment. Repairs and maintenance expenses increased by 27.7 percent.

Communication and transportation

Communication and transportation represent the cost of telephone and data communications, valet services, fleet management services and shuttle services. Costs of business travels are also charged to this account. Communication and transportation expenses increased by 34.1 percent.

Others

Other expenses consist of miscellaneous expenses pertaining to complimentary service charges, representation, dues and subscriptions, freight charges, contract entertainment, trust fees,

donations and community service expenses, credit card commissions and bank charges. Other expenses increased by 12.7 percent.

6.4.2.2 Depreciation and Amortization

Depreciation and amortization pertains to the straight-line depreciation and amortization of property and equipment including operating equipment, over the useful lives of these assets which range between 3 years to 40 years. Depreciation and amortization decreased by 5.9 percent.

6.4.2.3 Provision for Expected Credit Losses

The Group evaluates provision for expected credit losses based on a specific and collective review of customer accounts as well as experience with collection trends in the gaming industry and current economic and business conditions. In 2023, the Group provided ₱30.0 million for expected credit losses.

6.4.2.4 Interest Expense

Interest expense increased by 12.8 percent from ₱5.8 billion in 2022 to ₱6.5 billion in 2023 mainly due to higher average bank loan balance.

6.4.2.5 Foreign Exchange Losses (Gains) – Net

The Group registered a net foreign exchange loss of ₱218.0 million in 2023 mainly arising from the translation of foreign currency cash balances, receivables and payables at the period-end closing rate. Net foreign exchange gain in the same period last year was ₱121.0 million.

6.4.2.6 Loss (Gain) on Disposal of Property and Equipment and Others

Others primarily pertains to the gain on sale of property and equipment in Jeju Sun, partly offset by the loss of disposal of property and equipment in Solaire and share in net loss of Falconer Aircraft Management, Inc.

6.4.3 EBITDA (LBITDA)

Philippines

In 2023, Solaire's EBITDA of ₱19.7 billion was higher by 33.4 percent compared to last year. EBITDA margin in 2023 was 40.9 percent as compared to 37.9 percent previously. The improvement in EBITDA is attributed to higher net revenues.

Korea

Solaire Korea posted ₱326.7 million LBITDA in 2023, an improvement from ₱415.3 million LBITDA in the previous year as a result of higher net revenues, partly offset by the increase in cash operating expenses.

CONSOLIDATED

Below is comparison of consolidated reported and hold-normalized EBITDA (LBITDA):

<i>In thousands, except % change data</i>	For the Year Ended December 31		Change
	2023	2022	
Net Revenue	48,387,906	38,925,907	24.3%
EBITDA	19,325,495	14,313,639	35.0%
EBITDA Margin	39.9%	36.8%	310 bps
Hold-Normalized EBITDA*	17,274,669	12,559,515	37.5%
Hold-Normalized EBITDA Margin*	37.5%	34.2%	330 bps

* Hold-normalized EBITDA is based on 2.85% VIP hold.

The reported VIP hold in 2023 was 3.16 percent, 31 basis points higher than the 2.85 percent normalized hold. This resulted in the reported EBITDA being 11.9 percent higher than hold-normalized EBITDA of ₱17.3 billion.

6.4.4 PROVISION FOR (BENEFIT FROM) INCOME TAX

In 2023, the Group recognized ₱39.3 million benefit from income tax as compared to ₱1.2 million benefit from income tax in 2022.

6.4.5 NET INCOME

The Group posted a consolidated net income of ₱9.5 billion in 2023, 85.2 percent or ₱5.1 billion improvement from the ₱5.1 billion net income reported last year.

6.4.6 EARNINGS PER SHARE

Basic earnings per share of ₱0.867 in 2023 was 81.9 percent higher than the ₱0.476 reported last year. Diluted earnings per share, after considering the shares granted under the stock incentive plan, was ₱0.863 compared to ₱0.474 in the same period last year.

6.6 TRENDS, EVENTS OR UNCERTAINTIES AFFECTING RECURRING REVENUES AND PROFITS

The Group is exposed to a number of trends, events, and uncertainties which affect recurring revenues and profits of its casino and hotel operations. These include levels of general economic activity, as well as certain cost items, such as labor, fuel, and power.

The Group collects revenues in various currencies and the appreciation and depreciation of the US or HK dollar and other major currencies against the Philippine peso, may have a negative impact on the Group's reported levels of revenues and profits.

6.7 FINANCIAL CONDITION

The table below shows the consolidated balance sheets as of December 31, 2025, 2024 and 2023:

Table 6.7 Balance Sheets

<i>In thousands, except % change data</i>	As of December 31			% Change	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Current assets	30,725,374	38,275,872	43,824,782	(19.7)	(12.6)
Total assets	190,498,624	199,696,925	160,169,876	(4.6)	24.7
Current liabilities	16,391,672	18,587,956	23,752,185	(11.8)	(21.7)
Total interest-bearing debt	105,406,199	110,187,640	94,867,242	(4.3)	16.1
Total liabilities	131,068,356	137,785,321	111,913,571	(4.9)	23.1
Total equity*	59,527,161	61,996,744	48,376,572	(4.0)	28.0

*Total equity attributable to Equity Holders of the Parent Company

<i>In thousands, except % change data</i>	As of December 31		
	2025	2024	2023
Current assets/total assets	16.1%	19.0%	27.4%
Current ratio	1.87	2.06	1.85
Debt-equity ratio ¹	2.21	2.23	2.31
Net debt-equity ratio ²	1.76	1.69	1.49

¹Debt includes all liabilities. Equity includes paid-up capital, equity reserves, share-based payment plan and retained earnings/deficit.

²Net Debt includes all liabilities less cash and cash equivalents and restricted cash (current and noncurrent portion).

Current assets decreased by 19.7 percent to ₱31.3 billion as of December 31, 2025, mainly due to lower levels of cash and cash equivalents and receivables.

The following summarizes the aging of the Group's receivables as of December 31, 2025:

<i>In thousands</i>	
Current	₱984,124
90 Days	206,143
Over 90 Days	572,649
Total	₱1,762,916

Total assets decreased by 4.6 percent to ₱190.5 billion. This decline was attributed to the lower current assets and depreciation of property and equipment.

Current liabilities decreased by 11.8 percent due to lower payables to contractors and suppliers and outstanding chips and other current liabilities.

Total liabilities are down by 4.9 percent due to lower current liabilities, scheduled principal repayment on the ₱72.0 billion Syndicated Loan Facility, and a decrease in the carrying amount of the ₱40.0 billion Syndicated Loan Facility following the recognition of a discount on the loan payable arising from the loan modification.

Total equity decreased by 4.0 percent due to the Parent Company's dividend declaration amounting to ₱892.5 million and by the ₱2.6 billion net loss in 2025.

6.7.1 MATERIAL VARIANCES AFFECTING THE BALANCE SHEET FOR THE YEAR ENDING DECEMBER 31, 2025

Balance sheet accounts as of December 31, 2025 with variances of plus or minus 5.0 percent against December 31, 2024 balances are discussed, as follows:

Assets

1. Cash and cash equivalents decreased by 20.1 percent due to payment of cash dividends, interest payments and principal loan repayments. The movement in cash and cash equivalents will be further discussed in the liquidity section.
2. Receivables decreased by 45.5 percent due to the higher collections of gaming receivables and the full settlement of an outstanding receivable from a third party.
3. Inventories increased by 28.2 percent due to higher levels of food and beverage inventory, in line with the increase in food and beverage revenue.

Liabilities

4. Payables and other current liabilities decreased by 14.2 percent due to lower payables to contractors and suppliers, outstanding chip and other gaming liabilities, and gaming taxes payable.
5. Lease liabilities decreased by 70.4 percent mainly due to lease payments made, partly offset by the accretion of interest.
6. Income tax payable increased by 8.6 percent due to higher taxable income.
7. Other noncurrent liabilities increased by 16.0 percent due to new lease arrangements resulting in additional security deposits.

Equity

8. Treasury shares decreased by 23.7 percent due to the transfer of Bloomberry shares for vested stock awards.
9. Retained earnings decreased by 15.2 percent mainly due to the ₪2.6 billion net loss and Parent Company's dividend declaration amounting to ₪892.5 million in 2025.

6.7.2 MATERIAL VARIANCES AFFECTING THE BALANCE SHEET FOR THE YEAR ENDING DECEMBER 31, 2024

Balance sheet accounts as of December 31, 2024 with variances of plus or minus 5.0 percent against December 31, 2023 balances are discussed, as follows:

1. Cash and cash equivalents decreased by 16.7 percent due to a subsidiary's acquisition of Bloomberry shares (see note 18.d. in the Notes to Audited Consolidated Financial Statements). The movement in cash and cash equivalents will be further discussed in the liquidity section.
2. Receivables increased by 9.4 percent primarily due to higher casino receivables, in line with the increase in gross gaming revenues.
3. Inventories rose by 83.4 percent due to increased inventory needs driven by the commencement of Solaire Resort North's operations.
4. Prepayments and other current assets grew by 41.2 percent due to higher prepaid rent and taxes.

Noncurrent Assets

5. Property and equipment increased by 41.2 percent due to the additional costs incurred for the construction of Solaire Resort North and an increase in land value from property revaluation.
6. Advances to contractors decreased by 68.1 percent primarily due to a reduction in advances related to the construction of Solaire Resort North.
7. Other noncurrent assets increased by 39.0 percent, mainly attributed to higher input VAT classified as noncurrent and additions to operating equipment.

Liabilities

8. Long-term debt rose by 16.1 percent due to additional drawdown on the ₱40.0 billion Syndicated Loan Facility, partly offset by the scheduled principal repayments on the amended ₱73.5 billion Syndicated Loan Facility.
9. Lease liabilities increased by 111.0 percent mainly due to the lease modification and interest accretion, partly offset by lease payments.
10. Income tax payable decreased by 11.9 percent due to lower taxable income.
11. Retirement liability grew by 23.2 percent due to the accrual of current service cost for 2024.
12. Other noncurrent liabilities decreased by 80.1 percent due to lease termination and pre-termination, resulting in lower security deposits and unearned rent balances.

Equity

13. Treasury shares decreased by 18.2 percent due to the transfer of Bloomberry shares for vested stock awards.
14. Cost of shares held by a subsidiary pertains to the cost of Bloomberry shares acquired by a subsidiary.

1. Share-based payment plan increased by 47.2 percent due to the recognition of current period's compensation expense, partially offset by the issuance of shares for vested stock awards.
15. Other comprehensive income includes the land revaluation increment and the cumulative translation adjustment on the financial statements of Solaire Korea and its subsidiaries.
16. Retained earnings increased by 12.3 percent mainly due to net income earned in 2024.

6.7.3 MATERIAL VARIANCES AFFECTING THE BALANCE SHEET FOR THE YEAR ENDING DECEMBER 31, 2023

Balance sheet accounts as of December 31, 2023 with variances of plus or minus 5.0 percent against December 31, 2022 balances are discussed, as follows:

Current Assets

1. Cash and cash equivalents increased by 5.1 percent as a result of higher cash generated from operations in Solaire and net proceeds from additional drawdowns on the ₱40.0 billion Syndicated Loan Facility. The movement in cash and cash equivalents will be further discussed in the liquidity section.
2. Receivables increased by 6.4 percent mainly due to the reclassification of deposits relating to future stock purchase and subscription to current receivables. The increase was partially offset by the higher collection of casino receivables and receivable from related parties.
3. Prepayments increased by 30.0 percent due to higher advances to suppliers and input VAT classified as current.

Noncurrent Assets

4. Property and equipment increased by 19.1 percent due to additional costs incurred relating to the construction of Solaire Resort North.
5. Advances to contractors declined by 37.8 percent mainly due to lower advances made in relation to the construction of Solaire Resort North.
6. Other noncurrent assets increased by 16.7 percent primarily attributed to additions in operating equipment and input VAT classified as noncurrent.

Liabilities

7. Payables and other current liabilities decreased by 5.0 percent due to lower outstanding chips and other gaming liabilities and the reclassification of unearned rent and tenant's security deposit to noncurrent after the renewal of lease agreement for another 5 years.
8. Long-term debt increased by 3.9 percent due to the additional drawdown on the ₱40.0 billion Syndicated Loan Facility, partly offset by the scheduled principal repayments on the ₱73.5 billion Syndicated Loan Facility and ₱20.0 billion additional loan facility.
9. Lease liabilities decreased by 57.9 percent mainly due to lease payments made, partly offset by the accretion of interest.
10. Retirement liability increased by 126.7 percent due to the accrual of past and current service costs in 2023.
11. Other noncurrent liabilities increased by 845.9 percent due to the reclassification of unearned rent and tenant's security deposit from current liabilities.

Equity

12. Capital stock increased by 5.1 percent due to the issuance of 559,000,000 new shares of Bloomberry.
13. Additional paid-in capital increased by 37.5 percent which is accounted for by the amount of proceeds in excess of the par value of the Bloomberry shares issued.
14. Treasury shares decreased by 18.5 percent due to the sale of treasury shares for vested stock awards.
15. Other comprehensive loss is mainly due to the net effect of the translation of the financial statements of Solaire Korea and its subsidiaries.
16. Retained earnings increased by 89.1 percent primarily due to the ₱9.5 billion net income earned attributable to equity holders of the parent entity.

6.8 LIQUIDITY AND CAPITAL RESOURCES

This section discusses the Group's sources and use of funds as well as its debt and equity profile.

6.8.1 Liquidity

The table below shows the Group's consolidated cash flows for the years ended December 31, 2025, 2024 and 2023:

Table 6.8.1 Consolidated Cash Flows

<i>In thousands, except % change data</i>	For the Year Ended December 31			% Change	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Net cash provided by operating activities	₱8,143,868	₱16,521,948	₱20,539,583	(50.7)	(16.0)
Net cash used in investing activities	(3,918,015)	(13,141,017)	(20,902,174)	(70.2)	(33.7)
Cash used in financing activities	(10,933,048)	(10,777,040)	2,545,138	1.4	n.m.
Effect of exchange rate changes on cash	35,500	740,373	(238,725)	(95.2)	n.m.
Net decrease in cash and cash equivalents	(6,671,694)	(6,655,736)	1,943,823	0.2	n.m.
Cash and cash equivalents, beginning	33,178,625	39,834,360	37,890,537	(16.7)	5.1
Cash and cash equivalents, end	26,506,930	33,178,625	₱39,834,360	(20.1)	(16.7)

In 2025, the Group registered positive cash flows from operating activities of ₱8.1 billion, 50.7 percent lower than the same period last year mainly due to a decline in earnings before interest, depreciation and amortization.

Net cash used in investing activities in 2025 comprised of capital expenditures related to the ongoing renovation and improvement of Solaire Resort Entertainment City and continued construction activities, primarily for new F&B outlets, at Solaire Resort North following its opening.

Net cash used in financing activities consists of interest payments, scheduled principal repayment on the ₱72.0 billion Syndicated Loan Facility, and payment of additional debt issuance cost in relation to the modified ₱40.0 billion Syndicated Loan Facility.

6.8.2 Capital Resources

The table below shows the Group's capital sources as of December 31, 2025, 2024 and 2023:

Table 6.8 Capital Sources

In thousands, except % change data	As of December 31			% Change	% Change
	2025	2024	2023	2025 vs 2024	2023 vs 2022
Long-term debt - net	105,406,199	110,187,640	94,867,242	(4.3)	3.9
Equity*	59,527,161	61,996,744	48,376,572	(4.0)	45.4
Total Capital	164,933,360	172,184,385	143,243,814	(4.2)	15.0

*Attributable to equity holders of the Parent Company

Total capital declined by 4.2 percent year-on-year to ₱164.9 billion, primarily due to dividends declared, a scheduled principal repayment under the ₱72.0 billion Syndicated Loan Facility, a decrease in the carrying amount of the ₱40.0 billion Syndicated Loan Facility following the recognition of a discount on the loan payable arising from the loan modification and by the net loss incurred in 2025.

Please refer to Note 11 of the Notes to Audited Consolidated Financial Statements for the discussion on debt financing, covenants and collaterals.

6.9 RISKS

The future operations of the Group shall be exposed to various market risks, particularly foreign exchange risk, liquidity risk and credit risk, which movements may materially impact the future financial results and conditions of the Group. The importance of managing these risks has significantly increased in light of the volatility in the Philippine and international financial markets. With a view to managing these risks, the Group has incorporated a financial risk management function in its organization, particularly within the treasury operations.

The Russian invasion of Ukraine, the Israel-Hamas conflict, heightened tensions in the Middle East involving Israel and Iran, and the recent joint military strikes of the United States and Israel on Iran have caused significant disruptions in global trade resulting in a supply constraint and increased food, fuel and commodity prices. These events, along with adverse effects of local typhoons, have contributed to elevated global inflation in recent years. While inflationary pressures have moderated over the last few quarters, renewed global trade tensions, including tariff measures involving the United States and its trading partners, pose potential risks to global price stability. Persistently high inflation will likely lead to a reduction in disposable income and elevated input costs which could adversely affect the business of the Company.

Please refer to Note 20 of the Notes to Audited Consolidated Financial Statements for the discussion on Financial Assets and Liabilities and Financial Risk Management Objectives and Policies.

Item 7. Consolidated Financial Statements

The Group's consolidated financial statements and accompanying notes are incorporated herein by reference.

Item 8. Changes in and Disagreements with Accountants of Accounting and Financial Disclosure

There were no changes or disagreements with the Company's external auditors, SyCip Gorres Velayo & Co. (SGV & Co.) on accounting and financial statement disclosures.

On April 24, 2025, the Stockholders of Bloomberry re-appointed SGV & Co. as principal accountant to audit its financial statements.

8.1 Information on Independent Accountant

The external auditor in 2024 is the firm SGV & Co. The Company has engaged Ms. Maria Pilar Hernandez, partner of SGV & Co., for the audit of the Company's books and accounts in 2025.

8.2 External Audit Fees and Services

The Group paid its external auditors the following fees in the last three years for professional services rendered:

Table 8.1 Audit Fees

<i>In thousands pesos</i>	For the Year Ended December 31		
	2025	2024	2023
Audit	20,964.4	16,601.9	₱17,120.6
Tax and others	716.3	2,818.4	3,185.1
Total	₱21,680.8	₱19,420.3	₱20,305.7

Tax fees paid to the auditors are for tax compliance and tax advisory services. In 2025, 2024 and 2023, the other fees include fees for limited review services provided.

The Audit Committee makes recommendations to the Board concerning the external auditors and pre-approves audit plans, scope and frequency before the conduct of the external audit. The Audit Committee reviews the nature of the non-audit related services rendered by the external auditors and the appropriate fees paid for.

PART IV- MANAGEMENT AND CERTAIN SECURITY HOLDERS

Item 9. Directors and Executive Officers of the Issuer

The members of the Board of Directors and executive officers of the Group as of March 5, 2026 are:

Office	Name	Citizenship	Age
Chairman of the Board & Chief Executive Officer	Enrique K. Razon Jr.	Filipino	66
Vice Chairman	Jose Eduardo J. Alarilla	Filipino	74
Vice Chairman, Construction and Regulatory Affairs	Donato C. Almeda	Filipino	71
President and Chief Operating Officer ^a	Gregory Francis Hawkins	American	62
Board Director	Christian R. Gonzalez	Filipino	50
Independent Director	Octavio Victor R. Espiritu	Filipino	82
Independent Director	Diosdado M. Peralta	Filipino	73
Executive Vice President, Chief Financial Officer & Treasurer	Estella Tuason-Occea	Filipino	56
Executive Vice President, Head of Gaming	Cyrus Sherafat	Dominican	43
Executive Vice President, VIP Marketing & Services	Laurence Upton	New Zealander	56
Corporate Secretary and Compliance Officer ^b	Silverio Benny J. Tan	Filipino	69
Corporate Secretary and Compliance Officer ^c	Amabelle C. Asuncion	Filipino	49
Assistant Corporate Secretary	Jonas S. Khaw	Filipino	48

^a appointed as President and COO on June 11, 2025

^b resigned effective December 31, 2025

^c appointed as Corporate Secretary and Compliance Officer effective January 1, 2026

Below are summaries of the business experience and credentials of the Directors and the Company's key executive officers:

Enrique K. Razon, Jr. — Chairman and Chief Executive Officer

Mr. Razon has been the Chairman and CEO of Bloomberry Resorts Corporation* since 2011. Mr. Razon is currently the Chairman and President of International Container Terminal Services, Inc. (ICTSI)*, Chairman and CEO of Razon & Co. Inc., Prime Strategic Holdings, Inc. (PSHI), Collingwood Investment Company Ltd., Bravo International Port Holdings, Inc., Alpha International Port Holdings Inc., Provident Management Group, Inc., Trident Water Company Holdings Inc., Razon Industries, Inc., Sureste Realty Corporation, and Quasar Holdings, Inc. ICTSI Warehousing, Inc., IWI Container Terminal Holdings Inc., and Achillion Holdings, Inc. He is Chairman of Manila Water Company, Inc.*, Sureste Properties, Inc. (Sureste), Bloomberry Resorts & Hotels, Inc. (BRHI), Prime Infrastructure Capital Inc. and its subsidiaries, including WawaJVCo Inc., ICTSI Foundation, Inc., Prime Infrastructure Foundation, Inc., Pilipinas Golf Tournament Inc., and Australian Terminal Ltd.; the President of Contecon Manzanillo S.A., Tecon Suape, S.A., Tecplata S.A., ; Director of various ICTSI subsidiaries including Contecon Guayaquil S.A., ICTSI Capital B.V., ICTSI (Hongkong) Ltd., Yantai International Container Terminals, Limited, Australian Container Terminals, Ltd., Pentland International Holdings Ltd., Monte Oro Resources and Energy, Inc. (MORE), and AB Capital and Investment Corporation.

Mr. Razon is a member of the US-Philippines Society, the ASEAN Business Club, and Philippines, Inc. The De La Salle University in the Philippines has conferred on Mr. Razon the degree of Doctor of Science in Logistics *honoris causa*, and the Asian Institute of Management (AIM) has conferred on him the degree of Doctor in Management *honoris causa*.

*Publicly-listed Corporation

Jose Eduardo J. Alarilla — Vice Chairman

Mr. Alarilla has been a director of the Company since 2011. Mr. Alarilla is also currently the President of Lakeland Village Holdings, Inc., Devoncourt Estates Inc., Alpha Allied Holdings Ltd., Sureste, WawaJVCo Inc., and Fremont Holdings Inc. He is the Chairman and CEO of Mega Subic Terminal Services, Inc., CEO of Eiffle House, Inc., President of Mega Equipment International Corp., and President and CEO of Manila Holdings and Management, Inc. He is Chairman of Apex Mining Co. Inc.* Mr. Alarilla is a director of Manila Water Company, Inc.*, BRHI, PSHI, MORE, MORE Electric & Power Corporation, International Cleanenvironment Systems Inc., Manila Harbor Center Port Services Inc., The Country Club Inc., and is a director and treasurer of Bloomberg Cultural Foundation Inc. and Prime Metro Power Holdings Corp. He holds a Bachelor of Science in Mechanical Engineering from De La Salle University and a Master in Business Management from the Asian Institute of Management.

**Publicly-listed Corporation*

Donato C. Almeda — Vice Chairman for Construction and Regulatory Affairs

Mr. Almeda has been a director of the Company since 2011. Mr. Almeda is also currently the Vice Chairman for Construction and Regulatory Affairs for BRHI, Sureste Properties Inc. and Bloomberg Cruise Terminals Inc. Mr. Almeda is also currently the Chief Regulatory Officer for Manila Water Company Inc.*, Chairman of Manila Water Foundation and the President of Bloomberg Cultural Foundation Inc. He served as President and CEO of Waterfront Philippines Inc. He also served as: President and CEO of Waterfront Philippines, Inc., Waterfront Cebu City Hotel, Waterfront Mactan Hotel and Fort Ilocandia Hotel, Managing Director of Waterfront Promotions Ltd. (a gaming company) and President of Insular Hotel in Davao. He earned his Engineering Degree from De La Salle University.

**Publicly-listed Corporation*

Christian Martin R. Gonzalez - Director

Mr. Gonzalez has been a director of the Company since 2011. Mr. Gonzalez is the Executive Vice President, Compliance Officer and Chief Sustainability Officer of ICTSI*. He is the Global Corporate Head of ICTSI Group. Prior to his current role, he was appointed as the Vice President and Head of Asia Pacific Region and MICT. Concurrently, he is the Chairman and President of Intermodal Terminal Holdings, Inc., IW Cargo Handlers, Inc., Manila Harbor Center Port Services, Inc., SBI, and Subic Bay International Terminal Holdings, Inc.; Chairman of Asiastar Consultants Limited, ICTSI Georgia Corp., ICTSI Honduras Ltd., ICTSI Ltd., ISI, International Container Terminal Holdings, Inc., MICTSI, SBITC, VICT, YICT; Director and President of BIPI, Cordella Property Holdings, Inc., ICTSI Asia Pacific Business Services, Inc.; Director of Abbotsford Holdings, Inc., DIPSSCOR, ICTSI (Hong Kong) Limited, ICTSI Africa Headquarters (PTY) Ltd., ICTSI DR Congo S.A., ICTSI Far East Pte. Ltd., ICTSI Project Delivery Services Pte. Ltd., ICTSI South Asia Pte. Ltd., ICTSI South Pacific Limited, MTS, SPIA, and SCIPSI; Vice Chairman and President of MNHPI; Director and Vice President of ICTSI Rio; and the President Commissioner of PT ICTSI Jasa Prima Tbk*. He was also appointed as the President of ICTSI Foundation, Inc. on April 15, 2016. He is a director of Sureste Properties, Inc., and Prime Infrastructure Capital, Inc.

Mr. Gonzalez is a graduate of Instituto de Estudios Superiores de la Empresa (IESE) Business School, the graduate school of management of the University of Navarra, in Barcelona, Spain, where he received his Bilingual Master's in Business Administration. He is also a graduate of Business Administration from Pepperdine University in California, USA.

Octavio Victor R. Espiritu — Independent Director

Mr. Espiritu has been an independent director of the Company since 2021. He was appointed Chairman of the Audit Committee and Related Party Transactions Committee of the Company. He is also a member of the Compensation Committee and Stock Incentive Plan Committee of the Company. He is an independent director of Manila Water Co. Inc.* since April 16, 2021 and a director Philippine Dealing System Holdings Corp. and Subsidiaries since 2022. He is currently a director of Philippine Stratbase Consultancy, Inc., Pueblo de Oro Golf and Country Club and The

Country Club, Inc. He is also currently the Chairman of GANESP Ventures, Inc. and MAROV Holding Company, Inc. and a trustee board member of the Carlos P. Romulo Foundation.

Mr. Espiritu was President for three-term of the Bankers Association of the Philippines (March 25, 1991 to March 28, 1994), the President and Chief Executive Officer of Far East Bank and Trust Company (March 1, 1987 to April 7, 2000), and Chairman of the Board of Trustees of the Ateneo de Manila University (from 1991 to 2003).

Justice Diosdado M. Peralta – Independent Director

Retired Chief Justice Peralta was appointed as Independent Director of the Company in 2023. He is also an Independent Director of ICTSI*since 2021. In ICTSI, he was likewise appointed Chairman of the Environmental, Social and Governance Sub-Committee, and Member of the Corporate Governance Committee, the Board Risk Oversight Committee, and the Related Party Transactions Committee. Chief Justice Peralta was appointed by President Rodrigo Roa Duterte as the Chief Justice of the Supreme Court from October 23, 2019, until his retirement on March 27, 2021. He served as Associate Justice of the Philippines from 2009 to 2019; Presiding Justice of the Sandiganbayan from 2008 to 2009; Associate Justice of the Sandiganbayan on from 2002 to 2008; Judge in the Regional Trial Court – Branch 95 Quezon City from 1994 to 2000; and Public Prosecutor of Laoag City and Manila City from 1987 to 1994. He presently teaches Law and writes law books for students, members of the Bar and the Bench

Retired Chief Justice Peralta finished his Bachelor of Science degree in San Juan de Letran in 1974 and his Bachelor of Laws Degree in University of Santo Tomas in 1979. He passed the Bar Examination in 1980. On April 9, 2010, he received his Doctor of Laws Degree, honoris causa, from Northwestern University, Laoag City, Ilocos Norte, and his Doctor of Laws Degree, honoris causa, from the Tarlac State University in February 2021.

Gregory Francis Hawkins* - President and Chief Operating Officer

Gregory Hawkins is the President and Chief Operating Officer for Bloomberry Resorts. Prior to this he was Chief Operating Officer of Solaire Resort North beginning November of 2023.

Prior to coming to Philippines, he was the Chief Casino Officer for Star Entertainment in New South Wales, Australia, Chief Executive Officer of Crown Melbourne, General Manager at SkyCity in Auckland, New Zealand, and President of City of Dreams Macau, and Chief Executive Officer of Altira, a luxury boutique hotel casino in the Macau SAR. Greg holds a Bachelor's Degree in applied sciences.

** appointed as President and COO on June 11, 2025*

Estella Tuason-Occea — Executive Vice President, Chief Financial Officer and Treasurer

Ms. Occea is the Treasurer of BRHI and Sureste and Director and Treasurer of PSHI. She is an Executive Officer of ICTSI*, Treasurer of Razon & Co. Inc., Sureste Realty Corporation, Lakeland Village Holdings Inc., Devoncourt Estates Inc., Achillion Holdings, Inc., Razon Industries, Inc. Bravo International Port Holdings, Inc. and Alpha International Port Holdings Inc. She was Chief Financial Officer of MORE and was a director and Chief Financial Officer of International Cleanenvironment Systems Inc. Ms. Occea has an MBA from De La Salle University and graduated with Distinction from St. Scholastica's College with a Bachelor's Degree in Commerce.

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Cyrus Sherafat — Executive Vice President, Head of Gaming

Mr. Sherafat has over 20 years' experience in the gaming industry working in various marketing roles both at local casinos and international integrated resorts. Prior to working Solaire, he was the Vice President of Casino Marketing in Marina Bay Sands in Singapore from 2010 to 2014. He is a graduate of Cornell University's School of Hotel Administration. He began his career in the gaming industry with Pinnacle Entertainment, a regional casino operator in the United States.

Laurence Upton — Executive Vice President, VIP Marketing & Services

Mr. Upton brings extensive experience in VIP and international marketing. He previously served as Senior Vice President, VIP International Marketing at Crown Ltd in Melbourne from 2006 to 2013. Prior this, he held various senior management roles at Star City Pty Ltd between 2001 and 2006. Mr. Upton is a graduate of the New South Wales Vocational and Education and Training Accreditation Board in Australia, where he earned a Diploma in Business Management.

Silverio Benny J. Tan — Corporate Secretary & Compliance Officer (until December 2025)

Atty Tan is a retired partner, former managing partner, and now Of Counsel of the law firm of Picazo Buyco Tan Fider Santos & Dee. He is a director and corporate secretary of Razon & Co. Inc., Prime Strategic Holdings, Inc., Bravo International Port Holdings Inc., Alpha International Port Holdings Inc., and Eiffle House Inc. Atty Tan is a director of the following corporations: MORE Electric and Power Corporation, Negros Electric & Power Corporation, Primelectric Holdings Inc., PrimeRES Energy Corporation, Trident Water Company Holdings Inc., Skywide Assets Ltd., and Dress Line Holdings Inc. and its subsidiaries. He is the corporate secretary of Apex Mining Company Inc.* and its subsidiaries Itogon Suyoc Resources Inc. and Monte Oro Resources and Energy Inc. and of several subsidiaries of Razon & Co. Inc. and Prime Strategic Holdings Inc. He was the Corporate Secretary of the following companies until his retirement in 2025: Sureste Properties, Inc., Bloomberry Resorts and Hotels Inc., Bloomberry Cruise Terminals Inc., Prime Infrastructure Capital Corporation, Manila Water Company, Inc.,* Lakeland Village Holdings Inc., Devoncourt Estates Inc., Pilipinas Golf Tournaments, Inc., Bloomberry Cultural Foundation Inc. He is currently a trustee of the University of the Philippines Visayas Foundation Inc.

Atty. Tan holds a Bachelor of Laws (*Cum Laude*), from the University of the Philippines College of Law and a Bachelor of Arts in Political Science (*Cum Laude*), from the University of the Philippines College Iloilo (now University of the Philippines Visayas). Atty. Tan placed third in the 1982 Philippine Bar exams.

**Publicly-listed Corporation*

Amabelle C. Asuncion — Corporate Secretary & Compliance Officer

Concurrently, Atty. Asuncion is the Corporate Secretary and Compliance Officer of Bloomberry Resorts Corporation*, Corporate Secretary and Chief Compliance Officer of Prime Infrastructure Capital, Inc. and corporate secretary of its various subsidiaries, and Corporate Secretary of Manila Water and its subsidiaries. She also serves as director of Negros Electric and Power Corporation.

She has a diverse experience spanning both private and public sectors advising on corporate and regulatory matters. In the public sector, she served as a Commissioner of the Philippine Competition Commission.

Atty. Asuncion finished her BA in English Studies (*magna cum laude*) in 1996 and her Bachelor of Laws in 2001, both at the University of the Philippines. She obtained her Master of Laws in International Legal Studies at the Georgetown University Law Center in Washington, D.C.. She is admitted to the Philippine Bar and the New York Bar.

**Publicly-listed Corporation*

Jonas S. Khaw — Assistant Corporate Secretary

Atty. Khaw is a partner in the law firm Picazo Buyco Tan Fider & Santos. He is the corporate secretary of Medco Holdings, Inc.* and assistant corporate secretary of Apex Mining Co., Inc.* Atty. Khaw holds a Juris Doctor and Bachelor of Science in Management Engineering degrees both from the Ateneo de Manila University.

**Publicly-listed Corporation*

9.1 Significant Employees

No person who is not an executive officer of Bloomberry is expected to make a significant contribution to Bloomberry.

9.2 Family Relationships

Director Christian R. Gonzales is the nephew of Chairman and Chief Executive Officer, Enrique K. Razon, Jr. There are no other family relationships among the directors and officers listed.

9.3 Involvement in Certain Legal Proceedings

The Company is not aware of any of legal cases, which occurred during the past five years that are material to an evaluation of the ability or integrity of any of its directors, executive officers or controlling person.

Item 10. Executive Compensation

The Group paid compensation in 2025 to the Chief Executive Officer (CEO) and executive officers named below, as a group, amounting to ₱150.3 million.

Name	Office
Enrique K. Razon Jr.	Chairman of the Board & CEO
Jose Eduardo J. Alarilla	Vice Chairman
Donato C. Almeda	Vice Chairman, Construction and Regulatory Affairs
Gregory Francis Hawkins ^a	Acting Chief Operating Officer
Estella Tuason-Occeña	Executive Vice President, Chief Financial Officer & Treasurer
Cyrus Sherafat	Executive Vice President, Head of Gaming
Laurence Upton	Executive Vice President, VIP Marketing & Services

^a appointed as President & COO on June 11, 2025

The following is the breakdown of the aggregate amount of compensation paid to the CEO and top four (4) highest paid executive officers in 2023 and 2024, and estimated to be paid to the CEO and top four (4) highest paid executive officers in 2024 named above (amounts in millions):

	Year	Salary	Other Compensation	Total
President and Top 4 Executive Officers, as group:	2026 (Estimate)	69.8	0.8	70.6
Enrique K. Razon, Jr. – <i>Chairman & Chief Executive Officer</i> Gregory Francis Hawkins – <i>President & Chief Operating Officer^b</i>	2025 (Actual)	69.8	21.9	91.7
Thomas Arasi – <i>President & Chief Operating Officer^a</i> Cyrus Sherafat – <i>Executive Vice, Head of Gaming</i> Laurence Upton – <i>Executive Vice President, VIP Marketing & Services</i> Estella Tuason-Occeaña – <i>Executive Vice President, Chief Financial Officer & Treasurer</i>	2024 (Actual)	71.0	144.4	215.4
^a resigned on December 17, 2024 ^b appointed as President & COO on June 11, 2025				
All Other Officers and Directors, as a group unnamed	2026 (Estimate)	35.9	0.5	36.4
	2025 (Actual)	35.9	22.7	58.5
	2024 (Actual)	34.4	32.3	66.7

The members of the Board of Directors receive directors' fees as compensation in accordance with the Company's By-Laws. There are no material terms of any other arrangements or contracts where any director of Bloomberry was compensated or is to be compensated, directly or indirectly, in 2024, 2025, or in the coming year, for any service provided as a director.

Named executives officers are covered by Letters of Appointment, with the Company stating therein their respective terms of employment.

There are no existing compensatory plans or arrangements, including payments to be received from the Company by any named executive officer, upon resignation, retirement or any other termination of the named executive officer's employment with the Company and its subsidiaries or from a change-in-control of the Company or a change in the named executive officers' responsibilities following a change-in-control.

Stock Incentive Plan

The Stockholders of the Parent Company approved on June 25, 2012 a Stock Incentive Plan ("SIP") for directors, officers, and employees of the Group, effective for a period of ten years, and was amended and extended by the BOD for another 10 years on April 21, 2022. The Participants to the SIP are: permanent and regular employees of the Group or its affiliates with at least one year tenure; officers and directors of the Group; officers and directors of affiliates of the Group except non-executive directors of Parent Company; and other persons who have contributed to the success and profitability of the Group or its affiliates.

The SIP is administered by the Stock Incentive Committee ("SIC") composed of three directors or officers to be appointed by the BOD. The SIC shall determine the number of shares to be granted to a participant and other terms and conditions of the grant.

Unissued shares from the authorized capital stock or treasury shares, together with shares already granted under the SIP, which are equivalent to seven percent (7%) of the resulting total outstanding shares of the Group, shall be allocated for the SIP.

The grant of shares under the SIP does not require an exercise price to be paid by the awardee. Shares awarded shall vest in three years: 25% on the first anniversary date of the award; 25% on the second anniversary date of the award; and the remaining 50% on the third anniversary date of the award. Vesting grants the participant absolute beneficial title and rights over the shares, including full dividend and voting rights.

Unless the SIC determines otherwise, when dividends are declared by Bloomberry, the number of shares subject to an award shall be increased by the number equal in value to the dividends the awardee would have received in respect of an award had the shares awarded to the awardee vested at the time of the dividend declaration. This is designated as the Dividend Re-investment Plan (“DRIP”).

Below is a summary of SIP grants and their corresponding schedule of vesting:

Grant Date	Details		2023		2024		2025		Balance as of December 31, 2025
	No. of Shares	Price per Share	Cancelled	Vested	Cancelled	Vested	Cancelled	Vested	
2022									
April 13*	34,038,034	6.3	-	8,422,445	967,969	11,134,908	952,203	12,560,509	-
2023									
June 5*	44,226,022	10.59	-	-	842,020	17,126,052	2,098,117	8,481,114	15,678,719
2024									
April 16*	35,258,458	10	-	-	-	-	2,276,524	8,887,130	24,094,804
2025									
May 23	54,378,387	4.03	-	-	-	-	-	-	54,378,387
Total	167,900,901		-	8,422,445	1,809,989	28,260,960	5,326,844	29,928,753	94,151,910

*includes DRIP shares

The stock incentive obligation amounting to ₱239.0 million and ₱343.3 million for 2025 and 2024, respectively were recognized as part of “Salaries and benefits” under “Operating costs and expenses” in the consolidated financial statements.

Item 11. Security Ownership of Certain Beneficial Owners and Management

As of December 31, 2025, the Company does not know of anyone who beneficially owns in excess of 5% of the Company's shares of stock except as set forth in the table below:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage
Unclassified Shares	PCD Nominee Corporation (Filipino) Makati Stock Exchange Bldg., Ayala Avenue, Makati City No relationship with Issuer	Enrique K. Razon, Jr. ⁽¹⁾ No relationship with Record Owner	Filipino	35,953,232	0.31%
Unclassified Shares	Enrique K. Razon, Jr. Controlling Shareholder of Issuer	Enrique K. Razon, Jr. ⁽¹⁾	Filipino	100	0.00%
Unclassified Shares	Prime Strategic Holdings, Inc. (formerly named "Prime Metroline Holdings, Inc.") 2288 Chino Roces Avenue, Makati City Controlling Shareholder of Issuer	Enrique K. Razon, Jr. ⁽¹⁾ Controlling Shareholder of Record Owner Prime Strategic Holdings, Inc	Filipino	3,494,472,444	30.42%
Unclassified Shares	PCD Nominee Corporation (Filipino) Makati Stock Exchange Bldg.,Ayala Avenue, Makati City No relationship with Issuer	Enrique K. Razon, Jr. ⁽¹⁾ Controlling Shareholder of Prime Strategic Holdings, Inc. whose shares herein are lodged with PCD Nominee Corporation (Filipino)	Filipino	2,441,500,000	21.25%
Unclassified Shares	PCD Nominee Corporation (Filipino) Makati Stock Exchange Bldg.,Ayala Avenue, Makati City No relationship with Issuer	Enrique K. Razon, Jr. ⁽¹⁾ Controlling Shareholder of Quasar Holdings, Inc. whose shares herein are lodged with PCD Nominee Corporation (Filipino)	Filipino	921,184,056	8.02%
Unclassified Shares	Sureste Properties, Inc. The Executive Offices, Solaire Resort & Casino, 1 Asean Avenue, Entertainment City, Tambo, Paranaque City Controlling Shareholder of Issuer	Enrique K. Razon, Jr. ⁽¹⁾ Controlling Shareholder of Record Owner Sureste Properties, Inc.	Filipino	921,184,056	8.02%
Unclassified Shares	Razon & Co Inc. 2288 Chino Roces Avenue, Makati City Controlling Shareholder of Issuer	Enrique K. Razon, Jr. ⁽¹⁾ Controlling Shareholder of Record Holder Razon & Co Inc.	Filipino	225,000,000	1.96%
Unclassified Shares	PCD Nominee Corporation (Filipino) Makati Stock Exchange Bldg.,Ayala Avenue, Makati City No relationship with Issuer	Various parties	Filipino	2,354,126,685	20.49%

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percentage
Unclassified Shares	PCD Nominee Corporation (Non-Filipino) Makati Stock Exchange Bldg., Ayala Avenue, Makati City No relationship with Issuer	Various parties	Foreign	1,186,490,543	10.33%

⁽¹⁾ Enrique K. Razon Jr. is the controlling stockholder of Prime Strategic Holdings, Inc., Quasar Holdings, Inc., Sureste Properties, /inc., and Razon & Co., Inc. Enrique K. Razon, Jr. directly and indirectly owns a total of 8,039,293,888 shares or 69.98%.

11.1 Security Ownership of Certain Record and Beneficial Owners

As of December 31, 2025, the aggregate beneficial ownership of all Directors and Executive Officers' totals to 8,080,732,751 shares, equivalent to 70.52% with details set forth below:

Title of Class	Name of beneficial owner	Number of shares and nature of beneficial ownership		Citizenship	Percentage
Unclassified Shares	Enrique K. Razon, Jr. ⁽¹⁾	100	Direct	Filipino	
		8,039,293,788	Indirect – Held by PCD Nominee and various entities controlled by the beneficial owner		
	Total	8,039,293,888			69.98%
Unclassified Shares	Jose Eduardo J. Alarilla	100	Direct	Filipino	
		7,909,415	Indirect – Held by PCD Nominee		
	Total	7,909,515			0.07%
Unclassified Shares	Donato C. Almeda	100	Direct	Filipino	
		10,545,778	Indirect – Held by PCD Nominee		
	Total	10,545,878			0.09%
Unclassified Shares	Gregory Francis Hawkins	100	Direct	Australian	
		101,900	Indirect – Held by PCD Nominee		
	Total	102,000			0.00%
Unclassified Shares	Christian R. Gonzalez	100	Direct	Filipino	
		100,833	Indirect – Held by PCD Nominee		
	Total	100,933			0.00%
Unclassified Shares	Octavio Victor R. Espiritu	100	Direct	Filipino	
		474,600	Indirect – Held by PCD Nominee		
	Total	474,70			0.00%
Unclassified Shares	Diosdado M. Peralta	150,000	Direct	Filipino	0.00%
Unclassified Shares	Estella Tuason-Occeña	100	Direct	Filipino	
Unclassified Shares		13,951,700	Indirect – Held by PCD Nominee		
	Total	13,951,800			0.12%
Unclassified Shares	Laurence Upton	8,448,262	Indirect – Held by PCD Nominee	New Zealander	0.07%

Title of Class	Name of beneficial owner	Number of shares and nature of beneficial ownership		Citizenship	Percentage
Unclassified Shares	Cyrus Sherafat	11,771,450	Indirect – Held by PCD Nominee	Dominican	0.10%
Unclassified Shares	Silverio Benny J. Tan	612,619	Indirect – Held by PCD Nominee	Filipino	0.00%
Unclassified Shares	Jonas S. Khaw	None		Filipino	None

⁽¹⁾ Enrique K. Razon, Jr. directly and indirectly owns 35,953,332 shares and indirectly owns: through Prime Strategic Holdings, Inc., 5,935,972,444 (51.67%) shares, through Quasar Holdings, Inc., 921,184,056 (8.02%) shares, through Sureste Properties, Inc., 921,184,056 (8.02%) shares and through Razon & Co. Inc., 225,000,000 (1.96%) shares;

11.3 Voting Trust Holders of 5% or More

None

11.4 Changes in Control

None

Item 12. Certain Relationships and Related Transactions

Descriptions and explanations of the related party transactions are disclosed in Note 12, *Related Party Transactions*, to the Annual Audited Consolidated Financial Statements.

Aside from the transactions as disclosed in the Annual Audited Consolidated Financial Statements, the Group does not have any other transactions with its directors, executive officers, security holders or members of their immediate family.

PART V – CORPORATE GOVERNANCE

Item 13. Corporate Governance

The Company, its Board of Directors, officers and employees strive, through good corporate governance, to enhance the value of the Company and optimize over time the returns to its shareholders by:

- a. Sound, prudent, and effective management,
- b. Efficient and effective management information system,
- c. Effective risk management,
- d. Reliable financial and operational information,
- e. Cost effective and profitable business operations, and
- f. Compliance with laws, rules, regulations and contracts.

The following are measures that the Company has undertaken or will undertake to fully comply with the adopted leading practices on good governance:

1. Manual of Corporate Governance

On May 30, 2017, the Board approved a new Manual of Corporate Governance of the Company. Our Compliance Officer will continue to coordinate with the Philippine SEC with respect to compliance requirements, monitor compliance with the manual and report any governance-related issues to the Board. The Company commits itself to principles and best practices of governance in the attainment of corporate goals.

2. Board of Directors

Bloomberry's Board has the expertise, professional experience, and background that allow for a thorough examination and deliberation of the various issues and matters affecting the Group. The Board is responsible for the Company's overall management and direction. The Board will meet regularly on a quarterly basis, or more frequently as required, to review and monitor the Company's project development, future results of operations and financial position. Bloomberry's Amended Articles of Incorporation provide that the Board shall consist of seven (7) directors where two (2) members are Independent Directors: Mr. Octavio Victor R. Espiritu and Retired Chief Justice Diosdado M. Peralta and except for Mr. Enrique K. Razon, Jr. Mr. Jose Eduardo J. Alarilla and Mr. Donato C. Almeda all members of the Board are non-executive Directors.

Bloomberry's directors are elected at the Annual Stockholders' Meeting. They shall hold office until the next succeeding annual meeting and until their respective successors have been elected and qualified.

The Attendance of the Directors in the 2025 Board Meetings are as follows:

Name	February 21, 2025	March 4, 2025	March 11, 2025	April 24, 2025	June 11, 2025	August 12, 2025	November 11, 2025	December 22, 2025
Enrique K. Razon, Jr	P	P	P	P	P	P	P	P
Jose Eduardo J. Alarilla	P	P	P	P	P	P	P	P
Donato C. Almeda	P	P	P	P	P	P	P	P
Christian R. Gonzalez	P	P	P	P	P	P	P	P
Octavio R. Espiritu	P	P	P	P	P	P	P	P
Diosdado M. Peralta	P	P	P	P	P	P	P	P
Gregory Francis Hawkins*	N/A	N/A	N/A	N/A	N/A	P	P	P

P – Present A – Absent NA – Not Applicable

*Appointed as director on June 11, 2025

The directors and key officers of the Company attended the corporate governance seminar held on 5 December 2025.

3. Audit Committee

The Company's Audit Committee is responsible for assisting the Board in its fiduciary responsibilities by providing an independent and objective assurance to its management and stockholders of the continuous improvement of its risk management systems, business operations and the proper safeguarding and use of its resources and assets. It provides a general evaluation and assistance in the overall improvement of its risk management, control and governance processes. The Committee is composed of three (3) Board members, including two (2) independent directors, one of whom serves as the committee chairman. The Committee reports to its Board and is required to meet at least four (4) times a year. As of the date of this report, the Audit Committee Chairman is Mr. Octavio Victor R. Espiritu who serves with Mr. Christian R. Gonzalez and Ret. Justice Diosdado M. Peralta as members.

The 2025 attendance of the Audit committee are as follows:

Name	March 4, 2025	May 13, 2025	August 12, 2025	November 11, 2025	December 1, 2025
Octavio R. Espiritu (Chairman)	P	P	P	P	P
Diosdado M. Peralta (Member)	P	P	P	P	P
Christian R. Gonzalez (Member)	P	P	P	P	P

P – Present A – Absent NA – Not Applicable

4. Nomination Committee

The Board organized the Nomination Committee to review and evaluate the qualifications of all persons nominated to the Board and other appointments that require Board approval and to assess the effectiveness of the Board's processes and procedures in the election or replacement of directors. As of the date of this report, the Nomination Committee Chairman is Mr. Enrique K. Razon, Jr. who serves with Mr. Jose Eduardo J. Alarilla and Mr. Christian R. Gonzalez as members.

The 2025 attendance of the Nominations committee are as follows:

Name	February 21, 2025	March 20, 2025	June 5, 2025	December 11, 2025
Enrique K. Razon Jr. (Chairman)	P	P	P	P
Jose Eduardo J. Alarilla (Member)	P	P	P	P
Christian R. Gonzalez (Member)	P	P	P	P

P – Present A – Absent NA – Not Applicable

5. Compensation and Remuneration Committee

A Compensation and Remuneration Committee was organized by the Board to establish a formal and transparent procedure for developing a policy on remuneration of directors and officers to ensure that their compensation is consistent with the Company's culture, strategy and the business environment in which it operates. As of the date of this report, the Compensation and Remuneration Committee Chairman is Mr. Jose Eduardo J. Alarilla, who serves with Mr. Octavio R. Espiritu and Ms. Estella Tuason-Occena as members. The Chairman and members of the Compensation and Remuneration Committee are likewise the chairman and members of the Stock Incentive Plan Committee.

The 2025 attendance of the Compensation Committee and Stock Incentive Plan committee are as follows:

Name	May 23, 2025
Jose Eduardo J. Alarilla (Chairman)	P
Estella Tuason-Occena (Member)	P
Octavio R. Espiritu (Member)	P

P – Present A – Absent NA – Not Applicable

6. Sustainability/Environment, Social and Governance Committee

A Sustainability/Environment, Social and Governance Committee (ESG) Committee was organized to determine compliance with sustainability reporting guidelines, and help the Board assess and manage the Company's economic, environmental and social impacts. As of the date of this report, the ESG Committee Chairman is Ret. Chief Justice. Diosdado M. Peralta, who serves with Mr. Eduardo J. Alarilla and Mr Gregory Francis Hawkins as members.

The 2025 attendance of the Environmental, Social, Governance (ESG) committee are as follows:

Name	March 6, 2025	May 13, 2025	August 12, 2025	November 11, 2025
Diosdado M. Peralta (Chairman)	P	P	P	P
Jose Eduardo J. Alarilla (Member)	P	P	P	P
Gregory Francis Hawkins (Member)*	N/A	N//AP	N/A	P

P – Present A – Absent NA – Not Applicable

*Appointed as member on August 12, 2025

7. Executive Officers

Bloomberg's Management Team in its operating subsidiaries are responsible for the day-to-day management and operations of the casino and hotel. The registered address of the Company's executive officers for the moment is The Executive Offices, Solaire Resort & Casino, Asean Avenue, Entertainment City, Tambo, Parañaque City, Philippines.

8. Related Party Transaction Committee

The Related Party Transactions Committee ensures transparency, fairness, and compliance in all material Related Party Transactions of the Corporation. The Related Party Transaction Committee identifies, evaluates, and monitors related party relationships, assesses transactions for fairness and potential risks, oversees the implementation of RPT policies, and ensures proper disclosure and reporting to the Board and regulatory agencies. The Committee is composed of two (2) Board members, including two (2) independent directors, one of whom serves as the committee chairman. The Related Party Transaction Committee Chairman is Mr. Octavio Victor R. Espiritu who serves with Ret. Chief Justice Diosdado M. Peralta as member.

The 2025 attendance of the Related Party Transactions committee are as follows:

Name	March 4, 2025	May 13, 2025	August 12, 2025	November 11, 2025
Octavio R. Espiritu (Chairman)	P	P	P	P
Diosdado M. Peralta (Member)	P	P	P	P

P – Present A – Absent NA – Not Applicable

9. Independent Audit

Part of the Company's organizational structure is the Internal Audit Department (IAD). The establishment of IAD is a positive step towards good corporate governance. Its purpose, authority and responsibilities is defined in the Audit Charter, consistent with the definition of Internal Auditing, IIA Code of Ethics and the International Standards for the Professional Practice of Internal Auditing. The Audit Charter will be subject to the approval of the Chairman and the Audit Committee. To ensure its independence, the IAD functionally reports to the Audit Committee of the Board.

10. Management and Reporting Structure

The Board together with the management has developed a reporting structure based on the approved organizational structure of the hotel and casino operation. The reporting structure, which clearly segregates the different operations and functions, will define the responsibilities of each department and will incorporate the proper check and balance within the organization.

11. Continuing Improvements for Corporate Governance

Bloomerry will continue to improve its corporate governance, systems and processes to enhance adherence to practices of good corporate governance.

The Board has conducted an annual self-assessment of its performance, including the performance of its individual members for the year 2025. It has also established an internal self-rating and evaluation system. For the rating system, rates follow a scale of 1 to 5, 1 being the lowest and 5 being the highest. Questionnaires were provided to each of the Directors wherein they check for each item the rating that corresponds to their personal assessment. An additional portion for comments and/or suggestions is also allotted at the end of the Questionnaire.

PART VI - EXHIBITS AND SCHEDULES

Item 14. Reports on SEC Form 17-C

The following is a summary of submissions of SEC Form 17-C filed during the year 2025:

Date	Item Reported
12 February 2025	Refinancing of P40 billion Solaire North loan by its subsidiaries Bloomberry Resorts and Hotels Inc. ("BRHI") and Sureste Properties Inc. ("SPI")
21 February 2025	Designation of Acting Chief Operating Officer
21 February 2025	Notice of Annual Stockholders' Meeting for the Year 2025
06 March 2025	Press release of BLOOM in connection with its Full Year 2024 and Fourth Quarter 2024 Results
11 March 2025	Declaration of Cash Dividends
14 March 2025	Amendment of Notice Annual Stockholders' Meeting for the Year 2025
14 March 2025	Postponement of Annual Stockholders' Meeting for the Year 2025
15 April 2025	Grant and transfer of shares sourced from treasury shares pursuant to the Stock Incentive Plan (SIP) for employees, officers, and directors of BLOOM and its operating subsidiaries
24 April 2025	Results of Annual Stockholders' Meeting
24 April 2025	Results of Organizational Meeting of the Board of Directors
13 May 2025	Press release of BLOOM in connection with its First Quarter 2025 financial performance.
05 June 2025	Grant and transfer of shares sourced from treasury shares pursuant to the Stock Incentive Plan (SIP) for employees, officers, and directors of BLOOM and its operating subsidiaries
11 June 2025	Appointment of Director, President and Chief Operating Officer
03 July 2025	Disposition of BLOOM Shares by Bloomberry Resorts & Hotels Inc. (BRHI)
12 August 2025	Press release of BLOOM in connection with its Second Quarter 2025 financial performance.
12 August 2025	Appointment of a member of the Sustainability/Environment, Social and Governance (ESG) Committee of BLOOM
29 August 2025	Grant and transfer of shares sourced from treasury shares pursuant to the Stock Incentive Plan (SIP) for employees, officers, and directors of BLOOM and its operating subsidiaries
24 October 2025	Bloomberry Resorts Corporation's South Korean indirect subsidiary, Golden & Luxury Co., Ltd. signs Share Purchase Agreement with Gangwon Blue Mountain Co., Ltd.
11 November 2025	Press release of BLOOM in connection with its Third Quarter 2025 financial performance.
01 December 2025	Resignation of Corporate Secretary and Compliance Officer
22 December 2025	Appointment of Corporate Secretary and Compliance Officer

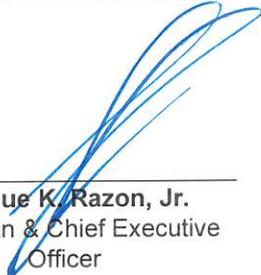
SIGNATURES

Pursuant to the requirements of Section 17 of the SRC and Section 177 of the Revised Corporation Code, this report is signed on behalf of the issuer by the undersigned, duly authorized, in the City of Paranaque.

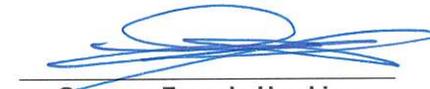
Bloomberly Resorts Corporation

Issuer

By:


Enrique K. Razon, Jr.
 Chairman & Chief Executive Officer

Date: March 5, 2026


Gregory Francis Hawkins
 President & Chief Operating Officer

Date: March 5, 2026


Estella Tuason-Occea
 Executive Vice President,
 Chief Financial Officer &
 Treasurer

Date: March 5, 2026


Amabelle C. Asuncion
 Corporate Secretary

Date: March 5, 2026

SUBSCRIBED AND SWORN to before me this 5th day of March 2026 affiant(s) exhibiting to me their Passports, as follows:

NAMES	PASSPORT. NO.	DATE OF ISSUE	PLACE OF ISSUE
Enrique K. Razon Jr.	P6820100A	19 April 2018	DFA Manila
Gregory Francis Hawkins	PA5257263	13 December 2017	AUSTRALIA
Estella Tuason-Occea	P3249678B	17 September 2019	DFA Manila
Amabelle C. Asuncion	P5905717A	5 February 2018	DFA Manila

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 Book No. 41
 Page No. 1
 Series of 2026





MARIA MARGARITA M. VILLANUEVA
 Commission No. 201-2025
 Notary Public for Paranaque City
 until December 31, 2026
 1 Asean Avenue, Entertainment City
 Brgy. Tambo, Paranaque City 1701
 Roll No. 61398

IBP No. 579603 / 31 December 2025 / Manila IV Chapter
 PTR No. 4018716 / 05 January 2026 / Paranaque City
 MCLE Compliance No. VIII-0032582 / 14 April 2025



BloombergBerry Resorts Corporation

The Securities and Exchange Commission
7907 Makati Avenue, Salcedo Village, Bel-air
Makati City

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **BLOOMBERRY RESORTS CORPORATION** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as of December 31, 2025 and 2024 and for the three years period ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the consolidated financial statements including the schedules attached therein, and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



Enrique K. Razon, Jr.

Chairman and Chief Executive
Officer



Estella Tuason-Occea

Executive Vice President, Chief
Financial Officer and Treasurer

Signed this 5th day of March 2026

The Executive Offices, Solaire Resort & Casino, Asean Avenue,
Entertainment City Brgy. Tambo Paranaque City

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
PARAÑAQUE CITY) S.S.

BEFORE ME, a Notary Public for and in the City of Parañaque, on this 05th day of March 2026, personally appeared:

NAME	COMPETENT EVIDENCE OF IDENTITY	DATE OF EXPIRY
Enrique K. Razon Jr.	Passport P1367844C	18 Aug 2032
Estella Tuason -Occeña	Passport P3249678B	16 Sep 2029

Who were identified by me through competent evidence of identity to be the same persons described in the foregoing document, who acknowledged before me that their respective signatures on the document were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the document as their free and voluntary act and deed and that of the entity which they represent.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal on the date and place above-written.

Doc. No. 198;
Page No. 41;
Book No. I ;
Series of 2026.




MARIA MARGARITA M. VILLANUEVA
Commission No. 201-2025
Notary Public for Parañaque City
until December 31, 2026
1 Asean Avenue, Entertainment City
Brgy. Tambo, Parañaque City 1701
Roll No. 61398

IBP No. 579603 / 31 December 2025 / Manila IV Chapter
PTR No. 4018716 / 05 January 2026 / Parañaque City
MCLE Compliance No. VIII-0032582 / 14 April 2028

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Bloomberry Resorts Corporation
The Executive Offices, Solaire Resort & Casino
1 Asean Avenue, Barangay Tambo, Entertainment City
Parañaque City

Opinion

We have audited the consolidated financial statements of Bloomberry Resorts Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to the audits of financial statements of public interest entities in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.



Adequacy of Allowance for Expected Credit Losses on Gaming Receivables

The Group applies simplified approach in calculating expected credit loss (ECL). Under this approach, the Group establishes a provision matrix that is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment. Allowance for ECL as of December 31, 2025 amounted to ₱485.2 million. The Group's application of the ECL model in calculating the allowance for ECL of its gaming receivables is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include: segmenting the Group's credit risk exposures; defining default; determining assumptions to be used in the ECL model such as timing and amounts of expected net recoveries from defaulted accounts; and incorporating forward-looking information (called overlays) in calculating ECL.

The disclosures in relation to allowance for ECL are included in Notes 3 and 5 to the consolidated financial statements.

Audit Response

We obtained an understanding of the methodology used for the Group's ECL and assessed whether these considered the requirements of PFRS 9.

We (a) assessed the Group's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) tested the definition of default against historical analysis of accounts and credit risk management policies and practices in place, (c) tested historical loss rates by inspecting historical recoveries and write-offs; (d) compared the classification of outstanding exposures to their corresponding aging buckets; and (e) evaluated the forward-looking information used for overlay through statistical test and corroboration using publicly available information and our understanding of the Group's receivable portfolios and industry practices.

Further, on a sampling basis, we traced the data used in the ECL model, such as the historical collection analysis, default and recovery data, to the data maintained in the accounting system and to the analysis of gaming receivables' aging buckets.

Valuation of Land at Revalued Amount

Effective January 1, 2024, the Group accounts for its land classified as property and equipment using the revaluation model. The land accounts for 47% of the total consolidated assets as at December 31, 2025. The determination of the fair values of the land involves significant management judgment and estimates. The valuation also requires the assistance of external appraisers whose calculations also depend on certain assumptions such as sales listing of comparable properties registered within the vicinity and other adjustments to sales price based on internal and external factors for the market approach, and, terminal yield rate and discount rate used as key inputs and assessed the adequacy of these adjustments and assumptions in response to the changes in market and economic conditions. Thus, we considered the valuation of the land as a key audit matter.

The disclosures relating to land are included in Notes 3 and 8 to the consolidated financial statements.



Audit Response

We evaluated the competence, capabilities and qualifications of the external appraisers by considering their qualifications, experience and reporting responsibilities. We compared the property-related data in the appraisal reports against the Group's property records. We involved our internal specialist in the evaluation of the methodologies and assumptions used in the valuation of the properties. We assessed the methodologies adopted by referencing common valuation models and inspected the relevant information supporting the sales and listing of comparable properties. We inquired from the external appraisers the basis of the adjustments made to the sales price of comparable properties for market approach and discount rate and terminal yield rate as key inputs and assessed the adequacy of these adjustments and assumptions in response to the changes in market and economic conditions.

Other Information

Management is responsible for the other information. The other information comprises the SEC Form 17-A for the year ended December 31, 2025 but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the SEC Form 20-IS (Definitive Information Statement) and Annual Report for the year ended December 31, 2025, which are expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



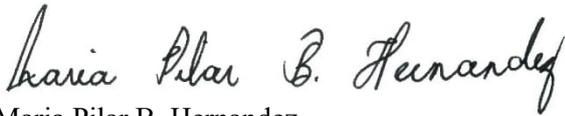
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Maria Pilar B. Hernandez.

SYCIP GORRES VELAYO & CO.



Maria Pilar B. Hernandez
Partner

CPA Certificate No. 105007

Tax Identification No. 214-318-972

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 105007-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

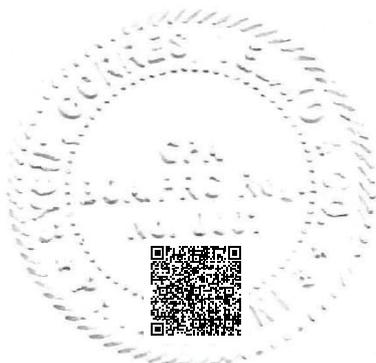
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-116-2025, December 19, 2024, valid until December 18, 2027

PTR No. 10765059, January 2, 2026, Makati City

March 5, 2026



BLOOMBERRY RESORTS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 4 and 20)	₱26,506,930,472	₱33,178,624,731
Receivables (Notes 5 and 20)	1,277,761,198	2,342,401,792
Inventories (Note 6)	802,534,156	626,078,988
Prepayments and other current assets (Notes 7, 17, 18 and 20)	2,138,147,826	2,128,731,496
Total Current Assets	30,725,373,652	38,275,837,007
Noncurrent Assets		
Property and equipment (Notes 2, 8, 11 and 17)		
At cost	63,545,304,555	66,140,887,070
At revalued amount	90,209,864,000	89,303,258,193
Intangible assets (Note 9)	101,788,051	–
Advances to contractors (Note 9)	492,018,880	818,754,074
Other noncurrent assets (Notes 9 and 20)	5,424,274,640	5,158,188,998
Total Noncurrent Assets	159,773,250,126	161,421,088,335
	₱190,498,623,778	₱199,696,925,342
LIABILITIES AND EQUITY		
Current Liabilities		
Payables and other current liabilities (Notes 10, 15, and 20)	₱14,156,941,367	₱16,492,170,150
Current portion of long-term debt (Notes 11 and 20)	2,227,295,690	2,073,925,580
Current portion of lease liabilities (Note 7)	4,012,994	18,709,105
Income tax payable	3,422,438	3,151,616
Total Current Liabilities	16,391,672,489	18,587,956,451
Noncurrent Liabilities		
Long-term debt - net of current portion (Notes 11 and 20)	103,178,903,551	108,113,714,894
Lease liabilities - net of current portion (Note 17)	3,845,227	7,858,221
Retirement liability (Note 13)	2,155,078,573	1,973,673,057
Deferred tax liabilities - net (Note 19)	9,237,152,155	9,014,438,004
Other noncurrent liabilities (Notes 17 and 20)	101,703,957	87,680,787
Total Noncurrent Liabilities	114,676,683,463	119,197,364,963
Total Liabilities	131,068,355,952	137,785,321,414
Equity Attributable to Equity Holders of the Parent Company		
Capital stock (Note 14)	11,591,998,225	11,591,998,225
Additional paid-in capital (Note 14)	18,160,524,210	18,096,248,605
Equity reserve (Note 2)	(27,138,558)	(27,138,558)
Cost of shares held by a subsidiary (Notes 14 and 18)	(17,347,954,485)	(17,347,954,485)
Treasury shares (Note 14)	(606,591,355)	(794,841,929)
Share-based payment plan (Note 14)	352,413,563	365,945,741
Other comprehensive income (Notes 8,9 and 14)	28,380,692,059	27,682,307,619
Retained earnings (Note 14)	19,023,216,886	22,430,179,097
Total Equity Attributable to Equity Holders of the Parent Company	59,527,160,545	61,996,744,315
Equity Attributable to Non-controlling Interests	(96,892,719)	(85,140,387)
Total Equity	59,430,267,826	61,911,603,928
	₱190,498,623,778	₱199,696,925,342

See accompanying Notes to Consolidated Financial Statements.



BLOOMBERRY RESORTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2025	2024	2023
REVENUES			
Gaming (Notes 3, 15 and 18)	₱39,639,684,853	₱42,413,584,152	₱39,696,206,599
Hotel, food and beverage (Notes 3 and 15)	7,297,611,294	5,448,832,612	4,452,425,742
Retail and others (Notes 3, 15 and 17)	5,354,510,257	4,897,243,637	3,745,925,875
	52,291,806,404	52,759,660,401	47,894,558,216
OPERATING COSTS AND EXPENSES (Note 16)	49,822,480,651	42,469,351,924	32,366,691,113
INCOME BEFORE OTHER INCOME (EXPENSES) AND INCOME TAX	2,469,325,753	10,290,308,477	15,527,867,103
OTHER INCOME (EXPENSES)			
Interest expense (Notes 10, 11, 16 and 17)	(8,055,046,363)	(8,349,167,203)	(6,522,784,163)
Foreign exchange gains (losses) - net (Note 20)	69,298,490	721,844,207	(217,957,211)
Interest income (Notes 4, 5 and 16)	221,454,912	316,803,621	493,348,082
Impairment on investment in a joint venture (Note 9)	(383,312,975)	-	-
Others - net (Notes 8, 11 and 16)	3,027,736,738	(393,179,537)	201,656,365
	(5,119,869,198)	(7,703,698,912)	(6,045,736,927)
INCOME (LOSS) BEFORE INCOME TAX	(2,650,543,445)	2,586,609,565	9,482,130,176
PROVISION FOR (BENEFIT FROM) INCOME TAX (Notes 18 and 19)	(4,468,965)	3,907,829	(39,300,201)
NET INCOME (LOSS)	(2,646,074,480)	2,582,701,736	9,521,430,377
OTHER COMPREHENSIVE INCOME (LOSS)			
Item that will be reclassified to profit or loss in subsequent years - Exchange difference on translation of foreign operations	200,158,522	(529,208,310)	(39,791,122)
Items that will not be reclassified to profit or loss in subsequent years -			
Revaluation increment (Note 8)	743,886,699	37,696,995,999	-
Remeasurement gain (loss) on retirement liability (Note 13)	126,568,317	(164,355,973)	(122,549,922)
Unrealized gain (loss) on equity instrument designated at fair value through other comprehensive income (Note 9)	(6,000,000)	(6,000,000)	30,000,000
Income tax effect	(246,342,319)	(8,947,068,553)	(1,101,113)
	618,112,697	28,579,571,473	(93,651,035)
TOTAL OTHER COMPREHENSIVE INCOME (LOSS)	818,271,219	28,050,363,163	(133,442,157)
TOTAL COMPREHENSIVE INCOME (LOSS)	(₱1,827,803,261)	₱30,633,064,899	₱9,387,988,220
Net Income (Loss) Attributable To			
Equity holders of the Parent Company	(₱2,634,530,414)	₱2,620,920,285	₱9,527,193,809
Non-controlling interests	(11,544,066)	(38,218,549)	(5,763,432)
	(₱2,646,074,480)	₱2,582,701,736	₱9,521,430,377
Total Comprehensive Income (Loss) Attributable To			
Equity holders of the Parent Company	(₱1,816,050,929)	₱30,597,938,602	₱9,394,654,411
Non-controlling interests	(11,752,332)	35,126,297	(6,666,191)
	(₱1,827,803,261)	₱30,633,064,899	₱9,387,988,220
Earnings (Loss) Per Share on Net Income (Loss) Attributable to Equity Holders of the Parent Company (Note 21)			
Basic	(₱0.250)	₱0.242	₱0.867
Diluted	(₱0.250)	₱0.241	₱0.863

See accompanying Notes to Consolidated Financial Statements.



BLOOMBERRY RESORTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE YEARS IN THE PERIOD ENDED DECEMBER 31, 2025

Equity Attributable to Equity Holders of the Parent Company											
	Capital Stock (Note 14)	Additional Paid-in Capital (Note 14)	Equity Reserve (Note 2)	Cost of Shares Held by a Subsidiary (Note 14)	Treasury Shares (Note 14)	Share-based Payment Plan (Note 14)	Comprehensive Income (Loss) (Notes 8, 9 and 13)	Retained Earnings (Note 14)	Total	Equity Attributable to Non-controlling Interests	Total Equity
Balances at January 1, 2025	₱11,591,998,225	₱18,096,248,605	(₱27,138,558)	(₱17,347,954,485)	(₱794,841,929)	₱365,945,741	₱27,682,307,619	₱22,430,179,097	₱61,996,744,315	(₱85,140,387)	₱61,911,603,928
Net loss	–	–	–	–	–	–	–	(2,634,530,414)	(2,634,530,414)	(11,544,066)	(2,646,074,480)
Remeasurement gain on defined benefit plan (Note 13)	–	–	–	–	–	–	120,095,045	–	120,095,045	453,776	120,548,821
Exchange difference on translation of foreign operations	–	–	–	–	–	–	200,158,522	–	200,158,522	–	200,158,522
Unrealized loss on equity instrument designated at fair value through other comprehensive income (Note 9)	–	–	–	–	–	–	(4,500,000)	–	(4,500,000)	–	(4,500,000)
Revaluation surplus (deficit) (Note 8)	–	–	–	–	–	–	502,725,918	–	502,725,918	(662,042)	502,063,876
Total comprehensive income (loss)	–	–	–	–	–	–	818,479,485	(2,634,530,414)	(1,816,050,929)	(11,752,332)	(1,827,803,261)
Share-based payments (Note 14)	–	–	–	–	–	238,994,001	–	–	238,994,001	–	238,994,001
Acquisition of shares by a subsidiary (Note 18)	–	–	–	–	–	–	–	–	–	–	–
Dividends declaration (Note 14)	–	–	–	–	–	–	–	(892,526,842)	(892,526,842)	–	(892,526,842)
Issuance of treasury shares for share-based payments (Note 14)	–	64,275,605	–	–	188,250,574	(252,526,179)	–	–	–	–	–
Remeasurement gain on defined benefit plan transferred to retained earnings	–	–	–	–	–	–	(120,095,045)	120,095,045	–	–	–
Balances at December 31, 2025	₱11,591,998,225	₱18,160,524,210	(₱27,138,558)	(₱17,347,954,485)	(₱606,591,355)	₱352,413,563	₱28,380,692,059	₱19,023,216,886	₱59,527,160,545	(₱96,892,719)	₱59,430,267,826
Balances at January 1, 2024	₱11,591,998,225	₱18,020,568,583	(₱27,138,558)	(₱653,457)	(₱971,296,016)	₱248,545,108	(₱457,916,766)	₱19,972,464,880	₱48,376,571,999	(₱120,266,684)	₱48,256,305,315
Net income (loss)	–	–	–	–	–	–	–	2,620,920,285	2,620,920,285	(38,218,549)	2,582,701,736
Remeasurement loss on defined benefit plan (Note 13)	–	–	–	–	–	–	–	(163,206,069)	(163,206,069)	(1,149,904)	(164,355,973)
Exchange difference on translation of foreign operations	–	–	–	–	–	–	–	(529,208,310)	(529,208,310)	–	(529,208,310)
Unrealized loss on equity instrument designated at fair value through other comprehensive income (Note 9)	–	–	–	–	–	–	–	(4,500,000)	(4,500,000)	–	(4,500,000)
Revaluation surplus (Note 8)	–	–	–	–	–	–	–	28,673,932,696	28,673,932,696	74,494,750	28,748,427,446
Total comprehensive income	–	–	–	–	–	–	–	27,977,018,317	2,620,920,285	30,597,938,602	35,126,297
Share-based payments (Note 14)	–	–	–	–	–	369,534,742	–	–	369,534,742	–	369,534,742
Acquisition of shares by a subsidiary (Note 18)	–	–	–	(17,347,301,028)	–	–	–	–	(17,347,301,028)	–	(17,347,301,028)
Issuance of treasury shares for share-based payments (Note 14)	–	75,680,022	–	–	176,454,087	(252,134,109)	–	–	–	–	–
Remeasurement loss on defined benefit plan transferred to retained earnings	–	–	–	–	–	–	–	163,206,068	(163,206,068)	–	–
Balances at December 31, 2024	₱11,591,998,225	₱18,096,248,605	(₱27,138,558)	(₱17,347,954,485)	(₱794,841,929)	₱365,945,741	₱27,682,307,619	₱22,430,179,097	₱61,996,744,315	(₱85,140,387)	₱61,911,603,928

See accompanying Notes to Consolidated Financial Statements



	Equity Attributable to Equity Holders of the Parent Company									Equity Attributable to Non-controlling Interests	Total Equity
	Capital Stock (Note 14)	Additional Paid-in Capital (Note 14)	Equity Reserve (Note 2)	Cost of Shares Held by a Subsidiary (Note 14)	Treasury Shares (Note 14)	Share-based Payment Plan (Note 14)	Other Comprehensive Income (Loss) (Notes 9 and 13)	Retained Earnings (Note 14)	Total		
Balances at January 1, 2023	₱11,032,998,225	₱13,101,956,111	(₱27,138,558)	(₱653,457)	(₱1,191,685,068)	₱233,327,457	(₱440,625,644)	₱10,560,519,347	₱33,268,698,413	(₱113,600,493)	₱33,155,097,920
Net income (loss)	–	–	–	–	–	–	–	9,527,193,809	9,527,193,809	(5,763,432)	9,521,430,377
Remeasurement loss on defined benefit plan (Note 13)	–	–	–	–	–	–	(115,248,276)	–	(115,248,276)	(902,759)	(116,151,035)
Exchange difference on translation of foreign operations	–	–	–	–	–	–	(39,791,122)	–	(39,791,122)	–	(39,791,122)
Unrealized gain on equity instrument designated at fair value through other comprehensive income (Note 9)	–	–	–	–	–	–	22,500,000	–	22,500,000	–	22,500,000
Total comprehensive income (loss)	–	–	–	–	–	–	(132,539,398)	9,527,193,809	9,394,654,411	(6,666,191)	9,387,988,220
Share-based payments (Note 14)	–	–	–	–	–	231,605,224	–	–	231,605,224	–	231,605,224
Issuance of new shares (Note 14)	559,000,000	4,922,613,951	–	–	–	–	–	–	5,481,613,951	–	5,481,613,951
Issuance of treasury shares for share-based payments (Note 14)	–	(4,001,479)	–	–	220,389,052	(216,387,573)	–	–	–	–	–
Remeasurement loss on defined benefit plan transferred to retained earnings	–	–	–	–	–	–	115,248,276	(115,248,276)	–	–	–
Balances at December 31, 2023	₱11,591,998,225	₱18,020,568,583	(₱27,138,558)	(₱653,457)	(₱971,296,016)	₱248,545,108	(₱457,916,766)	₱19,972,464,880	₱48,376,571,999	(₱120,266,684)	₱48,256,305,315

See accompanying Notes to Consolidated Financial Statements.



BLOOMBERRY RESORTS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income (loss) before income tax	(₱2,650,543,445)	₱2,586,609,565	₱9,482,130,176
Adjustments for:			
Interest expense (Notes 10, 11, 16 and 17)	8,055,046,363	8,349,167,203	6,522,784,163
Depreciation and amortization (Notes 8, 9, 16 and 17)	7,482,224,373	5,996,022,209	3,304,279,880
Loss (gain) on loan refinancing (Notes 11 and 16)	(2,947,399,527)	469,444,694	–
Net change in retirement liability (Note 13)	300,636,001	227,843,060	895,382,138
Share-based payment expense (Note 14)	238,994,001	369,534,742	231,605,224
Interest income (Notes 4, 5 and 16)	(221,454,912)	(316,803,621)	(493,348,082)
Loss (gain) on sale of property and equipment - net (Notes 8 and 16)	(79,595,303)	12,951,745	(294,561,034)
Unrealized foreign exchange losses (gains) - net	(35,500,151)	(740,372,748)	238,724,937
Decrease (increase) in:			
Receivables	764,031,590	(916,897,856)	(104,340,879)
Inventories	(176,455,168)	(284,770,742)	8,218,639
Prepayments and other current assets	(420,322,740)	(643,807,776)	(158,651,278)
Other noncurrent assets	(188,696,815)	(91,176,777)	(120,653,764)
Increase (decrease) in:			
Payables and other current liabilities	(2,189,350,445)	1,433,680,938	(981,031,809)
Other noncurrent liabilities	14,023,170	(351,923,207)	378,421,576
Net cash generated from operations	7,945,636,992	16,099,501,429	18,908,959,887
Interest received	221,111,916	333,495,390	467,979,434
Income taxes paid	(22,880,540)	(25,136,958)	(33,279,586)
Net cash provided by operating activities	8,143,868,368	16,407,859,861	19,343,659,735
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property and equipment (Notes 8 and 22)	(4,681,884,324)	(13,765,205,159)	(21,078,971,007)
Acquisition of intangible assets	(109,179,369)	–	–
Decrease (increase) in:			
Prepayments and other current assets	410,906,410	22,911,108	(189,443,106)
Other noncurrent assets	(642,004,110)	(1,735,055,268)	(409,785,751)
Advances to contractors	326,735,194	1,748,662,941	1,559,169,298
Collection of receivable from a third party (Note 5)	300,952,000	699,048,000	–
Proceeds from sale of property and equipment	476,459,156	2,709,738	412,780,725
Net cash used in investing activities	(3,918,015,043)	(13,026,928,640)	(19,706,249,841)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Interest (Notes 11 and 22)	(7,520,524,367)	(7,873,005,843)	(6,083,469,134)
Long-term debt principal (Notes 11 and 22)	(2,158,875,000)	(6,275,000,000)	(5,340,000,000)
Lease liabilities principal (Note 17)	(20,015,828)	(18,459,249)	(19,097,250)
Dividends	(892,526,844)	–	–
Debt issuance cost (Note 11)	(341,105,696)	(1,035,791,544)	(223,791,270)
Proceeds from availment of loans (Note 11)	–	21,772,518,008	8,729,881,992
Acquisition of shares by a subsidiary (Note 18)	–	(17,347,301,028)	5,481,613,951
Net cash provided by (used in) financing activities	(10,933,047,735)	(10,777,039,656)	2,545,138,289
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
	35,500,151	740,372,748	(238,724,937)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(6,671,694,259)	(6,655,735,687)	1,943,823,246
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR (Note 4)			
	33,178,624,731	39,834,360,418	37,890,537,172
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)			
	₱26,506,930,472	₱33,178,624,731	₱39,834,360,418

See accompanying Notes to Consolidated Financial Statements.



BLOOMBERRY RESORTS CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Business

a. Corporate Information

Bloomberry Resorts Corporation (referred to as “Bloomberry” or “Parent Company”), was incorporated in the Philippines and registered with the Securities and Exchange Commission (“SEC”) on May 3, 1999. The Parent Company’s primary purpose is to subscribe, acquire, hold, sell, assign or dispose shares of stock and other securities of any corporation, including those engaged in hotel and/or gaming and entertainment business, without engaging in dealership in securities or in the stock brokerage business or in the business of an investment company, to the extent permitted by law, and to be involved in the management and operations of such investee companies; and to guarantee the obligations of its subsidiaries or affiliates or any entity in which the Parent Company has lawful interest.

The Parent Company’s registered office address is at The Executive Offices, Solaire Resort & Casino, 1 Asean Avenue, Barangay Tambo, Entertainment City, Parañaque City.

Bloomberry’s shares of stock are publicly traded in the Philippine Stock Exchange (“PSE”) under the ticker BLOOM.

Bloomberry is a subsidissary of Prime Strategic Holdings Inc. (“PSHI”), the intermediate parent company. Bloomberry’s ultimate parent company is Razon & Co. Inc. These entities are domiciled in the Philippines.

The consolidated financial statements have been approved and authorized for issuance by the Board of Directors (“BOD”) on March 5, 2026.

b. Subsidiaries of Bloomberry

Sureste Properties, Inc. (“Sureste”) and Bloomberry Resorts and Hotels, Inc. (“BRHI”)
On February 6, 2012, PSHI sold 100% of its ownership interest in Sureste to Bloomberry for ₱5.9 billion. Sureste owns 100% of BRHI.

Sureste was incorporated in the Philippines and was registered with the SEC on April 16, 1993. Its wholly owned subsidiary, BRHI, was incorporated in the Philippines and registered with the SEC on February 27, 2008. BRHI holds 9.34% of the shares of Sureste. The primary purpose of Sureste and BRHI is to develop and operate tourist facilities, including hotel-casino entertainment complexes with hotel, retail, amusement areas and themed development components.

Solaire Korea Co., Ltd. (“Solaire Korea”), Golden & Luxury Co., Ltd. (“G&L”) and Muui Agricultural Corporation (“Muui”)

In December 2014, Solaire Korea was established by Bloomberry to hold the Parent Company’s investment in the leisure and entertainment business in the Republic of Korea. On April 24, 2015, Solaire Korea acquired 77.26% of the outstanding shares of G&L. Subsequently on May 22, 2015, Solaire Korea acquired an additional 18.97% of G&L, bringing its ownership in G&L to 96.23%. On August 20, 2015, Bloomberry acquired 10.00% of the outstanding shares of G&L from Solaire Korea. On March 8, 2016, Muui was established with a total capitalization of Korean Won (₩)200.0 million (₱8.2 million). Solaire Korea owns 80% of the outstanding shares of Muui. In 2019, Solaire Korea acquired additional 10% ownership in Muui for a consideration amounting to ₱9.3 million bringing its ownership in Muui to 90%.



Bloom Capital B.V.

On November 21, 2013, Bloomberg subscribed to 60% of the capital stock of Bloom Capital B.V., a financial holding entity incorporated in the Netherlands as a private company with limited liability under the Dutch law. On October 23, 2014, Bloomberg acquired the remaining 40% of the capital stock of Bloom Capital B.V.

Bloomberg Cruise Terminals, Inc. (“BCTI”)

Bloomberg established BCTI to manage and operate its port terminal assets including the proposed Solaire Cruise Center and Yacht Harbor. The proposed Solaire Cruise Center and Yacht Harbor was designated by the Tourism Infrastructure and Enterprise Zone Authority as a Tourism Enterprise Zone.

Solaire Properties Corporation (“SPC”)

On April 29, 2022, Bloomberg established SPC (formerly Solaire Entertainment Properties Holdings, Inc.) to acquire and subsequently develop a property in Paniman, Ternate, Cavite into an integrated resort and entertainment complex with a casino, hotel, golf course, commercial, residential and mixed-use development.

Solaire Resorts Corporation (“SRC”)

SRC, a wholly owned subsidiary of Bloomberg, was incorporated in the Philippines and registered with SEC on October 18, 2022. The primary purpose of SRC is to develop and operate an integrated resort including a casino duly licensed by the Philippine Amusement and Gaming Corporation (“PAGCOR”), and other relevant government regulators. It has not commenced operations.

c. Status of Operations

Sureste and BRHI

PAGCOR granted BRHI the Provisional License on April 8, 2009 to develop an integrated casino, hotel and entertainment complex within Entertainment City (the “Project”). BRHI is one of four licensees for Entertainment City. The Provisional License, as well as the regular license issued to replace it, is concurrent with PAGCOR’s congressional franchise. PAGCOR’s franchise will expire on July 11, 2033, and may be renewed when PAGCOR’s franchise is renewed by law. On May 7, 2015, BRHI’s Provisional License was replaced with a regular casino Gaming License upon full completion of the Project, referred to as “Solair Resort Entertainment City”. The Gaming License has the same terms and conditions as the Provisional License.

Solaire Resort Entertainment City

Solaire Resort Entertainment City is one of the Philippines’ first premium/luxury hotel and gaming resorts. The gaming and integrated resort complex on 16-hectare land along Asean Avenue in Parañaque City is the first casino to operate within Entertainment City. BRHI, as the license holder, owns and operates the casino while Sureste owns and operates the hotel and non-gaming business.



On March 16, 2013, BRHI and Sureste commenced commercial operations upon completion of Phase 1 of Solaire Resort Entertainment City, now referred to as the Bay Tower, along with the opening of the main gaming area and initial non-gaming amenities, such as Solaire Resort Entertainment City's hotel, food and beverage outlets.

On June 5, 2018, Sureste acquired the two parcels of land in Entertainment City from PAGCOR with a total area of 160,359 square meters where Solaire Resort Entertainment City is located.

On June 8, 2025, Bloomberry soft-launched MegaFUNalo! – a broad-mass digital gaming platform that effectively widens the Parent Company's suite of gaming offerings and increases its exposure to online gaming.

Solaire Resort North

In 2015, Sureste purchased from the National Housing Authority (NHA) 15,676 square meters of land in Vertis North, Quezon City Central Business District and was issued Transfer Certificates of the Title on June 24, 2016. This property is the site of "Solaire Resort North," BRHI's second integrated resort in the Philippines under the same PAGCOR license. Solaire Resort North commenced operations on May 25, 2024.

G&L

G&L operated a hotel and casino property in Jeju, Korea under the brand name "T.H.E Hotel" and "Las Vegas Casino". Upon takeover of operation by Bloomberry, the property was rebranded as "Jeju Sun Hotel & Casino" ("Jeju Sun").

In October 2025, G&L entered into a Share Purchase Agreement ("SPA") to spin off its casino business into a newly established company, Heaven Co. Ltd., through a demerger. Following the completion of the demerger, G&L will sell all shares of Heaven Co. Ltd. In accordance with the terms of the SPA, the Buyer has paid a total of KRW (₩)2.0 billion (₱80.3 million) as of December 31, 2025.

The completion of the transaction, including the full payment of the purchase price, remains subject to the successful completion of the demerger process, the Buyer's due diligence, and the receipt of all necessary regulatory approvals (see Note 24).

Terminated Investment in Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp.

On May 6, 2022, Bloomberry signed a term sheet with PH Travel and Leisure Corp., a subsidiary of PH Resorts Group Holdings, Inc. which covers the proposed investment of Bloomberry into Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp. which are developing the Emerald Bay Resort Hotel and Casino in Punta Engano, Lapu-Lapu City, Cebu, and The Base Resort Hotel and Casino in Clark, Pampanga, respectively. The term sheet is subject to several Conditions to Closing including: (a) the execution of mutually acceptable definitive agreements; (b) approval of regulators; (c) approval of creditors; (d) completion of audited financial statements; (e) corporate approvals, and cooperation on and satisfactory result of due diligence, among others.

On March 22, 2023, Bloomberry terminated the term sheet after considering the results of due diligence. The parties agreed that the ₱1.0 billion deposit made under the term sheet shall be returned to Bloomberry through execution of certain transactions. In 2024, Bloomberry collected ₱699.0 million. As of December 31, 2025, the outstanding receivable was fully collected.



Paniman Project

On May 18, 2022, Bloomberry through SPC entered into an agreement with a group of landowners comprising Boulevard Holdings Inc., Puerto Azul Land, Inc., Ternate Development Corporation and Monte Sol Development Corporation (the “Sellers”) for the purchase by SPC of a total of 2,797,768 square meters of land in the Paniman area in Ternate, Cavite at the average price of ₱2,700 per square meter. In addition to the land purchased from the Sellers, SPC has also purchased additional parcels of land in Ternate, Cavite from other sellers. As of December 31, 2025, SPC has purchased 223 lots with a total land area of 2,036,665 square meters.

SPC intends to develop the Paniman property into an integrated resort and entertainment complex with a world class casino, hotel, golf course, commercial, residential and mixed-use development.

The development timeline for this project is yet to be finalized.

2. Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements of Bloomberry and its subsidiaries (collectively referred to as the “Group”) have been prepared in conformity with Philippine Financial Reporting Standards (“PFRS”) Accounting Standards.

The consolidated financial statements have been prepared under the historical cost basis except for investment in club shares which have been measured at fair value and land classified as part of “Property and equipment” which is carried at revalued amount beginning January 1, 2024. The consolidated financial statements are presented in Philippine Peso, the functional currency of the Parent Company, and all values are rounded to the nearest peso, except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements include the financial statements of Bloomberry and its subsidiaries as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

As of December 31, 2025 and 2024, direct and indirect subsidiaries of Bloomberry include:

	2025		2024	
	Effective Percentage of Ownership		Effective Percentage of Ownership	
	Direct	Indirect	Direct	Indirect
Sureste	91	9	91	9
BRHI (through Sureste)	–	100	–	100
Bloomberry Cruise Terminal, Inc.	100	–	100	–
Bloom Capital B.V.	100	–	100	–
Solaire Korea	100	–	100	–
G&L (through Solaire Korea)	10	86	10	86
Muui (through Solaire Korea)*	–	90	–	90
Solaire Properties Corporation (SPC)	100	–	100	–
Solaire Resorts Corporation (SRC)*	100	–	100	–

*Has not started commercial operations.



Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of amendments effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these amendments did not have an impact on the consolidated financial statements.

▪ Amendments to PAS 21, *Lack of exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments had no impact on the consolidated financial statements because the Group's accounting policies are aligned with the amendments to PAS 21.

Standards Issued But Not Yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group is currently assessing the impact of the above-mentioned standards and amendments. Except for the adoption of PFRS 18, adoption of these pronouncements on the consolidated financial statements.



Material Accounting Policies

Financial Assets

The Group's financial assets are classified at initial recognition, as subsequently measured at amortized cost. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15, *Revenue from Contracts with Customers*.

The financial assets at amortized cost is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

As of December 31, 2025 and 2024, financial assets at amortized cost includes cash and cash equivalents, receivables, security deposits, funds held in trust and restricted cash.

The Group applies the simplified approach in measuring expected credit losses (ECL) for trade receivables which uses a lifetime expected loss allowance for all trade receivables. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information using a provision matrix. The Group also assesses impairment of trade receivables on an individual and collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due. Meanwhile, impairment of other financial assets is assessed using the general approach which considers available financial information of counterparties.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when and only when:

- The rights to receive cash flows from the asset have expired; or



- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;
- The Group has transferred substantially all the risks and rewards of the asset and either (a) has neither transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Cash includes cash on hand and in banks, including bank accounts maintained by the Group as collateral for its long-term debt. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from the date of acquisition, and for which there is an insignificant risk of change in value. Cash and cash equivalents include demand deposits whose terms and conditions do not prevent the entity from accessing the amounts held in it.

Financial Liabilities

The Group's financial liabilities are classified as loans and borrowing and payables. These are recognized initially at fair value, net of directly attributable transaction costs, and subsequently measured at amortized cost. A financial liability is derecognized when the obligation under the liability is discharged or canceled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Group's profit or loss.

As of December 31, 2025 and 2024, financial liabilities include payables and other current liabilities, long-term debt and lease liabilities.

Inventories

Inventories are valued at the lower of cost and net realizable value ("NRV"). The cost is determined using the moving average method except for table card inventories (presented as part of operating supplies) where the first in, first out method ("FIFO") is being utilized. The NRV is based on estimated selling prices less estimated costs to be incurred on completion and disposal. The NRV of operating and other supplies is the current replacement cost.



Promo Merchandise

Promo merchandise pertains to items to be provided by the Group to its patrons as giveaways at different marketing events. These are carried at lower of cost and NRV and charged to “Cost of sales” once distributed to the patrons. The cost of the promo merchandise is determined using the FIFO method. The NRV of promo merchandise is the current replacement cost.

Property and Equipment

The Group’s property and equipment, except land, is initially recognized at cost and subsequently recognized at cost less accumulated depreciation and amortization and any impairment in value. Prior to January 1, 2024, land is carried at cost, less any accumulated impairment.

Effective January 1, 2024, land is measured at fair value recognized at the date of revaluation. Changes in fair value of land, net of related deferred income tax, are recorded in other comprehensive income (“OCI”) and credited to the “Revaluation increment” account in equity.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives of the assets:

Land improvements	10 years
Building and improvements	40 years
Machineries	10 years
Gaming equipment	5 years
Office furniture and fixtures	5 years
Transportation equipment	5 years
Leasehold improvements	3 years or lease term, whichever is shorter
Office and communication equipment	5 years

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land	10 to 20 years
Building	3 years
Gaming equipment	3 years

Operating Equipment

Operating equipment (shown as part of “Other noncurrent assets” account) is initially recognized at cost and subsequently recognized at cost less accumulated amortization, as applicable.

Impairment of Nonfinancial Assets

The Group’s investments in property and equipment, right-of-use assets, joint ventures and other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset’s recoverable amount is determined for an individual asset, unless the asset does not generate inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset of cash generating unit (“CGU”) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The recoverable amount of the assets is the higher of fair value less costs of disposal and value-in-use (“VIU”).



In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Share-based Payment Plan

Certain qualified officers and employees of the Group and subsidiaries receive remuneration for their services in the form of equity shares of the Group ("equity-settled transactions").

The cost of equity-settled transactions with officers and employees is measured by reference to the fair value of the stock at the date on which these are granted. Fair value was determined based on the quoted market price of the underlying stocks.

Revenue from Contracts with Customers

The Group's revenue from contracts with customers primarily consist of gaming, hotel accommodation services, food and beverage, and retail and other revenue. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements.

Gaming revenue

Gaming revenue is recognized when the control of the service is transferred to the patron upon execution of a gaming play. The Group accounts for its gaming revenue contracts collectively on a portfolio basis versus an individual basis as all patrons have similar characteristics. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Accordingly, for gaming transactions that include complimentary goods and services provided by the Group to incentivize future gaming, the Group allocates the stand-alone selling price of each good or service to the appropriate revenue type. In determining the transaction price, gaming revenue is measured by the aggregate net difference between gaming wins and losses and the effect of consideration payable to a patron (if any) is considered. Amounts rebated to junket operators and premium patrons for rolling play, cash discounts and other cash incentives to patrons related to gaming play are recognized as a reduction from gross gaming revenue.

Hotel, food and beverage, retail and other operating revenues

Hotel, food and beverage, retail and other operating revenues are recognized when the control of the goods or service is transferred to the customer, generally when the services are performed or the retail goods are delivered.

Retail and other revenue includes sale of various merchandise, communication and transportation services to Solaire guests and patrons.



Customer Loyalty Program

The Group has a loyalty points program which allows customers to accumulate points that can be redeemed for free hotel accommodation, food and beverage, retail goods and other services.

The loyalty points give rise to a separate performance obligation as they provide a material right to the customer. The Group's customer is able to use the points as a currency (i.e., currency value has been fixed and can no longer be changed by the Group). A portion of the transaction price is allocated to the loyalty points awarded to customers based on relative stand-alone selling price and recognized as a financial liability until the points are redeemed. The number of points redeemed through third parties is recognized as reduction in gaming revenue.

Employee Benefits

The Group provides post-employment benefits to employees through a defined benefit plan and other employee benefits.

The Group's defined benefit post-employment plan covers all regular full-time employees.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Defined benefit costs comprise the following:

- a) service cost;
- b) interest on the net defined benefit liability; and
- c) remeasurements of defined benefit liability.

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Interest on the defined benefit liability is the change during the period in the net defined benefit liability that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability.

Interest on the defined benefit liability is recognized as expense or income in the profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are reclassified to retained earnings in the current period.

Provisions

Provisions are recognized when the Group has present obligations, legal or constructive, as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of comprehensive income, net of any reimbursements. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to passage of time is recognized as interest expense.



Borrowing Costs

Borrowing costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for its intended use or sale. Capitalization of borrowing costs commences when the activities necessary to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are available for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized. Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds, as well as exchange differences arising from foreign currency borrowings used to finance these projects to the extent that they are regarded as an adjustment to interest cost.

All other borrowing costs are expensed as incurred.

Leases

Group as a Lessee

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Subsequent to initial recognition, the Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term which is from 3 to 20 years.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of equipment and other rentals (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a Lessor

Leases where the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term and is included in "Retail and others" account in the consolidated statements of comprehensive income. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Treasury Shares

Treasury shares, including cost of shares held by a subsidiary, are the Group's own equity instruments which are reacquired by the Group and are recognized at cost and presented as reduction in equity. No gain or loss is recognized in profit or loss on the purchase, sale, reissuance or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration upon reissuance or cancellation of shares is recognized as additional paid-in capital ("APIC").



Earnings Per Share

The Group presents basic and diluted earnings per share rate for its shares.

Basic earnings per share (“EPS”) is calculated by dividing net income for the year attributable to equity holders of the Group by the weighted average number of shares outstanding during the year after giving retroactive effect to any stock dividend declarations.

Diluted earnings per share is computed in the same manner, adjusted for the effect of the shares issuable to qualified officers and employees under the Group’s stock incentive plan which are assumed to be exercised at the date of grant. Where the effect of the vesting of stock under the stock incentive plan is anti-dilutive, basic and diluted earnings per share are stated at the same amount.

Foreign Currency Transactions and Translations

The Group’s financial statements are presented in Philippine Peso. The Philippine Peso is the currency of the primary economic environment in which the Group operates.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group’s entities at their respective functional currency spot rates prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

Subsidiaries with Foreign Operations

On consolidation, the assets and liabilities of foreign operations are translated into Philippine Peso at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at the average exchange rates for the year. The exchange differences arising on translation for consolidation are recognized in OCI and taken directly to a separate component of equity as translation adjustments. On disposal of these subsidiaries, the amount of deferred cumulative translation adjustments recognized in equity relating to subsidiaries shall be recognized in profit or loss.

Taxes

Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted as at the financial reporting date.

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.



Deferred Income Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the financial reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences except: (1) when the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or (2) in respect of taxable temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and carryforward benefits of unused excess of minimum corporate income tax ("MCIT") over regular corporate income tax ("RCIT") and unused net operating loss carry-over ("NOLCO") to the extent that it is probable that taxable income will be available against which the deductible temporary differences and the carryforward benefits of unused tax credits and unused tax losses can be utilized except: (1) when the deferred income tax asset relating to deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or (2) in respect of deductible temporary differences associated with investment in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each financial reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each financial reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at financial reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Value-Added Tax ("VAT"). Revenues, expenses and assets are recognized net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; or
- Receivables and payables that are stated with the amount of VAT included.



The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of the “Prepayments and other current assets” or “Payables and other current liabilities” accounts in the consolidated statement of financial position.

3. Management’s Use of Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements requires the Group to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the reporting date. The uncertainties inherent in these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities affected in the future years.

Judgments

In the process of applying the Group’s accounting policies, management has made the following judgments apart from those including estimations and assumptions, which has the most material effect on the amounts recognized in the consolidated financial statements.

Contingencies. The Group is involved in certain legal proceedings. The Group’s judgment and estimate of the probable cost for the implication of these matters has been developed in consultation with its legal counsels and is based upon an analysis of potential results. Management and its legal counsels do not believe these will have a material adverse effect on its financial position or performance. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of strategies relating to this matter (see Note 18).

Identification of Contract with Customers under PFRS 15. The Group applied PFRS 15 guidance to a portfolio of contracts with similar characteristics as the Group reasonably expects that the effects on the consolidated financial statements of applying this guidance to the portfolio would not differ materially from applying this guidance to the individual contracts within that portfolio. Hence, the Group viewed a gaming day as one contract.

Identifying Performance Obligations. The Group identifies performance obligations by considering whether the promised goods or services in the contract are distinct goods or services. A good or service is distinct when the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and the Group’s promise to transfer the good or service to the customer is separately identifiable from the other promises in the contract.

The Group provides promotional merchandise items to its patrons as giveaways at different marketing events and grants certain complimentaries in the form of free hotel accommodation; food and beverages; and retail merchandise from outlets to incentivize future gaming. The Group determined that the promotional merchandise items and complimentary incentives given to the patrons are capable of being distinct and therefore considered as separate performance obligations.

Determination and Allocation of the Transaction Price. The Group considers whether there are other promises in the contracts with customers that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effect of rebates paid through gaming promoters. As the information necessary for the Group to apply judgment and determine the consideration to which it is entitled are proprietary to the gaming promoters and are not communicated by the gaming promoters to the Group, the Group recognized the full amount paid to gaming promoters as reduction in revenue. In allocating the transaction price, the Group considers the amount at which the entity would sell or purchase the promotional merchandise or complimentary incentives separately as the stand-alone selling price of the performance obligations.



Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next financial year are discussed as follows:

Definition of Default and Credit-Impaired Financial Assets. The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- *Quantitative Criteria.* The borrower is more than 90 days past due on its contractual payments, which is consistent with the Group's definition of default.
- *Qualitative Criteria.* The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:
 - a. The borrower is experiencing financial difficulty or is insolvent;
 - b. Concessions have been granted by the Group, for economic or contractual reasons relating to the borrower's financial difficulty; or
 - c. It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the probability of default (PD), loss given default (LGD) and exposure at default (EAD) throughout the Group's ECL calculation.

General Approach for Nontrade Receivables. The Group applies a general approach in calculating ECLs of nontrade receivables. The Group recognizes a loss allowance based on either 12-month ECL or lifetime ECL, depending on whether there has been a significant increase in credit risk since initial recognition.

Simplified Approach for Trade Receivables. The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various patron segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust the historical credit loss experience with forward-looking information. At every financial reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Grouping of instruments for losses measured on collective basis

For ECL provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. The characteristics and any supplementary data used to determine groupings are outlined below.

Trade receivables - Groupings for collective measurement

- a. Currency
- b. Type of patron

Macro-economic Forecasts and Forward-looking Information. Macro-economic forecasts are determined by evaluating a range of possible outcomes and using reasonable and supportable information that is available without undue cost and effort at the reporting date about past events, current conditions and forecasts of future economic conditions.



The Group takes into consideration using different macro-economic variables to ensure linear relationship between internal rates and outside factors. Regression analysis was used to objectively determine which variables to use.

Predicted relationship between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analyzing historical data over the past 12 years. The methodologies and assumptions including any forecasts of future economic conditions are reviewed regularly.

The carrying values of receivables and the related allowance for ECL of the Group are disclosed in Note 5 to the consolidated financial statements.

Estimating Useful Lives of Property and Equipment. Management determines the estimated useful lives and the related depreciation and amortization charges for its property and equipment based on the period over which the property and equipment are expected to provide economic benefits. Management's estimation of the useful lives of property and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. These estimations are reviewed periodically and could change significantly due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. Management will increase the depreciation and amortization charges where useful lives are less than the previously estimated useful lives.

Impairment of Nonfinancial Assets. An impairment review is performed when certain impairment indicators are present. Nonfinancial assets are subject to annual impairment test or whenever there is a strong indication that the assets will be impaired. The Group recognizes an impairment loss whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is computed using the VIU approach or based on the fair values using the latest sales price available in the market. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

Management is required to make estimates and assumptions to determine the recoverable amounts. While the Group believes that the assumptions used are reasonable and appropriate, these estimates and assumptions can materially affect the financial statements. Future adverse events may cause the management to conclude that the affected assets are impaired and may have a material impact on the Group's financial condition and results of operations.

As a result of the downward trend results of operations and financial forecast of Aviation Concepts Technical Services, Inc. ("ACTSI") where the Group holds 49% ownership investment in joint venture, the Group assessed that an indicator for impairment of its investment in a joint venture exists. Accordingly, investment in a joint venture has been subjected to impairment testing.

Impairment Testing of Investment in a Joint Venture

The Group performs its impairment testing of a joint venture when there are indicators of impairment. The recoverable amount of the investment in a joint venture has been determined based on VIU calculation. This calculation uses pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Management determined the financial budgets based on past performance and its expectations for market development. Cash flows beyond the five-year period are extrapolated using the estimated growth rate stated below.

Revenue growth is based on the expected operating results of aircraft maintenance businesses. Management estimated that revenue will grow at a compounded annual growth rate of 5.4% for the next 5 years. *Long-term growth rate* of 1% is applied based on independent economic and industry



analysis data. A post-tax discount rate of 8.93% has been applied to the cash flow projections. The discount rate reflects specific risks relating to the Group and is derived from its weighted average cost of capital (“WACC”). The WACC takes into account both debt and equity.

In 2025, the Group recognized an impairment loss on its investment in ACTSI amounting to ₱383.3 million presented as part of “Others” under other income (expenses) account in the consolidated statements of comprehensive income (see Note 16).

No other impairment indicators were identified on the Group’s other long-lived assets as of December 31, 2025 and 2024.

Valuation of Land at Revalued Amount. The Group carries its land at fair value, with changes in fair value being recognized in OCI. The Group engaged external appraisers to estimate the fair values of the land. The value of the land was estimated using “Market Approach” and “Income Approach” in 2025 and “Market Approach” in 2024. “Market Approach” is based on sales and listings of comparable properties registered within the vicinity. The technique of this approach requires the establishment of comparable property by reducing reasonable comparative sales and listings to a common denominator. This is done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. Significant increase (decrease) in estimated price per square meter would result in a significantly higher (lower) fair value. “Income Approach” is a valuation technique that converts future amounts (cash flows or income and expenses) to a single current (discounted) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts. The key assumptions used to determine the fair value of the properties are provided in Note 8.

The fair values of the land are disclosed in Note 8 to the consolidated financial statements.

Determining Retirement Benefits Liability. The determination of the Group’s obligation and cost for retirement benefits is dependent on the selection of certain assumptions used by the Group’s actuaries in calculating such amounts. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. While it is believed that the Group’s assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions may materially affect the Group’s retirement liabilities.

Retirement liability as of December 31, 2025 and 2024 are disclosed in Note 13.

Recognition of Deferred Tax Assets. The Group reviews the carrying amounts at the end of each reporting period and reduces the deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. The Group’s assessment on the recognition of deferred tax assets on NOLCO, MCIT and deductible temporary differences is based on the level and timing of forecasted taxable income of the subsequent reporting periods. The forecast is based on past results and future expectations on revenues and expenses as well as future tax planning strategies. However, there is no assurance that the Group will generate sufficient taxable income to allow all or part of its deferred income tax assets to be utilized.

Recognized and unrecognized deferred tax assets are disclosed in Note 19 to the consolidated financial statements.



4. Cash and Cash Equivalents

	2025	2024
Cash on hand	₱4,160,408,637	₱4,999,189,009
Cash in banks	17,619,460,803	22,659,093,291
Temporary cash investments	277,667,198	267,716,488
Debt collateral accounts (see Note 11)	4,449,393,834	5,252,625,943
	₱26,506,930,472	₱33,178,624,731

Cash in banks earn interest at their prevailing bank deposit rates.

Temporary cash investments are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at their prevailing short-term investment rates.

Debt collateral accounts are bank accounts maintained by the Group as collateral for its long-term debt (see Note 11).

Interest income earned from cash and cash equivalents amounted to ₱220.7 million, ₱315.7 million and ₱492.2 million in 2025, 2024 and 2023, respectively (see Note 16).

5. Receivables

	2025	2024
Gaming (see Notes 15 and 18)	₱1,253,314,605	₱2,052,145,722
Hotel (see Note 15)	136,465,674	152,934,200
Receivable from third parties	109,720,050	409,243,800
Receivables from officers and employees (see Note 12)	107,434,940	123,140,880
Receivables from related parties (see Note 12)	66,146,599	65,100,222
Receivable from suppliers	19,098,066	26,523,489
Rent receivable (see Note 17)	6,980,683	38,308,185
Interest receivable	2,320,644	1,977,648
Others (see Note 17)	61,435,058	60,744,949
	1,762,916,319	2,930,119,095
Less allowance for ECL	485,155,121	587,717,303
	₱1,277,761,198	₱2,342,401,792

Gaming receivables mainly include casino markers issued to gaming promoters and VIP premium casino patrons. Casino markers pertain to credits granted to registered casino patrons. These markers are noninterest-bearing and are normally collected within 90 days.

Hotel receivables pertain to various food, beverage, and hotel service fees receivable from hotel guests which are collected upon check-out. This includes credit card transactions, which are normally collected within one month.

Receivable from third parties are mainly due to advances made by the Parent Company to a travel agency. These receivables are non-interest bearing and are normally settled within one year.



Terminated Investment in Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp.

On May 6, 2022, Bloomberry signed a term sheet with PH Travel and Leisure Corp., a subsidiary of PH Resorts Group Holdings, Inc. which covers the proposed investment of Bloomberry into Lapu-Lapu Leisure, Inc. and Clark Grand Leisure Corp. which are developing the Emerald Bay Resort Hotel and Casino in Punta Engano, Lapu-Lapu City, Cebu, and The Base Resort Hotel and Casino in Clark, Pampanga, respectively. The term sheet is subject to several Conditions to Closing including: (a) the execution of mutually acceptable definitive agreements; (b) approval of regulators; (c) approval of creditors; (d) completion of audited financial statements; (d) corporate approvals, and cooperation on and satisfactory result of due diligence, among others.

On March 22, 2023, Bloomberry terminated the term sheet after considering the results of due diligence. The parties agreed that the ₱1.0 billion deposit made under the term sheet shall be returned to Bloomberry through execution of certain transactions. In 2024, Bloomberry collected ₱699.0 million. As of December 31, 2025, the outstanding receivable was fully collected.

Receivables from officers and employees primarily pertain to cash advances which are normally settled within one year through salary deduction (see Note 12). Interest income earned from receivables from officers and employees amounted to ₱0.8 million, ₱1.1 million and ₱1.2 million in 2025, 2024 and 2023, respectively (see Note 16).

Receivables from related parties pertain to aircraft maintenance reimbursements. These receivables are non-interest bearing and are normally settled within one year.

Interest receivable pertains to interest from temporary cash investments which are normally received within one year.

Other receivables consist of payments made on behalf of another entity for airfare ticket and other administrative expenses which are normally collected within one year.

Allowance for ECL pertain to casino markers that the Group assessed as doubtful on an individual and collective basis.

The movements in the allowance for ECL on gaming receivables are summarized below:

	2025	2024
Balance at beginning of year	₱587,717,303	₱762,953,953
Write-off	(103,721,294)	(178,691,036)
Revaluation	1,159,112	3,454,386
Balance at end of year	₱485,155,121	₱587,717,303

6. Inventories

	2025	2024
At cost:		
Food and beverage	₱420,487,592	₱318,013,906
Operating supplies	349,773,492	276,306,953
Retail merchandise	32,273,072	31,758,129
	₱802,534,156	₱626,078,988



As of December 31, 2025 and 2024, the Group's inventories are carried at cost which is lower than the NRV. Inventories charged to cost of sales amounted to ₱6,054.2 million, ₱4,984.1 million and ₱3,485.2 million for the years ended December 31, 2025, 2024 and 2023, respectively (see Note 16).

7. Prepayments and Other Current Assets

	2025	2024
Security deposits (see Note 17)	₱360,643,972	₱180,589,236
Prepaid insurance	355,021,894	269,950,785
Prepaid maintenance	306,347,957	149,189,686
Prepaid rent	210,296,213	220,011,954
Current portion of input VAT - net	183,826,932	594,733,342
Advances to suppliers	157,458,117	283,693,149
Prepaid taxes	143,288,447	139,968,723
Promo merchandise	128,283,823	81,119,310
Fund held in trust (see Note 18)	113,071,654	113,015,130
Advances to Bloomberry Cultural Foundation (see Notes 12 and 18)	2,073,782	414,566
Others	177,835,035	96,045,615
	₱2,138,147,826	₱2,128,731,496

Security deposits mainly pertain to deposits made by the Group for guaranteed flight services. It also includes security deposit for the Group's various lease agreements (see Note 17).

Net input VAT pertains to the amount of indirect taxes for purchase of goods or services in excess of the output VAT from sale of goods or services.

Advances to suppliers pertain to advance payments made by the Group for goods and services such as table playing cards, events production, guaranteed flight services and aircraft maintenance.

Prepaid taxes represent the advance payments made by the Group for withholding taxes, real property taxes and other taxes.

Promo merchandise pertains to items to be provided by the Group to its patrons as giveaways at different marketing events.

Fund held in trust pertains to the bank account subject of a freeze order on request of the Anti-Money Laundering Council ("AMLC") ordered by the Supreme Court but which it lifted in a decision dated September 2, 2020 (see Note 18).

Others include advances for dues and subscription, consulting services and other prepayments.



8. Property and Equipment

At Cost

2025											
	Land Improvements	Building and Improvements	Machineries	Gaming Equipment	Office Furniture and Fixtures	Transportation Equipment	Leasehold Improvements	Office and Communication Equipment	Right-of-Use Asset (see Note 17)	Construction in Progress	Total
Cost											
Balances at beginning of year	₱12,903,325	₱52,269,478,695	₱16,504,124,485	₱10,896,764,902	₱7,748,972,142	₱1,673,601,968	₱14,795,707	₱18,744,505,028	₱47,161,665	₱440,023,451	₱108,352,331,368
Additions	-	1,528,451,177	408,849,308	755,705,115	449,412,492	16,118,230	-	1,481,742,275	-	40,221,216	4,680,499,813
Disposal/retirement	-	-	(5,820,401)	(3,185,183)	(407,786,614)	(819,266,090)	(11,812,283)	(65,136,392)	-	-	(1,313,006,963)
Reclassification	-	126,924,453	28,819,404	-	12,318,155	382,000	-	119,629,961	-	(288,073,973)	-
Translation adjustment	-	68,235,847	5,701,300	6,928,014	14,027,600	458,490	2,959	89,497	-	-	95,443,707
Balances at end of year	12,903,325	53,993,090,172	16,941,674,096	11,656,212,848	7,816,943,775	871,294,598	2,986,383	20,280,830,369	47,161,665	192,170,694	111,815,267,925
Accumulated Depreciation											
Balances at beginning of year	12,529,786	11,069,729,879	9,506,265,807	4,827,110,436	5,098,515,448	886,404,150	14,754,768	10,770,679,884	25,454,140	-	42,211,444,298
Depreciation (see Notes 16 and 17)	160,644	1,368,623,325	847,603,470	1,598,156,214	686,881,234	105,820,330	3,391	2,292,145,817	16,823,347	-	6,916,217,772
Disposal/retirement	-	-	(4,061,464)	(3,185,183)	(404,342,974)	(427,211,096)	(11,812,283)	(65,530,110)	-	-	(916,143,110)
Reclassification	-	-	-	-	-	(683,032)	-	(701,477)	-	-	(1,384,509)
Translation adjustment	-	32,974,797	5,469,357	6,927,771	13,329,595	458,852	1,749	666,798	-	-	59,828,919
Balances at end of year	12,690,430	12,471,328,001	10,355,277,170	6,429,009,238	5,394,383,303	564,789,204	2,947,625	12,997,260,912	42,277,487	-	48,269,963,370
	₱212,895	₱41,521,762,171	₱6,586,396,926	₱5,227,203,610	₱2,422,560,472	₱306,505,394	₱38,758	₱7,283,569,457	₱4,884,178	₱192,170,694	₱63,545,304,555
2024											
	Land and Land Improvements	Building and Improvements	Machineries	Gaming Equipment	Office Furniture and Fixtures	Transportation Equipment	Leasehold Improvements	Office and Communication Equipment	Right-of-Use Asset (see Note 17)	Construction in Progress	Total
Cost											
Balances at beginning of year	₱51,509,735,948	₱34,294,394,739	₱10,214,362,637	₱4,815,261,099	₱5,076,481,558	₱1,334,533,994	₱15,311,125	₱11,123,985,080	₱46,954,410	₱28,825,662,928	₱147,256,683,518
Additions	-	1,465,162,969	619,618,806	1,023,501,137	761,379,625	260,697,686	-	3,799,145,816	29,785,271	5,364,842,936	13,324,134,246
Disposal/retirement	-	(3,346,927)	(27,357,171)	(105,867,656)	(43,296,125)	(30,489,916)	(506,787)	(212,993,912)	(29,578,016)	-	(453,436,510)
Reclassification	-	16,712,289,132	5,713,701,547	5,184,077,029	1,995,322,047	110,197,472	-	4,034,895,186	-	(33,750,482,413)	-
Reclassification to land at revalued amount (see Note 2)	(51,496,832,623)	-	-	-	-	-	-	-	-	-	(51,496,832,623)
Translation adjustment	-	(199,021,218)	(16,201,334)	(20,206,707)	(40,914,963)	(1,337,268)	(8,631)	(527,142)	-	-	(278,217,263)
Balances at end of year	12,903,325	52,269,478,695	16,504,124,485	10,896,764,902	7,748,972,142	1,673,601,968	14,795,707	18,744,505,028	47,161,665	440,023,451	108,352,331,368
Accumulated Depreciation											
Balances at beginning of year	11,647,851	10,008,490,907	8,500,316,259	3,828,673,178	4,722,108,044	778,066,016	13,491,112	9,281,339,976	36,364,502	-	37,180,497,845
Depreciation (see Notes 16 and 17)	881,935	1,153,157,415	1,038,676,190	1,124,488,159	459,611,506	139,989,226	1,775,367	1,695,205,443	18,667,654	-	5,632,452,895
Disposal/retirement	-	(687,042)	(16,954,156)	(105,844,903)	(42,946,038)	(30,340,616)	(506,787)	(210,917,469)	(29,578,016)	-	(437,775,027)
Translation adjustment	-	(91,231,401)	(15,772,486)	(20,205,998)	(40,258,064)	(1,310,476)	(4,924)	5,051,934	-	-	(163,731,415)
Balances at end of year	12,529,786	11,069,729,879	9,506,265,807	4,827,110,436	5,098,515,448	886,404,150	14,754,768	10,770,679,884	25,454,140	-	42,211,444,298
	₱373,539	₱41,199,748,816	₱6,997,858,678	₱6,069,654,466	₱2,650,456,694	₱787,197,818	₱40,939	₱7,973,825,144	₱21,707,525	₱440,023,451	₱66,140,887,070



Construction in progress represents costs incurred in the development of Solaire Resort North. The costs incurred mainly include construction materials procurement, general construction works, architectural design services, engineering consultancy and construction supervision services, interior design services, excavation costs and capitalized interest charges on long-term debt. The Group reclassified construction in progress to various property and equipment accounts upon commencement of operations of Solaire Resort North.

Capitalized as part of “Property and equipment” account includes amortization of debt issue costs amounting to nil and ₱56.5 million in 2025 and 2024, respectively, and interest charges amounting to nil and ₱756.8 million in 2025 and 2024, respectively (see Note 11). Average interest capitalization rate used ranges from nil to 6.0% in 2025 and 2024 which is the effective interest rate (EIR) of the specific borrowings.

Land at Revalued Amounts

	2025	2024
Balance at beginning of the year	₱89,303,258,193	₱51,496,832,623
Addition	–	526,874,776
Revaluation surplus recognized in other comprehensive income	743,886,699	37,696,995,999
Translation adjustment	162,719,108	(417,445,205)
Balance at end of year	₱90,209,864,000	₱89,303,258,193

Revaluation increment on land follows:

	2025	2024
Balance at beginning of year, net of tax	₱28,748,427,446	₱–
Revaluation increment	743,886,699	37,696,995,999
Deferred tax liability (see Note 19)	(234,587,547)	(8,943,033,074)
Translation adjustment	(7,235,276)	(5,535,479)
Balance at end of year	₱29,250,491,322	₱28,748,427,446

Description of the valuation techniques and key inputs to valuation of land to its revalued amount in 2025 and 2024 are as follows:

Valuation technique	Significant unobservable input	Range	
		2025	2024
Market Approach	Selling price of identical piece of land	₱6,500 to ₱500,000 per square meter	₱5,989 to ₱550,000 per square meter
	External factor adjustments	-40% to 15%	-30% to 15%
	Internal factor adjustments	-15% to 15%	-15% to 15%
	Average fair value after internal and external factor adjustments	₱3,029 to ₱452,200 per square meter	₱2,800 to ₱506,880 per square meter



Valuation technique	Significant unobservable input	Range	
		2025	2024
Income Approach	Initial Yield	-3.09%	–
	Stabilized Yield	6.27%	–
	5-year discounted cash flows		
	Internal Rate of Return	7.34%	–
	Terminal Yield	6.00%	–
	10-year discounted cash flows		
	Internal Rate of Return	6.78%	–
	Terminal Yield	6.13%	–

The fair values of the Group’s land as at December 31, 2025 and 2024 are categorized under Level 3 of the fair value hierarchy, which takes into account significant unobservable inputs as presented in the tables above.

Management determined that the land properties of the Group constitute a separate class of property, plant and equipment, based on the nature, characteristics and risks of the properties.

The fair values of the parcels of land were determined using the Market Approach and Income Approach in 2025, and the Market Approach in 2024, based on valuation performed by independent appraisers.

Under the Market Approach, valuation is based on sales and listings of comparable property registered within the vicinity. The technique of this approach requires the establishment of comparable property by reducing reasonable comparative sales and listings to a common denominator. This is done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as basis of comparison are situated within the immediate vicinity of the subject property. The unobservable inputs to determine the market value of the property are the following: location characteristics, size, improvements and developments, and time element.

Under the Income Approach, valuation is based on the stabilized five-year forecast of earnings before interest, taxes, depreciation, and amortization (EBITDA), as well as the five-year and ten-year discounted cash flows of the property. This method estimates the present value of the economic benefits expected to be generated from the property. Key inputs include projected revenues, operating expenses, occupancy assumptions, growth rates, capitalization rates, and discount rates applied to future cash flows. The approach reflects the income-generating potential of the property and incorporates both observable market data and unobservable inputs such as long-term financial forecasts and discount rate assumptions.

Significant increases (decreases) in estimated price per square meter in isolation would result in a significantly higher (lower) fair value on a linear basis.

As of December 31, 2025 and 2024, the Group’s property and equipment under mortgage have carrying values of ₱139.5 billion and ₱140.0 billion, respectively (see Note 11).



9. Intangible Assets and Other Noncurrent Assets

a. Intangible Assets

	2025			
	Casino License	Goodwill	Casino Software	Total
Cost				
Balances at beginning of year	₱1,644,120,800	₱403,060,559	₱-	₱2,047,181,359
Additions	-	-	109,179,369	109,179,369
Balances at end of year	1,644,120,800	403,060,559	109,179,369	2,156,360,728
Accumulated Amortization/Impairment Loss				
Balances at beginning of year	1,644,120,800	403,060,559	-	2,047,181,359
Amortization (see Note 16)	-	-	7,391,318	7,391,318
Balances at end of year	1,644,120,800	403,060,559	7,391,318	2,054,572,677
	₱-	₱-	₱101,788,051	₱101,788,051
	2024			
	Casino License	Goodwill		Total
Cost				
As at beginning and end of year	₱1,644,120,800	₱403,060,559		₱2,047,181,359
Accumulated Impairment Loss				
As at beginning and end of year	1,644,120,800	403,060,559		2,047,181,359
Balances at end of year	₱-	₱-		₱-

The Group's goodwill and casino license with indefinite useful life acquired through a business combination (Solaire Korea's acquisition of G&L in 2015) are allocated to a single CGU, i.e., casino-hotel business in Jeju, Republic of Korea.

- b. Advances to contractors amounting to ₱492.0 million and ₱818.8 million as of December 31, 2025 and 2024, respectively, pertain to advance payments to various contractors for gaming equipment, hotel furniture and fixtures, operating equipment and other gaming and hotel equipment related to the development of hotel and gaming facility of Solaire properties.

c. Other Noncurrent Assets

	2025	2024
Input VAT - net	₱3,293,696,469	₱2,561,309,708
Creditable withholding tax	674,531,573	613,580,503
Operating equipment	650,140,769	973,562,100
Deposit to landowners	282,799,466	282,799,466
Security deposits	242,873,172	115,127,427
Restricted cash (see Note 13)	223,678,752	164,057,810
Investment in club shares	50,000,000	56,000,000
Investment in joint ventures (see Note 16)	-	383,312,975
Others	6,554,439	8,439,009
	₱5,424,274,640	₱5,158,188,998



Creditable withholding tax (“CWT”) represents the amount withheld in relation to sales. These are recognized upon collection and are utilized as tax credits against income tax due as allowed by the Philippine taxation laws and regulations.

Operating equipment pertains to linen, china, glassware, kitchen wares and uniforms purchased by the Group to be amortized over a period of two to three years. Purchases in 2025, 2024 and 2023, amounted to ₱235.2 million, ₱1,003.9 million and ₱351.6 million, respectively. Amortization amounted to ₱558.6 million, ₱363.6 million and ₱31.1 million for the years ended December 31, 2025, 2024 and 2023, respectively (see Note 16).

Deposit to landowners represents noncurrent advance payments made to the landowners and other parties in relation with the Parent company’s plans for property development and future stock purchase and subscription.

Security deposits classified as noncurrent primarily pertain to deposits to utility companies which are refundable upon service termination.

Investment in joint ventures represents the Group’s 49% ownership in ACTSI and 49% ownership in Falconer Aircraft Management, Inc (“FAMI”). In December 2023, the Group’s advances to ACTSI were converted to equity thus resulting in the Group’s 49% effective ownership in ACTSI. In 2025, the Group recorded impairment loss on its investment in ACTSI amounting to ₱383.3 million presented as part of “Others” under other income (expenses) account in the consolidated statements of comprehensive income (see Note 16). Additional investment amounting to ₱108.1 million in FAMI was made in 2023. In 2025, 2024 and 2023, the share in the net loss of FAMI amounting to nil, nil and ₱108.1 million, respectively, was recorded as part of “Others” under other income (expenses) account in the consolidated statements of comprehensive income (see Note 16).

Investment in club shares represents the Group’s investment in quoted Manila Polo Club shares which is classified as equity instrument designated at FVOCI.

10. Payables and Other Current Liabilities

	2025	2024
Customers’ deposits (see Note 15)	₱2,751,142,215	₱2,950,409,351
Outstanding chips and other gaming liabilities (see Note 15)	2,652,461,116	3,505,921,684
Payable to contractors and suppliers (see Note 20)	2,283,466,596	3,087,023,964
Gaming taxes payable (see Notes 12 and 18)	1,337,252,469	1,891,697,639
Retention payable	1,101,331,302	1,292,698,343
Accrued expenses:		
Interest	1,173,481,820	1,316,182,200
Accrued bonus and points	533,908,503	518,094,484
Advertising and promotions	502,874,896	186,339,268
Outside services and charges	291,073,775	240,060,111
Salaries and benefits (see Notes 13 and 14)	204,804,041	254,543,200
Utilities	159,918,892	122,311,774
Repairs and maintenance	130,800,861	45,734,311
Rent (see Note 17)	18,668,169	54,756,317

(Forward)



	2025	2024
Communication and transportation	₱12,758,955	₱15,107,817
Others	650,586,056	596,178,681
Statutory payables	306,987,773	201,859,635
Tenants' security deposits classified as current (see Note 17)	44,487,418	213,132,571
Dividends payable	814,110	-
Leasehold deposits received	122,400	118,800
	₱14,156,941,367	₱16,492,170,150

Customers' deposits pertain to casino patrons' funds deposited directly to the casino's bank accounts or over the cage cashier counter for future purchase of chips or redemption of credit markers and advance payments for retail space lease, hotel accommodations and events services. Customers' deposits pertaining to casino patrons' deposit as of December 31, 2025 and 2024 amounted to ₱2,588.1 million and ₱2,728.6 million, respectively (see Note 15). Customer's deposits are expected to be recognized as revenue or refunded to the patrons within one year from the date the deposit was received.

Outstanding chips and other gaming liabilities include outstanding chips, slot tickets as well as provision for progressive jackpot on slots and for points earned from customer loyalty programs. Outstanding chips liability represents the collective amounts owed to junket operators and patrons in exchange for gaming chips in their possession. Outstanding chips are expected to be recognized as revenue or redeemed for cash within one year of purchase. Outstanding chips as of December 31, 2025 and 2024 amounting to ₱1,611.8 million and ₱2,385.8 million, respectively, pertain to chips purchased by the patrons which are not yet converted into cash (see Note 15). Other gaming liabilities mainly include liability for points earned from customer loyalty programs amounting to ₱289.5 million and ₱244.6 million as of December 31, 2025 and 2024, respectively; junket program rebates amounting to ₱167.4 million and ₱276.7 million as of December 31, 2025 and 2024, respectively; progressive jackpot liability amounting to ₱389.0 million and ₱451.5 million as of December 31, 2025 and 2024, respectively; and slot payout voucher amounting to ₱194.4 million and ₱147.0 million as of December 31, 2025 and 2024, respectively.

Payable to contractors and suppliers represents obligations of the Group to suppliers or creditors for goods or services received or services performed. These obligations are not secured by liens on assets, security interest, or other collateral unless otherwise indicated. These include payments to contractors, suppliers and purchase of inventory and equipment.

Gaming taxes payable mainly pertains to license fees payable to PAGCOR, which are normally settled within one month.

Retention payable represents the portion of the contract price that is withheld to ensure completion of service. It is expected to be paid within one year.

Other accrued expenses include accrual for insurance, various subscriptions and other expenses.

Payables and other current liabilities are normally settled within one year.



11. Long-term Debt

	2025	2024
Principal:		
₱72.0 billion syndicated loan facility	₱69,803,625,000	₱71,962,500,000
₱40.0 billion syndicated loan facility	40,000,000,000	40,000,000,000
	109,803,625,000	111,962,500,000
Less unamortized debt discount	4,397,425,759	1,774,859,526
	105,406,199,241	110,187,640,474
Less current portion of long-term debt*	2,227,295,690	2,073,925,580
	₱103,178,903,551	₱108,113,714,894

*Net of unamortized debt discount of ₱81.6 million and ₱284.9 million as of December 31, 2025 and 2024, respectively.

The movements in unamortized debt discount follow:

	2025	2024
Balance at beginning of year	₱1,774,859,526	₱1,597,740,389
Additions	341,105,696	1,035,791,545
Gain (loss) on loan refinancing (see Note 16)	2,947,399,527	(469,444,694)
Amortization	(665,938,990)	(389,227,714)
Balance at end of year	₱4,397,425,759	₱1,774,859,526

Future repayment of the principal follows:

	2025	2024
Within one year	₱2,308,875,000	₱2,358,875,000
After one year but not more than five years	28,106,500,000	35,988,750,000
Beyond five years	79,388,250,000	73,614,875,000
	₱109,803,625,000	₱111,962,500,000

a. ₱72.0 Billion Syndicated Loan Facility

On October 24, 2024, BRHI (the “Borrower”) entered into an aggregate of ₱72.0 billion, ten-year term loan facilities (“Syndicated Loan Facility”) with BDO Unibank, Inc., Bank of the Philippine Islands, China Banking Corporation, and Philippine National Bank (each a “Lender”, and collectively, the “Lenders”) to fully settle the outstanding principal balance of the ₱73.5 billion Syndicated Loan Facility and ₱20.0 billion additional facility.

The ₱72.0 billion Syndicated Loan Facility is payable over 10 years in 40 consecutive quarterly installments on each repayment date commencing on the 3rd month from the initial drawdown date as follows:

	Amount
Year 1	₱2,158,875,000
Year 2	2,158,875,000
Year 3	6,476,625,000
Year 4	6,476,625,000
Year 5	6,476,625,000
Year 6	6,476,625,000
Year 7	6,476,625,000



	Amount
Year 8	₱6,476,625,000
Year 9	10,794,375,000
Year 10	17,990,625,000
	₱71,962,500,000

BRHI shall pay interest on the unpaid principal amount of each advance at the applicable interest rate on each interest payment date for the period then ending. The loan bears a floating interest rate based on higher of the average of closing PHP BVAL reference rate with a tenor of three months and the prevailing BSP 28-day term deposit facility rate, plus a spread of 1.75%. BRHI has a one-time option to convert the floating interest rate to the fixed interest rate exercisable at any time after the full drawdown.

BRHI is obliged to pay, on each date of drawdown, for the first year of the facilities, a commitment fee equivalent to 0.5% per annum, based on the undrawn portion of the commitment.

The ₱72.0 billion Syndicated Loan Facility provides that BRHI is permitted to make optional prepayments anytime until maturity. Upon prepayment, BRHI shall pay the principal, accrued interest and 0.50% penalty based on the amount prepaid for years 1 to 5. No prepayment penalty shall be imposed after the 5th year up to the last repayment date.

The embedded prepayment option on the ₱72.0 billion Syndicated Loan Facility was assessed as clearly and closely related to the loan, thus, not subject for bifurcation.

As of December 31, 2025, this facility has been fully drawn. Outstanding long-term debt, net of unamortized debt discount, amounted to ₱69,283.9 million and ₱71,364.7 million as of December 31, 2025 and 2024, respectively.

b. ₱73.5 billion and ₱20.0 billion Syndicated Loan Facility

On April 10, 2018, BRHI (the “Borrower”) entered into an aggregate of ₱73.5 billion, ten-year term loan facilities (“Syndicated Loan Facility”) with Banco De Oro Unibank, Inc. (BDO), BDO Private Bank, Inc., China Banking Corporation, Philippine National Bank, PNB Savings Bank, Robinsons Bank Corporation and United Coconut Planters Bank (each a “Lender”, and collectively, the “Lenders”) to: (i) finance the Borrower’s advances to Sureste for the latter’s investments; (ii) finance the Borrower’s working capital requirements; (iii) refinance the principal amount of all the existing outstanding term loans of the Borrower; and (iv) finance the Borrower’s advances to Sureste for refinancing of the principal amount of all of Sureste’s existing outstanding term loans.

The ₱73.5 billion Syndicated Loan Facility is payable over 10 years in 40 consecutive quarterly installments on each repayment date commencing on the 3rd month from the initial drawdown date as follows:

	Amount
Year 1	₱2,205,000,000
Year 2	2,205,000,000
Year 3	2,205,000,000
Year 4	2,205,000,000
Year 5	2,205,000,000
Year 6	3,675,000,000



	Amount
Year 7	₱7,350,000,000
Year 8	7,350,000,000
Year 9	22,050,000,000
Year 10	22,050,000,000
	₱73,500,000,000

The interest on the unpaid principal amount shall be paid in quarterly payments from the initial drawdown date. The loan bears a fixed interest per annum from initial drawdown date to the 60th month from the initial drawdown date of 7.5% divided by 0.99 and from the 61st month from the initial drawdown date up to the final repayment date of 7.5% divided by 0.95.

BRHI is obliged to pay, on each date of drawdown, for the first year of the facilities, a commitment fee equivalent to 0.5% per annum, based on the undrawn portion of the commitment.

On December 21, 2020, BRHI and Sureste signed with the lenders an amendment to the ₱73.5 billion Syndicated Loan Facility for an additional facility in the principal amount of ₱20.0 billion. The additional facility will be available for two years from the signing of the amendment agreement and can be drawn as needed to save on interest payments.

Any amount borrowed will be payable quarterly within five years from initial drawdown, as follows:

Repayment Date (Quarter from Initial Drawdown Date)	Principal Repayment on each Repayment Date (Percentage of the Principal Amount of the Drawdown)
8 th to 12 th	4.0%
13 th to 16 th	5.0%
17 th to 20 th	15.0%

The additional funding, if drawn, will be used to support the cash flow requirements of Solaire, partially finance capital expenditures for the improvement and refurbishment of existing facilities at Solaire, and partially finance BRHI's working capital requirements and other general corporate purposes. Interest payments on the loan will be based on a higher of the average of PHP BVAL three-month reference rates plus spread of 2.25% which will be reduced to 1.75% if the benchmark rate is 1.5% per annum or higher and minimum interest rate of 4.0% per annum divided by 0.95, calculated on a quarterly basis.

The ₱73.5 billion Syndicated Loan Facility provides that BRHI is permitted to make optional prepayments anytime until maturity. In case of prepayment, BRHI shall pay the principal, accrued interest and 0.50% based on the amount prepaid as penalty in the first year. No prepayment penalty shall be imposed after the first year up to the last repayment date.

The embedded prepayment option on the ₱73.5 billion Syndicated Loan Facility was assessed as clearly and closely related to the loan, thus, not subject for bifurcation.

On October 24, 2024, BRHI entered into an aggregate of ₱72.0 billion Syndicated Loan Facility to fully settle the outstanding principal balance of the ₱73.5 billion Syndicated Loan Facility and ₱20.0 billion additional facility. BRHI accounted for the refinancing as an extinguishment of the ₱73.5 billion Syndicated Loan Facility and ₱20.0 billion additional facility and the recognition of the ₱72.0 billion Syndicated Loan Facility. In 2024, BRHI recognized loss on loan refinancing



amounting to ₱469.4 million presented as part of “Other expenses” account in the consolidated statements of comprehensive income (see Note 16).

c. ₱40.0 billion Syndicated Loan Facility

On February 11, 2019, Sureste and BRHI (the “Borrower”) entered into an aggregate of ₱40.0 billion (₱27.0 billion for BRHI and ₱13.0 billion for Sureste) 10-year combined loan facility in the principal amount of ₱40.0 billion (₱27.0 billion for BRHI and ₱13.0 billion for Sureste) with Philippine National Bank, BDO Unibank, Inc., Metropolitan Bank & Trust Company, Union Bank of the Philippines, Bank of Commerce, China Banking Corporation, and Robinsons Bank Corporation (now merged with Bank of the Philippine Islands) (each a “Lender”, and collectively, the “Lenders”). BDO Unibank, Inc. - Trust and Investments Group is the security trustee, facility agent and paying agent for the loan facility, while BDO Capital & Investment Corporation acted as the lead arranger and sole bookrunner. The proceeds of the loan will be used by Sureste and BRHI to partially finance the engineering, design, procurement, construction fit-out costs, interest during construction, taxes and duties, financing fees and costs, legal and consulting costs related to development, financing, construction and fit-out of the gaming facilities and hotel, entertainment, convention, dining and retail facilities, together with related support facilities of Solaire Resort North.

The ₱40.0 Billion Syndicated Loan Facility is payable over ten years in 28 consecutive quarterly installments commencing on the 39th month from the initial drawdown date as follows:

Repayment Date (Month from Initial Drawdown Date)	Installment Date for Each Facility Payment Date (Percentage of the Total Principal Amount Drawn)
39 th , 42 nd , 45 th and 48 th	0.25%
51 st , 54 th , 57 th and 60 th	0.25%
63 rd , 66 th , 69 th and 72 nd	1.25%
75 th , 78 th , 81 st and 84 th	2.50%
87 th , 90 th , 93 rd and 96 th	3.25%
99 th , 102 nd , 105 th and 108 th	7.50%
111 th , 114 th , 117 th and 120 th	10.00%

BRHI and Sureste shall pay interest on the unpaid principal amount of each advance at the applicable interest rate on each interest payment date for the period then ending. The loan bears a floating interest rate based on higher of the average of closing PHP BVAL reference rate with a tenor of three months and the prevailing BSP 28-day term deposit facility rate, plus spread of 1.75%. BRHI and Sureste have a one-time option to convert the floating interest rate to the fixed interest rate exercisable at any time after the full drawdown. BRHI and Sureste exercised their option and converted the floating interest rate to the fixed interest rate.

BRHI and Sureste are obliged to pay on each date of drawdown a commitment fee equivalent to 0.5% per annum based on the undrawn portion of the commitment.

The ₱40.0 billion Syndicated Loan Facility provides that BRHI and Sureste are permitted to make optional prepayments anytime until maturity. Upon prepayment, BRHI and Sureste shall pay the principal, accrued interest and penalty based on the amount prepaid in the following percentages: (i) 1% for years 1 to 3 from the initial borrowing date; (ii) 0.5% for year 4; and (iii) 0.25% for year 5.



On February 13, 2025, BRHI and Sureste signed with the lenders an amendment to the ₱40.0 billion Syndicated Loan Facility. The amendment agreement covers revisions to “Interest Rate” and “Repayment Term”.

The revised Repayment Term provides for the principal to be repaid in quarterly installments in accordance with the following schedule:

Repayment Date (Quarter from Initial Drawdown Date)	Installment Date for Each Facility Payment Date (Percentage of the Total Principal Amount Drawn)
5 th to 16 th	0.125%
17 th to 20 th	0.250%
21 st to 24 th	1.125%
25 th to 28 th	2.500%
29 th to 32 nd	3.250%
33 rd to 36 th	7.500%
37 th to 40 th	10.000%

BRHI and Sureste accounted for the amendment as a modification of the existing ₱40.0 billion Syndicated Loan Facility. As a result of the modification, in 2025, BRHI and Sureste recognized a gain on loan modification amounting to ₱2.9 billion presented as part of “Other income (expenses) - net” account in the consolidated statements of comprehensive income. The gain reflects the economic benefit arising from the revised terms, particularly the remeasurement of future cash outflows under the amended agreement.

As of December 31, 2025, this facility has been fully drawn. Outstanding long-term debt, net of unamortized debt discount, amounted to ₱36,122.3 million and ₱3,877.7 million as of December 31, 2025 and 2024, respectively.

All legal and professional fees, including commitment fee, incurred in relation to the loan totaling ₱953.4 million and ₱2,158.1 million as of December 31, 2025 and 2024, respectively, were recognized as debt issue costs. Debt issue costs were amortized using the EIR method. Capitalized as part of “Property and equipment” account includes amortization of debt issue costs amounting to nil and ₱56.5 million in 2025 and 2024, respectively; and interest charges amounting to nil and ₱756.8 million in 2025 and 2024, respectively (see Note 8).

In 2025, 2024 and 2023, borrowing costs related to the Group’s loan facilities recognized as expense in the consolidated statements of comprehensive income amounted to ₱8,043.8 million, ₱8,324.4 million and ₱6,503.4 million, respectively. This comprises interest expense amounting to ₱7,377.8 million, ₱7,991.7 million and ₱6,230.2 million and amortization of debt discount amounting to ₱665.9 million, ₱332.7 million and ₱273.1 million in 2025, 2024 and 2023, respectively (see Note 16).

Unamortized debt discount, representing capitalized debt issue costs, is presented as deduction from the Group’s long-term debt.



Debt Covenant

The Group's ₱73.5 billion, ₱20.0 billion and ₱40.0 billion Syndicated Loan Facilities contain certain restrictive covenants that requires BRHI and Sureste to comply with specified financial ratios and other financial tests at quarterly measurement dates. The Group's loan agreements include compliance with certain financial ratios such as debt-to-equity ratio (computed as total liabilities, net of liabilities backed by cash divided by total equity) and debt service coverage ratio (originally computed as net income, excluding non-cash other income, plus interest expense; depreciation and amortization divided by current portion of long-term debt and interest expense).

The debt covenants on the extinguished ₱73.5 billion and ₱20.0 billion Syndicated Loan Facility will apply to the ₱72.0 billion Syndicated Loan Facility obtained by the Group on October 24, 2024.

In 2020, BRHI's and Sureste's lenders granted the: (a) deferment of financial covenant testing on the audited annual financial statements until the full year 2025; (b) amendment of definition of debt service coverage ratio to net income (excluding non-cash other income) plus interest expense; depreciation and amortization and cash and cash equivalents less liabilities backed by cash divided by current portion of long-term debt and interest expense; and (c) waiver of the negative covenant on incurrence of additional liens.

As of December 31, 2025 and 2024, BRHI and Sureste are in compliance with these debt covenants.

Collateral

Under the ₱72.0 billion Syndicated Loan Facilities, collateral includes the following:

i) Assignment of Debt Service Reserve Account

To ensure the payment by Sureste/BRHI of the Loan, Sureste/BRHI shall convey, assign, transfer, set over and confirmed unto the Security Trustee the rights, title and interest of Sureste/BRHI in its Debt Service Reserve Account ("DSRA") required to be maintained by Sureste/BRHI.

The level of funds standing in the DSRA on any date commencing on the initial drawdown date shall be at least the amount of the principal due on the immediately succeeding repayment date and at least twice the amount of the interest due on the immediately succeeding interest payment date.

In case Sureste/BRHI fails to transfer funds to the Paying Agent, or transfers an amount not sufficient to cover the payment of debt service due, on a payment date, the Security Trustee shall debit from the DSRA such amounts as may be necessary to meet such Debt Service and transfer the same to BDO Unibank, Inc. - Trust and Investment Group (Paying Agent).

In the event the funds in the DSRA fall below the DSRA maintaining balance, the Borrower shall replenish the DSRA from its own funds in order that the DSRA maintaining balance shall be met not later than the five Banking days from the date the funds fell below the DSRA Maintaining Balance.

As of December 31, 2025, the Group's debt collateral account related to the ₱72.0 billion Syndicated Loan Facility amounted to ₱3,006.9 million (see Note 4).



ii) Assignment of Vertis Project Agreements

Sureste/BRHI shall assign, convey, set over and transfer absolutely to the Security Trustee, for the benefit of the Secured parties, all of its rights, title and interest, present and future, in and into the Future Project Agreements, the (a) benefit of all claims for damages for the breach by any Counterparty of any term of any of the Project Agreements and all warranties and indemnities contained therein; (b) right to terminate any of the Project Agreements or agree to the suspension thereof; (c) right to compel performance of any of the Project Agreements; (d) the right to agree to any variation of the terms of any of the Project Agreements; and (e) the right to pursue any action, proceeding, suit or arbitration arising in relation to any of the rights assigned and to enforce such rights in the name of Sureste/BRHI.

iii) Mortgage

As a security for timely payment, discharge, observance and performance of the loan, Sureste/BRHI (a) establishes in favor of the Security Trustee for the benefit of the Lenders, a first ranking real estate mortgage on the present real assets, i.e. leasehold rights over the phase 1 PAGCOR land covered by the PAGCOR lease (now owned by Sureste), and future real assets, i.e. the hotel and gaming facilities and Land; and (b) establish in favor of the Security Trustee for the benefit of the Lender, a first ranking chattel mortgage on the present and future chattels.

iv) Continuing Suretyship

In consideration of the loan and for other valuable consideration receipt of which the Surety, i.e., Sureste/BRHI, acknowledges, Sureste/BRHI agrees that it shall be solidarily liable with BRHI/Sureste to the Lender and the Security Trustee for the payment of the loan.

v) Pledge

The Pledgor, i.e., Sureste/BRHI shareholders, shall assign, transfer, deliver, set over and grant to the Security Trustee, a continuing security interest of first priority in, all of its right, title and interest in and to the Pledged Shares, i.e., Sureste/BRHI shares, and the Additional Pledged Shares, whether now owned or existing or hereafter acquired.

Under the ₱73.5 billion Syndicated Loan Facilities, collateral includes the following:

i) Assignment of Debt Service Reserve Account

To ensure the payment by Sureste/BRHI of the Loan, Sureste/BRHI shall convey, assign, transfer, set over and confirmed unto the Security Trustee the rights, title and interest of Sureste/BRHI in its DSRA required to be maintained by Sureste/BRHI.

The level of funds standing in the DSRA on any date commencing on the initial drawdown date shall be at least the amount of the principal due on the immediately succeeding repayment date and at least twice the amount of the interest due on the immediately succeeding interest payment date.

In case Sureste/BRHI fails to transfer funds to the Paying Agent, or transfers an amount not sufficient to cover the payment of debt service due, on a payment date, the Security Trustee shall debit from the DSRA such amounts as may be necessary to meet such Debt Service and transfer the same to BDO Unibank, Inc. - Trust and Investment Group (Paying Agent).



In the event the funds in the DSRA fall below the DSRA maintaining balance, the Borrower shall replenish the DSRA from its own funds in order that the DSRA maintaining balance shall be met not later than the five Banking days from the date the funds fell below the DSRA Maintaining Balance.

As of December 31, 2023, the Group's debt collateral account related to the ₱73.5 billion Syndicated Loan Facility amounted to ₱4,914.2 million.

ii) Assignment of Vertis Project Agreements

Sureste/BRHI shall assign, convey, set over and transfer absolutely to the Security Trustee, for the benefit of the Secured parties, all of its rights, title and interest, present and future, in and into the Future Project Agreements, the (a) benefit of all claims for damages for the breach by any Counterparty of any term of any of the Project Agreements and all warranties and indemnities contained therein; (b) right to terminate any of the Project Agreements or agree to the suspension thereof; (c) right to compel performance of any of the Project Agreements; (d) the right to agree to any variation of the terms of any of the Project Agreements; and (e) the right to pursue any action, proceeding, suit or arbitration arising in relation to any of the rights assigned and to enforce such rights in the name of Sureste/BRHI.

iii) Mortgage

As a security for timely payment, discharge, observance and performance of the loan, Sureste/BRHI (a) establishes in favor of the Security Trustee for the benefit of the Lenders, a first ranking real estate mortgage on the present real assets, i.e. leasehold rights over the phase 1 PAGCOR land covered by the PAGCOR lease (now owned by Sureste), and future real assets, i.e. the hotel and gaming facilities and Land; and (b) establish in favor of the Security Trustee for the benefit of the Lender, a first ranking chattel mortgage on the present and future chattels.

iv) Continuing Suretyship

In consideration of the loan and for other valuable consideration receipt of which the Surety, i.e., Sureste/BRHI, acknowledges, Sureste/BRHI agrees that it shall be solidarily liable with BRHI/Sureste to the Lender and the Security Trustee for the payment of the loan.

v) Pledge

The Pledgor, i.e., Sureste/BRHI shareholders, shall assign, transfer, deliver, set over and grant to the Security Trustee, a continuing security interest of first priority in, all of its right, title and interest in and to the Pledged Shares, i.e., Sureste/BRHI shares, and the Additional Pledged Shares, whether now owned or existing or hereafter acquired.

Under the ₱40.0 billion Syndicated Loan Facilities, collateral includes the following:

i) Assignment of Debt Service Reserve Account

To ensure the payment by Sureste/BRHI of the Loan, Sureste/BRHI shall convey, assign, transfer, set over and confirmed unto the Security Trustee the rights, title and interest of Sureste/BRHI in its DSRA required to be maintained by Sureste/BRHI.



The level of funds standing in the DSRA on any date commencing on the initial drawdown date shall be at least the amount of the principal due on the immediately succeeding repayment date and at least twice the amount of the interest due on the immediately succeeding interest payment date.

In case Sureste/BRHI fails to transfer funds to the Paying Agent, or transfers an amount not sufficient to cover the payment of debt service due, on a payment date, the Security Trustee shall debit from the DSRA such amounts as may be necessary to meet such Debt Service and transfer the same to BDO Unibank, Inc. - Trust and Investment Group (Paying Agent).

In the event the funds in the DSRA fall below the DSRA maintaining balance, the Borrower shall replenish the DSRA from its own funds in order that the DSRA maintaining balance shall be met not later than the five Banking days from the date the funds fell below the DSRA Maintaining Balance.

As of December 31, 2025 and 2024, the Group's debt collateral account related to the ₱40.0 billion Syndicated Loan Facility amounted to ₱1,427.2 million and ₱1,382.5 million, respectively (see Note 4).

ii) Assignment of Vertis Project Agreements

Sureste/BRHI shall assign, convey, set over and transfer absolutely to the Security Trustee, for the benefit of the Secured parties, all of its rights, title and interest, present and future, in and into the Future Project Agreements, the (a) benefit of all claims for damages for the breach by any Counterparty of any term of any of the Vertis Project Agreements and all warranties and indemnities contained therein; (b) right to terminate any of the Project Agreements or agree to the suspension thereof; (c) right to compel performance of any of the Vertis Project Agreements; (d) the right to agree to any variation of the terms of any of the Project Agreements; and (e) the right to pursue any action, proceeding, suit or arbitration arising in relation to any of the rights assigned and to enforce such rights in the name of Sureste/BRHI.

iii) Mortgage

As a security for timely payment, discharge, observance and performance of the loan, Sureste/BRHI (a) establishes in favor of the Security Trustee for the benefit of the Lenders, a first ranking real estate mortgage on the present real assets, i.e., Present Vertis Real Assets, and future real assets, i.e., the Vertis hotel and gaming facilities; and (b) establish in favor of the Security Trustee for the benefit of the Lender, a first ranking chattel mortgage on the present and future chattels.

iv) Continuing Suretyship

In consideration of the loan and for other valuable consideration receipt of which the Surety, i.e., Sureste/BRHI, acknowledges, Sureste/BRHI agrees that it shall be solidarily liable with BRHI/Sureste to the Lender and the Security Trustee for the payment of the loan.

v) Pledge

The Pledgor, i.e., Sureste shareholders, pledges, hypothecates, delivers and grants to the Security Trustee, a continuing security interest of first priority in, all of its right, title and interest in and to the Pledged Shares, i.e., BRHI shares, and the Additional Pledged Shares, whether now owned or existing or hereafter acquired.



12. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Group; (b) subsidiaries; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Group that give them significant influence over the Group and close members of the family of any such individual.

Related party receivables and payables are generally settled in cash. The Group's related party balances are as follows:

Related Party	Nature/Terms of Transaction	Transaction Amounts			Outstanding Receivable (Payable)	
		2025	2024	2023	2025	2024
Eaglesight Investments Limited*	Aircraft lease and maintenance reimbursements; payable within one month; noninterest-bearing (see Note 10)	₱313,949,493	₱163,311,230	₱242,012,520	(₱107,839,223)	₱-
Bloomberry Cultural Foundation, Inc.**	1. 2% of non-junket gaming revenue; unsecured; payable within one year; noninterest-bearing (see Notes 10 and 18)	542,560,955	537,742,279	579,062,386	(35,671,396)	(49,263,445)
	2. Noninterest-bearing and unsecured advances (to be settled within one year); no impairment (see Notes 7 and 18)	1,659,216	(44,146)	(458,712)	2,073,782	414,566
Officers and employees	Interest-bearing and unsecured cash advances to be settled through salary deduction within one year; no impairment (see Note 5)	5,755,000	11,470,000	-	10,389,168	15,929,961
Other affiliates*	1. Aircraft maintenance reimbursements; noninterest-bearing (see Notes 5 and 10)	278,813,918	361,866,500	912,471,133	(100,031,330)	(117,992,544)
	2. Noninterest-bearing and unsecured cash advances; no impairment	1,046,377	1,531,653	65,493,775	66,146,599	65,100,222
Key management personnel	1. Short-term employee benefits	150,260,483	282,117,008	302,372,643	-	-
	2. Retirement benefits	27,895,934	41,465,759	143,901,986	(233,946,934)	(206,050,599)

*Under common control

**Corporate social responsibility arm of BRHI

13. Retirement Cost

The Group has an unfunded defined benefit pension plan covering substantially all of its regular employees. The cost of providing benefits is valued every year by a professional qualified independent actuary in compliance with PAS 19. Benefits are dependent on the years of service and the respective employees' compensation and are determined using the projected unit credit method.

The following tables summarize the components of retirement expense recognized in the consolidated statements of comprehensive income and the retirement liability recognized in the consolidated statements of financial position as of and for the years ended December 31, 2025, 2024 and 2023:

	2025	2024	2023
Retirement expense:			
Current service cost	₱222,874,696	₱190,920,426	₱101,669,525
Interest cost	111,896,727	78,330,814	45,160,330
Past service cost	-	-	670,161,788
	₱334,771,423	₱269,251,240	₱816,991,643



	2025	2024
Retirement liability:		
Balance at beginning of year	₱1,973,673,057	₱1,601,920,378
Retirement expense	334,771,423	269,251,240
Benefits paid	(34,135,422)	(40,512,124)
Remeasurement loss (gain)	(126,568,317)	164,355,973
Translation adjustment	7,337,832	(20,446,354)
Net released obligation due to employee transfers	-	(896,056)
Balance at end of year	₱2,155,078,573	₱1,973,673,057
Changes in the present value of defined benefit obligation:		
Balance at beginning of year	₱1,973,673,057	₱1,601,920,378
Current service cost	222,874,696	190,920,426
Interest cost	111,896,727	78,330,814
Benefits paid	(34,135,422)	(40,512,124)
Remeasurement loss (gain) in OCI:		
Experience adjustments	3,768,923	194,912,465
Changes in financial assumptions	(130,337,240)	(30,251,219)
Changes in demographic assumptions	-	(305,273)
Translation adjustment	7,337,832	(20,446,354)
Net released obligation due to employee transfers	-	(896,056)
Balance at end of year	₱2,155,078,573	₱1,973,673,057

The Group has restricted cash amounting to ₱223.7 million and ₱164.1 million in 2025 and 2024, respectively, presented under other noncurrent assets account in the statement of financial position, to fund the Group's retirement liability (see Note 9).

The principal assumptions used in determining the Group's retirement liability as of December 31, 2025 and 2024 are shown below:

	2025	2024
Discount rate	3.09% to 6.49%	3.20% to 6.09%
Future salary rate increase	4.00% to 5.79%	4.00% to 5.60%
Mortality rate	2017 PICM/KIDI	2017 PICM/KIDI
Disability rate	1952 disability study, period 2, benefit 5 A scale ranging from 12% at age 18 decreasing to 0% at age 60; A scale ranging from the age 20 decreasing to retirement; A scale of 2% at age 19 until retirement	1952 disability study, period 2, benefit 5 A scale ranging from 12% at age 18 decreasing to 0% at age 60; A scale ranging from the age 20 decreasing to retirement; A scale of 2% at age 19 until retirement
Turnover rate		

Shown below is the maturity profile of the Group's undiscounted benefit payments:

Plan Year	Expected Benefit Payments	
	2025	2024
Less than one year	₱241,885,478	₱73,886,436
More than one year to five years	456,823,848	211,484,919
More than five years to 10 years	927,661,108	736,984,443
More than 10 years to 15 years	1,489,134,002	989,229,766
More than 15 years to 20 years	2,028,655,665	1,858,351,068
More than 20 years	7,341,095,198	7,703,282,177

The average duration of the defined benefit obligation at the end of the reporting period is 4.20 to 17.40 years.



The retirement liability is subject to several key assumptions. To help illustrate the impact of each key assumption, a sensitivity analysis is provided below, which has been determined based on reasonably possible changes of each significant assumption on the retirement benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

	Effect on Present Value of Obligation				
	SPI	BRHI	BRC	G&L	Solaire Korea
Discount rate					
Actual + 1.00%	(₱32,326,646)	(₱97,365,453)	(₱26,942,083)	(₱11,876,132)	(₱12,355)
Actual - 1.00%	38,591,500	115,852,456	29,237,085	13,485,395	12,589
Salary increase rate					
Actual + 1.00%	40,106,368	120,709,710	29,468,896	13,500,154	12,394
Actual - 1.00%	(33,155,374)	(99,578,858)	(27,643,406)	(12,100,091)	(12,393)

The latest actuarial valuation report is as of December 31, 2025.

14. Equity

Capital Stock

The details of the Parent Company's capital stock are as follows:

	2025		2024	
	Shares	Amount	Shares	Amount
Capital stock - ₱1 par value				
Authorized	15,000,000,000	₱15,000,000,000	15,000,000,000	₱15,000,000,000
Issued	11,591,998,225	11,591,998,225	11,591,998,225	11,591,998,225
Issued and outstanding	11,488,557,907	10,985,406,870	11,458,691,084	10,797,156,297

The rollforward of the legal issued and outstanding number of common shares of the Parent Company follows:

	2025	2024
Balance at beginning of year	11,458,691,084	11,430,368,194
Net movement in treasury shares	29,866,823	28,322,890
Balance at end of year	11,488,557,907	11,458,691,084

In 2024, as a result of the settlement with Global Gaming Philippines LLC ("GGAM") (see Note 18), 921,184,056 shares held by Sureste were treated as treasury shares in the consolidated financial statements and were thus included in the EPS calculation (see Note 21). As of December 31, 2025 and 2024, 921,244,956 shares held by subsidiaries are included as part of treasury shares.

In September 2023, Bloomberry and Quasar Holdings, Inc. (Quasar), one of its affiliates, completed a Placing and Subscription Transaction under which Quasar first sold in a private placement to various institutional investors 559,000,000 shares of stock in Bloomberry at ₱10.00 per share. Quasar then used the proceeds of the placing transaction to subscribe to an equivalent number of shares in Bloomberry at the same subscription price of ₱10.00 per share.



Retained Earnings

Retained earnings include the accumulated equity in undistributed net earnings of consolidated subsidiaries and joint ventures accounted for under equity method amounting to ₱12,027.0 million and ₱13,545.2 million as of December 31, 2025 and 2024, respectively, which are not available for dividend declaration by the Parent Company until these are declared by the investee companies.

Stock Incentive Plan

The Stockholders of the Parent Company approved on June 25, 2012 a Stock Incentive Plan (“SIP”) for directors, officers, and employees of the Group, effective for a period of 10 years, and was amended and extended by the BOD for another 10 years on April 21, 2022. The Participants to the SIP are: permanent and regular employees of the Group or its affiliates with at least one year tenure; officers and directors of the Group; officers and directors of affiliates of the Group except non-executive directors of the Parent Company; and other persons who have contributed to the success and profitability of the Group or its affiliates.

The SIP is administered by the Stock Incentive Committee (“SIC”) composed of three directors or officers to be appointed by the BOD. The SIC shall determine the number of shares to be granted to a participant and other terms and conditions of the grant.

Unissued shares from the authorized capital stock or treasury shares, together with shares already granted under the SIP, which are equivalent to seven percent (7%) of the resulting total outstanding shares of the Group, shall be allocated for the SIP.

The grant of shares under the SIP does not require an exercise price to be paid by the awardee. Shares awarded shall now vest in three years: 25% on the first anniversary date of the award; 25% on the second anniversary date of the award; and the remaining 50% on the third anniversary date of the award. Vesting grants the participant absolute beneficial title and rights over the shares, including full dividend and voting rights.

Unless the SIC determines otherwise, when dividends are declared by Bloomberry, the number of shares subject to an award shall be increased by the number equal in value to the dividends the awardee would have received in respect of an award had the shares awarded to the awardee vested at the time of the dividend declaration. This is designated as the Dividend Re-investment Plan (“DRIP”).

Stock awards, including DRIP shares, granted by the SIC to officers and employees of the Group are shown below:

	Number of Shares Granted	Fair Value per Share at Grant Date
May 16, 2018*	22,716,446	12.66
June 8, 2018*	91,068	11.40
August 1, 2018*	105,987	9.00
March 18, 2019*	25,465,791	11.62
May 15, 2020*	66,985,802	5.40
January 15, 2021	152,992	8.20
April 13, 2022*	34,386,310	6.30
June 5, 2023*	44,895,922	10.59
April 16, 2024*	36,171,256	10.00
May 23, 2025	54,378,387	4.03

*includes DRIP shares



Fair value per share was based on the market price of stock at the date of grant.

Movements in the stock awards granted (number of shares) follow:

	2025	2024	2023
Balance at beginning of year	73,036,216	68,823,435	64,421,745
Stock awards granted	56,309,361	34,345,660	43,556,122
Stock awards vested	(29,866,823)	(28,322,890)	(38,668,032)
Stock awards of resigned/terminated employees	(5,326,844)	(1,809,989)	(486,400)
Balance at end of year	94,151,910	73,036,216	68,823,435

Total compensation expense on the stock awards recognized in 2025, 2024 and 2023 as part of “Salaries and benefits” under “Operating costs and expenses” in the consolidated statements of comprehensive income amounted to ₱239.0 million, ₱369.5 million and ₱231.6 million, respectively (see Note 16). Reduction in share-based payment plan and treasury shares arising from the issuance of treasury shares for vested stock awards amounted to ₱252.5 million and ₱188.3 million, respectively, in 2025; ₱252.1 million and ₱176.5 million, respectively, in 2024; and ₱216.4 million and ₱220.4 million, respectively, in 2023. Such issuance of treasury shares resulted to increase (decrease) in APIC amounting to ₱64.3 million, ₱75.7 million and (₱4.0 million) in 2025, 2024 and 2023, respectively.

The stock incentive obligation recognized as “Share-based payment plan” in the consolidated statements of financial position amounted to ₱352.4 million and ₱365.9 million as of December 31, 2025 and 2024, respectively.

Other Comprehensive Income

The movement in OCI by each type of reserve in equity is shown below:

	2025					Total
	Land revaluation increment	Cumulative actuarial gain (loss)	Fair value reserve of equity instruments at FVOCI	Cumulative translation adjustment		
Balance at beginning of year	₱28,673,932,696	₱-	₱31,325,000	(₱1,022,950,077)	₱27,682,307,619	
Revaluation increment	502,725,918	-	-	-	502,725,918	
Remeasurement loss on retirement liability	-	120,095,045	-	-	120,095,045	
Unrealized loss on equity instrument designated at fair value	-	-	(4,500,000)	-	(4,500,000)	
Exchange difference on translation of foreign operations	-	-	-	200,158,522	200,158,522	
Remeasurement loss on defined benefit plan transferred to retained earnings	-	(120,095,045)	-	-	(120,095,045)	
Balance at end of year	₱29,176,658,614	₱-	₱26,825,000	(₱822,791,555)	₱28,380,692,059	

	2024					Total
	Land revaluation increment	Cumulative actuarial gain (loss)	Fair value reserve of equity instruments at FVOCI	Currency translation adjustment		
Balance at beginning of year	₱-	₱-	₱35,825,000	(₱493,741,766)	(₱457,916,766)	
Revaluation increment	28,673,932,696	-	-	-	28,673,932,696	
Remeasurement loss on retirement liability	-	(163,206,069)	-	-	(163,206,069)	
Unrealized loss on equity instrument designated at fair value	-	-	(4,500,000)	-	(4,500,000)	
Exchange difference on translation of foreign operations	-	-	-	(529,208,310)	(529,208,310)	
Remeasurement loss on defined benefit plan transferred to retained earnings	-	163,206,068	-	-	163,206,068	
Balance at end of year	₱28,673,932,696	₱-	₱31,325,000	(₱1,022,950,077)	₱27,682,307,619	



	2023					Total
	Land revaluation increment	Cumulative actuarial gain (loss)	Fair value reserve of equity instruments at FVOCI	Currency translation adjustment		
Balance at beginning of year	₱-	₱-	₱13,325,000	(₱453,950,644)	(₱440,625,644)	
Remeasurement loss on retirement liability	-	(115,248,276)	-	-	(115,248,276)	
Unrealized gain on equity instrument designated at fair value	-	-	22,500,000	-	22,500,000	
Exchange difference on translation of foreign operations	-	-	-	(39,791,122)	(39,791,122)	
Remeasurement loss on defined benefit plan transferred to retained earnings	-	115,248,276	-	-	115,248,276	
Balance at end of year	₱-	₱-	₱35,825,000	(₱493,741,766)	(₱457,916,766)	

Treasury Shares

The movement in treasury shares follows:

	2025		2024	
	Shares	Amount	Shares	Amount
Balance at beginning of year	133,307,141	₱794,841,929	161,630,031	₱971,296,016
Issuance for share-based payments	(29,866,823)	(188,250,574)	(28,322,890)	(176,454,087)
Balance at end of year	103,440,318	₱606,591,355	133,307,141	₱794,841,929

Set out below is Bloomberg's track record of issuance of its securities:

Date of Approval	Number of Shares		Issue/ Offer Price
	Authorized	Issued/ Subscribed	
May 3, 1999*	120,000,000	80,000,000	₱1.00
February 27, 2012**	15,000,000,000	9,211,840,556	1.00
May 2, 2012**	15,000,000,000	1,179,963,700	7.50
May 31, 2012***	15,000,000,000	117,996,300	7.50
November 10, 2014****	15,000,000,000	435,000,000	13.00
December 18, 2014****	15,000,000,000	8,197,669	12.60
September 28, 2023****	15,000,000,000	559,000,000	10.00

*Date when the registration statement covering such securities was rendered effective by the SEC

**SEC approval of the increase in the authorized capital stock; Offer Shares sold at ₱7.50 on May 2, 2012

***Transaction date per SEC Form 23-B; Includes Offer Shares and Over-Allotment Option

****Transaction date per SEC Form 17-C

As of December 31, 2025 and 2024, Bloomberg has total shareholders of 98 and 92, respectively, on record. For this purpose, public shares held under PCD Nominee are counted as two (one for PCD Nominee - Filipino and another for PCD Nominee - Foreign).

Cost of Shares Held by a Subsidiary

This account pertains to Bloomberg shares owned by SPI and BRHI amounting to ₱17,348.0 million as of December 31, 2025 and 2024 (see Note 18).

Dividend Declaration

On March 11, 2025, Bloomberg's Board of Directors approved the declaration of cash dividends amounting to ₱892.5 million (₱0.08 per share). The dividends were made payable to shareholders of record as of March 25, 2025, and were subsequently paid on April 3, 2025



15. Revenues

Disaggregated Revenue Information

	2025	2024	2023
Types of goods or services:			
Gaming	₱39,639,684,853	₱42,413,584,152	₱39,696,206,599
Hotel, food and beverage	7,297,611,294	5,448,832,612	4,452,425,742
Retail and others*	4,927,918,342	4,125,800,631	2,870,147,848
	₱51,865,214,489	₱51,988,217,395	₱47,018,780,189

*Excluding rent income amounting to ₱426.6 million, ₱771.4 million and ₱875.8 million in 2025, 2024 and 2023, respectively.

	2025	2024	2023
Geographical segments:			
Philippines	₱51,346,818,680	₱51,471,581,907	₱46,637,837,993
Korea	518,395,809	516,635,488	380,942,196
	₱51,865,214,489	₱51,988,217,395	₱47,018,780,189

Performance Obligations

Information about the Group's performance obligations are summarized below:

Gaming revenue

The performance obligation to provide gaming services is satisfied at a point in time which is upon the conclusion of the play and usually occur within a single gaming day.

Hotel, food and beverage, retail and other operating revenues

Hotel, food and beverage, retail and other operating revenues are recognized when services are performed or retail goods are sold.

Contract Balances

	2025	2024
Trade receivables:		
Gaming (see Note 5)*	₱768,159,484	₱1,464,428,419
Hotel (see Note 5)	136,465,674	152,934,200
Contract liabilities:		
Outstanding chips liabilities (see Note 10)	1,611,771,211	2,385,799,465
Customers' deposits (see Note 10)	2,588,107,048	2,728,617,834

*Net of allowance for expected credit losses amounting to ₱485.2 million and ₱587.7 million as of December 31, 2025 and 2024, respectively.

Gaming receivables are noninterest-bearing and are normally collected within 90 days.

Hotel receivables are noninterest-bearing and are normally collected within one month.

The Group has no contract assets as of December 31, 2025 and 2024.

The Group identified its outstanding chips liabilities and customers' deposits as contract liabilities as of December 31, 2025 and 2024. These represent the Group's obligation to provide gaming services to the patrons for which the Group has received consideration from the patrons. Outstanding chips are expected to be recognized as revenue or redeemed for cash within one year of purchase. Customers' deposits are expected to be recognized as revenue or refunded to the patrons within one year from the date the deposit was received.



The following table summarizes the liability activity related to contracts with customers:

	Outstanding chips liabilities	Customers' deposits	Total
December 31, 2025	₱1,611,771,211	₱2,588,107,048	₱4,199,878,259
December 31, 2024	2,385,799,465	2,728,617,834	5,114,417,299
	(₱774,028,254)	(₱140,510,786)	(₱914,539,040)

	Outstanding chips liabilities	Customers' deposits	Total
December 31, 2024	₱2,385,799,465	₱2,728,617,834	₱5,114,417,299
December 31, 2023	2,875,749,720	2,391,306,275	5,267,055,995
	(₱489,950,255)	₱337,311,559	(₱152,638,696)

16. Income and Expenses

a. Operating Costs and Expenses

	2025	2024	2023
Taxes and licenses (see Note 18)	₱14,956,824,761	₱14,471,071,278	₱13,350,737,476
Salaries and benefits (see Notes 13 and 14)	8,564,628,333	7,505,058,243	5,719,413,002
Depreciation and amortization (see Notes 8, 9 and 17)	7,482,224,373	5,996,022,209	3,304,279,880
Cost of sales (see Note 6)	6,054,197,835	4,984,145,123	3,485,209,684
Outside services and charges	3,273,039,693	2,402,059,889	1,931,820,672
Office expenses	2,327,757,326	2,129,389,933	1,481,230,258
Advertising and promotions (see Notes 10 and 18)	2,265,493,718	830,353,507	602,325,796
Utilities	2,146,615,473	1,641,147,904	850,145,706
Software and hardware maintenance	956,079,502	641,191,114	486,144,072
Repairs and maintenance	277,571,116	260,514,077	263,211,986
Communication and transportation	259,269,180	291,282,252	225,557,452
Rent (see Note 17)	90,796,358	138,028,332	67,166,903
Provision for ECL (see Note 5)	—	—	30,000,000
Others	1,167,982,983	1,179,088,063	569,448,226
	₱49,822,480,651	₱42,469,351,924	₱32,366,691,113

Office expenses mainly consist of supplies amounting to ₱668.8 million, ₱587.0 million and ₱455.3 million; team member expenses amounting to ₱729.3 million, ₱707.7 million and ₱437.9 million; and insurance expense amounting to ₱386.6 million, ₱363.1 million and ₱252.6 million in 2025, 2024 and 2023, respectively.



b. Interest Expense

Sources of the Group's interest expense are as follows:

	2025	2024	2023
Long-term debt (see Note 11)	₱8,043,762,976	₱8,324,419,401	₱6,503,352,451
Amortization of tenants' security deposit (see Note 17)	9,976,664	22,095,404	17,660,235
Accretion of interest on lease liabilities (see Note 17)	1,306,723	2,652,398	1,771,477
	₱8,055,046,363	₱8,349,167,203	₱6,522,784,163

c. Interest Income

Sources of the Group's interest income are as follows:

	2025	2024	2023
Cash and cash equivalents (see Note 4)	₱220,675,129	₱315,723,041	₱492,186,049
Receivables from officers and employees (see Note 5)	779,783	1,080,580	1,162,033
	₱221,454,912	₱316,803,621	₱493,348,082

d. Other Income (Expenses) - Net

	2025	2024	2023
Gain (loss) on loan refinancing (see Note 11)	₱2,947,399,527	(₱469,444,694)	₱-
Gain (loss) on sale/disposal of property and equipment - net (see Note 8)	79,595,303	(12,951,746)	294,561,034
Gain from indemnity received	-	59,863,707	-
Gain on disposal of a subsidiary	-	29,616,509	-
Share in net loss of a joint venture (see Note 9)	-	-	(108,110,743)
Others	741,908	(263,313)	15,206,074
	₱3,027,736,738	(₱393,179,537)	₱201,656,365

17. Lease Agreements

As a Lessee

The Group has lease contracts related to its land and building. The following are the lease terms of the leases:

Land	10 to 20 years
Building	3 years
Gaming equipment	3 years

The Group's obligations under these leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. Extension and termination options are normally mutually agreed by lessor and lessee.



The Group also has certain leases of equipment and other assets with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the ‘short-term lease’ and ‘lease of low-value assets’ recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognized in the consolidated statements of financial position and the movements during the year:

	2025		
	Land	Building	Total
Cost			
Balances at January 1, 2025 and December 31, 2025	₱17,376,393	₱29,785,272	₱47,161,665
Accumulated Depreciation			
Balances at January 1, 2025	11,182,029	14,272,111	25,454,140
Depreciation	1,930,710	14,892,637	16,823,347
Balances at December 31, 2025	13,112,739	29,164,748	42,277,487
Net carrying amount	₱4,263,654	₱620,524	₱4,884,178
	2024		
	Land	Building	Total
Cost			
Balances at January 1, 2024 and December 31, 2024	₱17,376,393	₱29,785,272	₱47,161,665
Accumulated Depreciation			
Balances at January 1, 2024	9,251,319	27,113,183	36,364,502
Depreciation	1,930,710	16,736,944	18,667,654
Termination	–	(29,578,016)	(29,578,016)
Balances at December 31, 2024	11,182,029	14,272,111	25,454,140
Net carrying amount	₱6,194,364	₱15,513,161	₱21,707,525

The rollforward analysis of lease liabilities follows:

	2025	2024
Balance at beginning of year	₱26,567,326	₱12,588,906
Additions	–	29,785,271
Interest expense (see Note 16)	1,306,723	2,652,398
Payments	(20,015,828)	(18,459,249)
Balance at end of year	7,858,221	26,567,326
Less current portion	4,012,994	18,709,105
Noncurrent portion	₱3,845,227	₱7,858,221

The Group has no lease contracts that contain variable payments where the Group is the lessee.



The following are the amounts recognized in the consolidated statements of comprehensive income:

	2025	2024	2023
Depreciation expense of right-of-use assets included in property and equipment (see Notes 8 and 16)	₱16,823,347	₱18,667,654	₱16,719,718
Interest expense on lease liabilities (see Note 16)	1,306,723	2,652,398	1,771,477
Expenses relating to short-term leases and low-value assets (see Note 16)	88,993,967	138,028,332	67,166,903
	₱107,124,037	₱159,348,384	₱85,658,098

Shown below is the maturity analysis of the undiscounted lease payments:

	2025	2024
1 year	₱4,390,880	₱20,015,828
more than 1 year to 2 years	3,911,867	4,390,880
more than 2 years to 3 years	–	3,911,867

Lease with PAGCOR

On May 7, 2010, BRHI entered into a contract of lease with PAGCOR to lease 83,084 square meters of land for the construction of the hotel, gaming and entertainment facility. The lease period was for 23 years, and was co-terminus with the term of lessor as provided in the PAGCOR charter which will expire on July 11, 2033, unless sooner revoked, rescinded or cancelled. The annual lease rental is based on the schedule provided for in the agreement.

In 2013, an addendum to the contract of lease covering an additional 3,733 square meters of PAGCOR land, was executed. In December 2014, a second addendum to the contract of lease covering an additional 73,542 square meters of PAGCOR land was also executed.

In 2018, Sureste purchased from PAGCOR the 16-hectare land in Entertainment City where Solaire and its expansion area is located for a purchase price of ₱37,333.1 million. Sureste fully paid the purchase price and PAGCOR signed the Deed of Absolute Sale on June 4, 2018 for the two parcels of land with an area of 3,733 square meters and 156,626 square meters. Title to the two parcels of land were issued to Sureste on August 15, 2018.

Other Leases

The Group also entered into other various lease contracts for a period of one year renewable annually upon mutual agreement of both parties.

Rental charges related to these leases, presented as part of “Rent expense” account under operating costs and expenses in the consolidated statements of comprehensive income amounted to ₱90.8 million, ₱138.0 million and ₱67.2 million in 2025, 2024 and 2023, respectively (see Note 16).

Security deposits related to the leases discussed above amounted to ₱14.0 million and ₱14.8 million as of December 31, 2025 and 2024, respectively (see Note 7).

As a Lessor

The Group entered into operating leases with various premium brand boutiques in The Shoppes (see Note 1). These leases have terms between 1 to 6 years. Rent income amounting to ₱426.6 million, ₱771.4 million and ₱875.8 million in 2025, 2024 and 2023, respectively, was



recognized as part of “Retail and others” account in the consolidated statements of comprehensive income.

Rent receivable on these operating leases arising from straight-line amortization amounted to ₱7.0 million and ₱38.3 million as of December 31, 2025 and 2024, respectively (see Note 5). Tenants’ security deposit classified as current amounting to ₱44.5 million and ₱213.1 million as of December 31, 2025 and 2024, respectively, is presented under “Payables and other current liabilities” account in the consolidated statements of financial position (see Note 10). Tenants’ security deposits classified as noncurrent, presented under “Other noncurrent liabilities” account, amounted to ₱92.0 million and ₱77.3 million as of December 31, 2025 and 2024, respectively. These are carried at amortized cost using the EIR method. Discount amortization, included as part of the “Interest expense” account in the consolidated statements of comprehensive income, amounted to ₱10.0 million, ₱22.1 million and ₱17.7 million in 2025, 2024 and 2023, respectively (see Note 16). Unearned rent amounting to ₱12.7 million and ₱13.4 million as of December 31, 2025 and 2024, respectively, presented under “Other noncurrent liabilities” account, represents the excess of the principal amount of the deposit over its fair value and will be amortized on a straight-line basis over the lease term. Amortization of unearned rent amounting to ₱7.8 million, ₱23.8 million and ₱17.9 million in 2025, 2024 and 2023, respectively, was recognized as part of “Retail and others” account in the consolidated statements of comprehensive income.

Future minimum lease receivables under these operating leases as of December 31, 2025 and 2024 are as follows:

	2025	2024
Within one year	₱284,906,956	₱279,653,288
Beyond one year but not later than five years	289,311,470	239,392,628
	₱574,218,426	₱519,045,916

18. Commitments and Contingencies

- a. Under the license agreement with PAGCOR, BRHI has the following commitments, among others:
- Seven days prior to commencement of operation of the Casino, to secure a surety bond in favor of PAGCOR in the amount of ₱100.0 million to ensure prompt and punctual remittance/payment of all license fees.
 - License fees must be remitted on a monthly basis, in lieu of all taxes with reference to the income component of the Gross Gaming Revenues: (a) 15% of the gross gaming revenues generated by high roller tables; (b) 25% of the gross gaming revenues generated by non-high roller tables; (c) 25% of the gross gaming revenues generated by slot machines and electronic gaming machines; and (d) 15% of the gross gaming revenues generated by junket operation.
 - In addition to the above license fees, BRHI is required to remit 2% of gaming revenues generated from non-junket operation tables to a foundation devoted to the restoration of Philippine cultural heritage, as selected by BRHI and approved by PAGCOR.

BRHI has established Bloomberry Cultural Foundation Inc. (“BCF”) for this purpose. Amount due to BCF, recognized as part of “Taxes and licenses” account amounted to ₱542.6 million, ₱537.7 million and ₱579.1 million in 2025, 2024, and 2023, respectively (see Note 16). Outstanding amount payable to BCF as of December 31, 2025 and 2024, presented



as part of “Gaming taxes payable” account, amounted to ₱35.7 million and ₱49.3 million, respectively (see Note 10). Furthermore, the Group has advances to BCF amounting to ₱2.1 million and ₱0.4 million as of December 31, 2025 and 2024, presented as part of “Prepayments and other current assets” account, respectively, in the consolidated statements of financial position (see Note 7).

- PAGCOR may collect a 5% fee on non-gaming revenue received from food and beverage, retail and entertainment outlets. All revenues of hotel operations should not be subject to the 5% fee except rental income received from retail concessionaires.
- Grounds for revocation of the license, among others, are as follows: (a) failure to comply with material provision of this license; (b) failure to remit license fees within 30 days from receipt of notice of default; (c) bankruptcy or insolvency; (d) delay in construction of more than 50% of the schedule; and (e) if debt-to-equity ratio is more than 70:30. As of December 31, 2025 and 2024, BRHI and Sureste have complied with the required debt-to-equity ratio.

Total PAGCOR license fee recognized (including the amount due to BCF), shown as part of “Taxes and licenses” account, amounted to ₱11,123.9 million, ₱10,982.5 million and ₱10,067.1 million for the years ended December 31, 2025, 2024 and 2023, respectively (see Note 16). Outstanding amount payable to PAGCOR and BCF, presented as “Gaming taxes payable”, amounted to ₱891.4 million and ₱1,080.6 million as of December 31, 2025 and 2024, respectively (see Note 10).

- b. The Group has entered into the following significant contracts related to the Solaire Resort North Project:

HABITUS DESIGN PTE, LTD.

In June 2018, Sureste engaged Habitus Design Pte, Ltd. (“Habitus”) to lead the Master Concept Design as well as design management consultancy services for the Solaire Resort North Project with an agreed original contract amounting to US\$3.65 million (₱175.3 million). Based on the original contract period, their services expire in December 2020 but was extended until December 2021. As of December 31, 2025 and 2024, Sureste has effectively paid US\$5.60 million (₱295.3 million) and US\$5.57 million (₱293.2 million), respectively, to Habitus Design Pte, Ltd.

PRIME BMD - DMCI JOINT VENTURE

On December 12, 2019, Sureste entered into a contract agreement with PRIME BMD - DMCI Joint Venture (“PBD Joint Venture”) for the General Construction delivery of Solaire Resort North Project. The contract price of ₱5.5 billion, VAT-inclusive, includes a re-measurable component of the general contract works and a lumpsum component of the enabling works. As of December 31, 2025 and 2024, Sureste has paid ₱5.5 billion and ₱5.4 billion to PBD Joint Venture, respectively.

F.R. Sevilla Industrial and Development Corporation

In February 2022, Sureste engaged F.R. Sevilla Industrial and Development Corporation (“F.R. Sevilla”) for the combined Mechanical Works for Podium & Energy Center and for Basement & Tower of the Solaire Resort North Project with an agreed original contract amounting to ₱1.23 billion, VAT-inclusive. As of December 31, 2025 and 2024, Sureste has paid ₱1.5 billion and ₱1.4 billion, respectively, to F.R. Sevilla.



E.E. Black, Ltd

Sureste engaged E.E. Black, Ltd (“E.E. Black”) for the Level 8-18 Fit-out works in May 2022, and Level 27-33 + Lift Cab Fit-out works in September 2022, of the Solaire Resort North Project with an agreed combined contract amounting to ₱1.3 billion, VAT-inclusive. As of December 31, 2025 and 2024, Sureste has paid ₱1.4 billion and ₱1.2 billion, respectively, to E.E. Black.

- c. BRHI and G&L entered into junket operator agreements with junket operators who have the primary responsibility of directing gaming patrons to the casino. Based on these agreements, these junket operators are compensated based on a certain percentage of the wins or rolling chips. Gaming promoters’ expense presented as contra-revenue for the years ended December 31, 2025, 2024 and 2023 amounted to ₱2,817.8 million, ₱4,658.6 million and ₱6,438.8 million, respectively. Receivable from junket operators as of December 31, 2025 and 2024 amounted to ₱1,600 million (see Note 5).
- d. On September 9, 2011, Sureste and BRHI jointly entered into a Management Services Agreement (“MSA”) with Global Gaming Philippines LLC (“GGAM”) for technical assistance on all aspects of planning, design, layout, and construction of the Project within Entertainment City and for services related to recruitment, selection, and hiring of employees for the Project. GGAM through the Management Team shall also provide management and other related services upon commencement of the Project’s commercial operations. Fees per contract amounts to US\$100,000 per month for the technical assistance and US\$75,000 monthly for services related to the preopening operations. Upon commencement of the commercial operations and five years thereafter, the Group will pay GGAM annual fees equivalent to certain percentages of Sureste’s and BRHI’s earnings before interest, taxes, depreciation and amortization.

Sureste and BRHI terminated the MSA effective September 12, 2013 because of material breach of the MSA by GGAM after prior notice and failure of discussions to settle their dispute. GGAM denies having breached the MSA and alleges that it is BRHI and Sureste who breached the MSA. The parties submitted their dispute to arbitration before a 3-member arbitral tribunal in Singapore under the arbitration rules of the United Nations Commission on International Trade Law (“UNCITRAL”) using Philippine law as the governing law.

Under the MSA, GGAM was granted an option over the shares of Bloomberry. After the backdoor listing of Bloomberry, the option was granted under an Equity Option Agreement to purchase up to 921.2 million shares, equivalent to 9.91% of Bloomberry’s outstanding shares (prior to Bloomberry’s top-up equity offering) from PSHI at a purchase price equivalent to ₱1.00 per share plus US\$15 million. On December 21, 2012, GGAM exercised its option to purchase 921,184,056 shares of Bloomberry from PSHI at the agreed option strike price of ₱1.67 per share and was crossed through the Philippine Stock Exchange on December 28, 2012. On February 25, 2014, the Makati Regional Trial Court (MRTC) granted the application of BRHI, Sureste and PSHI for measures of protection in the form of writs of preliminary attachment and preliminary injunction to restrain GGAM from disposing the Bloomberry shares in order to maintain the status quo. GGAM filed a petition for review on certiorari with the Court of Appeals against the decision of the MRTC.

On December 9, 2014, the tribunal issued its Order in Respect of Claimants’ Interim Measures of Protection, declaring among others, that the February 25, 2014 Order of MRTC is superseded and that parties are restored to their status quo ante as of January 15, 2014 and allowed GGAM to sell the shares.



GGAM filed a Manifestation with the MRTC concerning the order of the arbitral tribunal and seeking assistance in the enforcement thereof. BRHI, Sureste and PSHI filed a Counter-Manifestation on impropriety of GGAM Manifestation given its non-compliance with requirements of the Special Rules of Court on Alternative Dispute Resolution (Special ADR Rules) for enforcement of judgment/interim measures of protection. GGAM also filed a Manifestation and Motion with the Court of Appeals seeking the same relief as that filed with the MRTC. BRHI, Sureste and PSHI filed a Comment/Opposition arguing against the grant of the Motion with the Court of Appeals for non-compliance with the Special ADR Rules as well as for forum-shopping. In a resolution dated May 29, 2015 and affirmed on November 27, 2015, the Court of Appeals remanded back the case to the MRTC for further proceedings.

On September 20, 2016, the arbitral tribunal issued a partial award on liability. It declared that 1) GGAM (Claimants) has not misled BRHI/Sureste (Respondents) into signing the MSA, and the Respondents were not justified to terminate the MSA because the services rendered by the Respondent's Management Team should be considered as services rendered by GGAM under the MSA, 2) rejected GGAM's claim that GGAM was defamed by the publicized statements of the Chairman of BRHI/Sureste, 3) that there is no basis for Respondents to challenge GGAM's title to the 921,184,056 Bloomberry shares because the grounds for termination were not substantial and fundamental, thus GGAM can exercise its rights in relation to those shares, including the right to sell them, 4) reserved its decision on reliefs, remedies and costs to the Remedies Phase which is to be organized in consultation with the Parties, 5) reserved for another order its resolution on the request of GGAM: (a) for the Award to be made public, (b) to be allowed to provide a copy of the Award to Philippine courts, government agencies and persons involved in the sale of the shares, and (c) to require BRHI/Sureste and Bloomberry to inform Deutsche Bank AG that they have no objection to the immediate release of all dividends paid by Bloomberry to GGAM.

On August 31, 2017, BRHI and Sureste filed a request for reconsideration of the partial award in the light of U.S. Department of Justice (DOJ) and SEC findings of violations of the Foreign Corrupt Practices Act (FCPA) by GGAM officers Weidner and Chiu, and for false statements and fraudulent concealment by GGAM in the arbitration. GGAM opposed the request on September 29, 2017. In a decision dated November 22, 2017, the tribunal denied the request for reconsideration saying it has no authority to reconsider the partial award under Singapore law.

The tribunal said that the courts might be the better forum to look into the allegations of fraud.

On December 21, 2017, BRHI and Sureste filed a petition in the High Court of Singapore to set aside the June 20, 2017 judgment of the Court and to either remit the partial award to the tribunal for correction, or otherwise set aside the partial award based on the fraud allegations previously raised in the request for reconsideration.

In a resolution dated November 23, 2017, the MRTC affirmed the continuing validity of its February 25, 2014 order and the writ of preliminary injunction and attachment issued pursuant thereto. GGAM filed a petition for review with the Court of Appeals to question this MRTC order. The Court of Appeals denied this petition, and GGAM filed a petition in the Supreme Court to question the decision of the Court of Appeals.

On September 27, 2019, BRHI and Sureste received the Final Remedies Award of the arbitration tribunal in the case filed. The Final Award awarded less than half of the damages sought by GGAM. It provides that:

- a) Respondents pay US\$85.2 million as damages for lost management fees to Claimants;



- b) Respondents pay US\$391,224 as pre-termination fees and expense to Claimants;
- c) Respondents pay Php10,169,871,978 for the (921,184,056) GGAM shares in Bloomberg in exchange for Claimants turning over the Shares after the payment. If Respondents do not pay for the Shares, GGAM may sell the Shares in the market and Respondents are directed to take all steps necessary to facilitate this sale. Respondents will be liable for the difference in the selling price if it is less than the awarded price;
- d) Respondents to take all steps necessary to release to GGAM the cash dividends on the Shares (currently subject of the injunction of the RTC Makati);
- e) Respondents to pay Claimants Cost of US\$14,998,052;
- f) Post-award interest at the annual rate of 6%, compounded annually, or 50 basis per month for the pre-termination expenses in (b), beginning 30 days after the Award.

On November 5, 2019, BRHI and Sureste filed in the Singapore High Court an application to set aside the Final Award on the grounds of fraud and fraudulent concealment among others.

BRHI and Sureste received a decision of the Singapore High Court dated January 3, 2020 in Originating Summons 1432 of 2017 (OS 1432) dismissing their petition to vacate and oppose the enforcement of the Partial Award of the Arbitration Tribunal dated September 20, 2016. The Court said that the FCPA Findings (referring to the U.S. DOJ non-prosecution agreement with Las Vegas Sands and the U.S. SEC order on FCPA involving Weidner and Chiu while they were with Las Vegas Sands) “do not constitute strong and cogent evidence of any species of fraud” raised by Sureste and BRHI against GGAM. On February 3, 2020, BRHI and Sureste appealed this decision to the Court of Appeals in Singapore. In a decision dated February 16, 2021, the Singapore Court of Appeals denied the appeal of BRHI and Sureste.

On May 29, 2020, the Singapore High Court issued a decision dismissing Sureste and BRHI’s petition to set aside/resist enforcement of the Final Award of the Arbitration Tribunal dated September 27, 2019.

The Singapore High Court ruled that the “Constructive Remedy,” which requires Sureste and BRHI to either (1) pay for the Bloomberg shares held by GGAM in exchange for the BRC shares, or (2) take steps to facilitate GGAM’s sale of the Bloomberg shares, was not outside the scope of the parties’ arbitration agreement. The Singapore High Court also rejected the challenges based on the FCPA Findings (referring to the findings of the U.S. DOJ and the U.S. SEC regarding the conduct by two of GGAM’s four executives during their tenure at Las Vegas Sands that violated the U.S. FCPA) and GGAM’s fraudulent concealment of evidence during the Arbitration. The Singapore High Court likewise denied the argument that GGAM Netherlands, to which the MSA was assigned, was a sham entity established solely to evade U.S. and Philippine taxes, because the Arbitration Tribunal rejected the same argument, and thus, the High Court found that the grant of damages to GGAM Netherlands is not contrary to Singapore public policy. Costs were charged against Sureste and BRHI.

On June 29, 2020, Sureste and BRHI filed a Notice of Appeal to the Singapore Court of Appeals to appeal the Singapore High Court’s decision dated May 29, 2020 in case number OS 1385 dismissing Sureste and BRHI’s petition to set aside/resist enforcement of the Final Award of the Arbitration Tribunal dated September 27, 2019 docketed as CA98. On October 4, 2021, the Singapore Court of Appeals issued a decision which denied the appeal of BRHI and Sureste against the decision dated May 29, 2020.

BRHI and Sureste were advised by Philippine counsel that an award of the Arbitral Tribunal can only be enforced in the Philippines through an order of a Philippine court of proper jurisdiction after appropriate proceedings taking into account applicable Philippine law and public policy. GGAM has not filed the required petition to enforce the arbitral award in the Philippines.



On March 29, 2021, GGAM (without GGAM Netherlands joining) sued Enrique K. Razon Jr., BRHI, Sureste and other companies in the U.S. associated with Mr. Razon in the U.S. District Court in Southern District of New York. By this suit GGAM wants to enforce in the U.S. against Mr. Razon personally and companies in the U.S. associated with him the arbitral award that was issued only against BRHI and Sureste. On March 21, 2022, the court did not grant the motion to dismiss the complaint of GGAM as against Sureste, BRHI and Mr. Enrique K. Razon Jr. but the court granted the dismissal of the case against all other defendants.

GGAM has amended its complaint to allege trespass to chattels against Mr. Razon, to which Mr. Razon has filed a motion to dismiss. On January 11, 2023, the US District Court denied Mr. Razon's motion to dismiss. BRHI and Sureste maintain their position that the New York court has no jurisdiction over them as they do not do business in New York nor in the US. Mr. Razon maintains the position that there is no basis to pierce the corporate veil of BRHI and Sureste to reach him as BRHI and Sureste are owned by the BRC, a publicly listed company.

On September 12, 2023, the US District Court granted Mr. Razon's motion for summary judgment on the trespass to chattel and declared that GGAM did not proffer sufficient evidence of Mr. Razon's interference with GGAM's BRC shares. The Court denied the motions and cross-motions for summary judgment of the parties on the issue of personal jurisdiction over BRHI and Sureste and on the issue of the enforcement of the arbitral award against Mr. Razon as the alter ego of BRHI and Sureste. The Court essentially said that the parties have introduced sufficient evidence to allow a reasonable fact finder to find in their favor, hence there is need for a trial to determine which side will prevail. The Court also denied without prejudice GGAM's motion to confirm the Final Award.

On January 22 and 23, 2024, the Court held a hearing on the threshold issue of personal jurisdiction over BRHI and Sureste with the parties presenting their respective witnesses. The Court also encouraged the parties to discuss the possible settlement of this case because a trial on the various issues, if the Court affirms its jurisdiction, will take many years.

In March 2024, Sureste and BRHI reached an agreement for a universal settlement of their dispute with GGAM. The universal settlement will cover all the pending cases between the parties including the following:

- a) Case filed by GGAM in the US District Court of the Southern District of New York against Mr. Enrique K. Razon Jr., SPI and BRHI with docket no. 21-CV-2655(LGS)-(SN) to enforce an arbitral award;
- b) SP. PROC. M-7567, "Bloomberry Resorts and Hotels Inc., Sureste Properties Inc. and Prime Metroline Holdings Inc. vs. Global Gaming Philippines LLC, et al.", an injunction and attachment case filed by Sureste, BRHI and Prime Metroline Holdings Inc. (now Prime Strategic Holdings Inc., PSHI) before the RTC of Makati Br. 66;
- c) G.R. No. 243314, "Global Gaming Philippines LLC vs. Bloomberry Resorts and Hotels, Inc., Sureste Properties, Inc., PSHI and Deutsche Bank AG, Manila Branch", a certiorari case filed by GGAM in the Philippine Supreme Court questioning the decision of the Court of Appeals which affirmed the order of the RTC Makati affirming the validity of the writ of preliminary attachment and writ of preliminary injunction that it issued over the shares in Bloomberry held by GGAM;
- d) The Arbitral Award issued against Sureste and BRHI in favor of GGAM and GGAM Netherlands relating to the termination of GGAM's Management Services Agreement with Sureste and BRHI;
- e) The judgment of various Singapore Courts relating to the confirmation of the Arbitral Award in favor of GGAM and GGAM Netherlands against BRHI and Sureste.



The settlement with GGAM requires Sureste to purchase the 921,184,056 shares in Bloomberg held by GGAM for a total purchase price of US\$300.0 million.

On April 30, 2024, Sureste purchased 921,184,056 Bloomberg shares from GGAM at a purchase price of ₱18.32 per share, at the conversion rate of ₱55.94 to US\$1.00, through a Special Block Sale on the Philippine Stock Exchange pursuant to the Settlement Agreement. The Settlement Agreement was therefore completed. The purchase of Sureste of the 921,184,056 Bloomberg shares from GGAM amounting to ₱17,348.0 million was recorded under “Cost of shares held by a subsidiary” account in the consolidated financial statements (see Note 14).

- e. On March 15, 2016, the Court of Appeals (“CA”) issued a 30-day freeze order on one of BRHI’s bank accounts upon the petition filed by AMLC in relation to their ongoing investigation. The freeze order of the CA on the bank account was lifted on April 14, 2016. Subsequently, on request of the AMLC, the Supreme Court reinstated the freeze order on the account, which contained the amount of ₱109.3 million that was frozen from the accounts of those patrons subject to the investigation. In a decision dated September 2, 2020, the Supreme Court denied AMLC’s petition for review and lifted the freeze order on the bank account of BRHI. As of December 31, 2025 and 2024, the balance of this bank account amounting to ₱113.0 million is presented as “Fund held in trust” under the “Prepayments and other current assets” account in the consolidated statements of financial position (see Note 7).

In February 2019, BRHI received the summons and complaint as one of 16 Philippine companies and individuals that the Bangladesh Bank impleaded in the civil suit that it filed in the US District Court in New York against RCBC for recovery of the US\$81 million allegedly stolen from Bangladesh Bank account with the Federal Reserve Bank in New York that were allegedly laundered through Philippine casinos. BRHI through counsel filed a motion to dismiss the case for lack of subject matter jurisdiction and *for forum non-conveniens*. On March 20, 2020, the Federal Court of New York granted the motion to dismiss the case. Bangladesh Bank filed an appeal of the dismissal with the U.S. Court of Appeals which it withdrew later.

On September 23, 2020, BRHI received the summons in the civil complaint filed by Bangladesh Bank against RCBC and 16 other Philippine companies and individuals (including BRHI) in the New York State Court. The complaint in the State Court is for: conversion/ theft/ misappropriation; aiding and abetting the same; conspiracy to commit the same; fraud (against RCBC); aiding and abetting and conspiracy to commit fraud; conspiracy to commit trespass against chattels; unjust enrichment; and return of money received.

On December 9, 2020, BRHI filed its motion to dismiss the case because the Court has no jurisdiction over BRHI, the Philippines is the proper forum for the dispute and plaintiff’s allegation is insufficient to plead any claim against BRHI under New York law. On April 8, 2022, New York Court granted BRHI’s motion to dismiss the complaint filed by Bangladesh Bank for lack of jurisdiction.

On May 11, 2022, Bangladesh Bank filed an appeal with the Appellate Division of the New York State Supreme Court, First Judicial Department, on the dismissal of its complaint against BRHI. On May 30, 2023, the Appellate Division of the New York Supreme Court upheld the order of the Supreme Court, New York County which granted BRHI’s motion to dismiss the complaint filed by Bangladesh Bank as against BRHI for lack of jurisdiction.

Except for the matters discussed in the preceding paragraphs, neither the Company nor any of its subsidiaries are involved in or the subject any legal proceedings which, if determined adversely to the Company or the relevant subsidiary’s interests, would have a material effect on the business or financial position of the Company or any of its subsidiaries.



19. Income Taxes

- a. Provision for (benefit from) income tax consists of:

	2025	2024	2023
Current	₱23,151,362	₱24,711,874	₱34,526,427
Deferred	(27,620,327)	(20,804,045)	(73,826,628)
	(₱4,468,965)	₱3,907,829	(₱39,300,201)

In 2025, 2024 and 2023, provision for current income tax represents Bloomberry's MCIT and Sureste's 5% Gross Income Tax ("GIT").

The reconciliation of provision for (benefit from) income tax computed at the statutory income tax rate to provision for (benefit from) income tax as shown in the consolidated statements of comprehensive income is summarized as follows:

	2025	2024	2023
Provision for (benefit from) tax at statutory tax rate of 25%	(₱662,635,861)	₱646,652,391	₱2,370,532,542
Tax effects of:			
Nontaxable income	(871,114,024)	(52,066,671)	(36,138,804)
Nondeductible expense	389,655,257	501,498,775	67,572,821
Effect of difference in the treatment prescribed by tax laws and accounting principles	81,993,722	75,298,022	71,109,128
Effect of exemption from income tax	(531,176,867)	(2,206,397,179)	(3,085,230,413)
Net movement in unrecognized deferred income tax assets and other	1,588,808,808	1,038,922,491	572,854,525
	(₱4,468,965)	₱3,907,829	(₱39,300,201)

- b. The components of the Group's recognized net deferred tax liabilities are as follows:

	2025	2024
Deferred tax assets:		
Allowance for impairment loss	₱391,054,193	₱-
NOLCO	99,816,556	47,794,218
Retirement liability	102,667,197	63,101,123
Provision for documentary stamp taxes (DST)	27,169,135	-
Points accrual	14,706,807	6,752,155
MCIT	7,530,384	7,530,384
Unrealized foreign exchange loss	4,889,793	-
Capitalized interest on option	954,564	1,094,010
	648,788,629	126,271,890

(Forward)



	2025	2024
Deferred tax liabilities:		
Revaluation increment	(₱9,177,620,621)	(₱8,943,033,074)
Unrealized foreign exchange gain	(554,185,524)	(1,520,574)
Capitalized rent	(64,863,948)	(67,678,576)
Excess of fair value over carrying value of net assets acquired in business combination	(43,519,509)	(40,040,553)
Capitalized interest	(26,631,867)	(30,017,899)
Unamortized debt issue cost	(9,994,315)	(47,004,980)
Unrealized gain on investment in club shares	(9,125,000)	(10,625,000)
Debt issue cost capitalized in PPE	-	(789,238)
	(9,885,940,784)	(9,140,709,894)
	(₱9,237,152,155)	(₱9,014,438,004)

- c. Temporary differences arising from NOLCO and carryforward benefits of excess MCIT for which no deferred tax assets have been recognized since management believes that it is not probable that sufficient future taxable income will be available against which these can be utilized are summarized as follows:

	2025	2024
NOLCO	₱16,057,450,810	₱13,647,332,818
Retirement plan	543,924,488	156,144,968
Provision for contingencies	-	25,853,902
MCIT	2,765,065	2,279,123
Total	₱16,604,140,363	₱13,831,610,811

- d. On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(b) of “Bayanihan to Recover As One Act” which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2024, Bloomberry and Sureste incurred NOLCO before taxable year 2020 and after taxable year 2021 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Availment		Applied	Expired	Balance
	Period	Amount			
2025	2026-2028	₱6,167,113,034	₱-	₱-	₱6,167,113,034
2024	2025-2027	5,344,932,092	-	-	5,344,932,092
2023	2024-2026	1,733,293,966	-	-	1,733,293,966
2022	2023-2025	1,922,980,669	-	(1,922,980,877)	-
		₱15,168,319,761	₱-	(₱1,922,980,877)	₱13,245,339,092

As of December 31, 2024, Bloomberry and Sureste incurred NOLCO in taxable years 2021 and 2020 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Year Incurred	Availment		Applied	Expired	Balance
	Period	Amount			
2021	2022-2026	₱3,103,385,208	₱-	₱-	₱3,103,385,208
2020	2021-2025	2,799,754,164	191,340,681	(2,608,413,483)	-
		₱5,903,139,372	₱191,340,681	(₱2,608,413,483)	₱3,103,385,208



As of December 31, 2024, the NOLCO of Solaire Korea and G&L that can be carried forward and claimed as deduction from regular taxable income are as follows:

Year Incurred	Availment Period	Amount	Applied	Expired	Balance
2025	2040	₱232,682,742	₱-	₱-	₱232,682,742
2024	2039	906,984,200	-	-	906,984,200
2023	2038	136,189,387	-	-	136,189,387
2022	2037	693,532,468	-	-	693,532,468
2021	2036	687,594,239	-	-	687,594,239
2020	2035	327,990,621	-	-	327,990,621
2019	2029	728,888,964	-	-	728,888,964
2018	2028	604,190,652	184,077,217	-	420,113,435
2017	2027	274,224,580	-	-	274,224,580
2016	2026	940,851,543	46,522,492	-	894,329,051
2015	2025	919,490,737	-	919,490,737	-
Totals		₱6,452,620,133	₱230,599,709	₱919,490,737	₱5,302,529,687

As of December 31, 2024, the Bloomberry unused MCIT that can be carried forward and used as deduction from income tax due are as follows:

Year Incurred	Expiry Year	Amount	Applied	Expired	Balance
2025	2028	₱1,025,750	₱-	₱-	₱1,025,750
2024	2027	970,821	-	-	970,821
2023	2026	768,496	-	-	768,496
2022	2025	539,808	-	539,808	-
Totals		₱3,304,875	₱-	₱539,808	₱2,765,067

- e. Sureste is registered with the Philippine Economic Zone Authority (“PEZA”) as an Ecozone Tourism Enterprise. The scope of registered activity is limited to the construction, development, management and operation of a hotel and entertainment complex at the Bagong Nayong Pilipino - Entertainment City Manila, to take over and undertake the project originally approved by the PEZA Board for BRHI and the importation of raw materials, machinery, equipment, tools, goods, wares, articles or merchandise directly used in its registered operations.

Under the PEZA Registration Agreement, Sureste is entitled to:

- i. Four-year income tax holiday (“ITH”) on income solely derived from servicing foreign clients for its operations limited to accommodation and other special interest and attraction activities/ establishments. Upon expiry of the ITH period, Sureste shall pay 5% GIT, in lieu of all national and local taxes; and
- ii. Tax and duty-free importation of capital equipment required for the technical viability and operation of the registered facilities/activities.

Any income from activities of Sureste outside of the PEZA-registered activities is subject to RCIT.

On December 6, 2013, Sureste decided to waive the ITH incentive and be subjected instead to GIT (with exemption from real property tax). Sureste has obtained confirmation of the said waiver with PEZA and therefore now subject to GIT.



- f. In July 2025, the Ministry of Economy and Finance of Korea announced the 2025 tax reform proposal. Unless otherwise specified, the 2025 proposals will become effective for fiscal years beginning on or after January 1, 2026. Among the proposals include the changes in corporate income tax rate which would increase by one percentage point each of the four corporate income tax brackets. As a result, the corporate rates will be increased from 9%, 19%, 21% and 24% to 10%, 20%, 22% and 25%, respectively.
- g. The Base Erosion and Profit Shifting (BEPS) Pillar Two
The Organization for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) addresses the tax challenges arising from the digitalization of the global economy. The Global Anti-Base Erosion Model Rules (Pillar Two model rules) apply to multinational enterprises (MNEs) with annual revenue in excess of EUR 750 million per their consolidated financial statements.

The Pillar Two model rules introduce new taxing mechanisms under which MNEs would pay a minimum level of tax (the Minimum Tax):

- The Qualified Domestic Minimum Top-up Tax (QDMTT)
- The Income Inclusion Rule (IIR)
- The Under Taxed Payments/Profits Rule (UTPR)

The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The IIR, UTPR and QDMTT do so by imposing a top-up tax in a jurisdiction whenever the effective tax rate (ETR), determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.

According to these rules, the Group is considered a multinational enterprise to which the Pillar Two rules shall be applied. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Group operates effective for the financial year beginning January 1, 2025 or the year ended December 31, 2025 and 2024, the Group has applied the IASB amendment to IAS 12, Income Taxes, which provides a mandatory temporary exception from recognizing or disclosing deferred taxes related to Pillar Two such that there is no impact to the 2025 and 2024 Consolidated Financial Statements.

The Group has determined that the impact of Pillar Two Model Rules is not material to the consolidated financial statements in 2025 and 2024 based on the Group's country-by-country reporting and the most recent information available regarding the financial performance of the constituent entities in the Group.

For the year ended December 31, 2025 and 2024, the Group has applied the IASB amendment to IAS 12, Income Taxes, which provides a mandatory temporary exception from recognizing or disclosing deferred taxes related to Pillar Two such that there is no material impact to the 2025 and 2024 Consolidated Financial Statements.



20. Financial Assets and Liabilities and Financial Risk Management Objectives and Policies

Fair Value

The carrying values of cash and cash equivalents, receivables, security deposits classified as current and payables and other current liabilities (except statutory payables) approximate their fair values at reporting date due to the relatively short-term nature of the transactions.

The table below set forth the carrying values and the estimated fair values of the Group's financial assets and liabilities for which fair values are determined for measurement and/or disclosure as of December 31, 2025 and 2024:

	2025		2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Financial assets at amortized cost -				
Security deposits classified as noncurrent ⁽¹⁾	₱242,873,172	₱242,873,172	₱115,127,427	₱115,127,427
Equity instrument designated at fair value through OCI -				
Investment in club shares	50,000,000	50,000,000	56,000,000	56,000,000
	292,873,172	292,873,172	171,127,427	171,127,427
Financial Liabilities				
Other financial liabilities:				
Long-term debt	105,406,199,241	116,659,823,535	110,187,640,474	119,154,844,099
Tenants' security deposits ⁽²⁾	92,028,074	96,879,912	77,298,707	77,298,707
	105,498,227,315	116,756,703,447	110,264,939,181	119,232,142,806
	(₱105,205,354,143)	(₱116,463,830,275)	(₱110,093,811,754)	(₱119,061,015,379)

⁽¹⁾ Presented under "Intangible asset and other noncurrent assets" account.

⁽²⁾ Included under "Other noncurrent liabilities" account.

Security Deposits classified as Noncurrent. The fair value of security deposit is the estimated future cash flows, discounted to present value using a credit-adjusted discount rate.

Float Rate Long-term Debt (72.0B Syndicated Loan). The estimated fair value is based on the discounted value of future cash flows using the applicable PHBVAL rate of 6.0% as of December 31, 2025.

Floating Rate Long-term Debt (40.0B Syndicated Loan). The estimated fair value is based on the discounted value of future cash flows using the applicable PHBVAL rate of 6.0% as of December 31, 2025 and 2024.

Tenants' Security Deposits. The estimated fair value is based on the discounted value of future cash flows using the applicable BVAL rates ranging from 5.1% to 6.1% and 6.0% to 6.3% as of December 31, 2025 and 2024.

Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by source of inputs:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs for the asset or liability.



The table below summarizes the classification of the Group's financial assets and liabilities as of December 31, 2025 and 2024 based on fair value measurement hierarchy.

		Level 1	Level 2	Level 3	Total
Asset measured at fair value -					
Investment in club shares	2025	₱50,000,000	₱-	₱-	₱50,000,000
	2024	56,000,000	-	-	56,000,000
Assets and liabilities for which fair value is disclosed:					
Security deposits classified as noncurrent	2025	-	242,873,172	-	242,873,172
	2024	-	115,127,427	-	115,127,427
Long-term debt	2025	-	116,659,823,535	-	116,659,823,535
	2024	-	119,154,844,099	-	119,154,844,099
Tenants' security deposits	2025	-	-	96,879,912	96,879,912
	2024	-	-	77,298,707	77,298,707

In 2025 and 2024, there were no transfers between Level 1 and Level 2 fair value measurements and transfers into and out of the Level 3 fair value measurement.

Financial Risk Management Objectives and Policies

The Group's principal financial instruments consist mainly of borrowings from local financial institutions, proceeds of which were used for financing the Group's capital expenditures and operations. The Group has other financial assets and financial liabilities such as cash and cash equivalents, receivables, restricted cash, payables and other accrued liabilities which arise directly from the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign exchange risk, liquidity risk and credit risk. The BOD reviews and approves policies for managing each of these risks and they are summarized below.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates primarily to its long-term debt with floating interest rates.

Variable or floating rate debt is subject to cash flow interest rate risk. Repricing of variable rate debt is done on quarterly intervals.

The following table demonstrates the sensitivity of the Group's income (loss) before income tax (through the impact on floating rate borrowings) in 2025, 2024 and 2023 to a reasonably possible change in interest rates, with all other variables held constant.

There is no impact on the Group's equity other than those already affecting the net income (loss).

	2025	2024	2023
Increase by 2%	₱53,010,869	₱52,378,410	₱189,642,604
Decrease by 2%	(53,010,869)	(52,378,410)	(189,642,604)

Foreign Exchange Risk

Foreign exchange risk is the risk that the value of the Group's financial instrument will fluctuate due to changes in foreign exchange rates. The Group has recognized in the consolidated statements of comprehensive income net foreign exchange gains (losses) of ₱69.3 million, ₱721.8 million and (₱218.0) million in 2025, 2024 and 2023, respectively, on the revaluation of its foreign currency-denominated cash and cash equivalents, receivables, restricted cash, payables and accrued expenses.



In the revaluation of its foreign currency-denominated financial assets and liabilities, the Group used the following exchange rates as of December 31, 2025, 2024 and 2023:

Currency	2025	2024	2023
USD	58.7900	57.8450	55.3700
HKD	7.5669	7.4684	7.1121
EUR	69.2546	60.4738	61.4738
SGD	45.8197	42.6919	42.0898
AUD	39.3817	36.0060	37.9467
JPY	0.3756	0.3672	0.3930
TWD	1.8739	1.7709	1.8087
KRW	0.0408	0.0396	0.0431
THB	1.8963	1.7003	1.6264
MOP	7.3500	7.2769	6.8845
GBP	79.4103	72.6799	70.7590
CAD	43.0144	40.2679	41.7690

The Group's foreign currency-denominated monetary assets and liabilities as of December 31, 2025, 2024 and 2023, and their Philippine peso equivalent follow:

	Original Currency											Peso Equivalent
	USD	HKD	EUR	SGD	AUD	JPY	THB	KRW	MOP	CAD	GBP	
December 31, 2025												
Financial assets:												
Cash and cash equivalents	12,386,730	890,941,278	28,008	9,989,776	1,656,380	2,113,178,567	86	870	3,026	1,602	1,001	₱8,788,659,404
Receivables	-	28,489,333	-	-	-	-	-	-	-	-	-	215,575,932
Financial liabilities -												
Payables and other current liabilities	(2,775,961)	(34,484,481)	(92,422)	-	-	-	-	-	-	-	(38,208)	(433,574,123)
Net foreign currency - denominated financial assets	9,610,769	884,946,130	(64,414)	9,989,776	1,656,380	2,113,178,567	86	870	3,026	1,602	(37,207)	8,570,661,290
December 31, 2024												
Financial assets:												
Cash and cash equivalents	24,365,582	943,751,162	165,433	10,170,345	1,404,561	2,104,258,567	86	266,644	3,026	1,351	1,000	₱9,725,317,747
Receivables	-	132,169,681	-	-	-	-	-	-	-	-	-	987,096,046
Financial liabilities -												
Payables and other current liabilities	(5,488,009)	(18,515,781)	(39,921)	-	-	-	-	-	-	-	-	(458,151,315)
Net foreign currency - denominated financial assets	18,877,573	1,057,405,062	125,512	10,170,345	1,404,561	2,104,258,567	86	266,644	3,026	1,351	1,000	10,254,262,478
December 31, 2023												
Financial assets:												
Cash and cash equivalents	16,050,424	775,008,451	54,852	10,203,709	1,249,547	2,069,091,567	-	675,716,972	3,026	-	-	₱7,723,207,017
Receivables	-	28,972,987	-	-	-	-	-	-	-	-	-	206,058,781
Financial liabilities -												
Payables and other current liabilities	(1,281,114)	(31,535,584)	(24,132)	-	-	-	-	-	-	-	-	(296,702,995)
Net foreign currency - denominated financial assets	14,769,310	772,445,854	30,720	10,203,709	1,249,547	2,069,091,567	-	675,716,972	3,026	-	-	₱7,632,562,803

The following table demonstrates the sensitivity to a reasonably possible change in the foreign exchange rates, with all other variables held constant, of the Group's income or loss before income tax at December 31, 2025, 2024 and 2023. There is no other impact on the Group's equity other than those affecting other income or loss before income tax.

	USD	HKD	EUR	SGD	AUD	JPY	THB	KRW	MOP	CAD	GBP
December 31, 2025											
Increase by 3%	₱16,950,514	₱200,888,966	(₱133,828)	₱13,731,856	₱1,956,931	₱23,811,296	₱5	₱1	₱667	₱2,067	(₱88,636)
Decrease by 3%	(16,950,514)	(200,888,966)	133,828	(13,731,856)	(1,956,931)	(23,811,296)	(5)	(1)	(667)	(2,067)	88,636
December 31, 2024											
Increase by 3%	32,759,197	236,913,719	227,706	13,025,740	1,517,179	23,180,512	4	317	660	1,632	2,181
Decrease by 3%	(32,759,197)	(236,913,719)	(227,706)	(13,025,740)	(1,517,179)	(23,180,512)	(4)	(317)	(660)	(1,632)	-
December 31, 2023											
Increase by 3%	24,533,301	164,811,365	56,656	12,884,162	1,422,486	24,394,590	-	873,702	625	-	-
Decrease by 3%	(24,533,301)	(164,811,365)	(56,656)	(12,884,162)	(1,422,486)	(24,394,590)	-	(873,702)	(625)	-	-



The change in currency rate is based on the Group's best estimate of expected change considering historical trends and experiences. Positive change in currency reflects a stronger peso against foreign currency. On the other hand, a negative change in currency rate reflects a weaker peso against foreign currency.

Liquidity Risk

Liquidity risk is the potential of not meeting obligations as they become due because of an inability to liquidate assets or obtain funding. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans.

As part of its liquidity strategy, the Group will set aside cash to ensure that financial obligations will be met as they fall due. The Group has cash and cash equivalents amounting to ₱26,506.9 million and ₱33,178.6 million as of December 31, 2025 and 2024, respectively, that are allocated to meet the Group's liquidity needs. The Group also has receivables amounting to ₱1,277.8 million and ₱2,342.4 million; security deposits amounting to ₱603.5 million and ₱295.7 million as of December 31, 2025 and 2024, respectively.

The Group also expects to meet its working capital, capital expenditure, dividend payment and investment requirements for the next 12 months primarily from equity or debt financing and cash flows from operations. As at December 31, 2025 and 2024, the Group has undrawn borrowing facilities that may be available in the future for the operating activities and settling capital commitments amounting to nil.

The table below summarizes the maturity profile of the Group's financial liabilities as of December 31, 2025 and 2024 based on contractual undiscounted payments:

	2025					Total
	Within 1 Year	1-2 Years	2-3 Years	3-4 Years	More than 4 Years	
Financial liabilities:						
Other gaming liabilities:						
Junket program rebates	₱167,408,041	₱-	₱-	₱-	₱-	₱167,408,041
Liability for customer loyalty	289,469,136	-	-	-	-	289,469,136
Progressive jackpot liability	389,030,974	-	-	-	-	389,030,974
Slot payout voucher and tickets liability	361,835,651	-	-	-	-	361,835,651
Customers' deposits	2,751,142,215	-	-	-	-	2,751,142,215
Payable to contractors and suppliers	2,283,466,596	-	-	-	-	2,283,466,596
Retention payable	1,101,331,302	-	-	-	-	1,101,331,302
Accrued expenses	3,142,557,464	-	-	-	-	3,142,557,464
Tenants' security deposits	39,692,456	92,028,074	-	-	-	131,720,530
Long-term debt						
Principal	2,308,875,000	6,676,625,000	6,676,625,000	6,826,625,000	87,314,875,000	109,803,625,000
Interest	7,196,120,825	7,146,825,956	6,798,093,311	6,394,574,994	21,603,587,513	49,139,202,599
Lease liabilities	4,390,880	3,911,867	-	-	-	8,302,747
	₱20,035,320,540	₱13,919,390,897	₱13,474,718,311	₱13,221,199,994	₱108,918,462,513	₱169,569,092,255

	2024					Total
	Within 1 Year	1-2 Years	2-3 Years	3-4 Years	More than 4 Years	
Financial liabilities:						
Other gaming liabilities:						
Junket program rebates	₱276,664,417	₱-	₱-	₱-	₱-	₱276,664,417
Liability for customer loyalty	244,619,787	-	-	-	-	244,619,787
Progressive jackpot liability	451,498,076	-	-	-	-	451,498,076
Slot payout voucher and tickets liability	423,660,628	-	-	-	-	423,660,628
Customers' deposits	2,950,409,351	-	-	-	-	2,950,409,351
Payable to contractors and suppliers	3,087,023,964	-	-	-	-	3,087,023,964
Retention payable	1,292,698,343	-	-	-	-	1,292,698,343
Accrued expenses	3,339,308,163	-	-	-	-	3,339,308,163
Tenants' security deposits	211,065,253	77,298,707	-	-	-	288,363,960

(Forward)



	2024					Total
	Within 1 Year	1-2 Years	2-3 Years	3-4 Years	More than 4 Years	
Long-term debt						
Principal	₱2,358,875,000	₱2,958,875,000	₱9,276,625,000	₱11,276,625,000	₱86,091,500,000	₱111,962,500,000
Interest	8,039,035,768	7,724,803,624	7,547,344,993	6,891,463,371	19,128,639,672	49,331,287,428
Lease liabilities	20,015,828	4,390,880	3,911,867	-	-	28,318,575
	₱22,694,874,578	₱10,765,368,211	₱16,827,881,860	₱18,168,088,371	₱105,220,139,672	₱173,676,352,692

Credit Risk

Credit risk is the risk that the Group will incur a loss arising from customers, clients or counterparties that fail to discharge their contracted obligations. The Group manages and controls credit risk by setting limits on the amount of risk that the Group is willing to accept for individual counterparties and by monitoring exposures in relation to such limits.

The Group's maximum exposure to credit risk is equal to the carrying amount of its financial instruments. The Group has no concentration of credit risk.

The table below shows the maximum exposure to credit risk for the components of the consolidated statements of financial position as of December 31, 2025 and 2024 for which the net maximum exposure is not equal to the gross maximum exposure.

	Gross Maximum Exposure		Net Maximum Exposure*	
	2025	2024	2025	2024
Cash and cash equivalents:				
Cash in banks	₱17,619,460,803	₱22,659,093,291	₱17,619,460,803	₱22,659,093,291
Temporary cash investments	278,842,160	268,838,217	278,842,160	268,838,217
Debt collateral accounts	4,448,218,872	5,251,504,214	4,448,218,872	5,251,504,214
	₱22,346,521,835	₱28,179,435,722	₱22,346,521,835	₱28,179,435,722

*Net financial assets after taking into account insurance on bank deposits.

Set out below is the information about the credit risk exposure on the Group's gaming receivables using a provision matrix:

	2025					Total
	Past Due					
	Current	1-30 Days	31 - 60 Days	61-90 Days	More than 90 Days	
Expected credit loss rate	3.99%	0.00%	0.00%	0.52%	81.18%	
Estimated total gross carrying amount at default						
Gaming receivables	₱484,815,002	₱-	₱-	₱195,991,443	572,508,160	₱1,253,314,605
Expected credit loss	19,349,615	-	-	1,018,017	464,787,489	485,155,121
	₱465,465,387	₱-	₱-	₱194,973,426	₱107,720,671	₱768,159,484
	2024					Total
	Past Due					
	Current	1-30 Days	31 - 60 Days	61-90 Days	More than 90 Days	
Expected credit loss rate	4.64%	5.17%	5.00%	5.00%	83.01%	
Estimated total gross carrying amount at default						
Gaming receivables	₱1,257,131,043	₱112,878,525	₱14,936,800	₱104,470,182	₱562,729,172	₱2,052,145,722
Expected credit loss	58,280,326	5,835,834	746,840	5,223,509	467,106,713	587,717,303
	₱1,198,850,717	₱107,042,691	₱14,189,960	₱99,246,673	₱45,098,378	₱1,464,428,419



The table below shows gross maximum exposure to the Group's credit risk without considering the effects of collateral, credit enhancements and other credit risk mitigation techniques as of December 31, 2025 and 2024.

	2025	2024
Cash and cash equivalents	₱22,346,521,835	₱28,179,435,722
Receivables	1,275,440,554	2,340,424,143
Security deposits	603,517,144	295,716,663
	₱24,225,479,533	₱30,815,576,528

The tables below show the credit quality of the Group's financial assets based on their historical experience with the corresponding third parties:

	2025			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit Impaired	
High	₱23,136,807,268	₱-	₱-	₱23,136,807,268
Moderate	1,088,672,265	-	-	1,088,672,265
Low	-	-	485,155,121	485,155,121
Gross carrying amount	24,225,479,533	-	485,155,121	24,710,634,654
ECL	-	-	485,155,121	485,155,121
Carrying amount	₱24,225,479,533	₱-	₱-	₱24,225,479,533

	2024			Total
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Credit Impaired	
High	₱29,985,039,443	₱-	₱-	₱29,985,039,443
Moderate	830,537,085	-	-	830,537,085
Low	-	-	587,717,303	587,717,303
Gross carrying amount	30,815,576,528	-	587,717,303	31,403,293,831
ECL	-	-	587,717,303	587,717,303
Carrying amount	₱30,815,576,528	₱-	₱-	₱30,815,576,528

As of December 31, 2025 and 2024, all financial assets are viewed by management as 'high grade', except for impaired financial assets, considering the collectability of the receivables and the credit history of the counterparties.

Capital Management

The primary objective of the Group's capital management is to ensure that the Group has sufficient funds in order to support its business, pay existing obligations and maximize shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To manage or adjust the capital structure, the Group may obtain advances from stockholders, return capital to shareholders or issue new shares.

The Group considers equity attributable to equity holders of the Parent Company as its capital, which amounted to ₱59,527.2 million and ₱61,996.7 million as of December 31, 2025 and 2024, respectively.

The Group monitors capital on the basis of debt-to-equity ratio in order to comply with PAGCOR requirement and loan debt covenant (see Notes 11 and 18).

The Group's strategy is to maintain a sustainable debt-to-equity ratio.



21. Basic/Diluted Earnings Per Share on Net Income Attributable to Equity Holders of the Group

The following table presents information necessary to calculate earnings per share:

	2025	2024	2023
(a) Net income (loss) attributable to equity holders of the Parent Company	(₱2,634,530,414)	₱2,620,920,285	₱9,527,193,809
Number of issued shares at beginning of year	11,591,998,225	11,591,998,225	11,032,998,225
Weighted average of issued shares during the year	–	–	136,304,110
(b) Weighted average number of issued shares	11,591,998,225	11,591,998,225	11,169,302,335
Treasury shares at beginning of year	(1,054,491,197)	(161,630,031)	(200,298,063)
Weighted average number of:			
Treasury shares issued for vested stock awards in 2025	19,768,570		
Treasury shares issued for vested stock awards in 2024		13,908,557	–
Treasury shares issued for vested stock awards in 2023		–	25,104,563
Acquisition of shares by a subsidiary in 2024 (Note 18)		(619,156,497)	–
(c) Weighted average number of treasury shares	(1,034,722,627)	(766,877,971)	(175,193,500)
(d) Weighted average number of issued shares, net of treasury shares [(b)+(c)]	10,557,275,598	10,825,120,254	10,994,108,835
Unvested stock awards at beginning of year	37,842,549	38,752,486	25,267,313
Weighted average number of:			
Stock awards granted in 2025	34,248,433	–	–
Stock awards granted in 2024	–	24,304,716	–
Stock awards granted in 2023	–	–	24,940,355
(e) Weighted average number of stock awards granted	72,090,982	63,057,202	50,207,668
Basic earnings per share (a)/(d)	(₱0.250)	₱0.242	₱0.867
Diluted earnings per share (a)/[(d)+(e)]	(₱0.250)	₱0.241	₱0.863

For the years ended December 31, 2025, 56,309,361 and 34,345,660 stock awards granted, respectively, were excluded from the computation of diluted loss per share as its effect would have been anti-dilutive.

22. Note to Consolidated Statements of Cash Flows

The Group had no material non-cash investing nor non-cash financing activity-related transactions for the years ended December 31, 2025, 2024 and 2023, except for the following:

- The Group recognized share-based payment accruals amounting to ₱239.0 million, ₱369.5 million and ₱231.6 million in 2025, 2024 and 2023, respectively (see Note 14).
- Treasury shares were reissued for vested stock awards amounting to ₱188.3 million, ₱176.5 million and ₱220.4 million in 2025, 2024 and 2023, respectively (see Note 14).
- In 2025, 2024 and 2023, the Group recognized additional right-of-use assets amounting to nil, ₱29.8 million and nil (see Note 8).
- In December 2023, the Group's advances to ACTSI and FAMI amounting to ₱383.3 million and ₱108.1 million, respectively, were converted to equity thus resulting in the Group's 49% effective ownership in ACTSI and FAMI.
- Property and equipment has noncash movement, which pertains to depreciation and unpaid balance of additions, amounting to ₱900.4 million and ₱1,454.2 million in 2025 and 2024, respectively.



The changes in the Group's liabilities arising from financing activities are as follows:

	January 1, 2025	Cash Flows	Interest Expense	Capitalized Interest	Other Non-cash Items	December 31, 2025
Long-term debt	₱110,187,640,474	(₱2,499,980,696)	₱665,938,988	₱-	(₱2,947,399,525)	₱105,406,199,241
Lease liabilities	26,567,326	(20,015,828)	1,306,723	-	-	7,858,221
Interest payable	1,316,182,200	(7,520,524,367)	7,377,823,987	-	-	1,173,481,820
Dividends	-	(892,526,844)	-	-	892,526,844	-
Total liabilities from financing activities	₱111,530,390,000	(₱10,933,047,735)	₱8,045,069,698	₱-	(₱2,054,872,681)	₱106,587,539,282

	January 1, 2024	Cash Flows	Interest Expense	Capitalized Interest	Other Non-cash Items	December 31, 2024
Long-term debt	₱94,867,241,603	₱14,461,726,463	₱332,705,123	₱56,522,591	₱469,444,694	₱110,187,640,474
Lease liabilities	12,588,906	(18,459,249)	2,652,398	-	29,785,271	26,567,326
Interest payable	1,197,473,765	(7,873,005,843)	7,991,714,278	-	-	1,316,182,200
Total liabilities from financing activities	₱96,077,304,274	₱6,570,261,371	₱8,327,071,799	₱56,522,591	₱499,229,965	₱111,530,390,000

	January 1, 2023	Cash Flows	Interest Expense	Capitalized Interest	Other Non-cash Items	December 31, 2023
Long-term debt	₱91,335,220,127	₱3,166,090,722	₱273,111,643	₱92,819,111	₱-	₱94,867,241,603
Lease liabilities	29,914,679	(19,097,250)	1,771,477	-	-	12,588,906
Interest payable	1,050,702,091	(6,083,469,134)	6,230,240,808	-	-	1,197,473,765
Total liabilities from financing activities	₱92,415,836,897	(₱2,936,475,662)	₱6,505,123,928	₱92,819,111	₱-	₱96,077,304,274

In 2025, the Group reassessed the presentation of certain line items within the statements of cash flows, which based on the Company's assessment are not material to the financial statements. Certain 2023 and 2024 cash flow line items were presented to conform to the 2025 presentation.

23. Segment Information

For management purposes, the Group is organized into two geographical segments (i.e., Philippines and Korea). Both segments derive their revenues from operating a casino-hotel business.

The Group operates in two geographical areas where it derives its revenue. Management monitors the operating results of its geographical separately for making decisions about resource allocation and performance assessment. The Group evaluates segment performance based on contributions to EBITDA, which is not a measure of operating performance or liquidity defined by PFRS Accounting Standards and may not be comparable to similarly titled measures presented by other entities. The Group's EBITDA is computed as the Group's consolidated net income/loss before interest expense, provision for/benefit from income tax, net foreign exchange gains/losses, share in net loss of joint ventures, mark-to-market gain/loss, depreciation and amortization and non-recurring expenses.



The results of the Group's reportable geographical segments for the years ended December 31, 2025 and 2024 are as follows:

	Philippines			Korea			Eliminations			Consolidated		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Consolidated EBITDA	₱10,391,673,408	₱16,931,953,734	₱19,652,226,173	(₱218,668,366)	(₱328,819,427)	(₱326,731,108)	₱-	₱-	₱-	₱10,173,005,039	₱16,603,134,307	₱19,325,495,065
Depreciation and amortization (see Note 16)	(7,383,418,736)	(5,878,538,659)	(3,172,981,644)	(98,805,638)	(117,483,550)	(131,298,236)	-	-	-	(7,482,224,374)	(5,996,022,209)	(3,304,279,880)
Interest expense (see Note 16)	(8,053,982,015)	(8,348,631,863)	(6,522,784,163)	(51,324,268)	(50,613,280)	(50,059,053)	50,259,920	50,077,940	50,059,053	(8,055,046,363)	(8,349,167,203)	(6,522,784,163)
Foreign exchange gains (losses) - net (see Note 20)	243,949,462	1,188,728,710	(288,825,577)	262,514,752	(1,391,499,472)	(164,218,149)	(437,165,724)	924,614,969	235,086,515	69,298,490	721,844,207	(217,957,211)
Other income (expenses) (see Note 16)	2,643,690,854	(452,779,931)	(166,715,394)	732,909	59,600,394	368,371,759	-	-	-	2,644,423,763	(393,179,537)	201,656,365
Benefit from (provision for) income tax (see Note 19)	2,223,131	(5,761,908)	(2,051,802)	2,245,834	1,854,079	41,352,003	-	-	-	4,468,965	(3,907,829)	39,300,201
Consolidated net income (loss)	(₱2,155,863,896)	₱3,434,970,083	₱9,498,867,593	(₱103,304,777)	(₱1,826,961,256)	(₱262,582,784)	(₱386,905,804)	₱974,692,909	₱285,145,568	(₱2,646,074,480)	₱2,582,701,736	₱9,521,430,377

	Philippines			Korea			Eliminations			Consolidated		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Revenue	₱51,725,711,273	₱52,195,566,422	₱47,463,665,038	₱518,395,810	₱516,635,488	₱380,942,196	₱47,699,321	₱47,458,491	₱49,950,982	₱52,291,806,404	₱52,759,660,401	₱47,894,558,216
Operating costs and expenses	(48,986,521,959)	(41,505,040,121)	(31,523,135,601)	(835,958,692)	(964,311,803)	(843,555,512)	-	-	-	(49,822,480,651)	(42,469,351,924)	(32,366,691,113)
Other income (expenses):												
Interest expense	(8,053,982,015)	(8,348,631,863)	(6,522,784,163)	(51,324,268)	(50,613,280)	(50,059,053)	50,259,920	50,077,940	50,059,053	(8,055,046,363)	(8,349,167,203)	(6,522,784,163)
Foreign exchange gains (losses) - net	243,949,462	1,188,728,711	(288,825,577)	262,514,752	(1,391,499,472)	(164,218,149)	(437,165,724)	924,614,968	235,086,515	69,298,490	721,844,207	(217,957,211)
Interest income	269,065,359	362,888,774	538,715,092	88,875	1,373,338	4,583,972	(47,699,322)	(47,458,491)	(49,950,982)	221,454,912	316,803,621	493,348,082
Other income (expenses)	2,643,690,854	(452,779,931)	(166,715,394)	732,909	59,600,394	368,371,759	-	-	-	2,644,423,763	(393,179,537)	201,656,365
Benefit from (provision for) income tax	2,223,131	(5,761,908)	(2,051,802)	2,245,834	1,854,079	41,352,003	-	-	-	4,468,965	(3,907,829)	39,300,201
Consolidated net income (loss)	(₱2,155,863,895)	₱3,434,970,084	₱9,498,867,593	(₱103,304,780)	(₱1,826,961,256)	(₱262,582,784)	(₱386,905,805)	₱974,692,908	₱285,145,568	(₱2,646,074,480)	₱2,582,701,736	₱9,521,430,377

The assets and liabilities of the Group's reportable geographical segments as of December 31, 2025 and 2024 are as follows:

	Philippines		Korea		Total		Eliminations		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Assets:										
Segment assets	₱258,757,653,632	₱265,677,053,109	₱6,877,136,016	₱6,757,299,877	₱265,634,789,648	₱272,434,352,986	(₱75,136,165,862)	(₱72,737,427,644)	₱190,498,623,778	₱199,696,925,342
Liabilities:										
Segment liabilities	₱152,559,131,607	₱157,069,663,143	₱11,444,976,482	₱11,074,473,251	₱164,004,108,089	₱168,144,136,394	(₱42,172,904,292)	(₱39,373,252,984)	₱121,831,203,797	₱128,770,883,410
Deferred tax liabilities - net	9,304,077,349	8,854,413,384	139,969,194	130,006,721	9,444,046,543	8,984,420,105	(206,894,388)	30,017,899	9,237,152,155	9,014,438,004
Total liabilities	₱161,863,208,956	₱165,924,076,527	₱11,584,945,676	₱11,204,479,972	₱173,448,154,632	₱177,128,556,499	(₱42,379,798,680)	(₱39,343,235,085)	₱131,068,355,952	₱137,785,321,414



24. Events After the Reporting Period

As of March 4, 2026, in relation to the SPA entered into by G&L (see Note 1), the demerger has been completed, and the gaming license and the operations of G&L have been successfully transferred to Heaven Co. Ltd. On the same date, G&L transferred ownership of Heaven Co. Ltd. to the buyer, Blue One Ltd., following the payment totaling KRW (₩)7.0 billion (¥275.8 million) of the purchase price. The remaining balance of KRW (₩)3.0 billion (¥118.2 million) is scheduled for payment on or before February 27, 2027. Following the sale, Heaven Co. Ltd. will continue to operate the casino business at G&L's Jeju Island property under a lease agreement until a new location for its operations is secured.

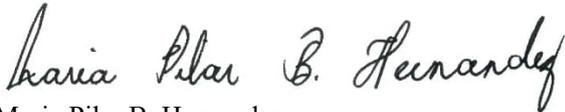


INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Bloomberry Resorts Corporation
The Executive Offices, Solaire Resort & Casino
1 Asean Avenue, Barangay Tambo, Entertainment City
Parañaque City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Bloomberry Resorts Corporation and its subsidiaries (the Group) as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 5, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Maria Pilar B. Hernandez

Partner

CPA Certificate No. 105007

Tax Identification No. 214-318-972

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 105007-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

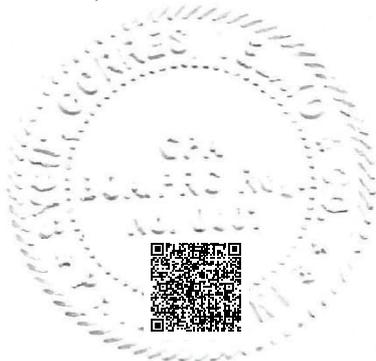
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-116-2025, December 19, 2024, valid until December 18, 2027

PTR No. 10765059, January 2, 2026, Makati City

March 5, 2026



BLOOMBERRY RESORTS CORPORATION AND SUBSIDIARIES
INDEX TO THE SUPPLEMENTARY SCHEDULES

1. Reconciliation of Retained Earnings Available for Dividend Declaration
2. Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsiidiaries, Associates, Wherever Located or Registered
3. Supplementary Schedules Required by Annex 68-J
 - Schedule A. Financial Assets
 - Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
 - Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
 - Schedule D. Long-term Debt
 - Schedule E. Indebtedness to Related Parties
 - Schedule F. Guarantees of Securities of Other Issuers
 - Schedule G. Capital Stock

Reconciliation of Retained Earnings Available for Dividend Declaration
For the reporting period ended December 31, 2025

Bloomberry Resorts Corporation and Subsidiaries
The Executive Offices, Solaire Resort & Casino,
1 Asean Avenue, Entertainment City, Tambo, Paranaque City

Unappropriated Retained Earnings, beginning of reporting period		₱6,529,244,696
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	-	
Effect of restatement or prior period adjustments	-	
Others (describe nature)	-	-
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(970,551,134)	
Retained Earnings appropriated during the reporting period	-	
Effect of (restatements or prior-period adjustments)	-	
Treasury shares	(794,841,928)	
Recognized deferred tax assets in prior year	(485,160,276)	(2,250,553,338)
Unappropriated Retained Earnings, as adjusted		4,278,691,358
Add/Less: Net Income (loss) for the current year		(165,949,374)
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	(169,178,964)	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of Investment Property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	
Sub-total		<u>(169,178,964)</u>
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment Property	-	
Other realized gains or adjustment to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	
Sub-total		<u>-</u>

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	P-
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-
Reversal of previously recorded fair value gain of Investment Property	-
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-
Sub-total	-
Adjusted Net Income/Loss	(335,128,338)

Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)	-
Subtotal	-

Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of reporting relief	-
Total amount of reporting relief granted during the year	-
Others	-
Sub-total	-

Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution

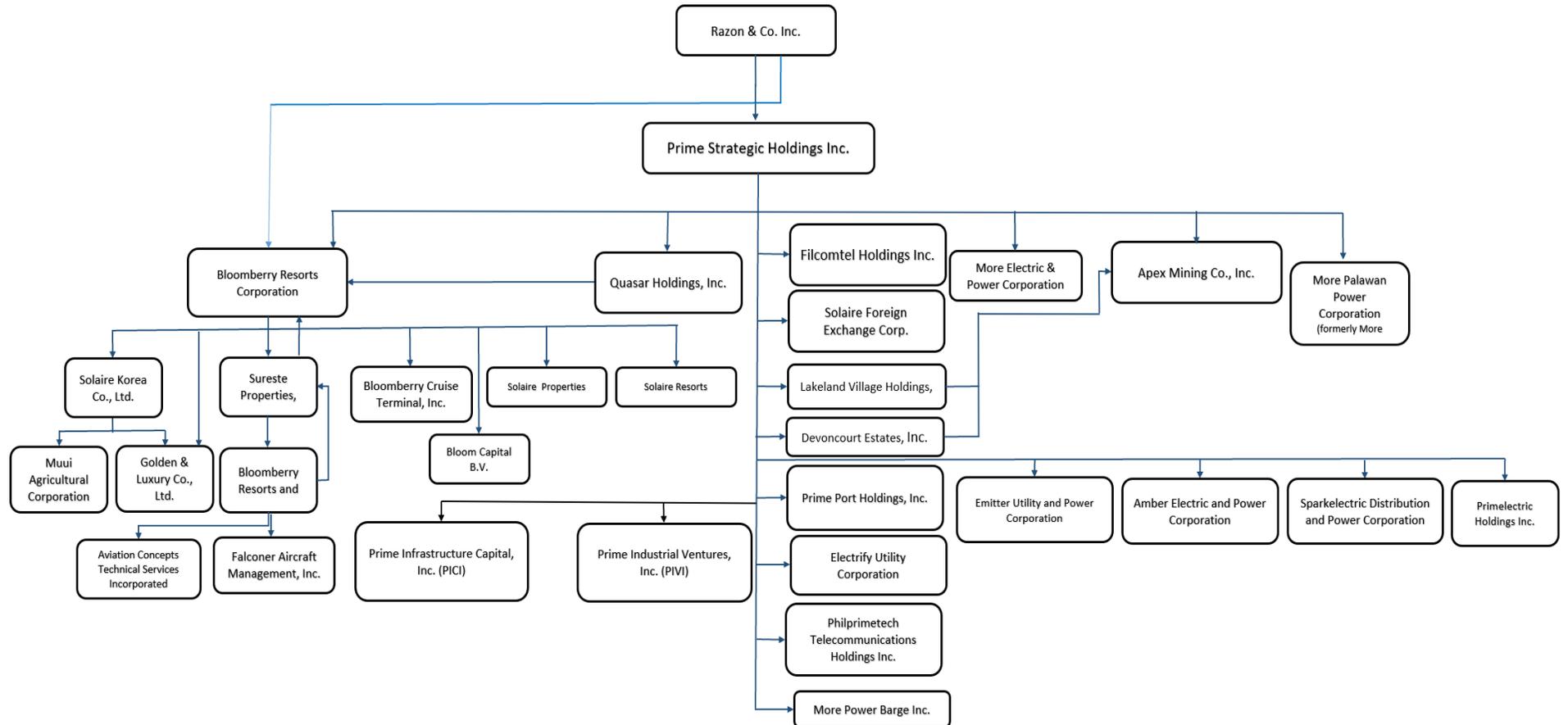
Net movement of treasury shares (except for reacquisition of redeemable shares)	188,250,574
Net movement of deferred tax assets not considered in the reconciling items under the previous categories	(67,181,641)
Net movement of deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-
Adjustment due to deviation from PFRS/GAAP – gain (loss)	-
Others (describe nature)	-
Sub-total	121,068,933

Total Retained Earnings, end of the reporting period available for dividend

₱4,064,631,953

BLOOMBERRY RESORTS CORPORATION

Schedule I. Map of Relationships
December 31, 2025



BLOOMBERRY RESORTS CORPORATION

Schedule A. Financial Assets
December 31, 2025

Name of Issuing Entity and Description of Each Issue	Name of Issuing Entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount Shown in the Balance Sheet	Value Based on Market Quotations at Balance Sheet Date	Unrealized mark-to-market gain
		<div data-bbox="981 555 1245 628" style="border: 1px solid black; padding: 5px; display: inline-block;">Not Applicable</div>			

BLOOMBERRY RESORTS CORPORATION

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
For the Year Ended December 31, 2025

Name and Designation of Debtor	Beginning Balance	Additions	Deductions			Current	Non-current	Ending Balance
			Amount Collected	Amount Written-Off	Others			
Bloomberry Resorts Corporation	₱33,077,857	₱2,002,628	(₱8,774,251)	₱-	₱-	₱26,306,234	₱-	₱26,306,234
Sureste Properties, Inc.	31,571,305	72,265,630	(72,948,828)	-	-	30,888,108	-	30,888,108
Bloomberry Resorts and Hotels Inc.	58,353,805	114,556,256	(122,680,187)	-	-	50,229,874	-	50,229,874
	₱123,002,967	₱188,824,514	(₱204,403,266)			₱107,424,216		₱107,424,216

BLOOMBERRY RESORTS CORPORATION

Schedule C. Amounts of Receivable from Related Parties, which are Eliminated During the Consolidation of Financial Statements
For the Year Ended December 31, 2025

Name and Designation of Debtor	Beginning Balance	Additions	Deductions			Current	Non-current	Ending Balance
			Amount Collected	Amount Written-Off	Others			
Solaire Korea Co., Ltd.	P6,636,512,338	P69,580,001	P-	P-	P108,509,863	P138,342,301	P6,676,259,901	P6,814,602,202
G&L Co., Ltd.	3,852,798,560	116,444,902	-	-	66,677,955	140,911,799	3,895,009,618	4,035,921,417
Bloomberry Capital B.V.	10,487,123	-	-	-	192,577	10,679,700	-	10,679,700
	P10,499,798,021	P186,024,903	P	P	P175,380,395	P289,933,800	P10,571,269,519	P10,861,203,319

BLOOMBERRY RESORTS CORPORATIONSchedule D. Long-term Debt
December 31, 2025

Name of Issuer and Type of Obligation	Amount Authorized by Indenture	Amount Shown as Current	Amount Shown as Long-term	Remarks
BRHI - Philippine peso-denominated term loans	₱69,803,625,000	₱2,158,875,000	₱67,644,750,000	See Note 11 to the Audited Consolidated Financial Statements
BRHI - Philippine peso-denominated term loans	27,000,000,000	101,250,000	26,898,750,000	
Sureste - Philippine peso-denominated term loans	13,000,000,000	48,750,000	12,951,250,000	
Less: Unamortized Debt Issue Cost	109,803,625,000 4,397,425,759	2,308,750,000 81,579,310	107,494,750,000 4,315,846,449	
	₱105,406,199,241	₱2,227,295,690	₱103,178,903,551	

BLOOMBERRY RESORTS CORPORATION

Schedule E. Indebtedness to Related Parties (Long-term Loans from Related Companies)
December 31, 2025

Name of Related Party	Beginning Balance	Ending Balance
<div data-bbox="862 475 1008 547" style="border: 1px solid black; padding: 5px; display: inline-block;">NONE</div>		

BLOOMBERRY RESORTS CORPORATIONSchedule F. Guarantees of Securities of Other Issuers
December 31, 2025

Name of Issuing Entity of Securities Guaranteed by the Company for which Statement is Filed	Title of Issue of Each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by the Company for which Statement is Filed	Nature of Guarantee
		NONE		

BLOOMBERRY RESORTS CORPORATION

Schedule G. Capital Stock
December 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding	Number of Share Reserved for Options, Warrants, Conversions and Other Rights	Number of Shares Held By		
				Parent and Affiliates	Directors, Officers and Employees	Others
Shares	15,000,000,000	11,488,557,907*	-	8,003,340,556	90,020,489	3,395,196,862

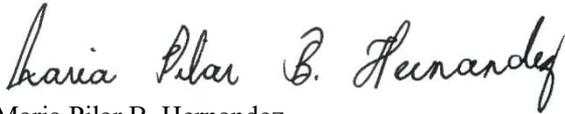
*Net of treasury shares.

INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Bloomberry Resorts Corporation
The Executive Offices, Solaire Resort & Casino
1 Asean Avenue, Barangay Tambo, Entertainment City
Parañaque City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Bloomberry Resorts Corporation and its subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 5, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Maria Pilar B. Hernandez

Partner

CPA Certificate No. 105007

Tax Identification No. 214-318-972

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

SEC Partner Accreditation No. 105007-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-116-2025, December 19, 2024, valid until December 18, 2027

PTR No. 10765059, January 2, 2026, Makati City

March 5, 2026



BLOOMBERRY RESORTS CORPORATION

Schedule J. Financial Soundness Indicators

December 31, 2025

Ratio	Formula	Current Year	Prior Year
Current ratio	Current Assets/Current Liabilities	1.87	2.04
Quick ratio	Liquid Assets*/Current Liabilities	1.70	1.91
Solvency ratios	Total Assets/Total Liabilities	1.45	1.45
Debt ratio	Total Debt/Total Assets	0.69	0.69
Debt-to-equity ratio	Total Liabilities/Total Equity	2.21	2.23
Interest Coverage	Earnings Before Interest and Taxes (EBIT) / Interest Charges	0.67	1.31
Asset-to-equity ratio	Total Assets/Total Equity	3.21	3.23
Net Profit Margin	Net Profit / Sales	(5.0%)	4.9%
Return on assets	Net Income/Total Assets	(1.4%)	1.3%
Return on Equity	Net Income / Total Stockholders' Equity	(4.5%)	4.2%
Price/Earnings Ratio	Price Per Share / Earnings Per Common Share	(10.2)	18.9

** Cash and cash equivalents plus receivables*

BLOOMBERRY RESORTS CORPORATIONSchedule K. Supplementary Schedule of External Auditor-Fee Related Information
December 31, 2025

	2025	2024
Total Audit Fees	₱20,964,400	₱16,601,880
Non-audit services fees		
Tax services	162,000	826,250
All other services	554,360	1,992,170
Total Non-audit fees	716,360	2,818,420
Total Audit and Non-audit Fees	₱21,680,760	₱19,420,300

Annex: Sustainability Reporting

Bloomberry Resorts Corporation (PSE Ticker: BLOOM, hereinafter “Bloomberry” or the “Company”) first published its Sustainability Report (SR) in 2023 in compliance the issuance of the Securities and Exchange Commission (SEC) Memorandum Circular No. 04-2019 (the “MC”). The Company issued its SR in 2019 as an Annex to its SEC Form 17-A using the reporting template of the MC and subsequently issued a full report using the Global Reporting Initiative’s (GRI) Sustainability Reporting Standards. A copy of the Company’s SR can be accessed on its official website:

<https://bloomberry.ph/sustainability>

The Company indicated below the portions of its SR which address the major portions of the Reporting Template for the SEC’s and its stockholders’ easy reference.

SEC Reporting Template Section	Solaire Sustainability Report 2025
Materiality Process	<i>Materiality Process: Annual Review of Material Topics</i>
Economic	<i>Creating Value to the Society and Good Governance</i>
Environment	<i>Protecting the Environment</i>
Social	<i>Valuing our Customers and The Solaire Team</i>
United Nations Sustainable Development Goals	<i>Value Creation Model</i>