SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED

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
   Dec 31, 2024
2. SEC Identification Number
   13174
3. BIR Tax Identification No.
   000-108-278-000
4. Exact name of issuer as specified in its charter
   Digiplus Interactive Corp.
5. Province, country or other jurisdiction of incorporation or organization
   Philippines
6. Industry Classification Code(SEC Use Only)

7. Address of principal office
   Ecoprime Bldg., 32nd St. cor. 9th Ave., BGC, Taguig
   Postal Code
   1635
8. Issuer's telephone number, including area code
   (632) 8634-5099
9. Former name or former address, and former fiscal year, if changed since last report
   N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	4,432,944,678

11. Are any or all of registrant's securities listed on a Stock Exchange?
   ☑ Yes ☐ No
   If yes, state the name of such stock exchange and the classes of securities listed therein:
   Philippine Stock Exchange; Common 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 ☐ No

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

☑ Yes ☐ No

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form

P45,360,673,660.95 (based on market price on April 4, 2025)

APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

☐ Yes ☑ No

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

(a) Any annual report to security holders

N/A

(b) Any information statement filed pursuant to SRC Rule 20

N/A

(c) Any prospectus filed pursuant to SRC Rule 8.1

N/A

DigiPlus Interactive Corp.
PLUS

PSE Disclosure Form 17-1 - Annual Report
References: SRC Rule 17 and
Section 17.2 and 17.8 of the Revised Disclosure Rules

For the fiscal year ended	Dec 31, 2024
Currency	Php (In Thousands)

Balance Sheet

	Year Ending	Previous Year Ending
	Dec 31, 2024	Dec 31, 2023
Current Assets	20,280,925	8,461,698
Total Assets	44,144,887	29,714,913
Current Liabilities	9,817,231	7,457,955
Total Liabilities	12,865,141	10,789,263
Retained Earnings/(Deficit)	19,189,253	7,404,748
Stockholders' Equity	31,279,746	18,925,650
Stockholders' Equity - Parent	31,089,665	18,743,146
Book Value Per Share	7.05	4.25

Income Statement

	Year Ending	Previous Year Ending
	Dec 31, 2024	Dec 31, 2023
Gross Revenue	75,223,148	27,251,051
Gross Expense	62,354,302	22,966,906
Non-Operating Income	222,100	281,830
Non-Operating Expense	460,331	386,737
Income/(Loss) Before Tax	12,630,615	4,179,238

Income Tax Expense	46,509	84,385
Net Income/(Loss) After Tax	12,584,106	4,094,853
Net Income/(Loss) Attributable to Parent Equity Holder	12,577,884	4,077,734
Earnings/(Loss) Per Share (Basic)	2.85	1.04
Earnings/(Loss) Per Share (Diluted)	2.74	1.04

Financial Ratios

	Formula	**Fiscal Year Ended**	**Previous Fiscal Year**
		Dec 31, 2024	Dec 31, 2023
Liquidity Analysis Ratios:			
; ; Current Ratio or Working Capital Ratio	**Current Assets / Current Liabilities**	206.6	113.5
; ; Quick Ratio	**(Current Assets - Inventory - Prepayments) / Current Liabilities**	191.4	94
; ; Solvency Ratio	**Total Assets / Total Liabilities**	343.1	275.4
Financial Leverage Ratios			
; ; Debt Ratio	**Total Debt/Total Assets**	29.1	36.3
; ; Debt-to-Equity Ratio	**Total Debt/Total Stockholders' Equity**	41.1	57
; ; Interest Coverage	**Earnings Before Interest and Taxes (EBIT) / Interest Charges**	78.68	24.22
; ; Asset to Equity Ratio	**Total Assets / Total Stockholders' Equity**	141.1	157
Profitability Ratios			
; ; Gross Profit Margin	**Sales - Cost of Goods Sold or Cost of Service / Sales**	17.1	15.7
; ; Net Profit Margin	**Net Profit / Sales**	16.7	15
; ; Return on Assets	**Net Income / Total Assets**	34.1	16.2
; ; Return on Equity	**Net Income / Total Stockholders' Equity**	50.1	25.6
Price/Earnings Ratio	**Price Per Share / Earnings Per Common Share**	9.51	7.7

Other Relevant Information
DigiPlus Interactive Corp. is not involved in any insolvency proceedings. Question No. 14 is not applicable.

Filed on behalf by:

Name	Carol Padilla
Designation	Corporate Secretary

COVER SHEET

1	3	1	7	4

SEC Registration Number

DIGIPLUS INTERACTIVE CORP.

(Company's Full Name)

ECOPRIME BUILDING, 32ND. ST. COR.
9TH. AVE. BONIFACIO GLOBAL CITY,
TAGUIG CITY

(Business Address: No. Street City/Town/Province)

Mr. Wilfredo Pielago
(Contract Person)

(02) 8634-5099
(Company Telephone Number)

12 31
Month *Day*
(Fiscal Year)

17-A
(Form Type)

07 26
Month *Day*
(Annual Meeting)

Not Applicable
(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Not Applicable
Amended Articles Number/section

1,803
Total No. of Stockholders

Total Amount of Borrowings

Domestic | Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

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 **December 31, 2024**

2. Commission identification number **13174**

3. BIR tax identification number **000-108-278**

4. Exact name of issuer as specified in its charter
DIGIPLUS INTERACTIVE CORP.

5. Province, country or other jurisdiction of incorporation or organization
PHILIPPINES

6. Industry Classification Code: ________ (SEC use only)

7. Address of registrant's principal office
ECOPRIME BUILDING, 32ND ST. COR. 9TH AVE., BONIFACIO GLOBAL CITY, TAGUIG CITY

8. Issuer's telephone number, including area code
8637-5291

9. Former name, former address and former fiscal year, if changed since last report
N/A

10. Securities registered pursuant to Section 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each class	Number of shares of common stock outstanding and amount of debt outstanding
Common	4,432,944,678/NA

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

Yes [/] No [ ]

12. Indicate by check mark whether the registrant:

a.) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 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 the registrant was required to file such reports).

Yes [/] No [ ]

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

Yes [/] No [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form (See definition of "affiliate" in "Annex B").

    Aggregate market value of voting stock held by non-affiliates: ₱45,360,673,660.95 (based on market price on April 4, 2025).

APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEARS

14. Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court or the Commission.

    Yes [ ]   No [ ]

    NOT APPLICABLE

DOCUMENTS INCORPORATED BY REFERENCE

15. If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-A into which the document is incorporated:

    (a) Any annual report to security holders;

    (b) Any proxy or information statement filed pursuant to SRC Rule 20 and 17.1(b);

    (c) Any prospectus filed pursuant to SRC Rule 8.1-1.

DIGIPLUS INTERACTIVE CORP.

ANNUAL REPORT
(SEC FORM 17-A)

TABLE OF CONTENTS

PART I - BUSINESS AND GENERAL INFORMATION

Item 1. Corporate Information

Primary Purpose

DigiPlus Interactive Corp. (hereinafter referred to as (the "Company" or "DigiPlus" or "the Registrant") was incorporated on October 10, 1957. As part of the corporate restructuring of the Company in 1996, the Company's primary purpose was amended in 1999 to engage in realty development focusing on leisure business and its operations remained minimal and functioned as a holding company.

In October 1999, the Board of Directors (BOD) of the Company approved the Share Exchange Agreements ("Agreements") with the shareholders of AB Leisure Exponent, Inc. (ABLE), operator of a number of bingo parlors, for the acquisition of all outstanding capital stock of ABLE in exchange for 750 million new shares of the Company valued at ₱750 million. As a result, ABLE became a wholly owned subsidiary of the Company.

On September 19, 2000, the Securities and Exchange Commission (SEC) approved the Company's increase in authorized capital stock to ₱2.5 billion. Out of the aforementioned increase which consists of a total 2.5 billion common shares at ₱1 par value, a total of 750 million common shares with aggregate par value of ₱ 750.0 million have been subscribed and fully paid for through the assignment in favor of the Company of 500,000 common shares of ABLE representing the entire outstanding capital stock thereof by ABLE shareholders. This subscription and payment in ABLE shares was an implementation of the duly executed Agreements between the Company and ABLE's shareholders. Initially, 236,626,466 shares were approved by SEC for release to previous ABLE shareholders. The remaining shares corresponding to 513,373,534 were principally held in escrow with a local commercial bank. In 2003, the stockholders of the Parent Company approved the decrease in authorized capital stock from 2.5 billion shares to 1.6 billion shares at ₱1 par value per share. Accordingly, the Company's issued capital stock decreased from ₱1,162,678,120 to ₱744,114,784. This equity restructuring resulted in a reduction of ₱418,563,336 in the Company's deficit as at January 1, 2004 and reduced shares held in escrow to ₱328,559,059. In 2007 and 2008, SEC approved the release of 322,616,462 shares held in escrow. The remaining shares totaling 5,942,597 were finally approved for release on October 10, 2011.

On March 11, 2011, the BOD authorized the issuance, through private placement, of 150 million shares from its unissued capital stock at a price of ₱7.50 per share. The newly issued shares were subscribed by third parties. Twenty-Five percent (25%) of the subscription amount was paid upon the execution of the Subscription Agreements on March 24, 2011, while the remaining seventy five percent (75%) was settled on May 15, 2011. The issuance of these shares was filed with SEC on May 2011 and was approved and ratified by the stockholders on July 29, 2011. As a result, the total issued and outstanding stocks of the registrant as at December 31, 2011 increased to 999,877,094 shares.

In 2013, the Parent Company issued 1.65 billion perpetual preferred shares with a par value of ₱1.00 per share through private placement for an issue price of ₱1.00 per share. The preferred shares are cumulative, non-voting and non-participating. On the fifth anniversary of the issue date of the 1.65 billion perpetual preferred shares or on any dividend payment date thereafter, the Parent Company has the option, but not the obligation, to redeem the perpetual preferred shares in whole or in part at a redemption price equal to the issue price of the perpetual preferred shares plus cumulated and unpaid cash dividend, if any, for all dividend periods up to the date of actual redemption by the Parent Company. A nil-paid, detachable warrant was issued to the investor/s for every twenty (20) preferred shares. Each warrant shall entitle the investor/s to purchase one (1) common share. The exercise price of the warrant shall be ₱15.00 or DigiPlus' weighted average trading price for three (3) months prior to the exercise date of the warrant less ten percent (10%) discount. The

warrants are exercisable starting on the 5th anniversary of the perpetual preferred shares until the 8th anniversary.
On January 11, 2019, the Parent Company called for a Special Stockholder's Meeting for the approval of the issuance of up to 1,300,147,488 common shares from the unissued capital stock through a private placement at a price based on a premium over the Parent Company's shares closing price on November 29, 2018. The BOD approved and ratified the issuance and subscription of its 1,300,147,488 common shares at an issue price of ₱3.60 on the same date.

In March and April 2019, 1,217,647,488 common shares were subscribed at ₱3.60 per share by virtue of the subscription agreements entered into by the Company with various investors. The proceeds from the issuance were used to refinance the Company's existing obligations, for expansion programs and working capital requirements.

On January 31, 2020, the Parent Company redeemed all of its 1.65 million preferred shared at ₱1.00 per share.

On June 15, 2021 and July 30, 2021, the BOD and stockholders of the Company, respectively, approved the reclassification of DigiPlus' 1.65 million preferred shares into common shares. On November 22, 2021 and January 7, 2022, the BOD and stockholders, respectively, approved the reclassification of the remaining 1.0 billion authorized unissued preferred shares into common shares. On May 26, 2022, the SEC approved the amendments of the Articles of Incorporation.

On March 7, 2022, the BOD approved and authorized the issuance of 1,272,352,512 common shares at an issue price of ₱1.65 per share to various subscribers. Pursuant to the Subscription Agreements, the payment of the subscription price to the Company shall be fully paid by the subscribers within 90 days from signing of their respective Subscription Agreements, which fell on June 9, 2022. On May 10, 2022, the Board approved the extension of the deadline to pay up to August 9, 2022. On August 8, 2022, the Company received the full payment of the subscription amount from all the private placement subscribers. The 1,272,352,512 subscribed shares were issued from the 1,650,000,000 treasury shares.

On September 15, 2022, the BOD approved the amendment of the Parent Company's Articles of Incorporation to change the: (a) name of the Parent Company to "Digiplus Interactive Corp."; and (b) business address of the Parent Company from Pasig City to Taguig City. On the same date, the BOD further approved the: (a) issuance of 691,200,000 common shares to various subscribers at ₱1.70 per share or 5% above the 30-day volume-weighted average price prior to stockholders' meeting; and (b) increase in authorized capital stock from ₱5 billion to ₱7 billion.

On February 28, 2023, the Securities and Exchange Commission approved the change of corporate name of the Company from "Leisure & Resorts World Corporation" to "DigiPlus Interactive Corp."

In view of the foregoing, the Company has changed its stock symbol from "LR" to "PLUS".

Subsidiaries

AB Leisure Exponent, Inc. (ABLE)

On December 28, 1994, ABLE was registered with the SEC. The primary purpose of ABLE and its subsidiaries is to provide amusement and recreation to the public in such forms as, but not limited to, traditional, electronic, pull tabs and rapid bingo games. Doing business as Bingo Bonanza Corporation, ABLE has established itself as the pioneer in professional bingo gaming in the Philippines. It has thirty (30) subsidiaries including 126 bingo parlors operated by minority owned affiliates. Philippine Amusement and Gaming Corporation (PAGCOR) granted ABLE and subsidiaries/affiliates the authority to operate bingo games pursuant to PD 1869. Since then, bingo outlets of ABLE and its subsidiaries have become community and entertainment centers, a source of revenue for the government, and a sponsor for fund-raising activities relating to social and educational programs.

Total Gamezone Xtreme Incorporated (TGXI)

On July 21, 2014, the Company entered into an Asset and Share Purchase Agreement with Premiere Horizon Alliance Corporation (PHAC) to purchase the latter's 100% stake in TGXI. TGXI is the assignee and purchaser of the assets, rights and interests of Digiwave Solutions, Inc. (DSI), the operator and licensee of PAGCOR e-games stations.

On November 9, 2020, the Company's BOD approved the increase in the authorized capital stock from ₱500.0 million to ₱1.0 billion divided into 10.0 billion shares with par value of ₱100 each. The SEC approved the increase on January 5, 2021.

On December 2, 2024, the BOD of TGXI approved the declaration of cash dividend totaling ₱13.0 billion to stockholders of record as of December 31, 2024.

As of December 31, 2024, TGXI is a wholly owned subsidiary of DigiPlus with 3,429,995 shares and paid-up subscription in the amount of ₱249,999,500, with par value of ₱100 per share.

Gamemaster Integrated Inc. (Gamemaster)

On October 18, 2017, Gamemaster Integrated Inc. (formerly G Boracay Beta Holding Corp.) (the "Company") was registered with Philippine Securities and Exchange Commission (SEC) primarily among others, to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description, including share of stocks, bonds, debentures, notes, evidences of indebtedness.

In September 2023, the Company applied for a change in its corporate name from "G Boracay Beta Holding Corp." to "Gamemaster Integrated Inc." and its primary purpose to engage in, purchase, acquire, establish, own, hold, sell, lease, conduct, operate, mange, and/or furnish general amusement, gaming operations and recreational services to the public such as, but not limited to, bingo games, electronic games, traditional bingo, electronic bingo, sports betting, social games, ballroom dancing, tea and garden parties, movie premiers, stage plays, basketball games, concerts, variety shows and other similar related business activities, land-based gaming, remote gaming, electronic gaming and their facilities and other gaming ventures, including but not limited to integrated resort casinos, bingo parlors, lotto, games of chance, gaming marketing; and to carry on any lawful business activities and to do accomplishment of any of the purposes enumerated or incidental to the powers of the corporation. On September 15, 2023 the SEC approved the Company's application to change its corporate name and primary purpose.

On July 12, 2024, the BIR has issued the Certificate Authorizing Registration of transfer of 100% shares in Gamemaster Integrated Inc. from G-Boracay Land Holdings Inc. (GBLHI) to DigiPlus Interactive Corp.

Blue Chip Gaming and Leisure Corporation (BCGLC)

On October 9, 2009, BCGLC was registered with Philippine SEC. Its primary purpose is to provide investment, management, counsel, and to act as agent or representative for business enterprises engaged in gaming, recreation and leisure activities. On October 20, 2009, BCGLC (lessor), as the authorized representative of Munich Management Limited - a foreign corporation duly organized and registered in British Virgin Islands, entered into a contract of lease with PAGCOR (lessee) for the use of slot machines and gaming facilities.

On April 27, 2011, DigiPlus purchased 26,250 shares of BCGLC representing 70% of BCGLC's outstanding capital stock. The purchase was ratified by DigiPlus' BOD on May 24, 2011. On December 1, 2015, DigiPlus purchased the remaining 30% or 11,250 shares from BCGLC's minority stockholders.

On July 24, 2015, BCGLC incorporated a subsidiary, Gold Coast Leisure World Corp. (GCLWC) with authorized capital stock of ₱15.0 million divided into 150,000 shares with par value of ₱100 per share, of which ₱3.75 million has been subscribed. GCLWC was incorporated to comply with Section 18, Chapter III of the Implementing Rules and Regulations of Republic Act No. 7227. GCLWC obtained an Enterprise Registration with the Subic Bay Metropolitan Authority in 2016.

On December 17, 2015, BCGLC received a letter from PAGCOR, informing that its BOD approved and confirmed the assignment in favor of BCGLC of the Contracts of Lease over four PAGCOR VIP Clubs at: (1) Venezia at Subic Bay Freeport Zone, Subic Zambales with Palmgold International Limited; (2) Pan Pacific, Malate Manila with Pacific Palm Corporation; (3) Paseo Premier Hotel, Sta. Rosa Laguna with Pacific Palm Corporation; (4) Apo View Hotel, Davao City with Pacific Palm Corporation; and (5) Bacolor, Pampanga with Kings Royal Hotel and Leisure Park Corporation.

On January 18, 2016, BCGLC assigned the VIP Club at Venezia at Subic Bay Freeport Zone to its subsidiary, GCLWC.

On January 28, 2016, the Amended Contracts of Lease of three (3) VIP Clubs, namely Pan Pacific, Paseo Premier Hotel and Apo View Hotel were executed under the name of BCGLC, while the other VIP Club, Venezia at Subic Bay Freeport Zone was under the name of GCLWC.

Prime Investment Korea Inc. (PIKI)

On March 22, 2013, DigiPlus purchased 10,000,000 shares of PIKI representing 100% ownership at a price of ₱1.0 million. The purchase was ratified by DigiPlus' BOD on June 10, 2013. The acquisition is in line with the Group's goal to expand and venture in other forms of gaming.

PIKI started its commercial operations on July 26, 2013. Together with Philippine Amusement and Gaming Corporation (PAGCOR), PIKI executed a Junket Agreement to jointly conduct junket gaming operations within PAGCOR's Casino Filipino-Midas located at Midas Hotel and Casino in Roxas Boulevard, Pasay City.

In 2020, PIKI ceased its operations.

Hotel Enterprises of the Philippines, Inc. (HEPI)

On November 11, 2012, DigiPlus executed an Investment Agreement with Eco Leisure and Hospitality Holding Company, Inc. ("Eco Leisure") and HEPI for the acquisition of 51% of the outstanding capital stock of HEPI which owns and operates the Midas Hotel and Casino. DigiPlus' total investment in HEPI, paid in cash, is ₱750.0 million. DigiPlus and Eco Leisure executed a Shareholders' Agreement to embody their mutual agreements and covenants concerning the sale and purchase of HEPI's shares, respective rights and obligations while certain covenants and conditions have not been fully complied by the parties under the Investment Agreement.

On March 10, 2016, the BOD approved the amendment of HEPI's Articles of Incorporation particularly on: (a) Article II Primary Purpose, (b) Article IV extending the term of the corporate existence of the HEPI to another fifty (50) years from July 30, 2012, (c) Article VI decreasing the number of the BOD to 7, and (d) Article XI adding new provisions governing the issuance and transfer of shares of the corporation.

First Cagayan Leisure and Resort Corporation (FCLRC)

On April 26, 2000, FCLRC was incorporated with the Philippine SEC. DigiPlus acquired 35% of the outstanding capital stock of FCLRC by purchasing 43,750 shares with a par value of ₱100 per share on September 20, 2005. FCLRC has an existing License Agreement with the Cagayan Economic Zone Authority (CEZA) to develop, operate, and conduct internet and gaming enterprises and facilities in the Cagayan Special Economic Zone Free Port (CSEZFP). Pursuant to the License Agreement, FCLRC was issued the "CEZA Master Licensor Certificate" certifying that FCLRC is duly authorized to regulate and monitor on behalf of CEZA all activities pertaining to the licensing and operation of interactive games. On March 3, 2006, DigiPlus' BOD approved the additional investment of 40,000 shares in FCLRC for an aggregate amount of ₱32.0 million. This additional subscription to FCLRC's shares brought DigiPlus' total investment to 83,750 shares representing 50.75% of the issued and outstanding capital stock. On April 3, 2006, the BOD approved the acquisition of 31,250 shares (prior to issuance of the additional subscription) of FCLRC, from one of its shareholders, Joanna Heights, Inc., for an aggregate amount of ₱25.0 million on the same terms as the earlier additional subscription. The acquisition was completed upon execution of the Deed of Assignment of Rights on September 27, 2006. With this acquisition, DigiPlus holds 115,000 shares representing 69.68% of the issued and outstanding capital stock of FCLRC.

In 2023, DigiPlus acquired an additional 17.59% interest in the shares of FCLRC, increasing its ownership interest to 87.27%. Cash consideration was paid to the non-controlling shareholder amounting ₱2.9 million.

In 2024, DigiPlus acquired additional 10% minority interest in FCLRC increasing its ownership interest to 97.27%. Cash consideration was paid to the non-controlling shareholder amounting ₱1.65 million.

LR Data Center and Solutions Inc. (LRDCSI)

On May 20, 2016, LRDCSI was registered with SEC primarily to engage in information technology and communication and to own, develop, produce, design, integrate, install, sell buy, rent, establish, manage, audit, rehabilitate, operate, lease except financial leasing or otherwise dispose of and generally deal in and with systems, facilities, equipment, devices and services involving the processing, movement, monitoring and retrieval of information including but not limited to data, voice, image, video, audio, tone or any form or kind of communication whatsoever, such as but not limited to Internet Protocol (IP) Systems products and their improvements, provide services related thereto, such as value added services (VAS), voice over internet protocol (VOIP), internet merchant payment processing and payment solution, premium dial up access services, IP-wide area network services, software development and applications, data center services, co-location services, bandwidth, disaster recovery services and managed services and such allied undertakings, and as a consequence and as may be necessary useful and convenient in the premises, carry on and undertake such activities which may be reasonably and conveniently carried on in connection with or incidental to above purpose, or calculated, directly or indirectly, to enhance the value of or render profitable, any of the Corporation's property or rights.

The Company is 80% owned by DigiPlus.

The Company stopped its commercial operations on July 2022.

AB Leisure Global, Inc. (ABLGI)

On October 20, 2009, SEC approved the incorporation of another wholly owned subsidiary, AB Leisure Global, Inc. (ABLGI), whose primary purpose is to purchase, acquire, own, use, improve, construct, develop, maintain, subdivide, sell, dispose of, exchange, lease and hold for investment, or otherwise deal with real estate and personal property of all kinds, including the management and operation of the activities conducted therein pertaining to general amusement and recreation enterprises, such as but not limited to resorts, golf courses, clubhouses and sports facilities, hotels and gaming facilities, with all the apparatus, equipment and other appurtenances as may be related thereto or in connection therewith. The authorized capital stock of ABLGI is ₱5.0 million, divided into 50,000 shares with par value of ₱100 per share, of which ₱1.25 million has been subscribed and ₱312,500 has been paid up. On May 6, 2013, the Company's BOD approved the increase in the authorized capital stock from ₱5.0 million to ₱2.0 billion divided into 20,000,000 with par value of ₱100 per share. The SEC approved the increase in February 2014. As of December 31, 2013, DigiPlus has subscribed and paid ₱1.45 billion.

In 2014, DigiPlus subscribed and paid additional ₱98.75 million bringing its total investment to ₱1.55 million.

In 2017, ABLGI incorporated 7 subsidiaries (direct and indirect) including its land holding company for the Boracay project.

On November 27, 2017, the BOD authorized ABLGI to avail a loan facility with BDO Unibank, Inc. and approved the terms and transactions contemplated by the Omnibus Loan and Security Agreement by and among ABLGI as borrower, share mortgagor, mortgagor and assignor, ABLGI subsidiaries as sureties, share mortgagors, mortgagors and assignors, DigiPlus as share mortgagor, mortgagor and surety, ABLE, TGXI, PIKI, BCGLC and FCLRC as sureties, BDO Unibank, Inc. as lender, and BDO Unibank, Inc. - Trust and Investments Group as security trustee. The loan was paid in full in January 2023.

LR Land Developers Inc. (LRLDI)

On December 11, 2007, the SEC approved the incorporation of a wholly owned subsidiary, Northern Philippines Land and Property Development Inc. (NPLPDI), whose primary purpose is to engage in the business of purchasing, leasing, owning, using, improving, developing, subdividing, selling, mortgaging exchanging, leasing, and holding for investment or otherwise, real estates of all kinds and build or cause to be built on any such land owned, held or occupied for management or disposition buildings, houses, or other structures with their appurtenances. On March 3, 2008, SEC approved the amendment to the Articles of Incorporation changing its name to LR Land Developers, Inc.

On April 16, 2012, Techzone Philippines, Inc. (TPI) was incorporated, a 50% owned associate of LRLDI, which is engaged in the acquisition, lease, donation, etc. of real estate of all kinds. TPI started its commercial operations in 2016.

On November 4, 2019, the Company sold the 50% interest of TPI shares for the selling price of ₱1.75 billion.

Diginvest Holdings Inc. (Diginvest)

On September 30, 2024, Diginvest was incorporated as a wholly-owned subsidiary of DigiPlus with the primary purpose to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities of obligations of any other corporation or corporations, association or associations, domestic or foreign, for whatever lawful purpose or purposes the same may have been organized, and to pay therefore in money or by exchanging therefore stocks, bonds, property or other evidence of indebtedness or securities of this or any corporation, stocks, bonds, debentures, contracts or obligations, to receive, collect and dispose of the interest, dividends, and income arising from such property, and to possess and exercise in receipt thereof all the rights, powers and privileges of ownership, including all voting powers or any stock so owned; without acting as a broker/dealer in securities. The principal office of Digincest is located at 35th Floor, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

Binondo Leisure Resources, Inc. (BLRI)

On February 11, 2003 BLRI was incorporated and subsequently amended on July 2, 2003. On July 25, 2003, the Company signed a Memorandum of Agreement (MOA) with BLRI. In accordance with the MOA, the Company acquired a 30% interest in BLRI through the assignment of shares. The MOA also indicated that the Company would subscribe to 200,000 preferred shares of BLRI with a par value of ₱100. On May 13, 2004, the SEC approved BLRI's application for the increase in its authorized capital stock from ₱5.0 million divided into 50,000 common shares with par value of ₱100 per share, to ₱50.0 million divided into 200,000 common shares and 300,000 preferred shares both with par value of ₱100 per share.

On June 4, 2018, the BOD approved the declaration of cash dividend equivalent to ₱0.0425 per share payable to all preferred stockholders of record as of June 20, 2018. On July 19, 2019, the BOD approved the declaration of cash dividend equivalent to ₱0.0942 per share payable to all preferred stockholders of record as of August 2, 2019. On October 24, 2019, the BOD approved the declaration of cash dividend equivalent to ₱0.0471 per share payable to all preferred stockholders of record as of December 31, 2019.

There were no cash dividends declared by the BOD to common stockholders of the Company in 2024 and 2023.

PRODUCT PORTFOLIO

Online Products

BingoPlus

BingoPlus is the Philippines' first interactive live streaming digital bingo platform that continues to bring fun and excitement to bingo-loving Filipinos nationwide. From its launch in January 2022 as the first online bingo app in the country, it has expanded into a platform offering various forms of entertainment for Filipinos.

To bring variety to the platform, BingoPlus also offers over 1,000 electronic games on its platform. Games offered range from e-bingo, card games, live color games, carnival games, and slot games.

In 2024, BingoPlus continued to seamlessly integrate its online and offline customer experience. Aside from 24/7 live streaming, its cutting-edge information technology infrastructure is complemented by its 148 physical sites spread out across the Philippines.

ArenaPlus

Launched in February 2023, ArenaPlus is an online sports betting platform focused on making local and international sports more accessible to Filipinos. ArenaPlus provides its services through its website and mobile app, ensuring convenience to its users as they avail of the live sports event streaming and remote gaming system to place and transact any type of sports bet.

ArenaPlus has been developed to provide the latest scores and results from a wide range of games worldwide, including basketball, baseball, soccer, volleyball, boxing, and many more. The platform's security also adds a layer of confidence that allows players to freely enjoy the app. Beyond providing entertainment to Filipinos, ArenaPlus partners with local sports organizations to bring more recognition to Philippine athletes and niche sports.

GameZone

GameZone is revolutionizing digital gaming with a cutting-edge, player-focused platform that offers thrilling, high-quality betting experiences. With its live streaming capability and exclusive Player vs. Player (PVP) mode for Tongits, alongside a diverse range of classic card and betting games, GameZone delivers an unparalleled level of engagement and competition. Designed for the next generation of gamers, it continuously pushes the boundaries of digital gaming innovation.

Offline Products

As of December 31, 2024, the Group owns 126 bingo parlors nationwide, of which 119 sites are operating while 7 sites are temporary closed and 22 e-Games branches, of which 19 are operating while 3 sites remained temporary closed.

Most of these bingo parlors are located in major shopping malls in Metro Manila and in key provincial cities. Enumerated below is a list of bingo branches, subsidiaries/affiliates and its locations.

Bingo Parlors

Company	Location	
AB Leisure Exponent, Inc.	1	Building A, SM Megamall, J. Vargas Street, EDSA, Mandaluyong City
	2	Sta. Lucia East Mall, Cainta, Rizal
	3	SM City, North EDSA, EDSA, Quezon City
	4	New Farmers Plaza, EDSA, Quezon City
	5	Makati Cinema Square, Pasong Tamo, Makati City
	6	SM Southmall, Almanza, Las Pinas City
	7	IL Centro, Sta.Lucia East Grandmall Marcos Highway, cor Felix Ave., Cainta Rizal
	8	J Ramos Bldg., Poblacion Zone 1 Bayambang, Pangasinan
	9	JSR, Kareenan Street, Roxas Blvd., San Carlos City, Pangasinan
	10	Benry Square, McArthur Highway, Brgy. San Nicolas, Tarlac City
	11	2/F Live Bistro Building, Sitio Paroba, Barangay Tibag, Tarlac City
	12	T - 1,2,3 City Mall F. Quimpo St., Pob. Kalibo, Aklan
	13	Ground floor, FGD Bldg. Barangay Guiguilonen corner Navaluan, Mangaldan Pangasinan
	14	M Place 2, Maharlika Highway, Matias District, Talavera
	15	Ground Floor, Metro Central Mall, Sitio Antipolo, Brgy. Labuin, Sta. Cruz, Laguna
	16	Ground Floor, City Mall Anabu 357, Aguinaldo Highway Imus Cavite
	17	Ground Floor, Victory Central Mall, Brgy. Balibago, Sta. Rosa City, Laguna
	18	2nd Floor Pacific Mall, Legazpi City, Albay
Alabang Numbers & Gaming Corp.	19	V-Central Mall, Molino Bacoor, Cavite
Allpoint Leisure Corporation	20	3rd Floor, SM Centerpoint, Araneta Avenue cor Magsaysay
Alpha One Amusement and Recreation Corp.	21	GF & 2F Romero Bldg., 1337 Balintawak Market, EDSA, Balingasa, Quezon City
Big Time Gaming Corporation	22	G/F QY Plaza, 233 Tomas Morato Ave., South Triangle 4, Quezon City

Company		Location
	23	Robinsons' Supermarket, EMA Town Center, Brgy. Camalig, Meycauayan Bulacan
	24	G/F Madison Square Alabang Zapote Road, Las Pinas City
	25	2/F Bocobo Commercial Center, #1244 Legaspi St., Bocobo cor Padre Faura St., Ermita Manila
	26	G/F A.S. Commercial Bldg., Unit A, B, C, Falcon St., Brgy Poblacion 5, Sta. Cruz, Laguna
	27	G/F Sogo Bldg., Brgy San APA Mahalika Highway, Cabanatuan City
	28	Puregold San Mateo, Km 21 Gen. Luna St., Brgy Banaba, San Mateo Rizal
	29	G/F Icon Hotel, #967 EDSA corner West Avenue, Brgy. Philam, Quezon City
	30	2F Parkmall E. Ouano Ave. Brgy. Tipolo City South Mandaue Reclamation Area,Special Economic Administrative Zone Mandaue City
	31	SkyOne Bldng., Brgy. Isidro Angono Rizal
	32	G/F Roben Theatre, C. M Recto Avenue Brgy. 313 Zone 31, Sta. Cruz Manila
	33	G/F Jea Bldg. Lopez St., Corner Jalandoni St., Iloilo City
	34	31 J.P. Rizal St, Brgy. Tabok, Mandaue City
	35	Lucky Chinatown Mall, #293 Lachambre St., Binondo, Manila
	36	Ground Floor, Robinson’s Place,J. Catolico Sr. Avenue, Barangay Lagao, General Santos City
	37	Syquio Business Center Maharlika Highway, Brgy. Daan Sarile Cabanatuan City
	38	2nd Flr. Blue Horizon Bldg., Quezon Avenue Poblacion Alaminos City Pangasinan 2404
	39	Dizon Building # 244 Entiero Street, Brgy. Sto. Cristo, Angeles City Pampanga
	40	2nd flr. Sir Thomas Square. No.18 Matalino St. corner Matatag st. Diliman Quezon City
	41	#14 Tanjuatco Building, Sampaloc Road, Plaza Aldea, Tanay Rizal
	42	Bldg Sitio Kanluran, Kumintang Ibaba, Batangas City
Bingo Dinero Corporation	43	SM City, North Reclamation Area, Cebu City
Bingo Extravaganza, Inc.	44	SM Sucat, Sucat Road, Paranaque City
	45	SM City Bicutan, Don Bosco, Paranaque City
	46	Tonie's Mart, Puerto Princesa, Palawan
	47	A. Salvador St., Sta. Veronica, Guimba, Nueva Ecija
	48	#424 Division Road, Brgy. Sta. Rosa, Bayombong Nueva Vizcaya
Bingo Gallery Incorporated	49	SM City Mastersons Ave., Canitoan, Cagayan de Oro City
Bingo Palace Corporation	50	Robinson's Place, Ermita, Manila
	51	SM Mall of Asia, Pasay City
	52	LGF Congresssional Town Center, #23 Congressional Avenue, Quezon City
	53	G/F Robinson's Luisita, Brgy. San Miguel, Hacienda Luisita Tarlac
	54	242- C Manly Building Mac Arthur Hi-Way, Dalandanan Valenzuela City
	55	UG/F Puregold Novaliches 1018 Quirino Highway Novaliches Quezon City
	56	LG/F, Imall-Camarin. Kiko Rd., Camarin, Caloocan City
	57	GD Plaza, Mc Arthur Highway, Brgy. Ilang Ilang, Guiguinto, Bulacan
Cebu Entertainment Gallery Inc.	58	Elizabeth Mall, Leon Kilat St., Cebu City

Company	Location	
First Leisure & Game Co., Inc.	59	G/F Art District Bldg., Lacson St., Lopue's Mandalagan, Bacolod City
	60	G/F Gustilo Town Center & Northland Resort, Provincial Road cor National Highway, Manapla, Negros Occidental
	61	G/F Gaisano Mall, Araneta St., Brgy. Singcang, Bacolod City, Negros Occidental
	62	G/F Gaisano Mall, Cagba, Brgy. Tugbu, Masbate City
	63	G/F Centro Mall Lopez Ave., Batong Malake, Los Banos, Laguna
	64	Rosalie Bldg. Gaisano Door, Brgy. Tabunok Talisay City Cebu
	65	2/F Felcris Centrale, Quimpo Boulevard, Brgy. 40-D Davao City
	66	Grand Gaisano Mall Quezon Ave. Digos City Davao
	67	G/F DOORS 107/108, JLF Parkway Building A. Pitchon Corner Quirino STS. Davao
	68	SM Lanang Premier, Jose P. Laurel Ave., Brgy. San Antonio Agdao, Davao City
	69	Chimes Mall, Brgy.27 C,Gov.Sales st. cor Sta. Ana Ave., Davao City
	70	City Mall Mandalagan, Lacson St. cor. G.M. Cordova Ave., Mandalagan, Bacolod City
Gamexperience Entertainment Corp.	71	G/F Greenhills Town Center, Valencia Quezon City
	72	Pueblo Verde, Mactan Economic Zone-11-Sez, Brgy. Basak Lapu-Lapu City, Cebu
	73	Ground flr. Gaisano Grandmall Mactan Basak, Marigondon Road corner Ibabao, Gisi-Agus Road, Lapu-Lapu City, Cebu
	74	2nd flr. Blocked D, Mactan Marina Mall, MEPZ 1 Brgy. IB, Lapu-Lapu City Cebu
G-One Gaming and Technology Inc.	75	SM City Bacoor, Tirona Highway, Cavite
Grand Polaris Gaming Co. Inc.	76	2/F SM City Cauayan, San Fermin, National Highway, Cauayan City, Isabela
	77	LGU Commercial Bldg., Osmena Avenue, Roxas, Isabela
Highland Gaming Corporation	78	Baguio Centermall, Baguio City
	79	SM City Baguio, Luneta Hill, Baguio City
Ilo-Ilo Bingo Corporation	80	SM City Iloilo, Manduriao, Iloilo City
Isarog Gaming Corporation	81	SM City Naga, CBD2, Brgy. Trianggulo, Naga City
	82	B3, Unit 1,2,3,544, 55 & 56 ALDP Mall, Roxas Ave Triangulo, Naga City
Manila Bingo Corporation	83	SM City Fairview, Regalado, Fairview, Q.C.
Metro Gaming Entertainment Gallery Inc.	84	SM Supercenter, Molino Rd., Bacoor, Cavite
	85	5/F 168 Divisoria Mall, Soler St. Binondo, Manila
	86	Unit GF, ANS-08 Pasay City Mall Ave cor Arnaiz, Pasay City
	87	RSAM Center Bldg., J.P. Laurel Cor. Munting Bayan St., Bgry Poblacion IX, Nasugbu, Batangas
	88	Starmall, Bgry Kaypian San Jose Del Monte, Bulacan
	89	Metro Towne Center, Marcos Alvarez Avenue, Las Pinas City
Negrense Entertainment Gallery Inc.	90	Ground Floor, Lee Plaza, Hypermart, Bagacan, Dumaguete City
	91	Ground Floor, CityMall Dumaguete, Veterans Avenue, National Highway, Dumaguete City
	92	G/F City Mall Golden Field-Bacolod West Side, Araneta Ave.
One Bingo Place, Incorporated	93	SM City Manila, Arroceros St., Manila
One Bingo Pavilion Inc.	94	Puregold Price Club, Magsaysay Road, Brgy. San Antonio, San Pedro, Laguna
	95	Sky One Bldg, Brgy. Baleleng, Bantay, Ilocos Sur

Company	No.	Location
	96	TLJ Building G/F & 2F Brgy. Mabiga, Mabalacat, Pampanga
	97	S and R Centre, De Venecia Ave., Nalsian, Calasiao, Pangasinan
Rizal Gaming Corporation	98	Robinson's Place, Cainta, Rizal
	99	Robinsons Boutique, Cainta, Rizal
	100	ITSP Bldg, Ortigas Ave., Bgry San Isidro, Taytay, Rizal
	101	2nd Flr., Graceland Plaza Bldg., J.P. Rizal St., Brgy. Malanday, Marikina City
	102	Hollywood Suites and Resort, Mac Arthur Highway, Brgy Ibayo, Marilao Bulacan
	103	RMR Graceland, 858 Tandang Sora Avenue, Brgy. Tamo, Quezon City
	104	2/F, Ardi Commercial Complex, A.Bonifacio Ave. Parola, Cainta, Rizal
SG Amusement and Recreation Corp.	105	Wilson Square, P. Guevarra, San Juan City
	106	San Juan Commercial Bldg. F. Manalo corner F. Blumentritt San Juan City
	107	SM Land Anza Bldg. Makati Ave. Cor Anza St., Bel -Air, Makati City
South Bingo Corporation	108	SM City Davao, Quimpo Blvd., Davao City
	109	G/F Victory Town Center, Lemery Batangas
South Entertainment Gallery Inc.	110	SM City, San Fernando City, Pampanga
	111	SM City Tarlac, San Roque, Tarlac City
	112	Robinsons Calasiao, Calasiao, Pangasinan
Summit Bingo Inc.	113	2nd Flr., New St Bldg., Macarthur Highway, Balibago, Angeles City, Pampanga
Topnotch Bingo Trend Inc.	114	G/F Metropoint Mall, Edsa Taft, Pasay City
	115	2/F SM City Batangas, Pallocan West, Batangas City
	116	2/F SM City Rosario, Brgy. Tejero Convention, Rosario, Cavite City
	117	2/F SM City Rosales, Mc Arthur Highway, Carmen East, Rosales, Pangasinan
	118	2/F Sm City Marikina, Brgy. Calumpang, Marikina City
	119	2/F SM City Clark, M.A. Roxas Highway, Brgy. Malabanias, Clark, Pampanga
	120	2/F SM City Lipa, Ayala Highway, Brgy Maraouy, Lipa City, Batangas
	121	LGF SM City San Lazaro. F. Huertas St., Sta. Cruz, Manila
	122	SM City Taytay, B1 Bldg. A, Brgy. Dolores, Taytay, Rizal
	123	94 Timog Ave., Ybardolaza street Cor.,Sacred Heart, Quezon City
Topmost Gaming Corporation	124	2nd Flr., SM City Novaliches, Quirino Highway, Novaliches, Quezon City
	125	2nd Floor, Fortune Plaza Bldg. MacArthur Highway, Brgy. Wawa Balagtas, Bulacan
	126	Sapphire Bldg., Govic Avenue, Paulien Dirita, Iba Zambales

E-Games Branches

Company	No.	Location
Total Gamezone Xtreme Incorporated	1	2F SM Building, Barangay San Antonio, Biñan, Laguna
	2	2F ECG Bldg National Road Brgy. Pantok Binangonan Rizal
	3	2nd Floor Saunterfield Bldg. Km 20 Brgy. Sto. Nino Ortigas Ave. Extension Cainta, Rizal
	4	Unit 5, Paseo de Carmona, Brgy. Maduya, Carmona, Cavite
	5	2F, Don Antonio Sports Complex, Brgy Holy Spirit, Quezon City
	6	2nd Flr., GD Plaza, Mc Arthur Highway, Brgy. Ilang ilang, Guiguinto, Bulacan
	7	175 Katipunan Ave., Loyola Heights, Quezon City

Company		Location
	8	GF, Bautista Arcade, Brgy Binakayan, Kawit, Cavite
	9	Stall 19, Pineda Building, Mc. Arthur Highway, Mabalacat, Pampanga
	10	GF, Bldg. B, Madison Square #4, Pioneer Street, Mandaluyong City
	11	Unit 3 Francis Market, Gov. Halili cor. M.H Del Pilar Sts., Tenajeros Malabon
	12	665-A, McArthur Highway, Brgy. Bancal, Meycauayan, Bulacan
	13	Metro Towne Center, 2020 Marcos Alvarez Ave., Talon 5, Las Piñas City
	14	Unit 3, Topmark Building, Paz Mendoza Guazon St., Paco, Manila
	15	2F, LB Bldg., Paso de Blas Road, Valenzuela City
	16	Umerez Compound, Tungkong Mangga, San Jose Del Monte City, Bulacan
	17	Total Gas Station, National Highway, Cagayan Valley Road, Brgy. Kamias, San Miguel, Bulacan
	18	141 Cagayan Valley Road, Brgy. Sampaloc, San Rafael, Bulacan
	19	112 C Gov. Halili Avenue, Brgy. Bagbaguin, Sta. Maria, Bulacan
	20	2F, Starmall Building, EDSA corc. Shaw Blvd., Mandaluyong City
	21	GF, Puregold Valenzuela, 419 McArthur Highway, Brgy Dalandanan, Valenzuela City
	22	Units 10 & 11, Bldg. 3, Daanghari, Cuevasville Commercial Center, Molino IV, Bacoor, Cavite

Blue Chip

BCGLC has a contract with the PAGCOR in connection with the VIP Slot Arcade Operation (PAGCOR VIP Club) at Pan Pacific Hotel, Manila, Paseo Premier Hotel, Sta. Rosa, Apo View Hotel, Davao, and Kings Royal Hotel, Bacolor, Universal Park Manila and San Pedro Town Center. Pursuant to the said contract, BCGLC provides the gaming space, high end slot machines, furniture, fixtures, equipment and systems for the operations of the aforesaid VIP Slot Arcades. The wholly-owned subsidiary of BCGLC, Gold Coast Leisure World Corp. has a contract with PAGCOR for the PAGCOR VIP Club in Venezia Hotel, Subic Bay Economic Zone and Freeport.

COMPETITION

The digital gaming industry in the Philippines and other markets where DigiPlus Interactive Corp. operates is highly competitive. DigiPlus competes within the digital gaming and entertainment sector against both established and emerging platforms. The Group faces competition from Playtime, OKBet, CasinoPlus, Bet88, and other digital gaming operators offering similar services.

DigiPlus competes on the basis of game variety, platform reliability, user experience, promotions, brand reputation, security, and regulatory compliance. Key competitive factors also include technological innovation, customer engagement, digital marketing strategies, and loyalty programs.

Beyond attracting and retaining players, DigiPlus also competes for talent, technology partnerships, strategic alliances, and regulatory approvals that are crucial for expansion. The company believes that its competitive advantage lies in its innovative gaming offerings, secure and user-friendly platform, attractive incentives, and strong brand presence.

To strengthen its market position, DigiPlus plans to continue expanding its platform capabilities, game portfolio, and promotional campaigns while enhancing customer engagement through targeted marketing, strategic partnerships, and technological advancement.

CUSTOMERS

DigiPlus caters to a diverse customer base across various economic segments. The Group is not reliant on any single customer or a small group of customers for its revenue. No individual player or account contributes to 20% or more of the Group's revenue, ensuring a well-distributed revenue stream across its user base.

SUPPLY CHAIN

DigiPlus operates within the digital gaming and entertainment industry, relying on a robust and secure supply chain to ensure the seamless delivery of its gaming products and services. The Group's supply chain is composed of technology providers, software developers, payment processors, compliance partners, and digital infrastructure providers that support its gaming operations.

Gaming Software and Platform providers
DigiPlus partners with reputable gaming software developers and platform providers to offer a diverse portfolio of games, including casino games, sports betting, and interactive entertainment. These partnerships ensure high-quality gaming content, regulatory compliance, and continuous platform updates to enhance user experience.

Payment Gateways
The Group also collaborates with multiple payment gateways, banks, and e-wallet providers to facilitate secure and efficient transactions for deposits and withdrawals. Strict security protocols, encryption technologies, and fraud prevention measures are implemented to safeguard customer transactions.

Infrastructure
The Group works with global and local IT service providers to maintain high availability and data integrity.

Regulatory Compliance and Licensing Partners
The Group adhere to the industry regulations set by the Philippine Amusement and Gaming Corporation (PAGCOR) and other relevant regulatory bodies. These help DigiPlus maintain responsible gaming practices and compliance with anti-money laundering (AML) requirements.

Marketing and Affiliate Networks
DigiPlus leverages a network of marketing agencies, affiliates, and digital advertising platforms to drive customer acquisition and retention. The Company actively invests in targeted campaigns, promotions, and loyalty programs to enhance player engagement.

INTELLECTUAL PROPERTIES
The Group owns various trademarks, trade names, service marks, and other intellectual property rights, that are fundamental to its digital gaming operations. These intellectual property assets, particularly trademarks and proprietary software, play a vital role in the company's success by strengthening brand recognition, ensuring platform security, and maintaining user confidence.

The Group has registered its trademarks in key jurisdictions where it operates. As of December 31, 2024, the company holds over 100 trademarks, trade names, and service marks. The Group is responsible for managing and renewing the necessary trademark registrations to safeguard their respective brands. Trademark registrations generally remain valid as long as they are in active use, subject to the certain regulations. The Group also has pending trademark applications and anticipates their approval in due course.

Beyond trademark registration, the Group employs a comprehensive approach to intellectual property protection, utilizing (i) patent, trademark, and copyright; (ii) non-disclosure agreements with employees and third parties; and (iii) proactive monitoring and enforcement against unauthorized use or infringement. The Group continuously seeks legal remedies to protect its intellectual property portfolio, including trademarks and proprietary gaming technologies.

GOVERNMENT REGULATIONS

PAGCOR Licenses

The Group holds PAGCOR gaming licenses, which authorizes the Group to operate as a gaming provider and operator in the Philippines. PAGCOR, a government-owned and controlled corporation, is the primary agency responsible for regulating and licensing gaming operations, including both land-based and digital gaming platforms. The Group's PAGCOR licenses enable the Group to offer a variety of gaming services, including online games, sports betting, and slot games.

Cagayan Economic Zone Authority (CEZA) Master License

DigiPlus, through its subsidiary, FCLRC, also holds a CEZA gaming license, which authorizes FCLRC to operate as a master licensor in the Cagayan Economic Zone.

As Master Licensor for interactive operations in the Cagayan Special Economic Zone and Free Port (CSEZFP), FCLRC is entitled to tax incentives under Section 4c of RA No. 7922 (CEZA law). No taxes, local and national shall be imposed on business establishments operating within the CSEZFP. In lieu of paying taxes, FCLRC shall pay and remit to the National Government 5% of their gross income less allowable deductions. Gross income shall refer to gross sales or gross revenues derived from business activity within the CSEZFP, net of sales discounts, sales returns and allowances and minus costs of sales or direct costs but before any deduction is made for administrative, marketing, selling and/or operating expenses or incidental losses during a given taxable period.

The Company is also required to comply with additional reportorial obligations to the SEC, PSE, Bureau of Internal Revenue (BIR), as well as secure permits for the establishment and ongoing operations of its bingo parlors and e-games branches. The Group ensures full compliance with all such regulatory.

TRANSACTIONS WITH AND/OR DEPENDENCE ON RELATED PARTIES

The Company's transaction with its subsidiaries and/or affiliates consist mainly of non-interest-bearing advances to and from subsidiaries and/or affiliates, officers, and employees which are subject to liquidation within 12 months from date granted or collectible in cash upon demand.

RESEARCH AND DEVELOPMENT

The Group continuously invests in research and development (R&D) to enhance its gaming platform, improve user experience, and strengthen its competitive position in the digital gaming industry. The Group's R&D efforts focus on technological innovation, game development, platform security, and data-driven customer engagement strategies to ensure sustainable growth and market leadership.

The following are the key R&D initiatives of the Group:

- Game Innovation and Content Development
- Platform Optimization and User Experience Enhancement
- Cybersecurity and Fraud Prevention
- Big Data

The Group remains committed to expanding its technological capabilities to stay ahead of industry trends and meet evolving regulatory requirements.

COMPLIANCE WITH ENVIRONMENTAL LAWS

The Group fully complies with all applicable governmental, environmental, health, and safety regulations. As of December 31, 2024, DigiPlus Interactive Corp. has not encountered any material issues related to these regulatory areas. Similarly, the Company has not been subject to any significant legal or regulatory actions for non-compliance with environmental regulations. DigiPlus consistently allocates resources to ensure compliance with environmental laws as part of its standard operational practices.

For a more detailed discussion on the Company's sustainability initiatives, please refer to the attached Sustainability Report.

EMPLOYEES

The Group has 3,025 employees in the Philippines as at December 31, 2024. This includes personnel provided by manpower agencies.

In addition to all legally mandated benefits, the Group offers employees various training opportunities, both internal and external. Eligible employees may also participate in the Employee Stock Options Plan.

MAJOR RISKS INVOLVED IN THE BUSINESS

The Company has identified the following as the key risks of the business:

Regulatory and Compliance Risks
The digital gaming industry in the Philippines is subject to strict government regulations, primarily enforced by the PAGCOR. Compliance with regulatory requirements, including licensing, taxation, and operational restrictions, is essential to maintaining the Group's legal standing. Any changes in gaming laws, tax structures, or enforcement policies could impact DigiPlus' ability to operate efficiently. Additionally, stricter compliance requirements related to anti-money laundering (AML) regulations, responsible gaming policies, and data privacy laws could lead to increased costs and operational adjustments. The Group mitigates these risks by ensuring strict adherence to regulatory frameworks, actively engaging with government agencies, and maintaining a dedicated legal and compliance team to oversee all legal obligations.

Cybersecurity and Data Privacy Risks
As a digital gaming platform, DigiPlus is highly vulnerable to cybersecurity threats, including hacking, data breaches, and fraudulent activities. Unauthorized access to customer data, payment information, and gaming transactions could result in severe financial and reputational consequences. The rise of sophisticated cyber-attacks targeting digital gaming platforms further amplifies the need for robust security measures, real-time threat monitoring, and continuous system enhancements. To protect its users and digital assets, the Company invests in advanced encryption technologies, multi-factor authentication, and regular security audits. Additionally, DigiPlus complies with data protection laws to ensure that player information remains confidential and secure.

Market Competition Risks
The digital gaming industry is highly competitive, with numerous operators vying for market share, including Playtime, OKBet, CasinoPlus, Bet88, and other emerging platforms. Competitive pressures may result in lower customer retention rates, increased marketing expenditures, and potential price wars in promotional campaigns. Additionally, new entrants with advanced technology and aggressive acquisition strategies may challenge DigiPlus' market position. To stay competitive, DigiPlus continuously enhances its gaming platform, introduces innovative game offerings, optimizes its user experience (UX) and user interface (UI), and executes targeted marketing strategies to attract and retain players. The Company also leverages data analytics to understand customer preferences and deliver personalized gaming experiences that differentiate it from competitors.

Technology and Platform Stability Risks
DigiPlus relies on a complex IT infrastructure to ensure smooth and uninterrupted gaming operations. Any system failures, software bugs, or downtime resulting from server malfunctions, cyber-attacks, or technical glitches could negatively impact customer

experience and revenue. The Group's dependence on third-party gaming software developers, cloud service providers, and IT vendors also introduces potential risks related to service reliability, cost fluctuations, and contractual disputes. To minimize these risks, DigiPlus conducts regular platform maintenance, invests in high-performance cloud infrastructure, and maintains backup systems to ensure seamless operations.

Financial and Credit Risks
The Group's financial performance is influenced by several factors, including fluctuations in gaming activity, player spending behaviors, and overall economic conditions. External economic downturns, inflation, and regulatory changes in taxation could affect player engagement and profitability. The Company mitigates these risks by implementing strict credit risk management policies, maintaining diversified gaming revenue streams, and continuously monitoring financial performance indicators to ensure sustainable growth.

Legal and Reputational Risks
As a public-facing gaming operator, DigiPlus is exposed to reputational risks associated with customer disputes, regulatory investigations, negative media coverage, and gaming-related controversies. Legal claims related to game fairness, misleading promotions, or non-compliance with gaming regulations could impact brand perception and customer trust. To safeguard its reputation, the Company maintains transparent customer policies, proactive communication strategies, and responsible gaming initiatives to ensure ethical business practices. Additionally, DigiPlus invests in customer support infrastructure and dispute resolution mechanisms to address player concerns efficiently.

Talent Acquisition and Retention Risks
The Group's growth and innovation depend on highly skilled professionals in technology, cybersecurity, gaming operations, and regulatory compliance. The demand for experienced gaming professionals, software developers, and digital marketing experts is highly competitive, and failure to attract or retain key talent could hinder innovation and expansion efforts. DigiPlus mitigates this risk by offering competitive compensation packages, career development programs, and a dynamic work environment that fosters employee engagement and retention.

DigiPlus continuously strengthens its risk management framework through internal controls, compliance audits, cybersecurity enhancements, financial risk assessments, and strategic planning. The Company remains proactive in identifying emerging risks and implementing preventive measures, regulatory compliance initiatives, and technological advancements to safeguard its operations, customers, and stakeholders.

Item 2. Properties

The major assets of the Group are: land, building, furniture & fixtures, leasehold improvements, slot machines, bingo equipment and paraphernalia. FCLRC and LRLDI own parcels of land within and outside the vicinity of Cagayan Special Economic Zone Free Port and ABLGI owns 23 hectares of land in Malay, Aklan.

The Group's head office is located at the Ecoprime Bldg., 32nd St. cor. 9th Ave., Bonifacio Global City, Taguig City. Each floor occupied by the Group has different lease terms, with the average lease term being 3-5 years. It also leases additional office spaces in other buildings.

Item 3. Legal Proceedings

Except for the following, there are no other legal proceedings to which the Company or any of its subsidiaries is a party:

1. "Eco Leisure and Hospitality Holding Company, Inc. v. Leisure & Resorts World Corporation and PDRCI", Civil Case No. R-PSG-22-02495-SP, Regional Trial Court, Pasig City, Branch 268

On August 3, 2022, Eco Leisure filed a Petition to Vacate Arbitral Award of even date under Rule 11 of the Special Rules of Court on Alternate Dispute Resolution (A.M. No. 07-11-08-SC) which sought to vacate the Final Award issued by the Arbitral Tribunal of the Philippines Dispute Resolution Center, Inc. in *Ad Hoc* Case No. 2021-124, which denied Eco Leisure's claims against the Corporation.

Based on the Order dated June 11, 2024, the Petition to Vacate Arbitral Award Case is submitted for resolution in view of the court's receipt of the parties' respective Memoranda. To date, the Company has not received any further order or resolution from the Regional Trial Court of Pasig City - Branch 268.

2. "Leisure and Resorts World Corporation v. Atty. Katrina Nepomuceno", CBD Case No. 23-6980 (Admin Case No. 13650), Commission on Bar Discipline, Pasig City

This is a disbarment case against the Company's former counsel, Atty. Katrina Nepomuceno.

On July 30, 2024, the Company filed its *Entry of Appearance with Manifestation and Motion* of even date to the Integrated Bar of the Philippines – Commission on Bar Discipline ("IBP-CBD"), entering the Company's appearance and praying for a period of ten (10) calendar days from order to file the Preliminary Conference Brief. The disbarment case has not yet been resolved and the Company has not received any further order or resolution from the IBP-CBD.

3. "People of the Philippines v. Marc Nicole Rino", Criminal Case No. 10-0886-2022, Regional Trial Court, Lipa City, Batangas, Branch 12

This case involves missing cash in the Prize Fund and Revolving Fund of the Extreme Bingo Club, SM Lipa Branch in Lipa, Batangas in the amount of ₱170,000 and ₱6,150, respectively.

The Comment/Opposition dated November 12, 2024 of the Accused was received by GSE Law, the Company's counsel, on November 25, 2024.

A hearing scheduled on December 3, 2024 was reset due to the unavailability of the Judge. On February 4, 2025, a scheduled hearing was also reset due to the unavailability of the Judge.

The presentation of prosecution's evidence was set on April 1, 2025 and July 22, 2025 both at 8:30 a.m.

4. “People of the Philippines v. Marc Nicole Rino”, Criminal Case No. 1278-2022, Regional Trial Court, Cavite City, Branch 88

This case involves missing cash in the Prize Fund of the Extreme Bingo Club, SM Rosario Branch in Rosario, Cavite in the amount of ₱200,000.

The court scheduled the cross-examination of Ms. Jimeno on October 16, 2024 at 10:00AM. The Comment/Opposition dated November 12, 2024 of the accused was received by GSE Law, the Company’s counsel, on November 25, 2024.

The hearing proceeded on February 10, 2025. GSE appeared on behalf of the Company but the Accused did not appear. GSE moved for the waiver of presentation of the accused due to failure to file a Judicial Affidavit (JA) and the non-appearance of the accused. The opposing counsel moved for resetting and waiving of presentation of JA. The court granted the opposing counsel’s motion in the interest of substantial justice.

The accused’s presentation of evidence was scheduled on March 17, 2025 at 01:30 p.m. Should the Accused fail to appear, accused’s testimony may be deemed waived, a warrant of arrest maybe reissued, and his bail bond may be forfeited.

5. “First Leisure & Game Co., Inc. vs. Riza June dela Bajan”, NPS No. V-04-INV-23L-0023, Office of the City Prosecutor, Masbate City

This case for *estafa* by misappropriation was filed by First Leisure & Game Co., Inc. against its employee June Dela Bajan. The case involves unliquidated advances for the payment of utilities and site rentals of BB Masbate amounting to ₱127,006 and ₱197,778, respectively.

The Complaint-Affidavit was filed on December 27, 2023.

On July 31, 2024, the pre-trial of the case was terminated. The case was then referred to the Philippine Mediation Center for a Mandatory Mediation Conference.

On August 29, 2024, the first Mandatory Mediation Conference was conducted. The accused submitted a letter pleading the Company to consider an amicable settlement.

On February 27, 2025, the presentation of Ms. Melody Mananquil as witness for the prosecution was conducted. Her presentation was likewise terminated on even date.

Hearing for the presentation of Mr. Michael Linatoc is set on March 13, 2025 at 1:30 P.M.

6. “People of the Philippines vs. Marvin S. Javier”, Criminal Case No. 7557-M-2022, Regional Trial Court, Malolos City, Bulacan, Branch 84

The accused, Marvin S. Javier, was a high roller player in BingoPlus Guiguinto Bulacan. He convinced the branch’s staff to give him credit amounting to ₱4 million. Thereafter, he left the branch without paying the credits and he cannot be contacted anymore.

The accused is still at large. The Company is coordinating with the Private Prosecutor to locate the accused.

7. "Total Gamezone Xtreme, Incorporated vs. Mary France Pena", Criminal Case No. 24-665 for Qualified Theft, RTC Binangonan, Branch 68

This is a case for qualified theft filed by TGXI against its cashier Mary France Pena who stole cash in the amount of ₱464,000.

The Complaint-Affidavit was filed on December 27, 2023.

On August 29, 2024, the case was elevated to RTC Binangonan, Branch 68 for trial upon GVES Law's inquiry with the Office of Public Prosecutions (OPP) of Rizal. GVES Law has also entered appearance dated August 28, 2024 as private prosecutor in this case.

The accused is still at large. The Company is currently coordinating with the Private Prosecutor to locate the Accused.

The case is currently archived.

8. "ABLE vs. Commission of Internal Revenue", EB Case No. 2595 (CTA Case No. 9620), Court of Tax Appeals

This is an appeal by way of Petition for Review filed on June 22, 2017 with the Court of Tax Appeals ("CTA") against the Commissioner of Internal Revenue's ("CIR") Final Decision on Disputed Assessment ("FDDA") dated May 24, 2017 issued against ABLE on alleged deficiency value added tax ("VAT") and documentary stamp tax ("DST") assessments for taxable year ending December 31, 2013 in the aggregate amount of ₱517,895,721, inclusive of surcharge, interest, and compromise penalties.

On October 9, 2023, the CTA *En Banc* issued a Decision dated October 4, 2023 reversing the Decision and Resolution of the CTA in Division and held that ABLE's bingo games operation is covered by the phrase "operations of casino(s)". Hence, PAGCOR's tax exemption privileges under PD 1869 inure to the benefit of, or extend to, ABLE. Accordingly, the deficiency VAT and DST assessments in the amount of P611M were cancelled.

CIR filed a Motion for Reconsideration thereafter.

As of date, we are waiting for CTA *En Banc's* Resolution on the Motion for Reconsideration filed by the CIR.

9. "South Entertainment Gallery, Inc. v. Commissioner of Internal Revenue", G.R. No. 225809 (CTA EB No. 1129, CTA Case No. 8257), Supreme Court

This is an appeal by way of Petition for Review (with Prayer for Issuance of Temporary Restraining Order and/or Writ of Preliminary Injunction) filed on March 31, 2011 with the CTA contesting the validity of the Warrant of Distraint and/or Levy ("WDL") issued by the CIR, through the BIR Revenue District Office No. 21B, South Pampanga, for collection of alleged deficiency IT and VAT for taxable year 2005 in the aggregate amount of ₱4,024,393.

South Entertainment Gallery, Inc. (SEGI) assailed the validity of the WDL for failure to receive any Formal Assessment Notice covering alleged deficiency taxes for taxable year

2005 in violation of the due process requirements under Section 228 of the 1997 National Internal Revenue Code ("1997 NIRC") and Rev. Regs.12-99.

On July 10, 2014, SEGI received CTA's Decision dated July 9, 2014 ("Decision") granting the Petition for Review, cancelling the assessment issued by the respondent and ordering the withdrawal of the WDL.

The CIR elevated the matter to the Supreme Court *via* Petition for Review on *Certiorari* dated September 6, 2016. Upon order of the Court, SEGI filed its Comment to the foregoing Petition for Review on *Certiorari* on December 16, 2016. Thereafter, CIR filed its reply to the Comment. On December 14, 2021, SEGI received a Decision from the Supreme Court reversing the Decision and Resolution issued by the CTA *En Banc*. On January 10, 2022, and in accordance with Administrative Circular No. 102-2021, SEGI filed a Motion for Reconsideration of the Supreme Court's decision. On February 23, 2023, SEGI received the Resolution dated October 3, 2022 denying with finality SEGI's Motion for Reconsideration.

On March 8, 2023, SEGI received the Entry of Judgment.

The Supreme Court's Decision holding SEGI liable for deficiency taxes has attained finality. As indicated in our previous updates, the BIR may likely file a Motion for Writ of Execution and/or proceed to enforce collection pursuant to the Supreme Court's Decision.

10. "People of the Philippines vs. Cheryl Mortalla Go", Crim. Case No. M-PSY-18-36003-CR, for Violation of BP 22, Regional Trial Court, Pasay City, Branch 45

The case has already attained finality and is assigned to Sheriff Randy Leviste for execution.

Sheriff Leviste informed our external counsel that Cheryl Go does not have any accounts in their bank from which the sheriff can garnish payment for her indebtedness. Sheriff informed the firm that they can already levy the personal and real assets of Cheryl Go.

11. "Racelis, et al. vs. Rioja et al.", Civil Case No. R- MKT-18-00825-CV for Specific Performance, Regional Trial Court, Makati City, Branch 147

The case is for specific performance. The defendants include Rizaldy Rioja, Abram Sualog, and Kokoy Soguilon.

On June 28, 2024, the Court issued a Resolution granting our Demurrer to Evidence and dismissing the case against the defendants.

The case has already been dismissed.

12. "Prime Investment Korea Inc. vs. Commissioner of Internal Revenue", SC-G.R. No. 257658 (CTA EB Case No. 2129; CTA Case No. 9573), Supreme Court

This is an appeal by way of Petition for Review filed on April 11, 2017 with the CTA given the CIR's inaction in relation to PIKI's administrative claim for refund or issuance of tax credit certificate arising from erroneously, wrongfully, illegally, or excessively paid corporate income tax on junket gaming revenues for taxable year 2014 in the aggregate amount of ₱24,365,980.

On December 11, 2023, PIKI received the Supreme Court's Resolution denying PIKI's Motion for Leave of Court [to Admit Attached Second Motion for Reconsideration and to Refer the Same to the Court *En Banc*]. With this, PIKI's refund claim on corporate income tax paid on junket gaming revenues for taxable year 2014 in the aggregate amount of ₱24,365,980 is deemed denied with finality.

13. "People of the Philippines v. John Lemuel Gardose", Criminal Case No. 8872, Regional Trial Court, Taguig City

This involves theft and falsification of documents of a former BingoPlus Foundation employee. The Complaint was filed on August 5, 2024.

The Office of the City Prosecutor (OCP) issued a Resolution charging the employee of qualified theft and falsification.

On November 15, 2024, the Information for Qualified Theft through Falsification of Documents against Gardose was filed and was raffled to the RTC – Taguig City, Branch 267.

The arraignment of Gardose was scheduled on December 12, 2024.

On January 14, 2025, we filed an Omnibus Motion. On account of the filing of said Omnibus Motion, RTC-Taguig City, Branch 267 ordered the suspension of the arraignment and submitted the Omnibus Motion for resolution.

The Company has yet to receive the Order/Resolution.

14. "People of the Philippines v. John Lemuel Gardose", Criminal Case No. 8873-TG, Regional Trial Court, Taguig City

This involves theft and falsification of documents of a former BingoPlus Foundation employee. The Complaint-Affidavit and supporting affidavits were filed on August 5, 2024.

The OCP issued its Resolution charging the employee of qualified theft and falsification.

On November 27, 2024, Gardose was arraigned.

On January 28, 2025, the parties appeared for the scheduled Pre-Trial. The parties were directed to appear for Preliminary Conference before the Branch Clerk of Court. Pre-Trial was scheduled on February 18, 2025.

On February 18, 2025, RTC-Taguig City, Branch 271 gave the parties additional dates for the marking of their respective evidence on February 26 and 28, 2025. It also reset the Pre-trial to March 4, 2025.

On 26 and 28 of February 2025, the parties appeared before the Branch Clerk of Court, Taguig City, Br. 271, for the Preliminary Conference. The parties marked their respective pieces of evidence and provided the names of their intended witnesses.

On March 4, 2025, Atty. Quinto appeared for the scheduled Pre-Trial. Counsel of Gardose had a conflict of schedule and was unavailable. Pre-Trial of the case was set on April 8, 2025 at 9:00 a.m.

15. "People of the Philippines v. Jeferson Castillo, Catherine Vargas, Liwliwa Viloria and Rafael Ramirez", Criminal Case No. 19-16040, Regional Trial Court, Cauayan City, Isabela

This case involves game rigging with conspiracy committed by BingoPlus Cauayan employees and the jackpot winner.

On August 28, 2024, the OCP of Cauayan Isabela issued the Information charging all the accused of Estafa under Article 318 (a) for *Other Deceits* carrying the penalty of *arresto menor*, i.e., a maximum of 1 month imprisonment, and fine equivalent to the amount of damage.

On November 5, 2024, the OCP filed a Motion to Withdraw Information, changing the charge from *Other Deceits* under Article 318 of the Revised Pena Code (RPC) to *Estafa* under Article 315 (b) of the Revised Penal Code.

In an Order dated November 22, 2024, the court issued a Warrant of Arrest against the Accused with bail bond of PhP48,000.00.

The Court proceeded with the arraignment of three (3) of the four (4) accused. Following reading of the information, all three (3) accused entered a plea of not guilty. After conclusion of the pre-trial proceedings, the court set the hearing dates as follows:

For the prosecution: April 3, 10, 23 and 30, 2025 all at 8:30am.

For the accused: May 7, 15, 21 and 28, 2025 all at 8:30am.

16. "People of the Philippines v. Rommel Manabat", Criminal Case No. 2024-158-79, Municipal Trial Court, Talavera, Nueva Ecija

This case emanated from the OCP Case. In the Information dated 2 December 2024 ("Information"), accused Manabat was charged with the crime of Theft under Art. 308 of the RPC for willfully, unlawfully, and feloniously taking the amount of Six Hundred Thousand Pesos (PhP600,000.00) belonging to Big Time Gaming Corporation.

On January 16, 2025, the Company filed its Entry of Appearance of even date ("Entry of Appearance"). The Municipal Trial Court, Talavera, Nueva Ecija ("MTC Talavera") issued a Warrant of Arrest dated December 4, 2024 ("Warrant of Arrest") against accused Manabat. The MTC Talavera has not yet set the case for Arraignment and Preliminary Conference.

17. "People of the Philippines v. Kerwin Tating", Crim. Case No. 24-133, Municipal Trial Court in Cities, Mabalacat City, Pampanga

Mr. Kerwin Tating illegally took PhP200,000.00 from the Prize Fund to the damage and prejudice of Total Gamezone Xtreme Incorporated.

The Complaint-Affidavit was filed on February 23, 2024. The case was referred to the Philippine Mediation Center for mediation proceedings.

The hearing scheduled on February 20, 20025 was cancelled due to the unavailability of the presiding judge and the designated public prosecutor.

Hearing for the presentation of Ms. Sheena A. Tanael was set on May 29, 2025 at 8:30 A.M.

18. "Blue Chip Gaming and Leisure Corp. vs. Jalyn E. Cruz", NPS Docket No. XI-02-INV-24-5555, Office of the City Prosecutor, Davao City

This is a complaint for falsification filed against the Company's former marketing manager. The Complaint-Affidavit was filed on August 7, 2024.

On 2 December 2024, the Company received a copy of the Joint Resolution dated November 25, 2024 finding among others, *prima facie* evidence with reasonable certainty of conviction to indict Jalyn Cruz for the separate crimes of Falsification of Commercial Document.

Sometime in January 2025, the Information against Jalyn Cruz was raffled to Branch 4 of Davao City-MTCC.

On January 9, 2025, the Court issued Warrants of Arrest against Jalyn Cruz.

On February 3, 2025, the Court issued an Order noting the Entry of Appearance of CNVDLaw. Subsequently, or on February 11, 2025, the Court issued an Order granting the *Ex-Parte* Motion to Allow Private Prosecutor to prosecute the Falsification case until the end of trial even in the absence of the Public Prosecutor.

Jalyn Cruz is yet to be apprehended and/or post bail.

19. "Racelis et al. v. Rioja, et al", Civil Case No. R- MKT-18-00825-CV, Regional Trial Court, Makati City, Branch 147

The case is for specific performance. Defendants include Rizaldy Rioja, Abram Sualog, and Kokoy Soguilon.

On June 28, 2024, the Court issued its Resolution granting our Demurrer to Evidence and dismissing the case against the defendants.

The case has already been dismissed in the Company's favor.

20. "In re: Application for Original Registration of Title of Lot 7370-A-Pt, CAD 704-D, Malay Cadastre, with an area of 134 square meters, located at Manoc-Manoc, Boracay Island, Malay, Aklan", LRC No. 37-M, Municipal Circuit Trial Court, Buruanga-Malay, Aklan

This is an application for title over real property of the Company in Boracay Island covering land designated as Lot No. 7370-A-Pt (102 Pt), located at Sitio Sugod, Manoc-Manoc, Boracay Island, Malay, Aklan with an assessed value in the amount of Php630.00, issued effectivity of assessment for the year 2024.

The initial hearing is set on July 23, 2025 at 10:00 a.m. at the Malay Municipal Activity Center Conference Room, Poblacion, Malay, Aklan.

21. "In re: Application for Original Registration of Title of Lot 7371-A-Pt, CAD 704-D, Malay Cadastre, with an area of 3,125 square meters, located at Manoc-Manoc, Boracay Island, Malay, Aklan", LRC No. 542, Regional Trial Court, Kalibo, Aklan, Branch 2

This is an application for title over real property of the Company in Boracay Island covering land designated as Lot No. 7371-A-Pt (99 Pt), located at Sitio Sugod, Manoc-Manoc, Boracay Island, Malay, Aklan with an assessed value in the amount of Php2,794,832.10, issued effectivity of assessment for the year 2024.

The initial hearing is set on April 7, 2025 at 8:30 a.m.

22. "In re: Application for Original Registration of Title of Lot 7378-A-Pt, CAD 704-D, Malay Cadastre, with an area of 5,694 square meters, located at Manoc-Manoc, Boracay Island, Malay, Aklan", LRC No. 543, Regional Trial Court, Kalibo, Aklan, Branch 4

This is an application for title over real property of the Company in Boracay Island covering land designated as Lot No. 7378-A-Pt (99 Pt), located at Sitio Sugod, Manoc-Manoc, Boracay Island, Malay, Aklan with an assessed value in the amount of Php2,794,832.10, issued effectivity of assessment for the year 2024.

The initial hearing set on November 21, 2024 was cancelled and reset to August 7, 2025 at 8:30 a.m.

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

a) An annual meeting of the stockholders of the Registrant was held on July 26, 2024.

b) During the said annual meeting, the following persons were elected as directors of the Registrant:

1. Eusebio H. Tanco
2. Tsui "Andy" Kin Ming
3. Willy N. Ocier
4. Rafael Jasper S. Vicencio
5. Atty. Mardomeo N. Raymundo Jr.
6. Renato G. Nuñez
7. Atty. Jose Raulito E. Paras

With the following as the independent directors under Section 38 of the Securities Regulation Code (RA 8799) and Section 22 of the Revised Corporation Code:

8. Atty. Timoteo B. Aquino
9. Mr. Ramon Pancratio D. Dizon

c) During the annual meeting of the stockholders of the Registrant last July 26, 2024, the following matters were submitted to a vote of and duly approved by the stockholders of the registrant:
    1. Approval of the minutes of the annual meeting held on July 28, 2023;
    2. Approval of the Annual Report and Audited Financial Statements for the fiscal year 2023;
    3. Ratification of actions taken by the Board of Directors and Officers since the last annual meeting held on July 28, 2023;
    4. Nomination and Election of Directors;
    5. Approval of the incorporation of a new wholly-owned subsidiary;
    6. Approval of the amendments of Articles II and III of the By-Laws;
    7. Appointment of External Auditor; and
    8. Ratification of the Grant of Employee Stock Option Shares to Directors and Officers.

d) No other matter has been submitted to a vote of security holders otherwise than at such meetings of the security holders.

PART II–OPERATIONAL AND FINANCIAL INFORMATION

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

a) Market Information

Principal market where the equity is traded - Philippine Stock Exchange

The table shows the high & low prices of the company's share within the last two fiscal years, including the volume of transactions for each quarter.

QUARTER ENDING	IN PHILIPPINE PESO				VOLUME (MAIN BOARD)	VOLUME TOTAL
	HIGH	HIGH_ ADJ*	LOW	LOW_ ADJ*		
1Q 2020	3.10	3.10	1.02	1.02	51,252,000	51,270,967
2Q 2020	1.82	1.82	1.30	1.30	28,333,000	28,355,509
3Q 2020	1.49	1.49	1.12	1.12	19,153,000	19,159,148
4Q 2020	2.16	2.16	1.24	1.24	54,286,000	54,317,231
1Q 2021	2.30	2.30	1.60	1.60	73,838,000	73,882,712
2Q 2021	1.98	1.98	1.44	1.44	190,577,000	290,588,482
3Q 2021	2.09	2.09	1.40	1.40	97,325,000	97,338,158
4Q 2021	1.76	1.76	1.40	1.40	37,323,000	37,343,956
1Q 2022	1.68	1.68	1.21	1.21	76,094,000	126,104,625
2Q 2022	1.52	1.52	1.21	1.21	155,902,000	155,910,925
3Q 2022	2.55	2.55	1.36	1.36	161,043,000	161,057,201
4Q 2022	3.13	3.13	1.98	1.98	298,775,000	298,798,023
1Q 2023	3.09	3.09	2.37	2.37	171,061,000	171,074,554
2Q 2023	3.80	3.80	2.42	2.42	153,318,000	155,075,000
3Q 2023	7.09	7.09	3.29	3.29	323,374,400	323,842,400
4Q 2023	8.13	8.13	5.50	5.50	159,955,400	162,123,800
1Q 2024	11.28	11.28	7.33	7.33	283,983,500	293,812,000
2Q 2024	14.98	14.84	9.50	9.50	571,086,442	581,086,442
3Q 2024	24.60	24.60	13.52	13.52	622,965,530	635,863,530
4Q 2024	27.40	27.40	19.46	19.46	278,270,534	278,587,634
1Q 2025	40.15	40.15	26.00	26.00	397,270,900	407,273,503

*There were no adjustments during 2024 and 2023.

Closing Market Price as of March 31, 2025 is ₱36.10 per share.

The Company complied with the required minimum public ownership. As of December 31, 2024, total number of common shares owned by the public is 1,258,642,863 shares or equivalent to 28.56% of the total issued and outstanding common shares.

The Company's earnings per share are: ₱2.8544 and ₱1.0390 per share 2024 and 2023, respectively.

b) Holders

The stock transfer agent reported 1,803 holders of common shares of the registrant, as of December 31, 2024. The top 20 shareholders, the number of common shares held, and the percentage of common shares held by each are as follows:

	Name	No. of Shares Held	% To Total
1	PCD Nominee Corporation (Filipino)	3,140,320,586	71.25
2	PCD Nominee Corporation (Non-Filipino)	1,058,895,704	24.02
3	Globalist Technology Company Limited	100,000,000	2.27

	Name	No. of Shares Held	% To Total
4	Dominique L. Benitez	31,680,000	0.72
5	Alfredo Abelardo B. Benitez	22,095,859	0.50
6	AB Leisure Exponent, Inc.	21,567,000	0.49
7	Eusebio H. Tanco	10,432,480	0.24
8	Willy Ng Ocier	2,125,200	0.05
9	Liberty Farms, Inc	809,129	0.02
10	Yingcai Tan	785,900	0.02
11	Provident Insurance Corp.	591,023	0.01
12	Brisot Economic Development Corp.	512,004	0.01
13	Visayan Surety & Insurance Corp.	486,294	0.01
14	Oliver V. Amorin	311,220	0.01
15	Tan Keg Tiam	279,618	0.01
16	Allen Cham	260,242	0.01
17	David Go Securities Corp.	251,870	0.01
18	Benjamin L. Pay	251,674	0.01
19	Joseph D. Ong	204,252	0.00
20	Casimiro C. Ocampo &/or Irenea Pedro	190,734	0.00

Below is the summary list of foreign ownership as of December 31, 2024, the nationality, number of shareholders, the number of common shares held and the percentage of common shares held by each:

Nationality	No. of Shareholders	No. of Shares Held	% To Total
American	10	141,117	0.00
Chinese	73	2,771,452	0.06
Filipino	1,713	3,245,799,980	73.64
Others	7	1,158,946,629	26.30

c) Dividends

The Company does not have any restrictions which limit the ability to pay dividends on common equity or that are likely to do so except in cases where the Company does not have enough retained earnings or is in a deficit position. Cash dividends declared to common shareholders in the past years are as follows:

Year	Dividend per Share
2007	₱0.060
2008	0.060
2009	0.060
2010	0.080
2011	0.075
2012	0.075
2013	0.080
2014	0.080
2015	0.120
2016	0.080
2017	0.070
2024	0.180

No dividends declared from 2018 to 2023.

d) Others

The issuance of ₱1.65 billion worth of preferred shares was approved by DigiPlus' BOD and stockholders on January 22, 2013 and March 22, 2013, respectively. The listing application was filed with the exchange on September 20, 2013 and approved on November 27, 2013. The exchange approved the listing of the preferred shares and warrants on December 20, 2013. The shareholders of the private placement transaction are as follows:

Name	Shares	Amount
PCD Nominee Corporation (Filipino)	1,596,860,000	₱1,596,860,000
GSIS Provident Fund	50,000,000	50,000,000
PCD Nominee Corporation (Non-Filipino)	1,440,000	1,440,000
Mary Lou Santos Cera-Garcia	1,000,000	1,000,000
Mary Lou Cera Garcia	700,000	700,000
TOTAL	**1,650,000,000**	**₱1,650,000,000**

The ₱1.65 billion perpetual preferred shares were issued through private placement or issuance to not more than nineteen (19) non-qualified buyers under the Section 10.1(k) of the Securities Regulation Code. The ₱1.65 billion perpetual preferred shares have a par value of ₱1.00 per share and an issue price of ₱1.00 per share. The preferred shares are cumulative, non-voting and non-participating. On the fifth anniversary of the issue date of the ₱1.65 billion perpetual preferred shares or on any dividend payment date thereafter, DigiPlus has the option, but not the obligation, to redeem the perpetual preferred shares in whole or in part at a redemption price equal to the issue price of the perpetual preferred shares plus cumulated and unpaid cash dividend, if any, for all dividend periods up to the date of actual redemption by DigiPlus. A nil-paid, detachable warrant was issued to the investor/s for every twenty (20) preferred shares. Each warrant shall entitle the investor/s to purchase one (1) common share. The exercise price of the warrant shall be ₱15.00 or DigiPlus' weighted average trading price for three (3) months prior to the exercise date of the warrant less ten percent (10%) discount. The warrants are exercisable starting on the 5th anniversary of the perpetual preferred shares until the 8th anniversary.

On September 25, 2013, DigiPlus filed the listing of 82.5 million warrants and the underlying common shares with the PSE.

On January 31, 2020, all 1.65 billion preferred shares were redeemed at a redemption price of ₱1.00 and recorded as treasury shares in the books of the Company.

On September 15, 2022, the BOD of the Parent Company approved the increase of the Company's authorized capital stock from P5 billion to P7 billion. On November 24, 2022, the amendment was approved by the stockholders. On September 12, 2023, the SEC approved the increase in authorized capital stock and the issuance of 691.2 million shares at P2.68 per share to its subscribers. Transaction costs related to share issuances amounting to P6,912 are recognized as deduction to additional paid-in capital.

Item 6. Management's Discussion and Analysis of Financial Condition and Results of Operations

OVERVIEW

DigiPlus is functioning as a holding company with minimal operations. The Company is focusing its endeavor in supporting the productivity programs of its subsidiaries as grouped in the following segments: **RETAIL** (1) AB Leisure Exponent, Inc. (ABLE - 100% owned), (2) Total Gamezone Xtreme Incorporated (TGXI - 100% owned), (2) Gamemaster Integrated Inc. (Gamemaster - 100% owned); **CASINO** (4) Blue Chip Gaming and Leisure Corporation (BCGLC - 100% owned), (5) Gold Coast Leisure World Corp. (GCLWC - 100% owned); **NETWORK AND LICENSES** (6) First Cagayan Leisure and Resort Corporation (FCLRC - 87.27% owned), (7) LR Data Center and Solutions, Inc. (LRDCSI - 80% owned), (8) First Cagayan Converge Data Center Inc. (FCCDCI – 68.36%); and **PROPERTY AND OTHER INVESTMENTS** (9) AB Leisure Global, Inc. (ABLGI - 100% owned), (10) LR Land Developers, Inc. (LRLDI - 100% owned), (11) G-L Real Estate JV Corporation, (GREJC – 100% owned), (12) DigiPlus Brazil Holding LTDA. (100% owned); and (13) DigiPlus Brazil Interactive LTDA.

Retail

The Retail Gaming segment encompasses a diverse portfolio of gaming products, including bingo, e-casino, specialty games, sports betting, and poker, offered across both online and land-based platforms.

Casino

BCGLC
BCGLC operates Slot Arcades at several PAGCOR VIP Clubs at: (1) the King's Royale Hotel and Leisure Park, Olongapo-Gapan Road, Macabacle, Bacolor, Pampanga; (2) Pan Pacific, Malate Manila with Pacific Palm Corporation; (3) Paseo Premier Hotel, Sta. Rosa Laguna with Pacific Palm Corporation; and (4) Apo View Hotel, Davao City with Pacific Palm Corporation. BCGLC operates Slot Arcades at the King's Royale Hotel and Leisure Park, Olongapo-Gapan Road, Macabacle, Bacolor, Pampanga under a license issued by PAGCOR.

GCLWC
GCLWC operates Slot Arcades at VIP Club at Venezia at Subic Bay Freeport Zone under a license issued by PAGCOR.

Network and Licenses

FCLRC
The Cagayan Economic Zone Authority (CEZA), mandated by law to manage Cagayan Special Economic Zone and Free Port (CSEZFP), has authorized FCLRC to license, regulate and supervise the operations of registered gaming enterprise in CSEZFP. As the master licensor, FCLRC is entitled to half of the gaming levy imposed by CEZA on the gaming operators in the CSEZFP.

FCCDCI
FCLRC, LRDCSI and IP Ventures, Inc. (IPVI) formed a joint venture corporation with the name First Cagayan Converge Data Center Inc. to engage in the business of information technology such as IP communication, co-location, bandwidth, disaster recovery services, software development, internet merchant payment processing and payment solution, premium dial up access, voice over internet protocol, IP-wide area network services and other value-added services. Presently, FCCDCI provides a range of services to Internet Gaming Operators at the CSEZFP for a fee.

Property

ABLGI
ABLGI acquired a building in Manila as investment property and collects rental income.

GREJC
GREJC acquired 23 hectares of land property in Boracay for future project. In April 2023, ABLE entered into a ₱3.0 billion term-loan agreement with Asia United Bank which is secured by the land owned by GREJC. The loan was fully settled as of December 31, 2024.

LRLDI
LRLDI entered into various lease agreements as lessor with lease terms ranging from monthly to one (1) year.

LRLDI is also committed in supporting the development of Cagayan Special Economic Zone and Free Port (CSEZFP). In executing an agreement with Cagayan Premium Ventures Development Corporation (CPVDC) and Cagayan Land Property Development Corporation (CLPDC), LRLDI has established its support by investing funds into the Lal-Lo Airport Project, Cagayan Economic Zone and Freeport (CEZFP) International Airport Project, and other facilities within the CSEZFP. These projects aim to improve and further advance CSEZFP into a self-sustaining industrial zone.

LRLDI has significant land properties in Cagayan which are carried at fair value.

RESULTS OF OPERATIONS

2024 as Compared to 2023

CONSOLIDATED REVENUE AND OPERATING INCOME

Breakdown of consolidated gross revenues, other revenues and its related costs and expenses are as follows:

Amounts in Thousands	**2024**	2023	Inc/(Dec)	% Change
GROSS REVENUE				
Retail games	**₱74,106,611**	₱26,368,576	₱47,738,035	181%
Casino	**552,947**	475,937	77,010	16%
Service and hosting fees	**407,044**	340,592	66,452	20%
Commission income	**149,707**	62,235	87,472	141%
Rent income	**6,839**	3,711	3,128	84%
Total Gross Revenue	**75,223,148**	27,251,051	47,972,097	176%
COSTS AND EXPENSES				
Franchise fees and taxes	**33,685,937**	13,103,632	20,582,305	157%
Advertising and promotion	**13,273,819**	4,103,449	9,170,370	223%
Outside services	**9,074,623**	3,113,346	5,961,277	191%
Salaries and other benefits	**2,776,366**	996,800	1,779,566	179%
Subscription	**1,097,057**	110,005	987,052	897%
Depreciation and amortization	**1,069,601**	493,432	576,169	117%
Rent	**347,998**	350,926	(2,928)	-1%
Communications and utilities	**368,467**	322,835	45,632	14%
Taxes and licenses	**135,920**	165,928	(30,008)	-18%
Bandwidth and co-location costs	**73,762**	39,510	34,252	87%
Repairs and maintenance	**113,730**	39,443	74,287	188%
Others	**337,022**	127,600	209,422	164%
Total Costs and Expenses	**62,354,302**	22,966,906	39,387,396	171%
Operating Income	**₱12,868,846**	₱4,284,145	₱8,584,701	200%

Consolidated Revenue

In 2024, consolidated gross revenue increased by 176% or ₱47,972.1 million from ₱27,251.1 million of 2023 to ₱75,223.1 million of 2024. The increase was mainly due to increase in revenue from electronic games from retail segment, revenue from casino and service and hosting fees and commission income.

Retail

ABLE and its subsidiaries, and TGXI recognized revenue in 2024 amounting to ₱74,106.6 million, an increase of 181% or ₱47,738.0 million. This was mainly due to increase in retail business operations and new licenses obtained from PAGCOR.

As of December 31, 2024, there were 135 sites in operations with full capacity.

In July 2021, TGXI received a new PAGCOR license to start a new business product "Electronic Gaming System (EGS)" to replace Electronic games. Previously TGXI earned 29% gross gaming revenue (GGR) from IEST a gaming platform provider and now TGXI generated GGR 65.0% after PAGCOR share.

In January 2022, ABLE received a new PAGCOR license to start a new business product "BingoPlus", a traditional bingo on a technology platform. In February 2023, the Group launched a new brand for its sports betting operations, ArenaPlus. In 2024, the Group launched SpinPlus, a dedicated slot games platform designed to provide players with seamless and instant access to their favorite titles, and GameZone, which offers a range of card games for both casual and more experienced players.

Casino
BCGLC and GCLWC revenue increased by 16% or ₱77.0 million from ₱475.9 million in 2023 to ₱552.9 million in 2024. The increase was mainly due to increase in operating capacity.

Network and Licenses
There was an increase in network and licenses revenue from ₱340.6 million in 2023 as compared to ₱407.0 million in 2024. The increase amounting to ₱66.5 million or 20% was driven by capacity upgrades of existing activations.

Property
There was an increase in rental revenue from ₱3.7 million in 2023 to ₱6.8 million in 2024. The increase amounted to ₱3.1 million or 84%. The increase was attributable to renewal of contracts and rental escalation in 2024.

Consolidated Costs and Expenses
Total costs and expenses increased by 171% or ₱39,387.4 million in 2024 as compared to 2023. This is mainly due to increase in franchise fees and taxes brought about by new games and licenses, advertising and promotions, outside services, salaries and subscriptions.

CONSOLIDATED EBITDA AND NET INCOME

Details of EBITDA and net income are as follows:

Amounts in thousands	**2024**	2023	Inc/(Dec)	% Change
Gross revenues	**₱75,223,148**	₱27,251,051	₱47,972,097	176%
Costs and expenses (excluding depreciation and amortization)	**(61,284,701)**	(22,473,474)	38,811,227	173%
EBITDA*	**13,938,447**	4,777,577	9,160,870	192%
Depreciation and amortization	**(1,069,601)**	(493,432)	576,169	117%
Finance expense	**(177,164)**	(197,263)	(20,099)	-10%
Unrealized fair value gain on investment property	**142,141**	131,817	10,324	8%
Income tax benefit (expense)	**(46,509)**	(84,385)	(37,876)	-45%
Other expenses - net	**(203,208)**	(39,461)	163,747	415%
Net Income after tax	**12,584,106**	4,094,853	8,489,253	207%
Minority interest	**6,222**	17,119	(10,897)	-64%
Net income attributable to Parent Company	**₱12,577,884**	₱4,077,734	₱8,500,150	208%

*EBITDA is defined as earnings before interest, taxes, depreciation, amortization, and non-recurring expense such as impairment loss. The Group evaluates performance based on contributions to EBITDA, which is not a measure of operating performance or liquidity defined by PFRSs and may not be comparable to similarly titled measures presented by other entities.

The Group's consolidated net income improved from ₱4,094.9 million in 2023 to ₱12,584.1 million in 2024 or 207% increase. EBITDA also improved by 192% in 2024 or equivalent to ₱9,160.9 million as compared to 2023. This was mainly due to significant increase in revenue from retail segment, net of costs and expenses related to franchise and taxes, advertising and promotions, outside services, salaries and subscriptions.

Financial Position

On a consolidated basis, the financial position of DigiPlus and its subsidiaries continue to be on solid ground.

As at December 31, 2024, our total assets stood at ₱44.1 billion, an increase of ₱14.4 billion or 49% as compared to total assets as of December 31, 2023 amounting to ₱29.7 billion. The increase was attributable to increase in cash, receivables, investment properties and property and equipment. This was brought about by new gaming licenses and increase in operational activities of retail segment of the Group.

Cash and cash equivalents increased by ₱9,713.2 million or 228% mainly due to the positive results of operations, net of payments of loans, dividends and other capital expenditures.

Receivables and lease receivables increased by ₱2,020.2 million or 65% mainly due to increase in our receivables from payment channel gateways.

Property and equipment and Intangible assets (excluding Goodwill) increased by 83% or ₱2,943.1 million, mainly due to capitalized cost for software and game development, right-of-use assets, renovations of land-based sites and offices and acquisition of office and IT equipment, net of straight-line depreciation and amortization during the year. In addition to this, investment properties also increased by ₱142.1 million mainly due to revaluation increment in 2024. Investment in associates and joint venture decreased mainly due to share in net loss of HEPI.

Goodwill amounting to ₱1.3 billion were from the business acquisition of the Group which includes share and land-based site acquisitions.

Other noncurrent assets decreased by ₱383.1 million or 19%, mainly due to capitalization of deferred costs related to software and game development, net of increase in cash performance bonds due to new operating sites. Other noncurrent assets also include advances to suppliers, rental deposits and other assets.

The total liabilities as of December 31, 2024 amounted to ₱12,865.1 million with an increase of ₱2,075.9 million or 19% from the total liabilities as of December 31, 2023 amounting to ₱10,789.3 million. The increase was mainly because of growth in business volume during the year resulting in higher costs and expenses.

Cash Flows

Cash balance as of December 31, 2024 and 2023 amounted to ₱14.0 billion and ₱4.3 billion, respectively. The increase was mainly due to net cash provided by operating activities amounting to ₱15.1 billion. This was reduced by the cash used in investing and financing activities amounting to ₱2.5 billion and ₱2.9 billion, respectively.

The Company and its subsidiaries:

a) Have no known trends or any demands, commitments, events or uncertainties that will result in or that are likely to result in the liquidity increasing or decreasing in any material way;
b) Have no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
c) Have no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period;
d) Have not breached any loans, leases or other indebtedness or financing agreement; and
e) Have no material commitment for capital expenditure, aside from those already discussed.

2023 as Compared to 2022

CONSOLIDATED REVENUE AND OPERATING INCOME

Breakdown of consolidated gross revenues, other revenues and its related costs and expenses are as follows:

Amounts in Thousands	**2023**	2022	Inc/(Dec)	% Change
GROSS REVENUE				
Retail games	**₱26,430,811**	₱8,163,680	₱18,267,131	224%
Casino	**475,937**	385,225	90,712	24%
Service and hosting fees	**340,592**	351,793	(11,201)	-3%
Rent income	**3,711**	4,892	(1,181)	-24%
Total Gross Revenue	**27,251,051**	8,905,590	18,345,461	206%
COSTS AND EXPENSES				
Franchise fees and taxes	**13,103,632**	4,707,648	8,395,984	178%
Advertising and promotion	**4,103,449**	951,863	3,151,586	331%
Outside services	**3,113,346**	718,192	2,395,154	333%
Salaries and other benefits	**996,800**	508,281	488,519	96%
Depreciation and amortization	**493,432**	375,827	117,605	31%
Rent	**350,926**	287,203	63,723	22%
Communications and utilities	**322,835**	273,675	49,160	18%
Taxes and licenses	**165,928**	66,501	99,427	150%
Bandwidth and co-location costs	**39,510**	94,556	(55,046)	-58%
Repairs and maintenance	**39,443**	70,540	(31,097)	-44%
Others	**237,605**	220,005	17,600	8%
Total Costs and Expenses	**22,966,906**	8,274,291	14,692,615	178%
Operating Income	**₱4,284,145**	₱631,299	₱3,652,846	579%

Consolidated Revenue

In 2023, consolidated gross revenue increased by 206% or ₱18,345.5 million from ₱8,905.6 million of 2022 to ₱27,251.1 million of 2023. The increase was mainly due to increase in revenue from bingo and electronic games from retail segment and revenue from casino segment of the Group, net of the decrease in revenues from network and licenses segment.

Retail

ABLE and its subsidiaries, and TGXI recognized revenue in 2023 amounting to ₱26,430.8 million, an increase of 224% or ₱18,267.1 million. This was mainly due to increase in retail business operations and new licenses obtained from PAGCOR.

As of December 31, 2023, there were 139 sites in operations with full capacity. Retail group already prepared and submitted strategic return-to-work guidelines. Sites were disinfected, physical distancing markers were set-up, safety materials and reminder posters were procured and installed in the branches, and employees were trained on the new SOPs aimed to reduce COVID-19 transmission.

In July 2021, TGXI received a new PAGCOR license to start a new business product "Electronic Gaming System (EGS)" to replace Electronic games. Previously TGXI earned 29% gross gaming revenue (GGR) from IEST a gaming platform provider and now TGXI generated GGR 52.50% after PAGCOR share.

In January 2022, ABLE received a new PAGCOR license to start a new business product "BingoPlus", a traditional bingo on a technology platform. In February 2023, the Group launched a new brand for its sports betting operations, ArenaPlus.

Casino
BCGLC and GCLWC revenue increased by 24% or ₱90.7 million from ₱385.2 million in 2022 to ₱475.9 million in 2023. The increase was mainly due to increase in operating capacity and sites' operating hours.

Network and Licenses
There was a decrease in network and licenses revenue from ₱351.8 million to ₱340.6 million in 2023 as compared to 2022. The decrease amounted to ₱11.2 million or 3%. The decline was attributable to: 1) non-renewal of CEZA Licensees and lower revenues reported by existing licensees; and 2) terminations of locators or discontinuance of their operations.

Property
There was a decrease in rental revenue from ₱4.9 million to ₱3.7 million in 2023 as compared to 2022. The decrease amounted to ₱1.2 million or 24%. The decrease was due to non-renewal of contracts in 2023.

Consolidated Costs and Expenses
Total costs and expenses increased by 178% or ₱14,692.6 million in 2023 as compared to 2022. This is mainly due to increase in franchise fees and taxes brought about by new games and licenses, advertising promotions, outside services, salaries and wages and utilities.

CONSOLIDATED EBITDA AND NET INCOME

Details of EBITDA and net income are as follows:

Amounts in thousands	**2023**	2022	Inc/(Dec)	% Change
Gross revenues	**₱27,251,051**	₱8,905,590	₱18,345,461	206%
Costs and expenses (excluding depreciation and amortization)	**(22,473,474)**	(7,898,464)	(14,575,010)	185%
EBITDA*	**4,777,577**	1,007,126	3,770,451	374%
Depreciation and amortization	**(493,432)**	(375,827)	(117,605)	31%
Finance expense	**(197,263)**	(376,705)	179,442	-48%
Unrealized fair value gain on investment property	**131,817**	297,772	(165,995)	-56%
Income tax benefit (expense)	**(84,385)**	161,207	(245,592)	-152%
Other expenses - net	**(39,461)**	(26,716)	52,296	48%
Net Income after Tax	**4,094,853**	686,857	3,407,996	496%
Minority interest	**17,119**	86,152	(69,034)	-80%
Net income attributable to Parent Company	**₱4,077,734**	₱600,705	₱3,477,029	579%

*EBITDA is defined as earnings before interest, taxes, depreciation, amortization, and non-recurring expense such as impairment loss. The Group evaluates performance based on contributions to EBITDA, which is not a measure of operating performance or liquidity defined by PFRSs and may not be comparable to similarly titled measures presented by other entities.

The Group's consolidated net income improved from ₱686.9 million net income in 2022 to ₱4,094.9 million net income in 2023 or 496% increase. EBITDA also improved by 374% in 2023 or equivalent to ₱3,770.5 million as compared to 2022. This was mainly due to significant increase in revenue from retail and casino segments, net of costs and expenses related to franchise and taxes, advertising, manpower and retail business for re-opening of sites.

Financial Position

On a consolidated basis, the financial position of DigiPlus and its subsidiaries continue to be on solid ground.

As at December 31, 2023, our total assets stood at ₱29.7 billion, an increase of ₱8.8 billion or 42% as compared to total assets as of December 31, 2022 amounting to ₱20.9 billion. The increase was attributable to increase in cash, receivables, investment properties, property and equipment, and other assets. This was brought about by new gaming licenses and increase in operational activities of retail segment of the Group and cash received for the issuance of shares.

Cash and cash equivalents increased by ₱2,907.8 million or 214% mainly due to the positive results of operations primarily on launching the BingoPlus and ArenaPlus and the cash received from issuance of shares, net of payments of loans.

Receivables and lease receivables increased by ₱1.4 billion or 111% mainly due to increase in our receivables from payment channel gateways and due to lease amendments to increase rental rate of certain sub-lease agreements of the Group. Prepaid and other current assets also increased by 231% mainly due to increase in prepaid expenses such as advertising, rental, marketing and others, and advances to existing suppliers.

Property and equipment increased by 227% or ₱2,448.1 million, mainly due to office and site renovations, and purchase of gaming machines and studio equipment during the year. In addition to this, investment properties also increased by ₱132.3 mainly due to revaluation increment in 2023. Investment in associates and joint venture decreased mainly due to share in net loss of HEPI.

Goodwill amounting to ₱1.3 billion were from the business acquisition of the Group which includes share and land-based site acquisitions.

Other noncurrent assets increased by ₱952.94 million or 88%, mainly due to deferred project costs for the development of software systems and increase in cash performance bonds due to new operating sites. Other noncurrent assets also include advances to suppliers, rental deposits and other assets.

The total liabilities as of December 31, 2023 amounted to ₱10.8 billion with an increase of ₱2.8 billion or 36% from the total liabilities as of December 31, 2022 amounting to ₱7.9 billion. The increase was mainly because of growth in business volume during the year resulting in higher costs and expenses.

Cash Flows

Cash balance as of December 31, 2023 and 2022 amounted to ₱4.3 billion and ₱1.4 billion, respectively. The increase was mainly due to net cash provided by operating activities amounting to ₱6.2 billion. This was reduced by the cash used in investing and financing activities amounting to ₱3.1 billion and ₱0.2 billion, respectively.

The Company and its subsidiaries:

a) Have no known trends or any demands, commitments, events or uncertainties that will result in or that are likely to result in the liquidity increasing or decreasing in any material way;
b) Have no events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
c) Have no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period;
d) Have not breached any loans, leases or other indebtedness or financing agreement; and
e) Have no material commitment for capital expenditure, aside from those already discussed.

Item 7. Financial Statements

The consolidated financial statements and schedules listed in the accompanying Index to Financial Statements and Supplementary Schedules are filed as part of this Form 17-A.

Item 8. Information on Independent Accountant and other Related Matters

External Audit Fees and Services

The aggregate fees billed and paid by registrant in favor of its External Auditors for Audit and Audit Related Fees amounted to Eight Million Three Hundred Thousand Pesos (₱8,300,000) and Seven Million Pesos (₱7,000,000) in 2024 and 2023, respectively. These fees comprise the audit and audit related services rendered in favor of Registrant and its subsidiaries.

Except for the fees indicated above, there were no tax fees or other fees billed or paid to registrant's External Auditors for the last two (2) fiscal years.

The audit plan of the external auditors has been submitted to the Company's Audit Committee for review. The Board of Directors, after consultation with the Audit Committee, recommends to the stockholders the engagement of the external auditors of the Company. As regards to services that may be rendered by the external auditor other than the audit of financial statements, the scope of and payment for the same are subject to review, evaluation and approval by the BOD.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes or disagreements with the Company's external auditors, Isla Lipana & Co., on accounting and financial statement disclosures.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

The directors of the Corporation hold directorship in other companies as follows:

Name	Age	Directorships in Other Companies	*Citizenship*	Business Experience For the Past Five Years
Eusebio H. Tanco *(Director; July 29, 2011 to present)*	75	Asian Terminals Inc. PhilhealthCare Inc. Philippine Life Financial Assurance STI Education Systems Holdings, Inc. STI Education Services Group, Inc. iACADEMY Philippine School of Business Administration Maestro Holdings, Inc. (formerly STI Investments, Inc.) Eximious Holdings, Inc. (formerly Capital Managers & Advisors, Inc.) STI West Negros University Philippine First Insurance Co., Inc. Mactan Electric Company International Hardwood & Veneer Corp. Cement Center Inc. United Coconut Chemicals, Inc. Manila Bay Spinning Mills, Inc. M. B. Paseo Grow Vite, Inc. Philippine Racing Club Biolim Holdings & Management Corp (formerly Rescom Developers Inc.) First Optima Realty Corp. Marbay Homes Inc. Tantivy Holdings, Inc. (formerly Insurance Builders Inc.) Classic Finance, Inc. Bloom with Looms Logistics, Inc. (formerly STMI Logistics, Inc.) Total Consolidated Asset Management, Inc. Eujo Phils., Inc. Prime Power Holdings Corporation Venture Securities, Inc. Philplans First, Inc. Prudent Resources, Inc. AB Leisure Exponent, Inc. First Cagayan Converge Data Center, Inc. LR Land Developers, Inc. LR Data Center and Solutions, Inc. AB Leisure Global, Inc. and Subsidiaries Blue Chip Gaming and Leisure, Inc. Gold Coast Leisure and World Corporation Total Gamezone Xtreme Incorporated Prime Investment Korea Inc. Diginvest Holdings Inc. Leisure and Media Plus Corporation ***(All-Director)***	*Filipino*	Asian Terminals Inc. *(President)* STI Education Systems Holdings, Inc. *(Chairman)* Eximious Holdings, Inc. (formerly Capital Managers & Advisors, Inc. *(Chairman)* STI West Negros University *(Director)* Mactan Electric Company *(Chairman)* International Hardwood & Veneer Corp. *(President)* Cement Center Inc. *(President)* First Optima Realty Corp. *(President)* Marbay Homes Inc. *(President)* Tantivy Holdings, Inc. (formerly Insurance Builders Inc.) *(President)* Grow Vite, Inc. *(Chairman)* Venture Securities, Inc. *(Chairman)* Biolim Holdings & Management Corp (formerly Rescom Developers Inc.) *(President)* Philippine First Insurance Co., Inc. *(Chairman)* Bloom with Looms Logistics, Inc. (formerly STMI Logistics, Inc.) *(President)* Eujo Phils., Inc. *(President)* Total Consolidated Asset Management, Inc. *(President)* Prime Power Holdings Corporation *(Chairman and President)* Classic Finance Inc. *(CEO)* Prudent Resources, Inc. *(Chairman and President)*

Name	Age	Directorships in Other Companies	*Citizenship*	Business Experience For the Past Five Years
Willy N. Ocier *(Director, July 31, 2009 to present)*	68	Philippine Global Communications Inc. Premium Leisure & Amusement, Inc. APC Group, Inc. Tagaytay Midlands Golf Club, Inc. Tagaytay Highlands International Golf Club, Inc. ***(All-Director)*** Belle Corporation Pacific Online Systems Corporation ***(Chairman)***	*Filipino*	Pacific Online Systems Corporation *(Chairman and President)* Philippine Global Communications Inc. *(Chairman, CEO and President)* Premium Leisure & Amusement, Inc. (Chairman) APC Group, Inc. Tagaytay Midlands Golf Club, Inc. *(Chairman)* Belle Corporation *(Chairman)* Tagaytay Highlands International Golf Club, Inc. *(Vice Chairman)* Highlands Prime Inc. *(Vice Chairman)* The Country Club at Tagaytay Highlands, Inc. *(Chairman)* Abacore Capital Holdings, Inc. Total Gaming Technologies, Inc. *(Chairman)* Vantage Equities Inc. Toyota Corporation Batangas
Renato G. Nuñez *(Director, June 11, 2019 to present)* *(Director, September 30, 2005 to February 16, 2012)*	56	All British Cars, Inc. Philippine Realty and Holdings Corp. Total Consolidated Asset Management, Inc. Techzone Philippines Corp. Techglobal Data Center Inc. PRHC Property Management Corp. First Cagayan Leisure and Resort Corporation Tootsie's Tagaytay Restaurant Inc. Arwen Gaming Consultancy Inc. Everland Estate Dev't. Corp. Relski Consultancy. Corp. ***(All-Director)***	*Filipino*	All British Cars, Inc. *(Director)* Coventry Motors Corporation *(Director)* Cats Motors, Inc. *(President)* Philippine Realty and Holdings Corp. *(Director)* Total Consolidated Asset Management, Inc. *(Director)* Leisure Advantage, Inc. *(Director)* Techglobal Data Center, Inc. *(President)* Techzone Philippines, Inc. *(President)*
Tsui Kin Ming	54	None	*Chinese*	Jimei International Ltd. MegStar International *(All – Chief Financial Officer)*

Name	Age	Directorships in Other Companies	*Citizenship*	Business Experience For the Past Five Years
Rafael Jasper S. Vicencio *(Director February 2, 2022 to present)*	48	AB Leisure Exponent, Inc. Alabang Number & Gaming Corporation Allpoint Leisure Corporation Alpha One Amusement & Recreation Corp. Big Time Gaming Corporation Bingo Extravaganza, Inc. Bingo Gallery, Inc. Bingo Palace Corporation Cebu Entertainment Gallery Inc. First Leisure & Game Co., Inc. Galleria Bingo Corp. Gamexperience Entertainment Corp. Grand Polaris Gaming Co., Inc. G-One Gaming & Technology Inc. Highland Gaming Corp. Iloilo Bingo Corp. Metro Gaming Entertainment Gallery Inc. One Bingo Pavilion, Inc. Rizal Gaming Corporation SG Amusement and Recreation Corp. South Bingo Corporation South Entertainment Gallery Incorporated Topmost Gaming Corp. Topnotch Bingo Trend Inc. Worldwide Links Leisure and Gaming Corp. Bingo Dinero Corporation Summit Bingo, Inc. Manila Bingo Corporation Total Gamezone Xtreme Incorporated Gamemaster Integrated Inc. DigiLive Inc. Leisure and Media Plus Corporation Bingo Heaven Incorporated Bingo Zone, Inc. BingoPlus Foundation Inc.	*Filipino*	AB Leisure Exponent, Inc. Alabang Number & Gaming Corporation Allpoint Leisure Corporation Alpha One Amusement & Recreation Corp. Big Time Gaming Corporation Bingo Extravaganza, Inc. Bingo Gallery, Inc. Bingo Palace Corporation Cebu Entertainment Gallery Inc. First Leisure & Game Co., Inc. Galleria Bingo Corp. Gamexperience Entertainment Corp. Grand Polaris Gaming Co., Inc. G-One Gaming & Technology Inc. Highland Gaming Corp. Iloilo Bingo Corp. Metro Gaming Entertainment Gallery Inc. One Bingo Pavilion, Inc. Rizal Gaming Corporation SG Amusement and Recreation Corp. South Bingo Corporation South Entertainment Gallery Incorporated Topmost Gaming Corp. Topnotch Bingo Trend Inc. Worldwide Links Leisure and Gaming Corp. Bingo Dinero Corporation Summit Bingo, Inc. Manila Bingo Corporation Total Gamezone Xtreme Incorporated
Timoteo B. Aquino *(Independent Director, July 29, 2022 to present)*	61	Dynamic Care Corporation Tagle-Chua Cruz & Aquino Law Firm *(Partner)*	*Filipino*	Dynamic Care Corporation Tagle-Chua Cruz & Aquino Law Firm *(Partner)* Pre-Bar review and MCLE lecturer San Beda University's College of Law *(Professor)* San Beda College Alabang School of Law *(Professor)* Lyceum of the Philippines University, College of Law *(Professor)* University of Asia and the Pacific's School of Law and Governance *(Professor)*
Ramon Pancratio D. Dizon *(Independent Director, October 26, 2022 to present)*	64	PAL Holdings, Inc. MacroAsia Corporation Filinvest REIT Corporation Philippine Dealing Systems Holdings Corp. Philippine Dealing & Exchange Corp. Philippine Depository & Trust Corp. PCD Nominee Corporation Megalink, Inc. Philippine School for Business Administration ***(All-Independent Directors)***	*Filipino*	SGV & Co. *(Retired Senior Partner)* Monde Nissin Corporation *(Senior Consultant)*

Name	Age	Directorships in Other Companies	*Citizenship*	Business Experience For the Past Five Years
Jose Raulito E. Paras *(Director, October 26, 2022 to present)*	52	Manila Mining Corporation Zeus Holdings, Inc.	*Filipino*	Padernal & Paras Law Offices *(Founding Partner)* Philippine Dispute Resolution Center *(Commercial Arbitrator)*
Arthur R. Tan *(Independent Director, November 5, 2024 to present)*	65	Lyceum of the Philippines University FEU Institute of Technology SSI Group ***(All-Independent Directorship)***	*Filipino*	Integrated Micro-Electronics Inc. *(Vice-Chairman; Chief Executive Officer)* AC Industrials Technology Holdings Inc. *(President and CEO)*

All of the independent directors possess all the qualifications and none of the disqualifications as independent directors under SRC Rule 38 from the time of their election as such independent directors.

Item 10. Executive Compensation

Data as to all plan and non-plan compensation awarded to, earned by, paid to, or estimated to be paid to, directly or indirectly during the last two completed calendar years and the ensuing calendar year to the Company's President and four other most highly compensated executive officers.

Name and Principal Position	Year	Compensation	Bonuses	Other Annual Compensation
Tsui Kin Ming, President				
Wilfredo M. Pielago, Chief Finance Officer				
Rafael Jasper Vicencio, ABLE President				
Celeste M. Jovenir, VP of Investor Relations and Corporate Communications				
Rosalyn D. Batay, Head of Internal Audit				
All above-named Officers as a group	2024	₱29,040,000	₱2,420,000	
All other officers as a group unnamed	2024	None	None	None

Name and Principal Position	Year	Compensation	Bonuses	Other Annual Compensation
Tsui Kin Ming, President				
Wilfredo M. Pielago, Chief Finance Officer				
Rafael Jasper Vicencio, ABLE President				
Dominic Villanueva, Chief Human Resource Officer (January – March 2023)				
Felbin Peter Soto, VP for Brand Marketing				
All above-named Officers as a group	2023	₱19,926,000	₱2,444,444	
All other officers as a group unnamed	2023	None	None	None

a) Compensation of Directors

Members of the BOD are elected for a term of one year. Except for the Company's President and Vice-President, all other directors receive no compensation except directors' per diem of ₱50,000 per board meeting, ₱30,000 per executive committee meeting, and ₱20,000 per meeting for other committees.

Effective June 21, 2024, per diem increased to ₱100,000 and ₱40,000 per board meeting and committee meeting, respectively.

Cash bonus were given to directors in 2024 and 2023 totaling ₱6,111,111 and ₱2,444,444, respectively.

Total payments to non-salaried directors amounted to ₱16,100,000 and ₱5,211,123 in 2024 and 2023, respectively.

Employment Contracts and Termination of Employment and Change in Control Arrangements

There are no agreements or employment contract existing between the Company and any of its directors or executive officers.

There are no arrangements for compensation to be received by these named executive officers from DigiPlus in the event of a change in control of DigiPlus.

b) Warrants and Options Outstanding

As of March 31, 2019, the Corporation has outstanding warrants of 82,500,000 which are listed with the Philippine Stock Exchange. The warrants shall entitle the investor/s to purchase one (1) common share. The exercise price of the warrant shall be ₱15.00 or the Company's weighted average trading price for three (3) months prior to the exercise date of the warrant less ten percent (10%) discount. The warrants are exercisable starting on the 5th anniversary of the perpetual preferred shares until the 8th anniversary.

In September 2021, 26,606,666 warrants were exercised and converted into shares for an exercise price of P1.503 per share, which is the weighted average trading price for three (3) months prior to the exercise date with a 10% discount. Consequently, common shares with par value aggregating to P26,607 were issued for the exercised warrants resulting in additional paid-in capital of P13,383.

The remaining 55,893,334 warrants which were not exercised in September 2021 are deemed expired and are no longer exercisable.

On January 31 and March 27, 2023, the BOD and stockholders of the Parent Company approved its employee stock options plan (ESOP). On July 4, 2024, the Securities and Exchange Commission approved the Corporation's application for exemption from registration of its ESOP.

Item 11. Security Ownership of Certain Beneficial Owners and Management

a) Security Ownership of Certain Record and Beneficial Owners (more than 5%) as of February 28, 2025

Title of Class (As of February 28, 2025)	Name and address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Holder	Citizenship	No. of Shares Held	Percent - age Held
Common	**PCD Nominee Corporation** 37/F Tower I, The Enterprise Center 6766 Ayala Avenue corner Paseo de Roxas, Makati City Stockholder	*	Filipino	3,140,470,435	71.25%
Common	**PCD Nominee Corporation** 37/F Tower I, The Enterprise Center 6766 Ayala Avenue corner Paseo de Roxas, Makati City Stockholder	*	Non-Filipino	1,057,102,487	23.98%

** Beneficial owner under PCD Nominee Corporation that holds more than 5% shares are*

1. *Globalist technology Company Limited - 242,948,700 / 5.51%*
2. *Colonial Group Holdings Corporation - 330,000,000 / 7.49%*
3. *Euphonious Holdings Inc. - 351,000,000 / 7.96%*
4. *Catchy Solution Limited - 335,000,000 / 7.6%*
5. *Sagathy Holdings Inc. - 340,000,000 / 7.71%*
6. *Clearspring Holdings Corp. - 330,600,000 / 7.5%*
7. *Belvedere Skies Asset Holding OPC - 330,600,000 / 7.5%*
8. *Leisure Advantage Inc. - 305,493,300 / 6.93%*

*Except for the above mentioned *beneficial owner, none of the common shares registered under the name of PCD Nominee Corporation owns more than 5% of the Company's common stock. PCD Nominee Corporation is a wholly owned subsidiary of the Philippine Central Depository and is the registered owner of the shares in the books of the Stock Transfer Securities, Inc., the transfer agent of the registrant, and holds the shares in behalf of the beneficial owners.*

b) Security Ownership of Management as of February 28, 2025.

Name	Nationality	Direct	Indirect	Total Direct & Indirect Shares	% to Total Outstanding Shares
Eusebio H. Tanco	Filipino	10,432,480	649,485,513	659,917,993	14.97%
Willy N. Ocier	Filipino	2,125,200	9,358,700	11,483,900	0.26%
Renato G. Nuñez	Filipino	2	0	2	0.00%
Arthur R. Tan	Filipino	304	100,000	100,304	0.00%
Rafael Jasper S. Vicencio	Filipino	0	39,409	39,409	0.00%
Tsui Kin Ming	Chinese	304	0	304	0.00%
Jose Raulito E. Paras	Filipino	305	0	305	0.00%
Ramon Pancratio D. Dizon	Filipino	304	0	304	0.00%
Timoteo B. Aquino	Filipino	6	0	6	0.00%
Kristine Margaret R. Delos Reyes	Filipino	0	0	0	0
Carol V. Padilla	Filipino	0	0	0	0
Wilfredo M. Pielago	Filipino	0	0	0	0
Total		12,558,905	658,983,622	671,542,527	15.23%

c) Voting Trust Holders of 5% or More

No person holds more than 5% of a class under voting trust or similar arrangement. The Corporation does not have any shareholder agreements, voting trust agreements, confidentiality agreements, and such other agreements that may significantly impact on the control, ownership and strategic direction of the company.

d) Change in Control

There has been no change in control of the Corporation since the beginning of 2012 and the Corporation is not aware of any existing, pending, or potential transaction which may result in such a change in control.

Item 12. Certain Relationships and Related Transactions

Transactions between related parties are accounted for at arms' length prices or on terms similar to those offered to non-related entities in an economically comparable market. There were no transactions or proposed transactions during the last two (2) years to which the registrant or its subsidiaries, in which a director, executive officer, or stockholders owning ten percent (10%) or more of total outstanding shares and members of their immediate family had or is to have a direct or indirect material interest.

For transactions with related parties pertaining to those consummated with its subsidiaries and other related parties, please refer to Note 21 of Notes to the Consolidated Financial Statements.

PART IV – CORPORATE GOVERNANCE

Item 13.A. Corporate Governance

The Annual Corporate Governance Report will be filed separately in accordance with SEC Memorandum Circular No. 20, 2016 Annual Corporate Governance Report Submission.

Item 13.B. Sustainability Report

DigiPlus is aligned with the International Integrated Reporting Council (IIRC) Framework which aims to provide information on the value creation process of the Company and guides the content structure of its sustainability report. DigiPlus also references the Sustainable Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) to disclose sustainability information and metrics that align with its material themes.

Information regarding its sustainability performance is discussed in Part 4: Sustainability at DigiPlus of the 2024 DigiPlus Integrated Report.

A copy of the 2024 DigiPlus Integrated Report may be accessed on its official website via https://digiplus.com.ph/sustainability/ #sustainability-report or through the following link: https://drive.google.com/file/d/1__xqAEyfgHyIXWowZn0o79YX_eY061tL/view?usp=sharing

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code of the Philippines, this report is signed on behalf of the issuer by the undersigned thereunto duly authorized in the TAGUIG CITY on April 4, 2025.

By:

EUSEBIO H. TANCO
Chairman

TSUI KIN MING
President

WILFREDO M. PIELAGO
Chief Finance Officer

CAROL PADILLA
Corporate Secretary

APR 04 2025

SUBSCRIBED AND SWORN before me this ___ day of _____ affiants exhibiting to me in their Community Tax Certificates as follows:

Names	Community Tax No./Passport No.	Date of Issue	Place of Issue	TIN No.
Eusebio H. Tanco		11 March 2019	Manila	
Tsui Kin Ming		11 August 2017	Hong Kong	
Wilfredo M. Pielago		16 January 2023	Manila	
Carol Padilla		21 March 2016	NCR South	

Doc No. 402;
Page No. 82;
Book No. II;
Series of 2025.

MICHAEL OLIVER B. MAATA
Notary Public for Taguig City
Until December 31, 2025
COMMISSION APPOINTMENT NO. 42 (2024-2025)
PTR No. A 6127855, 02 January 2024/Taguig City
IBP No. 388738, 02 January 2024/Makati City
Roll of Attorney No. 55919
Unit A 19F, Menarco Tower, 32nd Street
Bonifacio Global City, Taguig City
MCLE COMPLIANCE No. VII-0014743; 04/06/22

PART V – EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

a. Exhibits – See accompanying Index to Exhibits

b. Reports on SEC Form 17-C

1. On March 19, 2024, the Board of Directors declared cash dividends to common shareholders amounting to P0.18 per outstanding common share.

2. On May 8, 2024, DigiPlus announced the financial highlights as of First Quarter of 2024.

3. On April 11, 2024, the Board of Directors of DigiPlus Interactive Corp. (DigiPlus) approved the incorporation of a wholly-owned subsidiary which will serve as an investment holding company.

   The establishment of the new subsidiary has the primary objective of identifying and acquiring investments to optimize the Company's portfolio of entertainment and leisure assets.

   The transaction is aligned with DigiPlus' strategic vision to position itself as the leading, most innovative, and technologically advanced digital entertainment group in the Philippines. The transaction allows DigiPlus to unlock new forms of entertainment for customers, including offering new platforms to various demographics and lifestyle preferences.

4. On June 21, 2024, the Board confirmed and approved the amendment of the Corporation's By-Laws to align with recent SEC regulations to expressly allow for the conduct of Stockholders' and Board of Director's meetings virtually and for voting through remote communication, among others.

5. On July 5, 2024, the Corporation received a copy of the Securities and Exchange Commission's - MSRD Resolution No. 6 Series of 2024 dated July 4, 2024 approving the Corporation's application for exemption from registration of its Employee Stock Option Plan (ESOP). The ESOP covers Two Hundred Twenty Million Three Hundred Eighty-Two Thousand Nine Hundred Fifty-Eight (220,382,958) common shares in favor of the Corporation's qualified officers and employees in accordance with the terms of the Corporation's ESOP Plan.

   The ESOP aims to recognize the contributions, as well as attract and retain key individuals, directors, officers, and employees who are essential to the overall growth of the business and the long-term strategic goals of the Corporation.

6. On July 26, 2024, DigiPlus Interactive Corp. held its Annual Stockholders' Meeting ("ASM"). The following is a list of material resolutions, transactions and corporate actions approved by the stockholders during the ASM:
   - Approval of the minutes of the annual meeting held on July 28, 2023
   - Approval of the Annual Report and Audited Financial Statements for the fiscal year 2023
   - Ratification of actions taken by the Board of Directors and officers since the last annual meeting
   - Nomination and election of Directors
   - Approval of the incorporation of a new wholly-owned subsidiary
   - Approval of the amendment of Articles II and III of the By-Laws
   - Appointment of external auditor
   - Ratification of the grant of Employee Stock Option Shares to directors and officers

7. On July 26, 2024, the Board of Directors of DigiPlus Interactive Corp. held its Organizational Meeting. The officers, lead independent director, and committee members were elected during the meeting.

8. On July 26, 2024, stockholders owning at least two-thirds (2/3) of the Corporation's outstanding capital stock approved the amendments of the Corporation's By-Laws to align with recent SEC regulations to expressly allow for the conduct of Stockholders' and Board of Director's meetings virtually and for voting through remote communication, among others.

9. On August 9, 2024, DigiPlus announced the financial highlights as of Second Quarter of 2024.

10. On August 17, 2024 (Brazil time) / August 18, 2024 (Manila time), DigiPlus Interactive Corp., through its wholly-owned subsidiary, DigiPlus Brazil Interactive Ltda., filed an application for Licença Para Loterias De Apostas De Quota Fixa, which is a federal license that allows the operations of land-based and online sports betting, electronic games, live game studios, and other fixed-odds betting activities in Brazil. The result of the license application is expected to be released on or before the end of November 2024.

    Currently in its preliminary stages, DigiPlus is looking to diversify its portfolio into new markets with enabling regulatory environment for iGaming. DigiPlus envisions the Philippines to remain its core market.

11. On November 5, 2024, DigiPlus announced the financial highlights as of Third Quarter of 2024.

12. On November 5, 2024, Atty. Mardomeo N. Raymundo Jr. resigned as director of the Board and as a member of the Executive Committee.

    In compliance with good corporate governance principles, particularly Recommendation 5.1 of the Corporate Governance for Publicly Listed Companies recommending at least three (3) independent directors, and upon the endorsement of the Nomination Committee, Mr. Arthur Tan was elected as Independent Director on the same day.

    To fill the vacancy in the Executive Committee, the Board also appointed Mr. Rafael Jasper S. Vicencio as member of the Executive Committee.

13. On November 20, 2024, DigiPlus Interactive Corp. (PLUS) announced that it will participate in the Philippine Stock Exchange. Inc's PSE STAR (Strengthening Access and Reach) Investor Day where management will discuss updates on company direction and financial and operating performance.

14. On November 21, 2024, DigiPlus Brazil Interactive Ltda., has passed the qualification stage for a federal license with Brazil's Ministry of Finance's Secretariat of Awards and Bets (SPA). DigiPlus have 30 days to fulfill post-qualification regulatory requirements, including platform certification and license fee payments.

    After completion of the post-qualification requirements, SPA shall release the final list of operators authorized to operate from January 1, 2025 onwards. It would enable the Corporation to operate online sports betting and other iGaming offerings in Brazil.

    On the same day, November 21, 2024, DigiPlus' Board of Directors approved the initial funding of Php660 Million to pay for the license fees, minimum capitalization, financial reserves, and other operational expenses as part of the post-qualification process of the SPA. This initial funding is intended for a three-month horizon.

15. On December 12, 2024, in compliance with the corporate governance rules and principles, the Board approved the reorganization of the membership of certain board committees:
    - Corporate Governance Committee;
    - Board Risk Oversight Committee;
    - Related Party Transaction Committee;
    - Compensation Committee.

16. On December 16, 2024, the Securities and Exchange Commission approved the amendment to the Company's By-Laws. On December 17, 2024, the Company received the same.

17. On December 20, 2024, DigiPlus Board of Directors approved the funding of Php660 Million to pay for the Brazil gaming license fees, minimum capitalization, financial reserves, and other operational expenses.

Item 15. Index to the Consolidated Financial Statements and Supplementary Schedules

digiplus

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of **DigiPlus Interactive Corp. & Subsidiaries** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 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 consolidated financial statements that are free form 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 or members.

Isla Lipana & Co., the independent auditors appointed by the stockholders for the years ended December 31, 2024 and 2023, respectively, have audited the consolidated financial statements of the company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

EUSEBIO H. TANCO
Chairman of the Board

TSUI KIN MING
President

WILFREDO PIELAGO
Treasurer and Chief Financial Officer

Signed this April 4, 2025

APR 04 2025

SUBSCRIBED AND SWORN to before me this ___ of ___ at TAGUIG CITY. Affiant exhibiting to me his/her ___ with No. ___ as strong proof of his/her identity.

MICHAEL OLIVER B. MAATA
Notary Public for Taguig City
Until December 31, 2025
COMMISSION APPOINTMENT NO. 42 (2024-2025)
PTR No. A 6127855, 02 January 2024/Taguig City
IBP No. 388738, 02 January 2024/Makati City
Roll of Attorney No. 55919
Unit A 19F, Menarco Tower, 32nd Street
Bonifacio Global City, Taguig City
MCLE COMPLIANCE No. VII-0014743; 04/06/22

Doc. No. 403
Page No. 83
Book No. II
Series of 2025

C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	3	1	7	4						

C O M P A N Y   N A M E

DIGIPLUS INTERACTIVE CORP. AND SUBSIDIARIES

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

ECOPRIME BUILDING, 32ND STREET CORNER NINTH AVENUE, BONIFACIO GLOBAL CITY, TAGUIG CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	CRMD	N/A

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
inquiry@digiplus.com.ph	**+632 8637-5291 to 93**	**N/A**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
1,803	**July 26**	**December 31**

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Mr. Wilfredo Pielago	**wilfredo.pielago@digiplus.com.ph**	**+632 8637-5291 to 93**	**N/A**

CONTACT PERSON's ADDRESS

Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig 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.*

Independent Auditor's Report

To the Board of Directors and Shareholders of
DigiPlus Interactive Corp.
Ecoprime Building, 32nd Street corner Ninth Avenue
Bonifacio Global City, Taguig City

Our Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of DigiPlus Interactive Corp. (the "Parent Company") and its subsidiaries (together, the "Group") as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The Group's financial statements comprise:

- the consolidated statements of financial position as at December 31, 2024 and 2023;
- the consolidated statements of total comprehensive income for each of the three years in the period ended December 31, 2024;
- the consolidated statements of changes in equity for each of the three years in the period ended December 31, 2024;
- the consolidated statements of cash flows for each of the three years in the period ended December 31, 2024; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

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.

Key audit matter identified is revenue recognition.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition Refer to Notes 15 and 28.24 to the consolidated financial statements. Ascertaining completeness of the Group's retail games segment particularly on traditional bingo and electronic games, both online and onsite, requires significant audit attention primarily due to its material contribution to the Group's total consolidated revenue and the significant volume of traditional bingo and electronic gaming transactions that are processed either manually or through automated systems.	We addressed the matter through the following procedures: • Obtained understanding of the Group's revenue recognition policies in accordance with PFRS 15, Revenue from Contracts with Customers, and the related business processes and information technology (IT) environment; • With the assistance of our IT specialists, we evaluated the design and tested the operating effectiveness of the IT general controls over the relevant IT systems and the related automated and manual controls surrounding revenue recognition;

Key audit matter	How our audit addressed the key audit matter
These processes encompass, among others, controls on player registration, betting, reconciliation of player wallet balances, recording of gross gaming receipts, and payouts. For the year ended December 31, 2024, total consolidated revenue from retail games amounted to P74.1 billion.	• Our procedures included the test of relevant controls surrounding completeness of revenue transactions including key reconciliation processes of both online and onsite games • We tested the reliability of key system-generated reports and reconciliations of revenues recognized between systems used to transact revenue to the general ledger; • We performed substantive audit procedures including reconciliation between reports submitted to regulatory agencies and recorded revenues and independent recalculation of gross gaming receipts; and • We obtained sufficient coverage of confirmation replies from trade receivables to further ascertain completeness of gaming transactions.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 17-A and Annual Report, 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), which is 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 audit 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 audit, 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.

When we read the SEC Form 20-IS (Definitive Information Statement), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 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 PSA 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 PSA, 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 ability of the Group 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 units 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, actions taken to eliminate threats or related safeguards applied.

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 Pocholo C. Domondon.

Isla Lipana & Co.

Pocholo C. Domondon
Partner
CPA Cert. No.
P.T.R. No. ; issued on January 3, 2025 at Makati City
T.I.N.
BIR A.N. ; issued on November 9, 2024; effective until November 8, 2027
BOA/PRC Reg. No. effective until November 14, 2025

Makati City
April 4, 2025

Statements Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
DigiPlus Interactive Corp.
Ecoprime Building, 32nd Street corner Ninth Avenue
Bonifacio Global City, Taguig City

We have audited the consolidated financial statements of DigiPlus Interactive Corp. (the "Parent Company") and its subsidiaries (together, the "Group") as at and for the year ended December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, on which we have rendered the attached report dated April 4, 2025. The supplementary information shown in the Reconciliation of Parent Company's Retained Earnings Available for Dividend Declaration, A Map Showing the Relationships between and among the Parent Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries and Associates, and Schedules A, B, C, D, E, F, and G, as required by the Revised SRC Rule 68, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the basic consolidated financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements. In our opinion, the supplementary information has been prepared in accordance with Revised SRC Rule 68.

Isla Lipana & Co.

Pocholo C. Domondon
Partner
CPA Cert. No. [illegible]
P.T.R. No. [illegible]; issued on January 3, 2025 at Makati City
T.I.N. [illegible]
BIR A.N. [illegible], issued on November 9, 2024; effective until November 8, 2027
BOA/PRC Reg. No. [illegible], effective until November 14, 2025

Makati City
April 4, 2025

Statements Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
DigiPlus Interactive Corp.
Ecoprime Building, 32nd Street corner Ninth Avenue
Bonifacio Global City, Taguig City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of DigiPlus Interactive Corp. (the "Parent Company") and its subsidiaries (together, the “Group”) as at and for the year ended December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 4, 2025. 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 SRC 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 and for the year ended December 31, 2024 and no material exceptions were noted.

Isla Lipana & Co.

Pocholo C. Domondon
Partner
CPA Cert. No. [redacted]
P.T.R. No. [redacted], issued on January 3, 2025 at Makati City
T.I.N. [redacted]
BIR A.N. [redacted], issued on November 9, 2024; effective until November 8, 2027
BOA/PRC Reg. No. [redacted] effective until November 14, 2025

Makati City
April 4, 2025

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DigiPlus Interactive Corp. and Subsidiaries

Consolidated Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023
Assets			
Current assets			
Cash and cash equivalents	2	13,977,434	4,264,238
Receivables, net	3,8	4,589,278	2,523,382
Current portion of lease receivables	18	69,557	66,967
Due from related parties	21	156,335	156,823
Prepaid expenses and other current assets	4	1,488,321	1,450,288
Total current assets		20,280,925	8,461,698
Non-current assets			
Receivables, net of current portion	8	368,044	397,324
Lease receivables, net of current portion	18	107,512	126,513
Investments and advances, net	7	2,664,988	2,702,852
Financial assets at fair value through other comprehensive income (FVOCI)	9	62,329	67,578
Property and equipment, net	5	5,290,596	3,519,336
Investment properties	6	11,217,011	11,074,870
Intangible assets	10	2,506,331	1,334,492
Other non-current assets	11	1,647,151	2,030,250
Total non-current assets		23,863,962	21,253,215
Total assets		44,144,887	29,714,913
Liabilities and Equity			
Current liabilities			
Trade payables and other current liabilities	12	8,605,797	6,163,163
Short-term loans payable	13	-	1,000
Current portion of:			
Long-term loans payable	13	733,781	1,017,384
Lease liabilities	18	476,217	275,294
Income tax payable		1,436	1,114
Total current liabilities		9,817,231	7,457,955
Non-current liabilities			
Long-term loans payable, net of current portion	13	-	869,423
Lease liabilities, net of current portion	18	1,294,632	799,071
Retirement benefits liability	19	127,685	69,841
Customer deposits, net of current portion	12	82,296	80,267
Deferred tax liabilities	22	1,543,297	1,512,706
Total non-current liabilities		3,047,910	3,331,308
Total liabilities		12,865,141	10,789,263
Equity			
Capital stock	14	4,785,307	4,785,307
Additional paid-in capital	14	6,245,301	6,245,301
Treasury shares	14	(431,598)	(431,598)
Retirement benefits reserve	19	(31,242)	12,907
Fair value reserve	7,9	483,651	488,900
Foreign currency translation reserve		(47,935)	(2,100)
Other reserve		896,928	239,681
Retained earnings			
Unappropriated		11,889,253	7,404,748
Appropriated		7,300,000	-
Equity attributable to equity holders of the Parent Company		31,089,665	18,743,146
Non-controlling interests		190,081	182,504
Total equity		31,279,746	18,925,650
Total liabilities and equity		44,144,887	29,714,913

(The notes on pages 1 to 78 are integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Consolidated Statements of Total Comprehensive Income
For each of the three years in the period ended December 31, 2024
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023	2022
Revenues				
Retail games	15	74,106,611	26,368,576	8,126,122
Rental income	18	552,947	475,937	385,225
Service and hosting fees	16	407,044	340,592	351,793
Commission income		149,707	62,235	37,558
Revenue from sub-lease	18	6,839	3,711	4,892
		75,223,148	27,251,051	8,905,590
Cost and operating expenses	17	(62,354,302)	(22,966,906)	(8,274,291)
Operating profit		12,868,846	4,284,145	631,299
Other expenses and losses, net				
Finance expense	20	(177,164)	(197,263)	(376,705)
Unrealized gain on changes in fair values of investment properties, net	6	142,141	131,817	297,772
Finance income	20	124,241	53,248	264,631
Impairment loss on:				
Financial assets	3	(71,569)	(96,745)	(118,515)
Non-financial assets	4,7	(16,752)	(55,723)	(8,655)
Equity in net loss of joint venture	7	(46,374)	(30,670)	(48,058)
Foreign exchange loss, net	26.4	(155,107)	(3,336)	(126,390)
Provision for probable losses	12	6,639	(3,000)	(18,803)
(Loss) Gain on disposal of property and equipment, net	5	(4)	-	48
Other (expense) income, net	20	(44,282)	96,765	29,026
		(238,231)	(104,907)	(105,697)
Income before income tax		12,630,615	4,179,238	525,650
Income tax (expense) benefit	22	(46,509)	(84,385)	161,207
Net income for the year		12,584,106	4,094,853	686,857
Other comprehensive (loss) income, net				
Items that will not be reclassified to profit or loss				
Remeasurement loss on retirement benefits, net of tax	18	(44,149)	(7,595)	(3,742)
Revaluation (loss) gain FVOCI	9	(5,249)	(10,935)	552,381
		(49,398)	(18,530)	548,639
Total comprehensive income for the year		12,534,708	4,076,323	1,235,496
Net income for the year attributable to:				
Equity holders of the Parent Company		12,577,884	4,077,734	600,705
Non-controlling interests		6,222	17,119	86,152
		12,584,106	4,094,853	686,857
Total comprehensive income attributable to:				
Equity holders of the Parent Company		12,528,486	4,059,204	1,149,344
Non-controlling interests		6,222	17,119	86,152
		12,534,708	4,076,323	1,235,496
Earnings per share	14			
Basic		2.8536	1.0390	0.2034
Diluted		2.7386	1.0390	0.2034

(The notes on pages 1 to 78 are integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Consolidated Statements of Changes in Equity

For each of the three years in the period ended December 31, 2024
(All amounts in thousands of Philippine Peso)

	Capital stock (Note 14)		Additional paid in capital (Note 14)	Treasury shares (Note 14)	Retirement benefits reserve (Note 19)	Fair value reserve (Notes 7 and 9)	Foreign currency translation reserve	Other reserve (Note 28.3)	Retained earnings		Total equity attributable to Parent	Non-controlling interest	Total equity
	Common	Preferred							Unappropriated	Appropriated			
Balances at January 1, 2022	2,444,107	1,650,000	4,276,691	(1,703,951)	24,244	(52,546)	(2,100)	(19,488)	2,726,309	-	9,343,266	341,303	9,684,569
Comprehensive income for the year													
Net income for the year	-	-	-	-	-	-	-	-	600,705	-	600,705	86,152	686,857
Other comprehensive income for the year	-	-	-	-	(3,742)	552,381	-	-	-	-	548,639	-	548,639
Total comprehensive income for the year	-	-	-	-	(3,742)	552,381	-	-	600,705	-	1,149,344	86,152	1,235,496
Transactions with owner													
Conversion of preferred stock to common stock	1,650,000	(1,650,000)	-	-	-	-	-	-	-	-	-	-	-
Issuance of treasury shares	-	-	814,306	1,272,353	-	-	-	-	-	-	2,086,659	-	2,086,659
Balances at December 31, 2022	4,094,107	-	5,090,997	(431,598)	20,502	499,835	(2,100)	(19,488)	3,327,014	-	12,579,269	427,455	13,006,724
Comprehensive income for the year													
Net income for the year	-	-	-	-	-	-	-	-	4,077,734	-	4,077,734	17,119	4,094,853
Other comprehensive income for the year	-	-	-	-	(7,595)	(10,935)	-	-	-	-	(18,530)	-	(18,530)
Total comprehensive income for the year	-	-	-	-	(7,595)	(10,935)	-	-	4,077,734	-	4,059,204	17,119	4,076,323
Transactions with owners													
Issuance of common shares	691,200	-	1,154,304	-	-	-	-	-	-	-	1,845,504	-	1,845,504
Acquisition of minority interest	-	-	-	-	-	-	-	259,169	-	-	259,169	(262,070)	(2,901)
Balances at December 31, 2023	4,785,307	-	6,245,301	(431,598)	12,907	488,900	(2,100)	239,681	7,404,748	-	18,743,146	182,504	18,925,650
Comprehensive income for the year													
Net income for the year	-	-	-	-	-	-	-	-	12,577,884	-	12,577,884	6,222	12,584,106
Other comprehensive loss for the year	-	-	-	-	(44,149)	(5,249)	-	-	-	-	(49,398)	-	(49,398)
Total comprehensive income for the year	-	-	-	-	(44,149)	(5,249)	-	-	12,577,884	-	12,528,486	6,222	12,534,708
Transactions with owners													
Cash dividends	-	-	-	-	-	-	-	-	(793,379)	-	(793,379)	-	(793,379)
Stock option reserves during the year	-	-	-	-	-	-	-	778,271	-	-	778,271	-	778,271
Translation adjustment	-	-	-	-	-	-	(45,835)	-	-	-	(45,835)	-	(45,835)
Appropriation of retained earnings	-	-	-	-	-	-	-	-	(7,300,000)	7,300,000	-	-	-
Acquisition of minority interest	-	-	-	-	-	-	-	(121,024)	-	-	(121,024)	1,355	(119,669)
Balances at December 31, 2024	4,785,307	-	6,245,301	(431,598)	(31,242)	483,651	(47,935)	896,928	11,889,253	7,300,000	31,089,665	190,081	31,279,746

(The notes on pages 1 to 78 are integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Consolidated Statements of Cash Flows
For each of the three years in the period ended December 31, 2024
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023	2022
Cash flows from operating activities				
Income before income tax		12,630,615	4,179,238	525,650
Adjustments for:				
Depreciation and amortization	5,11,17	1,069,601	493,432	375,827
Reserve for employee stock options	14	778,271	-	-
Finance expense	20	177,164	197,263	376,705
Unrealized gain on changes in fair values of investment properties	6	(142,141)	(131,817)	(297,772)
Finance income	20	(124,241)	(53,248)	(264,631)
Unrealized foreign exchange (gain) loss, net	26.4	31,397	(8,611)	118,850
Loss on impairment of financial asset	3	71,569	96,745	118,515
Equity in net loss of joint venture and associates	7	46,374	30,670	48,058
Loss on impairment of nonfinancial assets	4,7	16,752	55,723	8,655
Retirement expense (income)	19	14,087	9,169	(81,333)
Gain on reversal of liabilities	20	-	(118,894)	(42,940)
Provision for probable losses	12	-	3,000	18,803
Loss on disposal of property and equipment	5, 20	4	-	48
Operating income before working capital changes		14,569,452	4,752,670	904,435
Decrease (increase) in:				
Receivables		(2,112,360)	(1,481,484)	(210,162)
Prepaid expenses and other current assets		(54,785)	(1,035,330)	(333,748)
Increase (decrease) in:				
Trade payables and other current liabilities		2,624,996	3,960,763	791,352
Customer deposits		2,029	(1,249)	(10,287)
Net cash generated from operations		15,029,332	6,195,370	1,141,590
Income taxes paid		(15,596)	(15,091)	(10,985)
Benefits paid	19	(392)	-	(1,601)
Interest received		119,061	22,672	2,769
Net cash provided by operating activities		15,132,405	6,202,951	1,131,773
Cash flows from investing activities				
Additions to:				
Property and equipment and intangible assets	5, 10	(1,614,697)	(2,111,161)	(133,239)
Other noncurrent assets		(875,073)	(956,028)	(13,630)
Investment properties	8	-	(500)	-
Decrease (increase) in investments and advances	7	(54,345)	7,174	(66,619)
Net cash used in investing activities		(2,544,115)	(3,060,515)	(213,488)
Cash flows from financing activities				
Proceeds from loans payable	13	15,000	1,760,423	-
Issuance of capital stock and treasury shares	14	-	1,845,504	1,765,409
Finance lease	18	26,254	20,684	26,373
Payments for:				
Loans payable	13	(1,216,000)	(3,141,739)	(1,312,880)
Lease liabilities	18	(522,791)	(438,991)	(241,807)
Interest		(234,386)	(117,401)	(215,822)
Dividends	14	(801,850)	(160,074)	-
Acquisition of additional stake in a subsidiary	28.3	(119,669)	(2,900)	-
Net cash (used in) provided by financing activities		(2,853,442)	(234,494)	21,273
Net increase in cash and cash equivalents		9,734,848	2,907,942	939,558
Effect of exchange rate changes on cash and cash equivalents		(21,652)	(185)	399
Cash and cash equivalents at beginning of year		4,264,238	1,356,481	416,524
Cash and cash equivalents at end of year	2	13,977,434	4,264,238	1,356,481

(The notes on pages 1 to 78 are integral part of these financial statements)

(In the notes, all amounts are shown in thousands of Philippine Peso unless otherwise stated)

1. General information

DigiPlus Interactive Corp. (the “Parent Company” or “DigiPlus”) was registered with the Philippine Securities and Exchange Commission (SEC) on October 10, 1957. The accompanying consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries (collectively referred to as the “Group” and individually as “Group entities”) and the Group’s interest in joint venture and associates.

The Parent Company is a public company under Section 17.2 of the Revised Securities Regulation Code (SRC) and its shares are listed on the Philippine Stock Exchange, Inc. (PSE).

The Parent Company’s primary purpose is to purchase, acquire, own, use, improve, construct, develop, maintain, subdivide, sell, dispose of, exchange, lease and hold for investment, or otherwise deal with real estate and personal property of all kinds, including the management and operation of the activities conducted therein pertaining to general amusement and recreation enterprises, such as, but not limited to resorts, golf courses, clubhouses and sport facilities, hotels and gaming facilities, including but not limited to bingo parlors with all the apparatus, equipment and other appurtenances as may be related thereto or in connection therewith.

On February 28, 2023, the SEC approved the change of the corporate name of the Parent Company from “Leisure & Resorts World Corporation” to “DigiPlus Interactive Corp.” In view of the foregoing, in March 2023, the Company changed its Stock Symbol from “LR” to “PLUS”.

In addition, the SEC approved the Parent Company’s change of business address from Pasig City to Taguig City. The Group’s registered office address is Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

The accompanying consolidated financial statements as at and for the year ended December 31, 2024, have been approved and authorized for issuance by the Parent Company’s Board of Directors (BOD) on April 4, 2025.

2. Cash and cash equivalents

Cash and cash equivalents as at December 31 consist of:

	2024	2023
Cash in banks	7,277,551	2,838,590
Cash equivalents	6,286,418	1,323,456
Cash on hand and payout fund	413,465	102,192
	13,977,434	4,264,238

Cash in banks earn interest at the respective bank deposit rates.

Cash equivalents include digital wallets and short-term placements. Digital wallets represent balances held by the Company to enable immediate access to funds for player withdrawals. Short term placements are made for varying periods of up to three (3) months depending on the immediate cash requirements of the Group and earn interest at the prevailing short-term deposit rates.

Interest income earned from cash in banks and cash equivalents in 2024 amounted to P93,678 (2023 - P22,672; 2022 - P2,769) (Note 20).

Payout fund pertains to the cash held by the cashier which is intended to pay for the prizes of the winners of each traditional bingo game. This is replenished on a daily basis.

3. Receivables, net

Receivables, net as at December 31 consist of:

	Notes	2024	2023
Trade receivables		4,569,120	2,799,410
Less: Allowance for expected credit loss (ECL) on trade receivables		(581,182)	(509,613)
		3,987,938	2,289,797
Advances to third parties		97,500	97,500
Less: Allowance for ECL on advances to third parties		(97,500)	(97,500)
		-	-
Advances to a stockholder	21	53,106	53,106
Current portion of:			
Receivable from Total Consolidated Asset Management, Inc. (TCAMI)	8	50,000	50,000
Advances to Binondo Leisure Resources, Inc. (BLRI)	7	18,000	18,000
Marketing support fund		27,373	27,373
Others		533,133	165,378
		681,612	313,857
Less: Allowance for ECL on other receivables		(80,272)	(80,272)
		601,340	233,585
		4,589,278	2,523,382

Trade receivables

Trade receivables are unsecured, unguaranteed, noninterest-bearing and collectible within 30 days.

Advances to third parties

Advances to third parties consist mainly of advance payments for a future project reimbursable from the project partner. These advances are noninterest-bearing, unsecured, unguaranteed, and collectible on demand.

Advances to stockholders

Advances to stockholders are unsecured, unguaranteed, noninterest-bearing advances and collectible on demand.

Receivable from TCAMI

This is the current portion of the receivable from TCAMI related to the sale of the Group's 50% shares in TechZone Philippines, Inc. (Note 8).

Advance to BLRI

These are cash advance to BLRI for the purpose of renovation and fittings of the building that it leases from AB Leisure Global Inc. (ABLGI).

Marketing support fund

Marketing support fund pertains to the reimbursable advances made by the Group for the promotional activities relating to e-bingo machine and e-games platform provider.

Others

Other receivables also include cash advances made to companies which are engaged in similar gaming and amusement activities of the Group. Receivables from these companies represent noninterest-bearing, unsecured and unguaranteed advances for working capital purposes that are due within one year.

The movements in allowance for ECL for the years ended December 31 are as follows:

	Trade receivables	Advances to third parties	Other receivables	Total
As at January 1, 2023	419,044	97,500	74,096	590,640
Provision for impairment	90,569	-	6,176	96,745
As at December 31, 2023	509,613	97,500	80,272	687,385
Provision for impairment	71,569	-	-	71,569
As at December 31, 2024	581,182	97,500	80,272	758,954

In 2024, the Group recognized provision for impairment of receivables amounting to P71,569 (2023 - P96,745; 2022 - P118,515).

4. Prepaid expenses and other current assets

Prepaid expenses and other current assets as at December 31 consist of:

	2024	2023
Prepaid expenses	1,154,290	1,221,528
Advances to contractors and suppliers	233,576	111,349
Advances to employees	42,464	68,346
CWT	14,343	21,055
Others	3,337	5,231
Input VAT - net	55,076	37,041
Less: Allowance for impairment of input VAT	(14,765)	(14,262)
	40,311	22,779
Balance at end of year	1,488,321	1,450,288

Prepaid expenses consist of advance payments for taxes, rent, insurance on property and equipment, health care benefits of employees, consultancy and professional services.

Advances to contractors and suppliers are down payment to vendors that will be applied against future deliveries of goods and performance of services.

Advances to officers and employees are noninterest-bearing, unsecured and subject to liquidation within 12 months from the date granted or collectible in cash upon demand.

The movements in allowance for impairment of input VAT are as follows:

	2024	2023
Balance at beginning of year	14,262	216,453
Provisions	503	23,034
Write off	-	(225,225)
Balance at end of year	14,765	14,262

In 2024, the Group had not written off any unrecoverable input VAT (2023 - P225,225; 2022 - P23,819).

5. Property and equipment, net

Property and equipment, net as at December 31 consist of:

	Land	Leasehold improvements	Transportation equipment (Note 13)	Gaming equipment	Office, furniture, fixtures and equipment	Network equipment	Building	Construction-in-progress	Right-of-use assets (Note 18)	Total
At December 31, 2022										
Cost	814	1,416,681	285,169	932,872	860,693	348,951	7,147	-	1,017,753	4,870,080
Accumulated depreciation and amortization	-	(1,362,254)	(230,939)	(562,458)	(764,868)	(272,302)	(6,503)	-	(597,692)	(3,797,016)
Net carrying value	814	54,427	54,230	370,414	95,825	76,649	644	-	420,061	1,073,064
For the year ended December 31, 2023										
Opening net carrying value	814	54,427	54,230	370,414	95,825	76,649	644	-	420,061	1,073,064
Additions	-	111,711	2,101	1,046,096	221,077	345	-	726,764	827,318	2,935,412
Disposals										
Cost	-	-	-	-	-	-	-	-	(332,929)	(332,929)
Accumulated depreciation and amortization	-	-	-	-	-	-	-	-	332,929	332,929
Depreciation and amortization	-	(15,910)	(11,957)	(112,052)	(34,968)	(18,071)	(212)	-	(295,970)	(489,140)
Closing net carrying value	814	150,228	44,374	1,304,458	281,934	58,923	432	726,764	951,409	3,519,336
At December 31, 2023										
Cost	814	1,528,392	287,270	1,978,968	1,081,770	349,296	7,147	726,764	1,512,142	7,472,563
Accumulated depreciation and amortization	-	(1,378,164)	(242,896)	(674,510)	(799,836)	(290,373)	(6,715)	-	(560,733)	(3,953,227)
Net carrying value	814	150,228	44,374	1,304,458	281,934	58,923	432	726,764	951,409	3,519,336
For the year ended December 31, 2024										
Opening net carrying value	814	150,228	44,374	1,304,458	281,934	58,923	432	726,764	951,409	3,519,336
Additions	-	872,288	15,455	219,658	248,835	6,498	104,831	124,252	1,124,258	2,716,075
Disposals										
Cost	-	-	-	-	(177)	-	-	-	(376,053)	(376,230)
Accumulated depreciation and amortization	-	-	-	-	173	-	-	-	366,489	366,662
Depreciation and amortization	-	(158,745)	(12,974)	(215,441)	(75,280)	(17,975)	(2,456)	-	(452,376)	(935,247)
Closing net carrying value	814	863,771	46,855	1,308,675	455,485	47,446	102,807	851,016	1,613,727	5,290,596
At December 31, 2024										
Cost	814	2,400,680	302,725	2,198,626	1,330,428	355,794	111,978	851,016	2,260,347	9,812,408
Accumulated depreciation and amortization	-	(1,536,909)	(255,870)	(889,951)	(874,943)	(308,348)	(9,171)	-	(646,620)	(4,521,812)
Net carrying value	814	863,771	46,855	1,308,675	455,485	47,446	102,807	851,016	1,613,727	5,290,596

In 2024, the Group disposed certain items of office equipment and recognized a loss amounting to P4 (2023 - nil; 2022 - P48). This is presented as part of the loss on disposal of property and equipment in the consolidated statements of total comprehensive income.

As at December 31, 2024 and 2023, there are no unpaid property and equipment additions.

6. Investment properties

Investment properties as at December 31 consist of:

	Land	Land improvements	Building	Total
January 1, 2023	10,703,295	12,798	226,460	10,942,553
Additions	500	-	-	500
Unrealized gains (loss) on changes in fair values	134,801	(686)	(2,298)	131,817
December 31, 2023	10,838,596	12,112	224,162	11,074,870
Unrealized gains (loss) on changes in fair values	146,458	(632)	(3,685)	142,141
December 31, 2024	10,985,054	11,480	220,477	11,217,011

The following table provides the fair value hierarchy of the Group's investment properties as at December 31:

	Fair value hierarchy	2024	2023	Valuation technique	Unobservable inputs	Cost per unobservable inputs*	Relationship of unobservable inputs to fair value
Land							
Boracay	Level 3	9,048,420	8,941,968	Market comparison approach	Price per square meter	P30,000 to P50,000 per square meter	The higher the cost per square meter, the higher the fair value.
Cagayan	Level 3	1,936,634	1,896,628			P450 to P5,800 per square meter	
		10,985,054	10,838,596				
Building	Level 3	220,477	224,162	Income approach	Market rental data	P89,000 to P1,165,000 rental rate per month	The higher the market rental rate, the higher the fair value.
					Discount rate	11.0127%	The higher the rate, the lower the fair value.
Land improvements	Level 3	11,480	12,112	Cost approach	Replacement Cost	P1,200 to 12,000 per square meter	The higher the cost per square meter, the higher the fair value.
					Depreciation rate	36.67%	The higher depreciation rate, the lower the fair value.
		11,217,011	11,074,870				

**The amounts in the table above are in absolute values and not in thousands of pesos.*

The Group's investment properties are stated at fair value, which has been determined based on valuations performed by an accredited independent appraiser.

Valuation techniques and significant unobservable inputs.

The Group engages external, independent and qualified valuers to determine the fair value of the Group's investment properties at the end of every financial year.

The main level 3 inputs used by the group are derived and evaluated as follows:

- Land - The fair values of the investment properties were arrived at using the market comparison approach for land in Cagayan and in Boracay.
- Land improvements and building - The fair value of the building in Sta. Cruz, Manila is valued using income approach and cost approach was used for the rest of the land improvements and buildings.

Market approach is an approach that considers the value of the land based on sales and listings of comparable property registered within the vicinity. The technique of this approach requires the adjustments of comparable property by reducing reasonable comparative sales and listings to a common denominator. This was done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as bases of comparison are situated within the immediate vicinity of the subject property. The appraiser's comparison was premised on the factors of location, size and shape of the lot, time element, and others.

Income approach is an approach that provides an indication of value by converting future cash flow to a single current value. Under this approach, the value of an asset is determined by reference to the value of income, cash flow or cost savings generated by asset.

Cost approach is an approach that considers as a substitute for the purchase of a given property, the possibility of constructing another property that is an equivalent to the original or one that could furnish equal utility with no undue cost resulting from delay. The appraiser particularly used the reproduction cost (new) less depreciation. In the context of the valuation, the depreciation refers to the adjustments made to the cost of reproducing or replacing the asset to reflect physical deterioration and functional, and economic obsolescence in order to estimate the value of the asset in a hypothetical exchange in the market when there is no direct sales evidence available.

Amounts recognized in the consolidated statements of total comprehensive income for investment properties for the years ended December 31 are as follows:

	2024	2023	2022
Rental income from operating leases	45,523	39,458	43,974
Direct operating expenses that generated rental income	31,656	23,773	24,394
Direct operating expenses from property that did not generate rental income	46,750	8,909	7,887
Fair value gain	142,141	131,817	297,772
Deferred tax expense	28,221	28,063	34,979

Rental income from investment properties is included under "Rent income" account in profit or loss. Direct costs attributable to rental income on investment properties arises from amortization, repairs and maintenance, real property tax and rent expense.

7. Investments and advances, net

Investments and advances, net as at December 31 consist of:

	Ref	2024	2023
Investment in associates and a joint venture, net	a	1,445,258	1,491,632
Advances, net	b	1,219,730	1,211,220
		2,664,988	2,702,852

a. Investments in associates and a joint venture

Investments in associates and joint venture as at December 31 is composed of:

	2024	2023
Investment in a joint venture	1,445,258	1,491,632
Investment in associates	21,400	21,400
	1,466,658	1,513,032
Less: Allowance for impairment	(21,400)	(21,400)
	1,445,258	1,491,632

Investment in a joint venture

Hotel Enterprises of the Philippines, Inc. (HEPI)

HEPI is a 51%-owned joint venture between DigiPlus and Eco Leisure. HEPI is engaged in the hotel and recreation business. The management, supervision and control of the operations, property and affairs of HEPI are vested in its BOD which consists of three (3) directors each from DigiPlus and Eco Leisure, and one (1) independent director nominated by both parties. Any decision is subject for approval of DigiPlus and Eco Leisure, and each party cannot direct decision on their own.

On March 10, 2016, the Amended Articles of Incorporation of HEPI amending Article II Primary Purpose, Article IV extending the term of the corporate existence of HEPI to another fifty (50) years from July 30, 2012.

There are no commitments and contingent liabilities recognized or expected to be recognized as at and for the years ended December 31, 2024, and 2023. HEPI's shares of stock are not quoted in an active market.

HEPI's principal place of business is at 2702 Roxas Boulevard, Pasay City.

Set out below is the summarized financial information of HEPI as at December 31, which, at the opinion of the management is material to the Company.

Summarized statements of financial position

	2024	2023
Current assets	921,366	846,742
Includes:		
- Cash	18,778	6,574
Noncurrent assets	4,137,895	4,201,571
Current liabilities	(1,463,683)	(1,307,173)
Includes:		
- Financial liabilities	(1,446,336)	(1,298,305)
Noncurrent liabilities	(761,740)	(816,372)
Net assets	2,833,838	2,924,768

Summarized statements of total comprehensive income

	2024	2023
Revenues	390,334	382,356
Costs and expenses	(420,295)	(408,095)
Depreciation and amortization	(112,864)	(103,413)
Other income, net	4,383	44,461
Income tax expense	47,512	24,554
Loss for the year	(90,930)	(60,137)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(90,930)	(60,137)

Reconciliation of summarized financial information

	2024	2023
Net assets		
At January 1	2,924,768	2,984,905
Loss for the year	(90,930)	(60,137)
Other comprehensive income	-	-
At December 31	2,833,838	2,924,768
Group's share in %	51%	51%
Group share at January 1	1,491,632	1,522,302
Share in net loss for the year	(46,374)	(30,670)
Share in other comprehensive income for the year	-	-
Investment in joint venture	1,445,258	1,491,632

There were no dividends received for the years ended December 31, 2024, 2023 and 2022.

In 2022, the Group changed its accounting policy for the subsequent measurement of the land presented as part of property and equipment in the statements of financial position from historical cost to fair value. As a result, in 2022, the Group recognized its share in other comprehensive income resulting from the changes in fair value of the land presented in HEPI's financial statements as part of property and equipment amounting to P527,450. HEPI did not recognize any other comprehensive income or loss in 2024 and 2023.

Investment in associates

BLRI

BLRI is a 30%-owned associate of the Parent Company. BLRI was incorporated in the Philippines and is engaged in the hotel and recreation business. It started commercial operations in August 2003. BLRI is a company engaged in the business of leasing its gaming facilities to PAGCOR and its store and hotel facility to third parties.

The Group recognized its share in net loss of BLRI up to the extent of investment cost. Unrecognized accumulated equity in net loss of BLRI amounted to P12,272 as at December 31, 2024 (2023 - P16,652; 2022 - P20,621). Unrecognized share in net income amounted to P4,380 and P4,079 in 2024 and 2023, respectively. The Group also recognized an allowance for the full amount of its investment in BLRI amounting to P21,400 as at December 31, 2024 and 2023.

Insular

Insular is a 40%-owned associate of ABLE. Insular was incorporated in the Philippines and is engaged in providing amusement and recreation to the public in such forms as, but not limited to, traditional, electronic and rapid bingo games.

In 2021, the Group recognized an allowance on the investment for the full amount of its investment in Insular amounting to P200.

b. Advances

Advances as at December 31 consist of:

	2024	2023
Advances to related parties		
HEPI	118,918	118,918
BLRI, net of current portion	40,067	58,159
Advances to third parties	1,244,296	1,217,694
	1,403,281	1,394,771
Less: Allowance for impairment	(183,551)	(183,551)
	1,219,730	1,211,220
Advances for projects	259,511	259,511
Less: Allowance for impairment	(259,511)	(259,511)
	-	-
	1,219,730	1,211,220

Advances to HEPI and BLRI

Advances to HEPI and BLRI pertain to cash advances made by the Group for working capital requirements.

In 2018, the Group, through its subsidiary, ABLE, and BLRI entered into a memorandum of agreement for the payment of latter's advances. The agreements provide for, among others, the commitment of BLRI to pay annually an amount of P18,000 from all rental payments received in a year, until the balance of the advances have been paid off.

Details and movements of the advances to BLRI for the years ended December 31 are as follows:

	2024	2023
January 1	76,159	87,127
Additional advances	9,908	8,032
Collections during the year	(28,000)	(19,000)
At December 31	58,067	76,159
Less: Current portion	(18,000)	(18,000)
Non-current portion	40,067	58,159

Advances to third parties

This account mainly pertains to the noninterest-bearing advances made by LRLDI to CPVDC and CLPDC to finance the construction and development of the Cagayan Special Economic Zone and Freeport (CSEZFP) Airport in Cagayan. This also includes cash advances to a third party for the purpose of securing leased premises for the operation of a VIP Club by PAGCOR and advance payments for parcels of land wherein the Group is in the process of acquiring. The advances are unsecured and noninterest-bearing.

For the year ended December 31, 2024, the Group has not recognized any additional provision for impairment of advances to third parties (2023 - P32,689 and 2022 - nil).

8. Receivables, net of current portion

Receivable from TCAMI

On November 4, 2019, LRLDI entered in a Deed of Absolute Sale with TCAMI for the sale of the LRLDI's 50% share in TechZone Philippines, Inc. for a total consideration of P1,750,000 of which P1,000,000 was paid in cash while the remaining balance of P750,000 is payable in 10 years with no interest. This transaction resulted in the derecognition of the Group's investment in TechZone and recognition of loss on sale of an investment amounting to P741,480 in the 2019 consolidated statement of total comprehensive income.

In 2019, the receivable from TCAMI of P700,000, net of current portion amounting P50,000, was discounted using risk free rate of 4.63% (Note 3).

The receivable from TCAMI presented in the statements of financial position, including the future value of the receivable as at December 31 are as follows:

	Note	2024	2023
Current	3	50,000	50,000
Non-current		368,044	397,324
		418,044	447,324
Future interest accretion		81,956	102,676
		500,000	550,000

Details and movements of the receivable for the years ended December 31 are as follows:

	Note	2024	2023
January 1		447,324	478,259
Interest accretion	20	20,720	23,954
Collections during the year		(50,000)	(54,889)
At December 31		418,044	447,324

9. Financial assets at FVOCI

In 2014, the Parent Company acquired 1,093,000 shares of DFNN, Inc. (DFNN) at a cost of P7,437.

On August 13, 2015, The Parent Company's advances to DFNN of P86,000 have been converted into 18,105,263 common shares of DFNN while the accumulated interest earned of P12,691, from date of Conversion Notice to the date of conversion, have been converted into 2,671,783 common shares of DFNN on October 30, 2015. The fair value of 18,105,000 and 2,671,783 common shares as at the date of conversion were P5.15 and P6.04 per share, respectively.

The conversion resulted in 8.76% equity ownership of the Parent Company over DFNN. As management does not intend to hold the investment for trading, the total converted amount of P62,329 as at December 31, 2024 (2023 - P67,578) has been classified as "Financial assets at FVOCI" account in the consolidated statements of financial position.

As at December 31, the carrying value of the Group's FVOCI are as follows:

	2024	2023
Balance at beginning of year	67,578	78,513
Unrealized loss	(5,249)	(10,935)
Balance at end of year	62,329	67,578

The market prices of DFNN common shares as at December 31, 2024 is P2.85 (2023 - P3.09).
The accumulated fair value loss for the financial asset at FVOCI as at December 31, 2024 amounts to P43,798 (2023 - P38,549).

10. Intangible assets

Intangible assets as at December 31 consist of:

	Ref	2024	2023
Goodwill	a	1,329,092	1,329,092
Software and website	b	1,177,239	5,400
		2,506,331	1,334,492

a. Goodwill

Goodwill from Group's business acquisitions are as follows:

	2024	2023
Cost:		
Retail Group	1,472,129	1,472,129
Network and License Group	29,940	29,940
	1,502,069	1,502,069
Accumulated impairment loss	(172,977)	(172,977)
Balance at end of year	1,329,092	1,329,092

The goodwill from the acquisitions has been subjected to the annual impairment review in 2024 and 2023. The recoverable amounts of the operations are based on value-in-use (VIU) calculation using the cash flow projections approved by management. The cash flow projections cover five (5) years from the date of impairment review.

The recoverable amount of goodwill from the acquisitions of the bingo units was determined based on VIU calculations using actual past results and observable market data such as growth rates, among others.

The following are the key assumptions used by the management in the estimation of the recoverable amount:

Gross revenues

Gross revenues of the Group over the next five (5) years are projected to grow in line with the economy or with the nominal Gross Domestic Product. This assumes that the market share of the subsidiaries in their respective territories will be flat on the assumption that it will also grow at par with the economy.

The revenue growth rates used for the gross revenues are as follows:

	2024	2023
Retail Group	4.31%	3.10%
Network and License Group	4.31%	3.10%

Operating expenses

Operating expenses are projected to increase at a single-digit growth rate and at a slower pace than revenue.

Discount rate

Discount rates are derived from the Group's Weighted Average Cost of Capital (WACC) which is used by the management to assess operating performance and to evaluate future investment proposals. In determining appropriate discount rates, regard has been given to various market information, including, but not limited to, five-year government bond yield, bank lending rates and market risk premium. The discount rates used are as follow:

	2024	2023
Retail Group	9.25%	8.97%
Network and License Group	9.25%	8.97%

Terminal growth rate

The long-term rate used to extrapolate the cash flow projections of the acquired investments beyond the period covered by the recent budget excludes expansions and possible acquisitions in the future. Management also recognizes the possibility of new entrants, which may have significant impact on existing growth rate assumptions. Management, however, believes that new entrants will not have a significant adverse impact on the forecast included in the cash flow projections. The terminal growth rate used in the cash flow projections for all cash generating units is 4.15% in 2024 (2023 - 4.61%).

Sensitivity analysis

The Group has determined that the recoverable amount calculations are most sensitive to changes in assumptions on cash flow projections, discount rate and verifiable industry growth rates. The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount of the CGU. Management believes that any reasonably possible change in the key assumptions on which the recoverable amount of the CGU is based would not result in impairment loss due to the substantial headroom.

b. Software and website, net

Software and website, net as at December 31 consist of:

	Software	Website	Total
At December 31, 2022			
Cost	146,379	-	146,379
Accumulated depreciation and amortization	(142,847)	-	(142,847)
Net carrying value	3,532	-	3,532
For the year ended December 31, 2023			
Opening net carrying value	3,532	-	3,532
Additions	1,937	1,130	3,067
Depreciation and amortization	(1,171)	(28)	(1,199)
Closing net carrying value	4,298	1,102	5,400
At December 31, 2023			
Cost	148,316	1,130	149,446
Accumulated depreciation and amortization	(144,018)	(28)	(144,046)
Net carrying value	4,298	1,102	5,400
For the year ended December 31, 2024			
Opening net carrying value	4,298	1,102	5,400
Additions	1,280,258	22,842	1,303,100
Depreciation and amortization	(129,283)	(1,978)	(131,261)
Closing net carrying value	1,155,273	21,966	1,177,239
At December 31, 2024			
Cost	1,428,574	23,972	1,452,546
Accumulated depreciation and amortization	(273,301)	(2,006)	(275,307)
Net carrying value	1,155,273	21,966	1,177,239

11. Other noncurrent assets

Other noncurrent assets as at December 31 are as follows:

	Notes	2024	2023
Rental deposits	18	522,376	478,605
Cash performance bonds	15	487,915	449,382
Operating license		281,969	476
Deferred project costs		171,201	824,235
Premium on group pension plan		36,090	36,090
Utility and construction bond		33,243	18,941
Performance cash deposits and betting credit funds		33,200	33,700
Input VAT		26,836	26,836
Advances to suppliers		18,800	75,926
Airstrip improvements, net		15,536	18,629
Cash in bank - restricted	13	-	25,607
Others		19,985	41,823
		1,647,151	2,030,250

Deferred project costs

These are advances directly attributable to the development of software systems which will be capitalized upon deployment of the software and will subsequently be classified as intangible assets. In 2024, the Group reclassified from deferred project costs to intangible assets as these softwares were made available for use amounting to P1,270,656.

Cash performance bonds

Cash performance bonds pertain to surety bonds deposited with PAGCOR which are refundable at the end of the period covered by the License (Note 15).

Premium on group pension plan

The premium on group pension plan pertains to the insurance plan the Group entered into for its employees with the Parent Company and its subsidiary, ABLE, as the beneficiaries.

Performance cash deposits and betting credit funds

PAGCOR granted Total Gamezone Xtreme Incorporated (TGXI) the privilege to establish, install, maintain, and operate PAGCOR eGames Station (PeGS). For each PeGS, TGXI has a performance cash deposits with PAGCOR amounting to P100 and maintains betting credit funds amounting to P100.

Airstrip improvements

Airstrip improvements pertain to the cost of improvements made by FCLRC for the airport constructed in Cagayan in coordination with LRLDI, CEZA, CPVDC and CLPDC (Note 7).

Details of the movements of the airstrip improvement for the year ended December 31 is as follows:

	2024	2023
Beginning	18,629	21,722
Depreciation	(3,093)	(3,093)
Closing net carrying value	15,536	18,629
Cost	103,100	103,100
Accumulated depreciation	(87,564)	(84,471)
	15,536	18,629

12. Trade payables and other current liabilities

Trade payables and other current liabilities as at December 31 are as follows:

	Notes	2024	2023
Payable to:			
PAGCOR	15	1,584,270	1,319,319
Suppliers		1,584,020	958,403
Government agencies		1,065,743	97,248
CEZA	16	9,740	11,670
		4,243,773	2,386,640
Accrued expenses:			
Advertising and marketing fees		2,160,403	300,378
Outside services		495,721	415,161
Machine fees		237,923	1,837,521
Interest payable		112,714	183,708
Utilities		102,238	61,722
Salaries, wages and benefits		100,772	42,909
Professional fees		38,527	33,475
Others		88,900	53,039
		3,337,198	2,927,913
Contract liabilities		796,342	597,008
Rent payable		154,895	158,211
Jackpot liability		31,253	27,825
Finder's fee		30,103	30,103
Dividends payable	14	6,842	15,313
Customer deposit		3,486	3,503
Provision for probable losses		1,394	16,233
Output VAT		511	414
		8,605,797	6,163,163

Payable to PAGCOR includes franchise fees that are remitted on a weekly basis.

Payable to suppliers pertains to various supplies expense in relation to the Company's operations. These are normally settled within one year.

Payable to government agencies pertain to payments for final withholding taxes and other regulatory agencies that are expected to be settled with one year.

Accruals for machine fees pertain to the payable to machine owners for their share of the gross receipts from the e-bingo machines and platform and are payable on a 30-day credit terms.

Contract liabilities relate to the player balances in the Group's online traditional bingo, electronic gaming system and live sports games.

Movements in contract liabilities for the years ended December 31 are as follows:

	2024	2023
As at January 1	597,008	166,528
Additions	70,820,696	23,062,061
Revenue recognized	(70,621,362)	(22,631,581)
As at December 31	796,342	597,008

Rent payable pertains to the liabilities for leases that are classified as operating lease.

Finder's fee pertains to the amounts payable to professionals hired by the Group to aid in selecting investment properties and companies where the Group will invest in the future.

Jackpot liability refers to the amount accrued for the jackpot price computed based on a certain percentage of total player deposits.

Provision for probable losses represents mainly estimated cost of future claims against the Group, which is presented as part of other expenses, net in the consolidated statements of total comprehensive income.

Movements in provision for probable losses for the years ended December 31 are as follows:

	2024	2023
As at January 1	16,233	18,803
Additions	-	3,000
Settlements/ reversals	(14,839)	(5,570)
As at December 31	1,394	16,233

Customer deposits are security deposits received from the customers of First Cagayan Convergence Data Center Inc. (FCCDCI) and LR Data Center and Solutions Inc. (LRDCSI) to secure the service agreements as are refundable upon termination of the contracts. As at December 31, 2024, customer deposits aggregates to P85,782, of this amount, P82,296 relates to the non-current portion (2023 - aggregates to P83,770, P80,267 of which is non-current).

13. Loans payable

Short-term loans

Short term loans as at December 31 are as follows:

	Ref	2024	2023
UnionBank of the Philippines (UB)	b	-	1,000
		-	1,000

Movements of the short-term loans for the years ended December 31 are as follows:

	Ref	2024	2023
Balance at the beginning of the year		1,000	116,739
Additions	b, c, d	15,000	576,000
Payments	b, c, d	(16,000)	(691,739)
Balance at the end of the year		-	1,000

Interest expense and interest payments related to the loans for the year ended December 31, 2024, amounted to P324 (2023 - P14,137).

Long-term loans

Long term loans as at December 31 are as follows:

		2024		2023	
	Ref	Current portion	Non-current portion	Current portion	Non-current portion
Chip Leader	f	-	-	702,384	-
Prominence	f	733,781	-	-	-
AUB	g	-	-	315,000	869,423
		733,781	-	1,017,384	869,423

Movements of the long-term loans for the years ended December 31 are as follows:

	2024	2023
Balance at the beginning of the year	1,886,807	3,160,901
Additions	-	1,200,000
Payments	(1,200,000)	(2,450,000)
Transaction cost on new drawdowns	-	(21,724)
Amortization of transaction costs	15,577	6,147
Impact of foreign currency translation	31,397	(8,517)
Balance at the end of the year	733,781	1,886,807

As at December 31, the unamortized amount of transaction costs are as follows:

	Note	2024	2023
Balance at beginning of year		15,577	21,724
Amortization	20	(15,577)	(6,147)
Balance at end of year		-	15,577

Interest expense related to the loans for the year ended December 31, 2024, amounted to P79,909. (2023 - P119,965; 2022 - P220,228).

In March 2020, LRLDI entered into a short-term loan agreement with a local finance company, CFI, for working capital requirements. The loan has amounting to P70,000 is subject to an interest rate of 8% and shall be payable in one year. In consideration of the loan, LRLDI assigned its receivable due from TCAMI and pledged 20,777 shares of stock of DFNN, which is owned by the Parent Company, for a total amount of P112,631.

In 2021, prior to the maturity of the loan, CFI granted LRLDI an twelve-month extension and LRLDI obtained an additional loan amounting to P76,500 with an interest rate of 8% and maturity date of one year. In 2022, CFI further granted LRLDI with a twelve-month extension for the two loans which are maturing in March 2023.

In 2023, LRLDI settled the outstanding balance totaling P116,739.

b. On October 3, 2023, AB Leisure Exponent, Inc. (ABLE) entered into a short-term loan agreement with UB amounting to P1,000 with annual interest rate of 7.5% and maturity date of September 27, 2024. During the first half of 2024, the Company fully settled the loan.

   On June 14, 2024, ABLE entered into a 180-day short-term loan agreement with UB amounting to P5,000 with annual interest rate of 7.75% maturing on December 11, 2024. In September 2024, the Company fully settled the loan.

c. On June 21, 2024, ABLE entered into a 180-day short-term loan agreement with Philippine Business Bank amounting to P5,000 with annual interest rate of 8.00% maturing on December 17, 2024. In September 2024, the Company fully settled the loan.

d. On June 24, 2024, DigiPlus entered into a 179-day short-term loan agreement with Sterling Bank of Asia amounting to P5,000 with annual interest rate of 8.00% maturing on December 20, 2024. In September 2024, the Company fully settled the loan.

e. On November 29, 2017, ABLGI executed an Omnibus Loan and Security Agreement (OLSA) with BDO to partially finance the equity investment which GL-JV has undertaken to use for the purpose of acquiring land in Boracay. The loan amounted to P2,500,000, which is payable in full on the final repayment date in November 2022. ABLGI partially repaid the loan amounting to P250,000 in January 2020.

   On December 3, 2022, BDO granted an extension period of 60 days on the maturity date of the loan under the "Bayanihan to Recover As One Act". As a result, the Group was able to secure an extension of the loan maturity to January 30, 2023. The Group paid the loan balance in full in January 2023.

   Interest rate approximates 5.66% per annum and is subject to change depending on the higher of (a) three (3) month Philippine Dealing System Treasury Reference Rate (PDST-R2) plus applicable spread of 2.5% divided by 0.95 or (b) 28- day Time Deposit Facility Rate plus applicable spread of 1% divided by 0.95. Interest is payable on a quarterly basis.

   Among the provisions of the agreement, ABLGI is mandated to establish two bank accounts, a DSRA and a Debt Service Payment Account (DSPA). Both accounts are to be maintained at a certain level of funding to facilitate ABLGI's loan and interest payments to BDO. In the event that funding in the DSPA is insufficient to cover payments of interest, BDO is authorized to directly debit the DSRA to maintain the required funding level. ABLGI is required to pay a front-end fee equivalent to zero-point seventy-five percent (0.75%) of the total amount of loan. Transaction costs that are directly attributable on the issuance of loan amounted to P44,025 which were amortized over the life of the loan.

   Amortization of transaction costs is recognized under finance expense in the consolidated statement of total comprehensive income (Note 20).

   In consideration of the commitment of BDO to fund the ABLGI's equity investment, ABLGI, GL-JV, ABLAHI and ABLHPC has assigned to BDO its respective rights, titles and interest to all monies standing in the DSRA and DSPA, and other bank accounts created for this particular purpose, project receivables (collectively termed as "Assigned Collaterals"), as well as the proceeds, products, fruits of the aforementioned Assigned Collaterals.

   On January 18 and 23, 2023, ABLE entered into one-year short-term loan agreements with BDO amounting to P25,000 and P300,000, respectively. The loans are fully settled on various dates in 2023.

f. In February 2020, LRLDI entered into a loan agreement with Chip Leader Holdings Corporation (CLHC) to finance its operational and capital expenses. The loan amounting to US$ 10 million or P480,230 shall be payable in March 2023. Annual interest rate is at 12% subject to change depending on the prevailing financial and monetary conditions.

   The loan is secured by land owned by LRLDI located in Cagayan with fair value as at December 31, 2023 amounting to P1,874,943 (2022 - P1,572,885).

In 2021, CLHC provided LRLDI an extension for the first principal payment for an additional twelve months from its original due date of March 1, 2021. On June 1, 2021, CLHC extended an additional loan to the Company amounting to US$ 6.32 million or P355,980 with annual interest rate of 10% on the unpaid principal amount and with maturity date same as the original loan. The additional loan is secured by the above-mentioned properties owned by the LRLDI.

In February 2023, LRLDI partially settled the loan amounting to P200,000. In March 2023, CLHC further granted LRLDI with a twelve-month extension for the outstanding balance of the loan maturing in March 2024.

In 2024, Chip Leader entered into a Deed of Assignment of Loan with Prominence Global Access Fund SPC - Prominence Multi-Strategy Fund SP (“Prominence”) whereby Chip Leader assigned the entire loan and interests to Prominence. The balance remains outstanding as at audit report date.

g. In April 2023, ABLE entered into a term-loan facility with AUB amounting to P3,000,000 available for multiple drawdowns to finance both capital and general corporate expenditures. The loan is payable in nine (9) consecutive quarterly installments on its respective repayment dates beginning at the end of the 4^{th} quarter from the initial drawdown date. Total transaction costs incurred for the availment of the loan amounted to P38,180. The loan is subject to interest rate calculated as the higher of (i) sum of benchmark rate and 2.25% divided by 0.95, or (ii) floor rate of 7% divided by 0.95, payable on a quarterly basis and is subject to annual repricing.

   The loan contains restrictive covenants which include, among others, maintenance of debt-to-equity ratio not exceeding 2.0x and a minimum debt service coverage ratio of 1.10x which shall be tested annually based on the consolidated audited financial statements of the Group.

   Among the provisions of the agreement, ABLE is mandated to establish a DSRA. The account is to be maintained at a certain level of funding to facilitate ABLE’s loan and interest payments to AUB. The Group has classified its cash included under the DSRA as “Restricted - cash in bank” account under other non-current assets in the consolidated statements of financial position amounting to P25,607 as at December 31, 2023 (Note 11).

   The loan is secured by land owned by G-L Real Estate JV Corporation located in Boracay with fair value as at December 31, 2023 amounting to P8,941,968 (2022 - P8,835,614). The loan is also secured by cash under the DSRA and Revenue accounts classified as “Cash in bank - restricted” under other noncurrent assets in the consolidated statements of financial position amounting to P25,607 as at December 31, 2023 (Note 11). Initial drawdown was made in April 2023 amounting to P1,200,000. The loan is presented net of debt issue cost. In 2024, the Group pre-terminated its long-term loan facility with AUB which has original maturity date of April 2026. As a result, pre-termination costs amounting to P62,046 were incurred, primarily consisting of prepayment penalties, unamortized transaction costs, and other related charges. These costs have been recognized as finance expense under the consolidated statements of comprehensive income. The loan was fully paid as of December 31, 2024.

   On the same date, ABLE entered into a loan line with AUB amounting to P250,000 to finance general working capital requirements. The loan is payable up to ninety days from date of drawdown. The Group fully settled the short-term loan in 2023.

14. Equity

Equity as at December 31 is as follows:

	2024		2023	
	Amount	Number of shares	Amount	Number of shares
Capital Stock				
Authorized:				
Common shares - P1 par value	7,000,000	7,000,000,000	7,000,000	7,000,000,000
Balance at beginning of year	4,785,307	4,785,306,666	4,094,107	4,094,106,666
Issued during the year	-	-	691,200	691,200,000
Balance at end of year	4,785,307	4,785,306,666	4,785,307	4,785,306,666

Capital stock

Pursuant to the registration statement rendered effective by the SEC on February 6, 1958, and permit to sell issued by the SEC dated February 6, 1958 - 15,000 common shares of the Parent Company were registered and may be offered for sale at an offer price of P1.33 per common share.

On June 18, 2013, the SEC approved the increase in the Parent Company's authorized capital stock from P1,600,000 to P5,000,000 divided into 2,500,000 common shares and 2,500,000 preferred shares with each class having a par value of P1 per share. The preferred shares may be issued in tranches or series and shall be non-voting, non-participating, entitled to preferential and cumulative dividends at the rate not exceeding 12% per annum, and shall have such other rights, preferences, restrictions and qualifications as may be fixed by the BOD at their issuance.

The preferred shares have a coupon rate of 8.5% per annum and are paid semi-annually. These preferred shares are cumulative, non-voting and non-participating. Twenty (20) preferred shares will entitle each investor to one warrant. Each warrant, if exercised at a price of P15 or the average weighted trading price for the three months prior (whichever is lower) will be converted to one common share. This option will be exercisable starting on the fifth year until the eighth year.

On January 11, 2019, the Parent Company's BOD and stockholders approved the issuance of up to 1,300,147 common shares from the unissued capital stock through a private placement at a price based on a premium over the DigiPlus' shares closing price on November 29, 2018.

On January 31, 2020, the Parent Company redeemed all of its 1.65 million preferred shared at P1.00 per share.

In March and April 2019, 1,217,647 common shares were subscribed at P3.60 per share by virtue of the subscription agreements entered into by the Parent Company with its investors. Transactions costs related to the share issuance amounting to P16,604 are recognized as deduction to additional paid-in capital.

On June 15, 2021, and July 30, 2021, the BOD and stockholders of Parent Company respectively approved the reclassification of DigiPlus' 1.5 million preferred shares into common shares. On May 20, 2022, the SEC approved the amendment of the Articles of Incorporation reflecting this reclassification. On November 22, 2021, and January 7, 2022, the BOD and stockholders respectively approved the reclassification of the remaining 1.0 billion preferred shares into common shares. On May 26, 2022, the SEC approved the amendment of the Articles of Incorporation reflecting this further reclassification.

On March 7, 2022, the BOD approved and authorized the issuance of 1,272,352,512 common shares at an issue price of P1.65 per share to various subscribers. Pursuant to the Subscription Agreements, the payment of the subscription price to DigiPlus shall be fully paid by the subscribers within 90 days from signing of their respective Subscription Agreements, which will fall on June 9, 2022. On May 10, 2022, the Board approved the extension of the deadline to pay up to August 9, 2022. On August 8, 2022, the Company received the full payment of the subscription amount from all the private placement subscribers. The 1,272,352,512 subscribed shares were issued from the 1,650,000,000 treasury shares. Transaction costs related to share issuances amounting to P12,723 are recognized as deduction to additional paid-in capital.

On September 15, 2022, the BOD of the Parent Company approved the increase of the Company's authorized capital stock from P5 billion to P7 billion. On November 24, 2022, the amendment was approved by the stockholders. On September 12, 2023, the SEC approved the increase of the Company's capital stock. Consequently, the Company issued 691,200 common shares at an issue price of P2.68 per share to various subscribers.

As of December 31, 2024 and 2023, the Parent Company has 1,803 and 1,823 common stockholders, respectively.

Warrants

On June 10, 2013, the BOD of the Parent Company approved the listing of 1,650,000 newly issued preferred shares and 82,500,000 warrants. The said listing was completed in December 2013.

On December 5, 2013, the BOD approved to change the expiry date of the warrants issued by the Parent Company to September 2021.

In September 2021, 26,606,666 warrants were exercised and converted into shares for an exercise price of P1.503 per share, which is the weighted average trading price for three (3) months prior to the exercise date with a 10% discount. Consequently, common shares with par value aggregating to P26,607 were issued for the exercised warrants resulting in additional paid-in capital of P13,383.

The remaining 55,893,334 warrants which were not exercised in September 2021 are deemed expired and are no longer exercisable.

On January 31, 2020, the Parent Company redeemed all of its 1,650,000 preferred shares at P1.00 per share. The redeemed preferred shares are not cancelled, thus, accounted and presented as treasury shares in the consolidated statements of changes in equity.

Declaration of cash dividends

On March 19, 2024, DigiPlus' Board of Directors approved the declaration of cash dividends to all stockholders of the Parent Company amounting to P0.18 per outstanding common share. The cash dividends were paid on April 18, 2024, to stockholders of record as of April 4, 2024.

There were no cash dividends declared by the BOD to common stockholders of the Parent Company in 2023.

For the year ended December 31, 2024, the Group paid dividends amounting to P801,850 (2023 - P160,074). As at December 31, 2024, unpaid dividends, included under "Trade and other payables" account in the consolidated statements of financial position, amounted to P6,842 (2023 - P15,313) (Note 12).

Retained earnings

On December 14, 2024, the BOD passed a resolution to appropriate retained earnings amounting to P7,300,000. This allocation is designated to fund the approved capital expenditures, provide financial support for the Brazil project, and facilitate the distribution of cash dividends in 2025.

Subsequent event

On March 7, 2025, DigiPlus' Board of Directors approved the declaration of cash dividends to all stockholders of the Parent Company amounting to P0.86 per outstanding common share. The cash dividends will be payable on April 4, 2025, to stockholders of record as of March 24, 2025.

Treasury shares

Details of treasury shares are as follows:

	Parent Company Treasury Shares		Parent Company Shares held by ABLE	
Number of shares	2024	2023	2024	2023
Balance at beginning of year	377,647,488	377,647,488	21,567,000	21,567,000
Issuance of shares	-	-	-	-
Balance at end of year	377,647,488	377,647,488	21,567,000	21,567,000

Amount	2024	2023	2024	2023
Balance at beginning of year	377,647	377,647	53,951	53,951
Issuance of shares	-	-	-	-
Balance at end of year	377,647	377,647	53,951	53,951

Deposits for future stock subscriptions

On November 25, 2021, The Parent Company and Catchy Solutions Ltd. entered into an agreement for the subscription to 225,000,000 common shares of stock of the Parent Company in the amount of P371.3 million where in payments were received as at December 31, 2021. Pending submission of the application for the increase in authorized capital stock with the SEC as at December 31, 2021, such subscription payments were presented as "Deposits for future stock subscriptions" in the 2021 consolidated statement of financial position.

On August 8, 2022, upon receipt of all subscription payments, the Parent Company issued all subscribed shares to subscribers. The Parent Company reissued the treasury shares as a result of this transaction.

Earnings per share

Basic earnings per share is computed as follows:

	2024	2023	2022
Net income attributable to equity holders of the Parent Company (a)	12,577,884	4,077,734	600,705
Adjusted weighted average number of shares outstanding (b)	4,407,659	3,924,766	2,953,048
Basic earnings per share (a/b)	2.8536	1.0390	0.2034

Diluted earnings per share is computed as follows:

	2024	2023	2022
Net income attributable to ordinary stockholders of the Parent Company (a)	12,577,884	4,077,734	600,705
Adjusted weighted average number of shares outstanding (b)	4,407,659	3,924,766	2,953,048
Effect of dilutive potential common shares (c)	185,099	-	-
Adjusted weighted average number of shares outstanding (d=b+c)	4,592,758	3,924,766	2,953,048
Diluted earnings per share (a/d)	2.7386	1.0390	0.2034

Share-based compensation plan

The establishment of the employee share option plan (“the Plan”) was approved by the BOD of the Parent Company and the stockholders on January 31, 2023 and March 27, 2023 respectively. The Plan was established to recognize the contributions of key individuals within the Group whose contributions are essential to growing the business and delivering long-term shareholder returns. Under the Plan, the participants are granted options which will vest in accordance with the Group’s vesting policy and the fair value of each option is estimated on the grant date using an appropriate valuation model.

On July 4, 2024, the SEC approved the Parent Company’s application for exemption from filing registration statement of the Plan.

Options are granted under the Plan for no consideration and carry no dividend or voting rights. Each option can be converted to a single share at an exercise price depending on the volume weighted average of share price for the 30-trading days immediately prior to the grant date.

The Plan is administered by the Compensation Committee of the BOD, and its sub-committee specially created for purposes of administering the Plan, which is consolidated in accordance with the principles in Note 28.3. When the options are exercised, the trust transfers the appropriate amount of shares to the employee. Any proceeds received, net of directly attributable transactions costs, are credited directly to equity.

Set out below are summaries of options granted under the plan:

	2024	2023*
At January 1	127,324,564	-
Granted during the year	134,399,569	127,324,564
Exercised during the year	-	-
Forfeited during the year	(2,010,000)	-
At December 31	259,714,133	127,324,564
Vested and exercisable at December 31	45,001,956	-

No options expired during the periods covered by the above tables.

Share options outstanding at the end of the year have the following expiry dates:

Grant date	Expiry date	Share options December 31, 2024	Share options December 31, 2023
Batch 1			
Tranche 1 - April 1, 2023	January 1, 2029	45,001,956	45,001,956
Tranche 2 - April 1, 2023	January 1, 2030	39,556,956	40,546,956
Tranche 3 - April 1, 2023	January 1, 2031	40,755,652	41,775,652
Batch 2			
Tranche 1 - November 12, 2024	January 1, 2030	44,351,857	-
Tranche 2 - November 12, 2024	January 1, 2031	44,351,858	-
Tranche 3 - November 12, 2024	January 1, 2032	45,695,854	-
Total		259,714,133	127,324,564
Weighted average remaining contractual life of options outstanding at end of period		5.51	5.98

The assessed fair value at grant date of options granted during the year ended December 31, 2024 was P12.70 per option (2023 – P1.42 per option). The fair value at grant date is independently determined using a Modified Binomial Tree Model that takes into account the stock price volatility, risk-free rate, dividend yield, employee exercise behavior and forfeiture rates. The fair value is recognized as an expense over the relevant service period, which is the vesting period of the options.

The model inputs for options granted during the year ended December 31, 2024 included:

(a) options are granted for no consideration and vest based on the terms of the plan. Vested options are exercisable for a period of five years after vesting,
(b) grant date: November 12, 2024 (2023 - April 1, 2023),
(c) expiry date: October 31, 2029 (2023 - October 31, 2028),
(d) strike price: P12.94 (2023: P2.68)
(e) share price at grant date: P19.90 (2023 - P2.66),
(f) expected dividend yield: 0.15% (2023 - 0.87%),

The compensation expense recognized during the year ended December 31, 2024 amounted to P778,271 which is presented under cost and operating expenses in the consolidated statements of total comprehensive income. As at December 31, 2024, the stock option reserve arising from the Plan amounted to P P778,271.

Subsequent events

On January 28, 2025, the Philippine Stock Exchange ("PSE") issued the Notice of Approval to list up to 220,382,958 PLUS common shares to cover its ESOP.

On March 20, 2025, a total of 25,285,500 PLUS shares were issued in favor of the ESOP grantees who exercised and fully paid for their options. On April 3, 2025, the exercised shares were listed with the PSE.

15. Gaming licenses to operate

Revenue from retail games for the years ended December 31 are as follows:

	2024	2023	2022
Bingo games	7,834,559	10,384,844	6,292,695
Electronic games	66,272,052	15,983,732	1,833,427
	74,106,611	26,368,576	8,126,122

a. Bingo games

Revenue from Bingo games is composed of revenue from the online and offline traditional bingo games, electronic bingo games and rapid bingo system.

Operation of online traditional bingo (OTB) games

The Group remits to PAGCOR its share of 15% on Gross Gaming Revenue (GGR), where GGR is equal to Gross Bets less Total Payouts, or a monthly Minimum Guaranteed Fee (MGF) of P100 million, whichever is higher, including the 5% franchise tax on PAGCOR share. On August 15, 2023, PAGCOR issued a memorandum on the Regulatory Framework for the Fees and Rates on Gaming Site Operations. Effective August 2023 to March 2024, ABLE remits 20% PAGCOR share on GGR from OTB. Starting April 2024, PAGCOR share is calculated at 25% of GGR.

In addition, the cost for services of PAGCOR’s Third Party Audit Provider equivalent to 10% of the PAGCOR share net of franchise tax is also remitted to PAGCOR.

Operation of traditional bingo games

PAGCOR awarded ABLE and its subsidiaries the authority to operate and conduct traditional bingo games, as well as the betting aspect thereof, within the confines of the game sites. The licenses for various periods ranging from September 2020 to September 2023. In September 2023, the licenses were renewed and are valid until September 2025.

The Group pay PAGCOR 15% of its gross bingo card sales as franchise fee until July 2023. Effective August 2023 to March 2024, PAGCOR share is calculated at 20% of GGR. Starting April 2024, PAGCOR share is calculated at 25% of GGR.

As at December 31, 2024, the Group deposited cash performance bonds with PAGCOR totaling P40,500 (2023 - P37,500), to ensure due observance of and faithful compliance with the terms and conditions of the license (Note 11).

Operation of electronic bingo games

PAGCOR awarded the Group the authority to operate and conduct electronic bingo games, as well as the betting aspect thereof, within the confines of the game sites. The Licenses for various periods ranging from February 2017 to March 2024. In March 2024, the licenses were renewed and are valid until March 2026.

The Group pays PAGCOR 50% of its revenue less payouts as franchise fee until July 2023. Effective August 2023 to March 2024, PAGCOR share is calculated at 42.5% of GGR. Starting April 2024, PAGCOR share is calculated at 35% of GGR.

As at December 31, 2024, the Group deposited cash performance bonds with PAGCOR totaling P333,665 (2023 - P326,632), to ensure due observance of and faithful compliance with the terms and conditions of the license (Note 11).

Operation of New Rapid Bingo System (NRBS)

On September 27, 2005, PAGCOR granted ABLE the authority to operate and conduct rapid bingo games, subject to the approved terms and conditions of NRBS operations and the use of the prescribed NRBS card format. ABLE pays PAGCOR 15% of its gross sales (total amount wagered or bets) from the NRBS operations, which shall be remitted twice weekly, until July 2023. Effective August 2023 to March 2024, PAGCOR share is calculated at 20% of GGR. Starting April 2024, PAGCOR share is calculated at 25% of GGR.

As at December 31, 2024 and 2023, ABLE deposited cash performance bonds amounting to P1,000, with PAGCOR to ensure due observance of and faithful compliance with the terms and conditions of the license (Note 11).

Distribution and sale of pull-tabs or break-open cards

On August 3, 2005, PAGCOR granted ABLE the authority to distribute and sell pull-tabs or break-open cards in all of the branches of ABLE and its subsidiaries. In consideration of the Grant, ABLE shall pay PAGCOR 15% of gross card price which shall be remitted to PAGCOR by ABLE upon draw-down of cards from the supplier, regardless of quantity of cards sold. Effective August 2023 to March 2024, PAGCOR share is calculated at 20% of GGR. Starting April 2024, PAGCOR share is calculated at 25% of GGR.

Franchise fees included in “Franchise fees and taxes” account in the consolidated statement of total comprehensive income amounted to P3,422,293 in 2024 (2023 - P4,791,520; 2022 - P3,452,000).

b. Electronic games

PAGCOR awarded DigiPlus the authority to operate and conduct electronic games, as well as the sports betting aspect thereof. The Licenses for various periods ranging from December 2017 to August 2023 are subject to renewal after one (1) to (2) two years upon mutual agreement of both parties. In August 2023, the Licenses were renewed and are valid until August 2025.

Franchise fees included in “Franchise fees and taxes” account in the consolidated statement of total comprehensive income amounted to P30,090,980 in 2024 (2023 - P8,178,920; 2022 - P1,146,518).

The Group pays PAGCOR 25%-47.5% of its revenue as franchise fee until July 2023. Effective

August 2023, PAGCOR share is calculated at 22.5%-41.25% of GGR. Starting April 2024, PAGCOR share is calculated at 20%-35% of GGR.

As at December 31, 2024, TGXI deposited cash performance bonds amounting to P97,750 (2023 - P84,250), with PAGCOR to ensure due observance of and faithful compliance with the terms and conditions of the license (Note 11).

16. License agreement

CEZA is authorized under Section 6f of R.A. No. 7922, “An Act Establishing a Special Economic Zone and Free Port in the Municipality of Santa Ana and the Neighboring Islands in the Municipality of Aparri, Province of Cagayan, Providing Funds Therefore, and for Other Purposes”, to operate on its own, either directly or through a subsidiary entity, or license to others, tourism-related activities, including games, amusements, recreational and sport facilities, such as horse racing, gambling casinos, golf courses, and others, under priorities and standards set by CEZA in CSEZFP.

On February 2, 2001, FCLRC and CEZA entered into a license agreement authorizing FCLRC to set up a network operation/hub with its internet server including web sites, gaming software, application programs, administrative software, hardware, internet, as well as telecommunication connections, collection and payment system and toll-free telephone operations, all in connection with the development, operation and conduct of internet and gaming enterprises and facilities in CSEZFP. In line with this mandate, FCLRC was also authorized and licensed to conduct interactive games as defined in the license agreement.

Subsequent to the signing of the license agreement, FCLRC and CEZA signed a supplemental agreement which provides for the following:

1. Appointment of FCLRC as Master Licensor for internet gaming activities and shall be responsible for monitoring all activities pertaining to the licensing and operation of interactive games in CSEZFP;

2. FCLRC is authorized to assist CEZA in its functions as a regulator for interactive gaming activities on behalf of CEZA in accordance with Part 5 of CSEZFP Interactive Gaming Rules and Regulations;

3. The authorization of FCLRC as Master Licensor shall be exclusive for twenty-five years starting from November 7, 2006 or until 2031;

4. FCLRC is authorized to collect a sub-license fee of two percent of the gross winnings from the locators, in accordance with an agreed formula. Also, FCLRC is authorized to collect from sub-licenses an annual fixed amount for the first year of operations and thereafter, from sportsbook operators. The amount collected from sublicences is recognized by FCLRC as unearned fees and recognize the revenue over time upon provision of the access to the hosting platform. Unearned fees included under “Trade and other payables” account in the consolidated statements of financial position amounted to P16,375 as at December 31, 2024 (2023 - P13,369); and

5. FCLRC must pay CEZA, on a monthly basis to commence upon the start of actual operations of FCLRC, an amount equivalent to one percent (1%) of the monthly gross winnings payable not later than the seventh (7th) day of the subsequent month. Starting on the sixth (6th) year after the start of FCLRC's operation, FCLRC shall pay a minimum guaranteed amount of $250. Unpaid CEZA fees are charged with interest of 12% per annum. CEZA fees included in "Franchise fees and taxes" account in the profit or loss amounted to P172,664 in 2024 (2023 - P133,192; 2022 - P109,130).

FCLRC is entitled to tax incentives under Section 4c of RA No. 7922 (CEZA law). No taxes, local, and national, shall be imposed on business establishments operating within the CSEZFP. In lieu of paying taxes, FCLRC shall pay and remit to the national government and local government units five percent (5%) of locators' gross income less allowable deductions. FCLRC's gross income tax amounted to P5,252 in 2024 (2023 - P5,069; 2022 - P4,166) (Note 22).

FCLRC proposed a Master Development Plan in keeping its authority under the license agreement. The Master Development Plan proposed by FCLRC will accordingly create a self-sustaining industrial zone and mixed-use new township in the CSEZFP with tourism and leisure as the lead sector to be developed. The Master Development Plan envisaged by FCLRC shall comprise of the three (3) phases with time frame of completion as follows:

- Phase I supposedly completed in 2009 after authorization of the CEZA BOD which includes telecommunication connectivity via microwave radio; upgrading of the existing internet data center; conversion of the CEZA Complex into a gaming facility; upgrading of the San Vicente Naval Airport; and Construction of a new CEZA Administration Office. Phase 1 was completed in January 2011.

  In August 2007, FCLRC and CEZA entered into an agreement with A.G. Pazon & Associates and CAMJ Construction Corporation, both third parties, to start the development of the Cagayan Business Park (CBP), part of Phase I of the Master Development Plan. The proposed CBP has a total lot area development of 90,005 square meters. The site development plan includes the construction of buildings with a total floor area of 2,400 square meters. The project also includes the construction of an administration building, commercial center, cable center, sub-station and parking spaces. It also includes the installation of an underground power/communication cabling system and an overhead water tank. The development of the CBP was completed in January 2011.

  Another infrastructure required in Phase I of the Master Development Plan is the rehabilitation of the San Vicente Naval Airport (the Airport). On September 1, 2006, FCLRC entered into a contract for the airstrip rehabilitation with the same contractors for the CBP to undertake the expansion, paving and overlaying of the runway of the airport and the provision of basic airport amenities. The rehabilitation of the San Vicente Naval Airport was completed on December 8, 2006.

  As an initial project to establish the internet and telecommunication infrastructure, FCLRC entered into an Agreement with IPCDCC on March 1, 2007, incorporating FCCDCI. The parties shall infuse the necessary capital to fund the required infrastructure requirements of the Master Development Plan.

- Phase II shall be completed after three (3) years of completion of Phase I and shall include the telecommunication connectivity via fiber optic; redundant telecommunication connectivity; and construction of a leisure and resort complex.

- Phase III shall be completed three (3) years after completion of Phase II and shall include the implementation of the Comprehensive Feasibility Study that will provide a complete telecommunication infrastructure for the whole of the CSEZFP; and development of a beach front property into a leisure and gaming facility.

On September 15, 2006, the parties have extended the term of the license agreement from two (2) years to twenty-five (25) years from the date of approval by the CEZA BOD of the Master Development Plan. The 25 years extension of the authority of FCLRC as Master Licensor commenced on November 7, 2006, and will end on November 7, 2031.

On November 24, 2017, FCLRC and CEZA signed a supplemental agreement which provides for the following:

- CEZA retains the 25-year appointment of FCLRC as a non-exclusive Licensor for interactive gaming;
- CEZA shall also grant appointment of FCLRC for land-based gaming after it has complied with all requirements;
- To protect FCLRC's interest and investment as the pioneer Licensor, CEZA effectively restricted itself from directly issuing Gaming Licenses to FCLRC's current and previous licensees; and
- All applicants for gaming licenses from CEZA shall post the amount of USD100 million as an investment commitment. In consideration of the significant actual and future investments attributable to FCLRC, CEZA shall credit such investments towards the investment commitment compliance of applications for gaming licenses coursed through FCLRC.

For the year ended December 31, 2024, the Group recognized revenue related to service and hosting fees in Cagayan amounting to P407,044 (2023 - P340,592; 2022 - P351,793).

17. Costs and operating expenses

Cost and operating expenses as of December 31 consist of:

	Notes	2024	2023	2022
Franchise fees and taxes	15,16	33,685,937	13,103,632	4,707,648
Advertising and promotion		13,273,819	4,103,449	951,863
Outside services		9,074,623	3,113,346	786,596
Salaries and other benefits		2,776,366	996,800	508,281
Subscription		1,097,057	110,005	19,888
Depreciation and amortization	5,11	1,069,601	493,432	375,827
Communications and utilities		368,467	322,835	273,675
Rent	18	347,998	350,926	287,203
Others		660,434	372,481	363,310
		62,354,302	22,966,906	8,274,291

Salaries and other benefits

The details of salaries and other benefits for the years ended December 31 are as follows:

	Note	2024	2023	2022
Salaries and wages		1,788,609	880,309	500,218
Share option compensation expense		778,271	-	-
Government-mandated employee benefits		83,178	52,703	26,374
Insurance		43,788	18,422	9,005
Defined benefit retirement expense (income)	19	14,087	9,169	(81,333)
Bonuses and allowance		11,704	14,651	35,424
Others		56,729	21,546	18,593
		2,776,366	996,800	508,281

18. Lease agreements / right-of-use assets and lease liabilities

Group as a Lessee

The Group has lease contracts for office space, warehouse and various site spaces for its operations. Lease agreements generally have lease terms between 1 and 25 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases of site spaces 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.

The following are the amounts recognized in the consolidated statements of total comprehensive of income for the years ended December 31:

	Notes	2024	2023	2022
Depreciation and amortization expense of right-of-use assets included in property and equipment	5	452,376	295,970	194,546
Expenses relating to short-term leases	17	347,998	350,926	232,049
Interest expense on lease liabilities	20	95,017	55,575	95,989
Expenses relating to leases of low-value assets		-	-	55,154
Total amount recognized in the consolidated statements of total comprehensive income		895,391	702,471	577,738

Total cash outflow related to short-term and low value leases for the year ended December 31, 2024 amounted to P351,314 (2023 - P344,318).

Total cash outflows related to lease liabilities for the year ended December 31, 2024 amounted to P522,791 (2023 - P438,991; 2022 - P241,807).

The movements of right-of-use assets, presented under “Property and equipment” account in the consolidated statements of financial position and in Note 5, for the years ended December 31 is as follows:

	2024	2023
Cost		
Balance at beginning of year	1,512,142	1,017,753
Additions	1,124,258	827,318
Expired leases	(376,053)	(332,929)
Balance at end of year	2,260,347	1,512,142
Accumulated amortization		
Balance at beginning of year	560,733	597,692
Amortization	452,376	295,970
Expired leases	(366,489)	(332,929)
Balance at end of year	646,620	560,733
Net book value	1,613,727	951,409

Expired leases pertain to the lease contracts wherein the right-of-use assets are already fully amortized, and the related lease liability is already fully paid as at and for the years ended December 31, 2024, and 2023.

The movements of lease liabilities for the years ended December 31 is as follows:

	Note	2024	2023
Balance at beginning of year		1,074,365	630,463
Additions		1,124,258	827,318
Interest expense	20	95,017	55,575
Payments		(522,791)	(438,991)
Balance at end of year		1,770,849	1,074,365
Current portion of lease liabilities		476,217	275,294
Lease liabilities, net of current portion		1,294,632	799,071

i. ABLE Group entered into several lease agreements for office space, warehouse and spaces where ABLE Group’s sites conduct their bingo operations. The term of the lease agreements with various lessors varies from two (2) to five (5) years with escalation clauses ranging from 5% to 10%. The lease amounts are computed based on a fixed rate per square meter.

ii. FCLRC entered into 25-year lease agreements with the Municipality of Sta. Ana, Cagayan up to December 7, 2031, and with CEZA up to June 30, 2031, respectively, or until FCLRC serves as its Master Licensor. The lease amounts are computed on a fixed rate per square meter subject to 5% escalation every three years. FCLRC also entered into another lease contract for staff houses with a term of one (1) year.

iii. BCGLC and GCLWC entered into various lease agreements for its PAGCOR VIP Clubs where it conducts its operations. The lease agreements are renewable by mutual agreement of both parties generally under same terms and conditions. The lease period ranges from three (3) to seven (7) years with annual escalation clauses ranging from 5% to 10%.

iv. DigiPlus entered into several lease agreements for its office spaces. The term of the lease agreements with various lessors varies from three (3) to five (5) years with escalation ranging from 3% to 5%. The lease amounts are computed on a fixed rate per square meter.

v. TGXI entered into several lease agreements for the PeGS' locations renewable by mutual agreement of both parties generally under the same terms and conditions. The lease period ranges from one (1) to five (5) years with annual escalation clauses ranging from 3% to 10%.

vi. ABLGI entered into a 25-year lease agreement for a parcel of land in Sta. Cruz, Manila from January 1, 2015 to December 31, 2040. The lease amount is computed on a fixed rate per square meter subject to 5% escalation every two (2) years.

The lease agreements are non-cancellable and provide for, among others, rental deposits which are refundable upon termination of the lease. The rental deposits recognized in the consolidated statements of financial position as at December 31, 2024 amounted to P522,376 (2023 - P478,605) (Note 11).

Rent expense for the year ended December 31, 2024, amounting to P347,998 (2023 - P350,926; P2022 - P287,203), pertains to the expense from short-term and low-value leases (Note 17).

Maturity analysis of the undiscounted lease payments are as follows:

	2024	2023
Within one year	563,931	369,991
Between one and five years	1,220,723	709,453
More than five years	341,200	317,165
	2,125,854	1,396,609

Group as lessor (finance leases)

FCLRC subleases its lease contracts for land properties within Municipality of Sta. Ana, Cagayan and CEZA to locators under two (2) 9-year sublease agreements which commenced in January 2020.

For the year ended December 31, 2024, the Group recognized revenue from finance leases amounting to P9,843 (2023 - P6,622; 2022 - P215,684) (Note 20).

The movements of lease receivables for the years ended December 31 is as follows:

	2024	2023
Balance at beginning of year	193,480	207,542
Finance lease income	9,843	6,622
Collections	(26,254)	(20,684)
Balance at end of year	177,069	193,480
Current portion of lease receivable	69,557	66,967
Lease receivable, net of current portion	107,512	126,513

Minimum lease receivables as at December 31 are as follows:

	2024	2023
Within one year	27,568	26,255
Between one and five years	124,761	118,820
More than five years	-	33,509
	152,329	178,584

Group as lessor (operating leases)

a. As an authorized representative of Munich Management Limited, a foreign corporation duly organized and registered in British Virgin Islands, BCGLC entered into an agreement with the PAGCOR for the sublease of the slot machines owned by Entertainment Gaming (Philippines), Inc., including the proprietary system of linking and networking of individual units of slot machine within the PAGCOR Club - Leisure World Bacolor located at King's Royal Hotel and Leisure Park, Bacolor, Pampanga. The lease is for the period of three (3) years until June 30, 2016. The Company renewed the lease contract with PAGCOR until December 31, 2017. In November 2017, the lease contract was renewed until June 30, 2023 and further renewed until June 30, 2024 or upon exhaustion of the contract amount based on the income sharing scheme, whichever comes first.

   As a consideration, PAGCOR shall pay BCGLC monthly rent equivalent to a percentage of the slot machines' gross revenues after deducting the players' winnings/prizes and related taxes thereof.

b. LRLDI leases its investment properties under non-cancellable operating lease agreements. The leases are for a period ranging from two (2) to five (5) years with escalation rate ranging from 5% to 10%.

c. ABLGI leases its investment property for a period of twenty (20) years until December 31, 2034 with escalation rate of 3% every three years. The lessee may pre-terminate the lease agreement without obligation to pay termination costs.

In 2019, upon adoption of PFRS 16 for FCLRC and inception of the sublease contract for LRLDI, these subleases were classified as finance leases and the related ROU assets were derecognized. As at December 31, 2024, lease receivables amounted to P177,069 (2023 - P193,480).

Total rental income recognized in the consolidated statements of total comprehensive income amounted to P552,947 in 2024 (2023 - P475,937; 2022 - P385,225).

For the year ended December 31, 2024, revenue from sub-lease recognized in the consolidated statements of total comprehensive income amounts to P6,839 (2023 - P3,711; 2022 - P4,892).

19. Retirement benefits

The Group's actuarial valuations are obtained on a periodic basis. The retirement benefits are determined using the projected unit credit method.

The retirement benefits of ABLE are primarily based on the number of years of service of covered employees, as well as their fixed monthly salary. Effective January 1, 2022, the Group changed its retirement plan provisions. Under the provisions of the retirement plan, the mandatory retirement age is sixty-five (65), with at least five (5) years of service and the retirement benefit is equal to one half of final salary per year of credited service. The computation of the on-half month's salary shall be consistent with the definition set forth under the Republic Act 7641 or the Philippine Retirement Law.

Under the provisions of the retirement plan effective until December 31, 2021, the mandatory retirement age is sixty-five (65), with at least ten (10) years of service and the retirement benefit is equal to two hundred percent (200%) of the plan salary per year of credited service.

The Group's latest actuarial valuation reports are dated December 31, 2024. The following tables summarize the components of retirement expense for ABLE and FCLRC recognized in the consolidated statement of total comprehensive income:

Retirement expense

	ABLE			FCLRC			TOTAL		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Current service cost	9,634	5,217	3,783	187	153	225	9,821	5,370	4,008
Past service income	-	-	(83,176)	-	-	(3,744)	-	-	(86,920)
Interest cost on defined benefit obligation	4,141	3,690	2,224	125	109	119	4,266	3,799	2,343
Settlement gain	-	-	(223)	-	-	(541)	-	-	(764)
Net retirement expense (income)	13,775	8,907	(77,392)	312	262	(3,941)	14,087	9,169	(81,333)

The total retirement expense of ABLE and FCLRC for the year ended December 31, 2024, amounted to P14,087 (2023 - P9,169).

Changes in present value of defined benefit obligation

	ABLE		FCLRC		TOTAL	
	2024	2023	2024	2023	2024	2023
Present value of defined benefit obligation at beginning of year	67,831	51,580	2,010	1,497	69,841	53,077
Current service cost	9,634	5,217	187	153	9,821	5,370
Interest cost	4,141	3,690	125	109	4,266	3,799
Actuarial loss	43,162	7,344	987	251	44,149	7,595
Benefits paid	-	-	(392)	-	(392)	-
Present value of defined benefit obligation at end of year	124,768	67,831	2,917	2,010	127,685	69,841

As at December 31, 2024, the total retirement benefits liability amounted to P127,685 (2023 - P69,841).

The movement in retirement benefits reserve taken up under other comprehensive income and consolidated statements of changes in equity are as follows:

	ABLE			FCLRC			TOTAL		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
Remeasurement loss (gain)									
- on change in financial assumptions	36,533	8,561	(6,020)	760	203	(141)	37,293	8,764	(6,161)
- on experience adjustments	6,629	(1,217)	1,334	227	48	800	6,856	(1,169)	2,134
- on demographic assumptions	-	-	7,464	-	-	305	-	-	7,769
	43,162	7,344	2,778	987	251	964	44,149	7,595	3,742

The principal assumptions used in determining defined benefit obligations for the Group's plans are shown below:

	ABLE		FCLRC	
	2024	2023	2024	2023
Discount rate	6.20%	6.20%	6.20%	6.20%
Future salary increases	7.00%	5.00%	7.00%	5.00%

The weighted average duration of defined benefit obligation is as follows:

	ABLE		FCLRC	
	2024	2023	2024	2023
Average expected future service years	5.4	5.7	11.5	11.1

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	ABLE		FCLRC	
	1% increase	1% decrease	1% increase	1% decrease
December 31, 2024				
Discount rate	(14,950)	17,337	(301)	355
Future salary growth	16,871	(14,868)	346	(299)
December 31, 2023				
Discount rate	(7,285)	8,851	(185)	219
Future salary growth	8,869	(7,430)	220	(188)

Assumptions for mortality rate are based on the 2017 Philippine Intercompany Mortality Table. Assumptions for disability rates are based on the 2013 SSS Total Disability Rates (Baseline Scenario). Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

The defined benefit obligation is exposed to actuarial risks such as longevity risk and interest rate risk.

Funding

The Group does not have a formal retirement plan. Benefit claims under the retirement obligation are paid directly by the Group when they become due.

Asset-liability matching

The Group has no plan assets to match against liabilities under the retirement obligation.

Maturity analysis of the benefit payments is as follows:

	Carrying amount	Contractual Cash flows	Within 1 year	Within 1-5 years	More than 5 years
As at December 31, 2024					
ABLE	124,768	1,719,479	3,437	13,508	1,702,534
FCLRC	2,917	13,590	369	-	13,221
	127,685	1,733,069	3,806	13,508	1,715,755
As at December 31, 2023					
ABLE	67,831	610,370	3,024	10,674	596,672
FCLRC	2,010	11,130	615	-	10,515
	69,841	621,500	3,639	10,674	607,187

20. Finance income/finance expense/other income

Finance income for the years ended December 31 consists of:

	Notes	2024	2023	2022
Interest income on receivables from TCAMI	8	20,720	23,954	46,178
Interest income on cash in banks and cash equivalents	2	93,678	22,672	2,769
Finance lease income	18	9,843	6,622	215,684
		124,241	53,248	264,631

Finance expense for the years ended December 31 consists of:

	Notes	2024	2023	2022
Interest expense on loans payable	13	80,233	134,102	271,118
Interest expense on lease liabilities	18	95,017	55,575	95,988
Others		1,914	7,586	9,599
		177,164	197,263	376,705

Interest expense on loans payable includes amortization of transaction costs related to loan of ABLE with AUB and ABLGI with BDO. The Group recognized amortization of transaction costs amounting to P15,577 for the year ended December 31, 2024 (2023 - P6,147; 2022 - P10,205) (Note 13).

Other income, net for the years ended December 31 consists of:

	2024	2023	2022
Finance charges	(45,152)	(22,129)	(12,705)
Others, net	870	118,894	41,731
	(44,282)	96,765	29,026

Others, net mainly consists of gain on reversal of liabilities that the Group determined as no longer payable based on Management's assessment.

21. Related party disclosures

The table below summarizes the Group's transactions and balances with its related parties as at and for the years ended December 31:

		2024		2023	
Nature of transaction	Terms and conditions	Amount of transaction	Outstanding receivables (payables)	Amount of transaction	Outstanding receivables (payables)
a) Advances	These pertain to cash advances provided by the Group to its related parties that are due and demandable, noninterest-bearing and to be settled in cash. The advance to a stockholder is presented as current assets in the statements of financial position. The advance to an individual stockholder is presented as part of receivables, net in the statements of financial position (Note 3).				
Stockholder		(488)	156,335	(333)	156,823
Individual stockholder		-	53,106	-	53,106
		(488)	209,441	(333)	209,929
b) Receivables and advances	Refer to Notes 3 and 7 for the details.				
Joint venture		-	118,918	266	118,918
Associate		(18,092)	58,067	(10,968)	76,159
		(18,092)	176,985	(10,702)	195,077

Advances to stockholder consist mainly of advances for working capital requirements to Cyberpoint Holdings and Management Corporation (CHMC), a holding company.

All intra-group balances, transactions, including income and expenses and profits and losses resulting from intra-group transactions are eliminated. Intergroup balances and transactions before eliminations amounted to P21,987,036 in 2024 (2023 - P14,226,896).

All intragroup transactions are eliminated during consolidation are unsecured, noninterest-bearing and payable on demand. Related party transactions are to be settled in cash.

There are no collaterals held or guarantees issued with respect to related party transactions and balances.

For the years ended December 31, the details of key management and directors' compensation representing short-term benefits are as follows:

	2024	2023	2022
Salaries and employee benefits	185,458	76,603	69,104
Directors' fees	16,100	9,144	6,547

22. Income taxes

The components of the Group's income tax expense (benefit) are as follows:

	2024	2023	2022
Current tax expense	15,796	15,862	8,212
Deferred tax expense (benefit)	30,713	68,523	(169,419)
	46,509	84,385	(161,207)

The Group's income tax expense consists of the 25% regular corporate income tax and the 5% gross income tax on FCLRC and FCCDCI's operations with CSEZFP and LRLDI operations (Note 16).

Reconciliation between income tax expense (benefit) in the Group's profit or loss and the income tax computed at statutory income tax rate follows:

	2024	2023	2022
Income before income tax	12,630,615	4,221,998	525,650
Income tax (benefit) using statutory tax rate 25%	3,157,654	1,055,500	131,413
Additions to (reductions in) income taxes resulting from tax effects of:			
Non-deductible expenses	8,061,189	1,839,125	2,463,737
Income exempt from income tax	(11,151,408)	(2,747,718)	(2,584,473)
Change in deferred tax accounts	(30,591)	(68,523)	(195,846)
Equity in net loss of joint ventures	11,594	7,668	24,510
Interest income subject to final tax	(1,929)	(1,667)	(548)
	46,509	84,385	(161,207)

The composition of recognized deferred tax liabilities of the Group as at December 31 are as follows:

	2024	2023
Unrealized gain on changes in fair value of investment properties	1,539,555	1,508,964
Accrued rental income	3,480	3,480
Others	262	262
	1,543,297	1,512,706

Movements of deferred tax liabilities for the years ended December 31 are as follows:

	2024	2023
As at January 1	1,512,706	1,444,183
Recognized in profit or loss	30,591	68,523
	1,543,297	1,512,706

As at December 31, the Group's unrecognized deferred tax assets pertain to the following items:

	2024	2023
NOLCO	524,120	353,281
Right-of-use assets	(111,433)	(58,144)
Lease liabilities	122,566	68,420
Allowance for impairment loss	17,892	22,418
Retirement benefits liability	6,817	3,227
Unrealized loss on foreign exchange differences	(7,849)	2,153
MCIT	29	200
Unearned revenue	6,810	242
	558,952	391,797

Deferred tax assets were not recognized since management believes it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

The Group has incurred NOLCO which can be claimed as deduction from future taxable income. Details of which are shown below:

Year incurred	Expiration	Amount	2024	2023
2024	2027	683,356	683,356	-
2023	2026	358,305	358,305	358,305
2022	2025	403,809	403,809	403,809
2021	2026	311,119	311,119	311,119
2020	2025	339,892	339,892	339,892
		2,096,481	2,096,481	1,413,125
Expired			-	-
			2,096,481	1,413,125

The details of MCIT which can be claimed as credit against future RCIT liabilities are as follows:

Year incurred	Expiry date	Amount	2024	2023
2022	December 31, 2025	29	29	29
2021	December 31, 2024	171	171	171
2020	December 31, 2023	527	-	527
			200	727
Expired			(171)	(527)
			29	200

On April 23, 2013, the BIR issued Revenue Memorandum Circular (RMC) No. 33-2013 clarifying the taxability of PAGCOR, its contractees and licensees. Pursuant to Section 1 of Republic Act No. 9337, amending Section 27 (C) of the National Internal Revenue Code (NIRC), as amended, effective November 1, 2005, PAGCOR is no longer exempt from corporate income tax as it has been effectively omitted from the list of government-owned or controlled corporations that are exempt from income tax. Accordingly, PAGCOR and its contractees and licensees' income from its operations and licensing of gaming casinos, gaming clubs and other similar recreation or amusement places, gaming pools, and other related operations are subject to corporate income tax under the NIRC, as amended.

Until March 31, 2013, in accordance with PAGCOR's directives, ABLE continued to abide by the provisions of P.D. No. 1869 (as amended by R.A. No. 9487) whereby it pays the 5% franchise tax.

On July 9, 2013, a memorandum was issued by PAGCOR to all its bingo contractees and grantees clarifying that they are no longer subject to the 5% franchise tax, and are subject to the corporate income tax, instead. In compliance with the said RMC, ABLE has changed to corporate income tax as its basis for determining the tax expense starting second quarter of 2013.

On December 10, 2014, a resolution in favor of PAGCOR was rendered by the Supreme Court regarding the change from franchise tax to corporate income tax. The resolution pertains only to PAGCOR and not to its grantees and contractees.

The Group made legal opinion on the implications of the Supreme Court's decision in the case of Bloomberry Resorts and Hotels, Inc. vs. Bureau of Internal Revenue in relation to the contract entered by PIKI, BCGLC and HEPI with PAGCOR. These components of the Group are duly organized and existing under the laws of the Philippines having existing agreements with PAGCOR.

The Group determined its income taxes on these components on the premise that the results from casino operations are no longer subject to regular income taxes in pursuant to Sec 13(2) of Presidential Decree 1869 (PAGCOR Charter) which states that "the five (5%) percent franchise tax of the gross revenue or earnings derived by PAGCOR and all its contractees and licensees shall be due and payable quarterly to the National Government and shall be in lieu of all kinds of taxes, levies, fees or assessments of any kind, nature or description, levied, established or collected by any municipal, provincial, or national government authority".

The Group assessed that it is exempt from the corporate income tax on these components pursuant to the Supreme Court's decision to a tax case which categorically held PAGCOR and its contractees and licensees exempt from the payment of corporate income tax and other taxes.

Effective January 1, 2018, in accordance with the Amendments to the Regulatory Manual issued by PAGCOR on April 6, 2018, ABLE and its subsidiaries, as a licensee of PAGCOR, is exempt from all taxes and is only subject to 5% franchise tax on revenues from gaming operations pursuant to Presidential Decree No. 1869, as amended by R.A. No. 9487.

Franchise tax on revenues from gaming operations included in "Franchise fees and taxes" account in the consolidated statement of total comprehensive income amounted to P33,513,273 in 2024 (2023 - P12,970,440; 2022 - P4,598,518) (Note 15).

23. Segment information

For purposes of management reporting, the Group is organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit. Such business segments are the bases upon which the Group reports its primary segment information.

The Group operates in four (4) reportable business segments namely: the network and license group, casino group, retail group and investment group, and only one (1) reportable geographical segment which is the Philippines. The description of the reportable segments are as follows:

<u>Retail</u>

The retail segment consists largely of venues providing amusements and recreation to the public in such forms as, but not limited to, bingo games, electronic games, specialty games and poker.

<u>Casino</u>

The casino group is involved in arcade leasing.

Network and license

The network and license segment’s primary activity are licensing of operators engaged in interactive gaming, as well as the establishment and setup of all the gaming infrastructures required in connection with the development, operation and conduct of internet server, telecommunication network, gaming enterprises, and other systems facilities.

Property and investments

The property segment is engaged in leasing of parcels of land and building space to third parties and other investment activities.

Analysis of financial information by business segment in 2024 is as follows:

	Retail Group	Casino Group	Network and License Group	Property and Other Investments	Corporate	Eliminations	Consolidated
Revenue	74,256,379	497,101	424,145	45,523	-	-	75,223,148
Cost and operating expenses	(59,180,995)	(290,816)	(318,276)	(89,440)	(1,405,174)	-	(61,284,701)
EBITDA	15,075,384	206,285	105,869	(43,917)	(1,405,174)	-	13,938,447
Depreciation and amortization	(658,680)	(266,208)	(119,039)	(1,562)	(24,112)	-	(1,069,601)
Finance expense	(109,892)	(13,181)	(21,788)	(27,759)	(4,544)	-	(177,164)
Unrealized gains on changes in fair values of investment properties, net	-	-	665	141,476	-	-	142,141
Impairment loss on financial assets	-	(71,569)	-	-	-	-	(71,569)
Impairment loss on non-financial assets	(15,499)	-	-	(1,253)	-	-	(16,752)
Equity in net earnings (loss) of a joint venture	-	-	-	-	(46,374)	-	(46,374)
Reversal of probable losses	2,504	3,135	-	1,000	-	-	6,639
Finance income	85,651	86	10,084	20,773	7,647	-	124,241
Foreign exchange (loss) gain, net	(117,735)	2,290	(7,987)	(29,760)	(1,915)	-	(155,107)
Other income (expense), net	(44,187)	1,135	(263)	(158)	13,136,187	(13,137,000)	(44,286)
Income tax	-	(4,839)	(5,285)	(36,385)	-	-	(46,509)
Net income	14,217,546	(142,866)	(37,744)	22,455	11,661,715	(13,137,000)	12,584,106
Other information as at December 31, 2024							
Total assets	8,539,784	327,129	2,615,272	7,596,182	29,106,058	(4,039,538)	44,144,887
Total liabilities	9,095,752	843,598	1,312,508	2,973,869	195,593	(1,556,179)	12,865,141
Capital expenditures	2,573,661	305,059	1,079,804	1,438	52,739	-	4,012,701

Analysis of financial information by business segment in 2023 is as follows:

	Retail Group	Casino Group	Network and License Group	Property and Other Investments	Corporate	Eliminations	Consolidated
Revenue	26,394,164	426,051	354,242	76,594	-	-	27,251,051
Cost and operating expenses	(21,542,535)	(230,381)	(238,062)	(100,367)	(362,129)	-	(22,473,474)
EBITDA	4,851,629	195,670	116,180	(23,773)	(362,129)	-	4,777,577
Depreciation and amortization	(273,611)	(171,437)	(27,803)	(4,285)	(16,296)	-	(493,432)
Finance expense	(122,465)	(7,036)	(13,645)	(50,298)	(3,819)	-	(197,263)
Unrealized gains on changes in fair values of investment properties, net	-	-	665	131,152	-	-	131,817
Impairment loss on financial assets	-	(89,673)	(7,072)	-	-	-	(96,745)
Impairment loss on non-financial assets	(53,702)	(1,878)	(143)	-	-	-	(55,723)
Equity in net earnings (loss) of a joint venture	-	-	1,689	-	(30,670)	(1,689)	(30,670)
Provision for probable losses	(3,000)	-	-	-	-	-	(3,000)
Finance income	19,913	48	10,981	22,033	273	-	53,248
Foreign exchange loss, net	(18,285)	7,405	(373)	7,155	762	-	(3,336)
Other income (expense), net	87,202	778	3,496	5,487	7,199,802	(7,200,000)	96,765
Income tax	(8)	(3,858)	(5,102)	(75,417)	-	-	(84,385)
Net income	4,487,673	(69,981)	78,873	12,054	6,787,923	(7,201,689)	4,094,853
Other information as at December 31, 2023							
Total assets	4,526,431	434,040	2,651,877	8,697,011	17,456,406	(4,050,852)	29,714,913
Total liabilities	7,100,682	805,064	1,290,144	2,923,226	180,434	(1,510,287)	10,789,263
Capital expenditures	561,605	703,603	622,509	1,207	65,783	-	1,954,707

Analysis of financial information by business segment in 2022 is as follows:

	Retail Group	Casino Group	Network and License Group	Property and Other Investments	Corporate	Eliminations	Consolidated
Revenue	8,163,770	341,251	356,595	43,974	-	-	8,905,590
Cost and operating expenses	(7,169,270)	(188,505)	(247,161)	(44,711)	(248,817)	-	(7,898,464)
EBITDA	994,500	152,746	109,434	(737)	(248,817)	-	1,007,126
Depreciation and amortization	(200,624)	(146,196)	(22,800)	(3,595)	(2,612)	-	(375,827)
Finance expense	(116,774)	(18,738)	(6,690)	(225,819)	(8,684)	-	(376,705)
Unrealized gains on changes in fair values of investment properties, net	-	-	2,230	295,542	-	-	297,772
Impairment loss on financial assets	(24,225)	(83,497)	-	-	(10,793)	-	(118,515)
Impairment loss on non-financial assets	(5,382)	-	(832)	(2,464)	23	-	(8,655)
Equity in net earnings of a joint venture	-	-	(19,625)	-	(48,058)	19,625	(48,058)
Provision for probable losses	-	-	-	-	(18,803)	-	(18,803)
Finance income	442	32	207,440	48,392	61	-	256,367
Foreign exchange loss, net	(5,469)	(3,855)	(2,222)	(114,670)	(174)	-	(126,390)
Other income (expense), net	(10,046)	42,889	(2,524)	(42)	7,061	-	37,338
Income tax	-	(1,446)	(4,166)	166,819	-	-	161,207
Net income	632,422	(58,065)	260,245	163,426	(330,796)	19,625	686,857
Other information as at December 31, 2022							
Total assets	2,644,296	1,623,276	2,504,368	14,668,524	8,588,998	(9,081,157)	20,948,305
Total liabilities	2,517,178	1,804,411	2,825,142	8,960,797	31,546	(8,197,493)	7,941,581
Capital expenditures	105,053	18,403	929	3,340	5,514	-	133,239

There were no intersegment sales recognized among reportable segments in 2024, 2023 and 2022. Unallocated corporate expenses consist of net operating expenses of the Parent Company. Assets of the individual segments mainly comprise investments and advances, due from related parties, property and equipment, and trade receivables. Liabilities of the individual segments include loans payable, trade and other payables, retirement benefits liability, and due to related parties. Capital expenditures on noncurrent assets represent additions to property and equipment and investment properties. Noncash expenses pertain to depreciation and amortization expense attributable to reportable segments.

EBITDA is defined as earnings before interest, taxes, depreciation, amortization, and non-recurring expenses such as impairment loss. The Group evaluates 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.

24. Contingencies

The Group currently has several tax assessments and legal cases. The Group's estimate of the probable costs for the resolution of these assessments has been developed in consultation with external legal counsel handling these matters and is based on an analysis of potential results. The Group currently does not believe that these tax assessments and legal cases will have a material adverse effect on its consolidated statement of financial position and consolidated statement of financial performance. It is possible, however, that future financial performance could be materially affected by changes in the estimates or in the effectiveness of strategies relating to these proceedings.

25. Critical accounting estimates and assumptions

Use of estimates and judgment

The preparation of the Group's consolidated financial statements in accordance with PFRS Accounting Standards requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the amounts reported in the consolidated financial statements. However, uncertainty about these estimates, judgments and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future. Actual results may differ from these estimates, judgments and assumptions.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognized in the period in which the estimates and judgments are revised and in any future periods affected.

Information about critical judgments and estimates in applying accounting policies that have the most significant effects on the amounts recognized in the Group's consolidated financial statements is as follows:

25.1 Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Determination of lease term of contracts with renewal and termination options - Group as a lessee

The Group has several lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease.

That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

The Group did not include any renewal and termination options in determining the lease term as significant number of the lease agreements can be renewed only upon mutual agreement by both parties.

Determination and classification of joint arrangement

The Group determines a joint arrangement in accordance with its control over the entity or joint operations rather than its legal form. The Group's investments in joint venture is structured in a separate incorporated entity. The joint venture agreement requires unanimous consent from all parties to the agreement for the relevant activities identified. The Group and the parties to the agreement only have rights to the net assets of the joint venture through the terms of the contractual arrangements. The Group has determined its involvement in joint arrangement and determined that its investment is classified as joint venture.

Although the Group has 51% ownership in HEPI, the shareholders' agreement provides for equal representation in the BOD and joint control over the joint venture.

Distinction between investment property and property and equipment

The Group determines whether a property qualifies as an investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by the Group. Property and equipment generate cash flows that are attributable not only to property but also to the other assets used for administrative purposes and rendition of services.

If the portion cannot be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as an investment property. The Group considers each property separately in making its judgment. The Group has determined that the land, land improvements and building are investment properties.

Recoverability of property and equipment and right-of-use asset

The Group assesses impairment of property and equipment and right-of-use assets whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable.

Based on the assessment, the Group assessed that the carrying amount of property and equipment as at and for the years ended December 31, 2024 and 2023 are fully recoverable. The carrying value of the Group's property and equipment and right-of-use asset amounted to P5,290,596 as at December 31, 2024 (2023 - P3,519,336) (Note 5).

Recoverability of investment in joint venture

The Group assesses recoverability of investments in joint venture whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The factors that the Group consider important, which could trigger an impairment review include the following:

- a downgrade of joint venture's credit rating or a decline in the fair value of the associate or joint venture in consideration of other available information
- significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the joint venture operates

The COVID-19 pandemic significantly affected HEPI's operations and substantially reduced the of guests and reduced room rates in its hotels, consequently impacting Group's share in net losses of HEPI. In 2024 and 2023, with the ease of quarantine restrictions, HEPI shown recovery in terms of reduced net losses.

Based on the assessment, the Group assessed that the investment in joint venture as at and for the years ended December 31, 2024, and 2023 is not impaired. The carrying value of the Group's investment in HEPI amounted to P1,445,258 as at December 31, 2024 (2023 - P1,491,632) (Note 7).

25.2 Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value of investment properties

The Group carries its investment properties at fair value, with changes in fair value being recognized in profit or loss. The Group engages independent valuation specialists to determine the fair value. For the investment properties, the appraisers used a valuation technique based on comparable market data available for such property.

The fair values of the investment properties were arrived at using the market comparison approach for land, income approach for buildings and cost approach for land improvements.

The key assumptions used to determine the fair value of these properties are provided in Note 6.

Investment properties amounted to P11,217,011 as at December 31, 2024 (2023 - P11,074,870). Unrealized gains on changes in fair values of investment properties recognized in profit or loss amounted to P142,141 in 2024 (2023 - P131,817 gain; 2022 - P297,772 gain) (Note 6).

Impairment of goodwill

Goodwill is tested for impairment annually. Determining the net recoverable amount of assets requires the estimation of cash flows expected to be generated from the continued use and ultimate disposition of such assets. While it is believed that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable amounts and any resulting impairment losses could have a material adverse impact on the results of operations.

The impairment testing of goodwill utilized significant unobservable inputs (Level 3) to determine the VIU.

The Group performs impairment testing of goodwill annually. The recoverable amount of the cash generating units containing the goodwill is based on the VIU which is determined on discounting the future cash flows to be generated from the continuing use of the cash generating units. As at December 31, 2024 and 2023, the carrying amounts of goodwill amounted to P1,329,092 (Note 10).

Expected credit loss - Receivables

Provision for impairment of receivables is maintained at a level considered adequate to provide for uncollectible receivables. Provision for impairment is calculated using expected credit losses (ECLs). ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Group used relevant historical information and loss experience to determine the probability of default of the receivables and incorporated forward-looking information, which involved significant estimates and judgments.

The Group also evaluates specific account of customers and other counterparties who are unable to meet their financial obligations. In these cases, management uses judgment and assessment based on the best available facts, including but not limited to, the debtor's payment history and the result of the Group's follow-up action to recover overdue debts.

Any change in the Group's assessment of the collectability of receivables could impact the recorded carrying amount of receivables and related provision for impairment.

As at December 31, 2024, the Group recognized an allowance for impairment of receivables amounting to P758,954 (2023 - P687,385). Management believes that the recorded allowance is sufficient to cover the receivables that are impaired and assessed to be uncollectible.

Leases - Estimating the incremental borrowing rate (IBR)

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group "would have to pay", which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

The Group's lease liabilities amounted to P1,770,849 as at December 31, 2024 (2023 - P1,074,365) (Note 18).

Estimating retirement benefits liability

The cost of defined benefit pension plans and other postemployment benefits as well as the present value of the pension obligation are determined using actuarial valuations. 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 financial reporting date.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific country and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for the specific country.

As at December 31, 2024, retirement benefits liability amounted to P127,685 (2023 - P69,841) (Note 19).

Estimating realizability of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The Group also reviews the expected timing and tax rates upon reversal of the temporary differences and adjusts the impact of deferred tax accordingly. The Group's assessment on the recognition of deferred tax assets is based on the forecasted taxable income of the subsequent reporting periods. This forecast is based on the Group's past results and future expectations on revenues and expenses. The Group's unrecognized deferred tax assets amounted to P558,952 in 2024 (2023 - P391,797) (Note 22).

26. Financial risk and capital management objectives and policies

26.1 Financial risk management objectives and policies

The Group has exposure to the following risks from its use of financial instruments:

- *Credit risk*
- *Liquidity risk*
- *Market risk*

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risks, and the Group's management of capital

The main purpose of the Group's dealings in financial instruments is to fund their respective operations and capital expenditures. The Group is not actively engaged in the trading of financial assets for speculative purposes, nor does it write options.

The Board of Directors of the Group holds overall responsibility for the company's risk management policy. To ensure robust oversight, the Board has established the Board Risk Oversight Committee (BROC), which is responsible for supervising and continuously evaluating the effectiveness and adequacy of the company's Enterprise Risk Management (ERM) framework.

To support this function, the Management Risk Oversight Committee (MROC) is tasked with identifying, assessing, mitigating, and monitoring risks that may impact the Group's strategic, financial, operational, and compliance objectives. The MROC regularly reports its risk assessments and mitigation efforts to the BROC, ensuring alignment, transparency, and an integrated approach to risk governance across the organization.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. All risks faced by the Group are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the risks that inevitably occur so as not to affect the Group's operations and forecasted results.

The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The BOD constituted the Group's Audit Committee to assist the BOD in fulfilling its oversight responsibility of the Group's corporate governance process relating to the: a) quality and integrity of the Group's financial statements and financial reporting process and the Group's systems of internal accounting and financial controls; b) performance of the internal auditors; c) annual independent audit of the Group's financial statements, the engagement of the independent auditors and the evaluation of the independent auditors' qualifications, independence and performance; d) compliance by the Group with legal and regulatory requirements, including the Group's disclosure control and procedures; and e) fulfillment of the other responsibilities set out by the BOD. The Audit Committee shall also review the reports required to be included in the Group's annual report. The results of procedures performed by Internal Audit are reported to the Audit Committee. On the other hand, the Audit Committee reports all the issues identified over the financial reporting of the Group to the BOD on a regular basis.

26.2 Credit risk

Credit risk represents the risk of loss the Group would incur if customers and counterparties fail to perform their contractual obligations. The Group manages its credit risk mainly through the application of transaction limits and close risk monitoring. It is the Group's policy to enter into transactions with a wide diversity of creditworthy counterparties to mitigate any significant concentration of credit risk. Further, the Group has regular internal control reviews to monitor the granting of credit and management of credit exposures.

Financial information on the Group’s maximum exposure to credit risk as at December 31, without considering the effects of collaterals and other risk mitigation techniques, is presented below:

	Notes	2024	2023
Cash and cash equivalents	2	13,563,969	4,162,046
Receivables, current portion, net	3	4,589,278	2,523,382
Receivables, non-current portion, net	8	368,044	397,324
Advances	7	1,219,730	1,211,220
Lease receivables	18	177,069	193,480
Rental deposits	11	522,376	478,605
Cash performance bonds	11	487,915	449,382
Performance cash deposits	11	33,200	33,700
Due from related parties	21	156,335	156,823
		21,117,916	9,605,962

Cash and cash equivalents exclude cash on hand and pay out fund amounting to P413,465 as at December 31, 2024 (2023 - P102,192).

Cash and cash equivalents

The management evaluates the financial condition of the banking industry and bank deposits/investments are maintained with reputable banks only.

Receivables and advances

Majority of the Group’s credit risk on receivables is attributed to its internet gaming licensing activities influenced mainly by the individual characteristics of each customer and noninterest-bearing advances made to entities with similar operations. The demographics of the Group’s customer base, including the default risk of the industry and regions in which customers operate, has an influence on credit risk.

The BOD has established a credit policy under which each new advanced amount requested by customer/counterparties within the same gaming industry is analyzed individually for creditworthiness before standard credit terms and conditions are granted. The Group’s review includes the requirements of updated credit application documents, credit verifications through the use of no negative record requests and list of blacklisted accounts, and analyses of financial performance to ensure credit capacity. The status of each account is first checked before advances are approved.

Most of the Group’s customers have been transacting with the Group for several years, and losses have occurred from time to time. Results of credit reviews are grouped and summarized according to credit characteristics, such as aging profiles and credit violations.

The Group establishes an allowance for impairment losses that represents its estimate of incurred losses in respect of receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

The Group has recognized allowance for impairment losses on receivables and advances amounting to P1,202,016 as at December 31, 2024 (2023 - P1,130,447) (Notes 3 and 7).

As at reporting date, there were no significant concentrations of credit risk.

Rental deposits

The management prefers well known business establishments in the selection of location for bingo operations to ensure profitable operations and recovery of the rental and other deposits upon termination of the lease agreements.

Cash performance bonds/performance cash deposits and betting credit funds

The Group's exposure to credit risk is negligible as PAGCOR has sufficient funds to settle these upon the expiration of the respective license agreements.

Due from related parties

The Group limits its exposure to credit risk by only financing the operations of related parties that have viable operations and likewise engaged in gaming amusement activities.

The most significant amount of due from related parties of the Group are the advances to BLRI and HEPI, an associate and a joint venture, respectively, of the Parent Company.

Aging analysis

Set out below is the aging of financial assets as at December 31:

	2024					
	Current	30 days	60 days	90 days and above	ECL	Total
Cash and cash equivalents	13,563,969	-	-	-	-	13,563,969
Receivables, current portion, net	5,348,232	-	-	-	(758,954)	4,589,278
Receivables, non-current portion, net	368,044	-	-	-	-	368,044
Advances	1,403,281	-	-	-	(183,551)	1,219,730
Lease receivables	177,069	-	-	-	-	177,069
Rental deposits	522,376	-	-	-	-	522,376
Cash performance bonds	487,915	-	-	-	-	487,915
Performance cash deposits	33,200	-	-	-	-	33,200
Due from related parties	156,335	-	-	-	-	156,335
Financial assets at FVOCI	62,329	-	-	-	-	62,329
	22,122,750	-	-	-	(942,505)	21,180,245

	2023					
	Current	30 days	60 days	90 days and above	ECL	Total
Cash and cash equivalents	4,162,046	-	-	-	-	4,162,046
Receivables, current portion, net	3,210,767	-	-	-	(687,385)	2,523,382
Receivables, non-current portion, net	397,324	-	-	-	-	397,324
Advances	1,394,771	-	-	-	(183,551)	1,211,220
Lease receivables	193,480	-	-	-	-	193,480
Rental deposits	478,605	-	-	-	-	478,605
Cash performance bonds	449,382	-	-	-	-	449,382
Performance cash deposits	33,700	-	-	-	-	33,700
Due from related parties	156,823	-	-	-	-	156,823
Financial assets at FVOCI	67,578	-	-	-	-	67,578
	10,544,476	-	-	-	(870,936)	9,673,540

Credit risk under general and simplified approach

	2024				
	General Approach				
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Cash and cash equivalents	13,563,969	-	-	-	13,563,969
Receivables, current portion, net	-	-	-	4,589,278	4,589,278
Receivables, non-current portion, net	-	-	-	368,044	368,044
Advances	1,219,730	-	-	-	1,219,730
Lease receivables	-	-	-	177,069	177,069
Rental deposits	522,376	-	-	-	522,376
Cash performance bonds	487,915	-	-	-	487,915
Performance cash deposits	33,200	-	-	-	33,200
Due from related parties	156,335	-	-	-	156,335
Financial assets at FVOCI	62,329	-	-	-	62,329
	16,045,854	-	-	5,134,391	21,180,245

	2023				
	General Approach				
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Cash and cash equivalents	4,162,046	-	-	-	4,162,046
Receivables, current portion, net	-	-	-	2,523,382	2,523,382
Receivables, non-current portion, net	-	-	-	397,324	397,324
Advances	1,211,220	-	-	-	1,211,220
Lease receivables	-	-	-	193,480	193,480
Rental deposits	478,605	-	-	-	478,605
Cash performance bonds	449,382	-	-	-	449,382
Performance cash deposits	33,700	-	-	-	33,700
Due from related parties	156,823	-	-	-	156,823
Financial assets at FVOCI	67,578	-	-	-	67,578
	6,559,354	-	-	3,114,186	9,673,540

Simplified approach

Set out below is the information about the credit risk exposure on the Group's trade receivables using simplified approach (provision matrix) as of December 31:

	2024					
	Days past due					
	Current	<30 days	30-90 days	More than 90 days	Credit impaired	Total
Expected credit loss rate	0%	0%	0%	0%	100%	
Estimated total gross carrying amount at default	2,747,306	674,954	491,914	1,220,217	758,954	5,893,345
Expected credit loss	-	-	-	-	(758,954)	(758,954)
	2,747,306	674,954	491,914	1,220,217	-	5,134,391

	2023					
	Days past due					
	Current	<30 days	30-90 days	More than 90 days	Credit impaired	Total
Expected credit loss rate	0%	0%	0%	0%	100%	
Estimated total gross carrying amount at default	2,526,763	21,080	41,077	525,266	687,385	3,801,571
Expected credit loss	-	-	-	-	(687,385)	(687,385)
	2,526,763	21,080	41,077	525,266	-	3,114,186

26.3 Liquidity risk

Liquidity risk pertains to the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility. Treasury and cash management functions of the Group are centralized. Management has placed controls and procedures to closely monitor the Group's existing obligations. Additionally, the Group has also been negotiating with lenders to restructure and extend its term loans, renewing and obtaining additional credit lines, negotiating new payment terms with some suppliers and lessors, and implementation of its business continuity plan to ensure that sufficient cash is maintained to cover working capital requirements.

In addition, the Group has an omnibus line of credit with a number of Philippine banks consisting of commitments for short term loans, letters of credit and documents against acceptances/documents against payment (DA/DP) facilities trust receipts. As at December 31, 2024 and 2023, there are no commitments and amounts drawn under the line of credit. All facilities under the omnibus line bear interest at floating rates consisting of a margin over current Philippine treasury rates (Note 13).

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements of the Group:

	2024				
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	More than 1 year
Trade and other payables	5,147,797	5,147,797	5,147,797	-	-
Short-term and long-term loans payable	733,781	733,781	733,781	-	-
Lease liabilities	1,770,849	2,125,854	281,966	281,966	1,561,922
Deposits	85,782	85,782	-	3,486	82,296
	7,738,209	8,093,214	6,163,544	285,452	1,644,218

	2023				
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	More than 1 year
Trade and other payables	4,121,271	4,121,271	4,121,271	-	-
Short-term and long-term loans payable	1,887,807	1,903,384	823,961	210,000	869,423
Lease liabilities	1,074,365	1,396,609	137,647	137,647	1,121,315
Deposits	83,770	83,770	-	3,503	80,267
	7,167,213	7,505,034	5,082,879	351,150	2,071,005

Trade and other payables as at December 31 exclude the following:

	2024	2023
Payable to:		
PAGCOR	1,584,270	1,319,319
Government agencies	1,065,743	97,248
CEZA	9,740	11,670
Contract liabilities	796,342	597,008
Provision for probable losses	1,394	16,233
Output VAT	511	414
	3,458,000	2,041,892

The Group expects to meet its operating assets and liabilities, capital expenditure and investment requirements for the next 12 months.

26.4 Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, and other market prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is subject to various market risks, including risks from changes in prices, interest rates, currency exchange rates and equity price risk.

The Group minimizes its exposure to risks in changes in rental rates by entering into contracts with lessors with fixed rent commitment for the contract duration.

Foreign currency risk

The Group is exposed to foreign currency risk on purchases that are denominated in currencies other than the Philippine peso, mostly in U.S. dollar ($). In respect of monetary assets and liabilities held in currencies other that the Philippine peso, the Group ensures that its exposure is kept to an acceptable level, by buying foreign currencies at spot rates where necessary to address short-term imbalances.

The Group's exposure to foreign currency risk based on notional amounts is as follows:

	2024		2023	
	In USD	In PHP	In USD	In PHP
Cash in banks	2,010	116,279	1,177	65,170
Trade receivables	-	-	11,218	621,141
Rental deposits	400	23,140	400	22,148
Trade and other payables	(6,969)	(403,157)	(17,975)	(995,276)
Net (liabilities) assets	(4,559)	(263,738)	(5,180)	(286,817)

The exchange rate used to translate the net assets in foreign currency as at December 31, 2024 is P57.85. (2023 - P55.37).

The Group's foreign exchange loss for the years ended December 31 are as follows:

	2024	2023	2022
Realized loss	(123,710)	(11,947)	(7,540)
Unrealized gain (loss)	(31,397)	8,611	(118,850)
	(155,107)	(3,336)	(126,390)

Sensitivity analysis

A 2% weakening of the Philippine peso against the US dollars would have decreased equity and net income by P5,275 (2023 - decreased equity and net income by P5,736).

A 2% strengthening of the Philippine peso against the US dollars as at December 31, 2024 and 2023 would have had the equal but opposite effect, on the basis that all other variables remain constant.

Interest rate risk

The Group's exposure to changes in interest rates relate primarily to the Group's short-term and long-term debt obligations.

Management is tasked to minimize interest rate risk through having a mix of variable and fixed interest rates on its loans. Presently, the Group's short-term and long-term bank loans are market-determined, with the long-term loan interest rates based on PSDT-R2 plus a certain mark-up. The Group has not entered into interest rate swaps and options during 2024 and 2023.

The sensitivity to a reasonably possible change in interest rates with all other variables held constant of the Group's profit before tax for the years ended December 31 follows:

Change in interest rates (in basis points)	2024	2023
300bp rise	(27,614)	(56,604)
225bp rise	(20,710)	(42,453)
300bp fall	27,614	56,604
225bp fall	20,710	42,453

100 basis point is equivalent to 1%.

There is no other impact on the Group's equity other than those affecting the profit or loss.

Equity price risk

Equity price risk is such risk where the fair values of investments in quoted equity securities could decrease as a result of changes in the levels of equity indices and the value of individual stocks.

The management strictly monitors the movement of the share prices pertaining to its investments. The Group is exposed to equity securities price risk because of investments held by the Group, which are classified in the consolidated financial position as financial asset at FVOCI (Note 9).

The effect on equity, as a result of a possible change in the fair value of Group's financial asset at FVOCI as at December 31, that could be brought by changes in equity indices with all other variables held constant, are as follows:

Change in interest rates (in basis points)	2024	2023
Increase by 10%	6,233	6,758
Increase by 5%	3,116	3,379
Decrease by 10%	(6,233)	(6,758)
Decrease by 5%	(3,116)	(3,379)

Fair values

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

Cash/Receivables/Due from Related Parties/Rental Deposits/Cash Performance Bonds/Performance Cash Deposits and Betting Credit Funds/Trade and Other Payables/Due to a Related Party/Deposits/Short-term Loans Payable

The carrying amounts of cash, receivables, due from related parties, trade and other payables, due to a related party and short-term loans payable approximate their fair values due to the relatively short-term nature of these financial instruments. The carrying amounts of rental deposits, cash performance bonds, performance cash deposits and betting credit funds and deposits approximate their fair values as management believes that the effect of discounting cash flows from these instruments is not significant.

Non-current receivable

The fair value is based on the discounted value of future cash flows using the applicable risk-free rates. The fair value is under Level 3 of the fair value hierarchy.

Long-term loans payable

Long-term loans are reported at their present values, which approximate the cash amounts that would fully satisfy the obligations as at reporting date. The carrying amount approximates fair value since the interest rates are repriced frequently. These are classified as current liabilities when they become payable within a year.

Financial assets at FVOCI

The fair value of the FVOCI is based on the quoted market price of the investment in equity as at December 31, 2024 and 2023. The fair value is under Level 1 of the fair value hierarchy.

26.5 Capital management

The Group’s objectives when managing capital are to increase the value of shareholders’ investment and maintain high growth by applying free cash flows to selective investments. The Group sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The BOD monitors the return on capital, which the Group defines as income before income tax divided by total average shareholders’ equity. The BOD also monitors the level of dividends to shareholders.

	2024	2023
Profit before income tax	12,630,615	4,179,238
Total average equity	25,102,698	15,966,186
	50.32%	26.18%

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The BOD seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group defines capital as equity, which includes capital stock, additional paid-in capital and retained earnings. There were no changes in the Group’s approach to capital management as at December 31, 2024 and 2023.

27. Notes to consolidated statement of cash flows

The changes in the Group's liabilities arising from financing activities are as follows:

December 31, 2024	Notes	January 1, 2024	Cash flows	Non-cash changes	December 31, 2024
Short term loans	13	1,000	(1,000)	-	-
Long term loans	13	1,886,807	(1,200,000)	46,974	733,781
Lease liabilities	18	1,074,365	(522,791)	1,219,275	1,770,849
Total liabilities from financing activities		2,962,172	(1,723,791)	1,266,249	2,504,630
December 31, 2023					
Short term loans	13	116,739	(115,739)	-	1,000
Long term loans	13	3,160,901	(1,250,000)	(24,094)	1,886,807
Lease liabilities	18	630,463	(438,991)	882,893	1,074,365
Total liabilities from financing activities		3,908,103	(1,804,730)	858,799	2,962,172

The non-cash changes are disclosed in the specific notes.

28. Summary of material accounting policies

28.1 Basis of preparation and presentation

The consolidated financial statements have been prepared on a historical cost convention basis, except for:

- Certain financial assets carried at FVOCI; and
- Investment properties carried at fair value

The consolidated financial statements are presented in Philippine Peso, the Group's functional and presentation currency. All values are rounded to the nearest thousands (000), except when otherwise indicated.

Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards;
- PAS Standards; and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC).

The preparation of financial statements in conformity with PFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 25.

28.2 Changes of accounting policies and disclosures

New standards, amendments and interpretations adopted by the Group

The accounting policies adopted are consistent with those of the previous financial year except that the Group has adopted the following amended standards as at January 1, 2024. The Group has not early adopted any other pronouncement that has been issued but is not yet effective. Unless otherwise indicated, the adoption of the amended standards does not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*

  The amendments clarify:

  - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

  The amendments had no impact on the Group's consolidated financial statements because the Group's accounting policies are aligned with the amendments to PAS 1.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in such a way that it does not recognize any gain or loss that relates to the right of use it retains.

  The amendments had no impact on the Group's consolidated financial statements because the Group does not have any sale and leaseback transactions.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The amendments had no impact on the Group's consolidated financial statements because the Group does not have any supplier finance arrangements.

New and amended standards not yet adopted by the Company

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for January 1, 2025 reporting periods and have not been early adopted by the Company. These standards, amendments or interpretations are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

28.3 Basis of consolidation

Subsidiaries

The consolidated financial statements include the financial statements of DigiPlus and its subsidiaries as at December 31 each year and for the years then ended. The Group controls an investee if and only if the Group has:

- Power over an investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated.

Accounting policies and reporting period of its subsidiaries are consistent with the policies adopted by and the reporting period of the Parent Company.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired in the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of a subsidiary

When the Group ceases to have control, any retained interest in the subsidiary is re-measured to its fair value at the date when control is lost, with the change in carrying amount generally recognized in profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the Group surrenders control to a related party within the group it ultimately belongs, the difference between the consideration received and the fair value of the subsidiary at divestment date, is recognized as other charges to equity.

The consolidated financial statements include the financial statements of the Group and the following subsidiaries as at December 31, 2024 and 2023:

Subsidiaries	Percentage of ownership 2024	2023	Country of incorporation
AB Leisure Exponent, Inc. (ABLE) and subsidiaries	100	100	Philippines
AB Leisure Global, Inc. (ABLGI)	100	100	Philippines
LR Land Developers, Inc. (LRLDI)	100	100	Philippines
Prime Investment Korea, Inc. (PIKI)*	100	100	Philippines
Total Gamezone Xtreme Incorporated (TGXI)	100	100	Philippines
Gamemaster Integrated Inc. (formerly G-Boracay Beta Holdings Inc. (GBBHI)**	100	-	Philippines
Diginvest Holdings Inc. (Diginvest)	100	-	Philippines
Blue Chip Gaming and Leisure Corporation (BCGLC)	100	100	Philippines
Gold Coast Leisure World Corporation (GCLWC)	100	100	Philippines
LR Data Center and Solutions Inc. (LRDCSI)	80	80	Philippines
First Cagayan Leisure and Resort Corporation (FCLRC)	97.27	87.27	Philippines
First Cagayan Converge Data Center, Inc. (FCCDCI)	68.36	68.36	Philippines
Bingo Bonanza (HK) Limited (BBL)***	60	60	Hong Kong

**Non-operating subsidiary*
*** Indirect subsidiary of ABLGI as at December 31, 2023*
****Deregistered*

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Group. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

In 2024, DigiPlus acquired additional 10% minority interest in FCLRC. Cash consideration was paid to the non-controlling shareholder.

On July 12, 2024, the BIR has issued the Certificate Authorizing Registration of transfer of 100% shares in Gamemaster Integrated Inc. from GBLHI to DigiPlus Interactive Corp.

Non-controlling interest (NCI)

NCI represent the portion of profit or loss and net assets or liabilities not held by the Group and are presented separately in the consolidated statements of total comprehensive income, consolidated statements of changes in equity, and within equity in the consolidated statements of financial position, separately from Group's equity attributable to equity holders of the Group.

Losses applicable to the NCI in a subsidiary (including components of other comprehensive income) are allocated to the NCI even if doing so results in a deficit NCI balance.

The following table summarizes the information relating to the Group entities with material NCI, before intra-group eliminations:

	December 31, 2024				
	LRDCSI	FCLRC	BBL	FCCDCI	Grand Total
Non-controlling interests' percentage	**20.00%**	**2.73%**	**40.00%**	**31.64%**	
Current assets	1,719	550,086	61	95,719	647,585
Noncurrent assets	1,670	1,899,157	33	66,922	1,967,782
Current liabilities	(17,493)	(744,363)	(87,144)	(110,583)	(959,583)
Noncurrent liabilities	(2,240)	(361,598)	-	(76,229)	(440,067)
Net assets (liabilities)	(16,344)	1,343,282	(87,050)	(24,171)	1,215,717
Carrying amount of non-controlling interests	(3,269)	171,000	(34,820)	(7,648)	125,263
Revenue	-	(293,543)	-	(130,602)	(424,145)
Net income (loss) for the year	(43)	(49,879)	-	12,179	(37,743)
Other comprehensive income	-	(987)	-	(1,420)	(2,407)
Total comprehensive income	(43)	(50,866)	-	10,759	(40,150)
Net income allocated to non-controlling interests	(9)	(1,389)	-	3,404	2,006
Other comprehensive income allocated to non-controlling interests	-	(27)	-	(449)	(476)
Cash flows from operating activities	193	29,368	-	25,958	55,519
Cash flows used in investment activities	-	(26,971)	-	(1,869)	(28,840)
Cash flows used in financing activities	-	(1,546)	-	456	(1,090)
Net increase (decrease) in cash	193	851	-	24,545	25,589

	December 31, 2023				
	LRDCSI	FCLRC	BBL	FCCDCI	Grand Total
Non-controlling interests' percentage	**20.00%**	**12.73%**	**40.00%**	**31.64%**	
Current assets	7,438	1,544,450	61	69,672	1,621,621
Noncurrent assets	1,739	950,671	33	77,907	1,030,350
Current liabilities	(17,558)	(809,766)	(87,144)	(104,366)	(1,018,834)
Noncurrent liabilities	(2,298)	(283,093)	-	(73,064)	(358,455)
Net assets (liabilities)	(10,679)	1,402,262	(87,050)	(29,851)	1,274,682
Carrying amount of non-controlling interests	(2,136)	178,508	(34,820)	(9,445)	132,107
Revenue	-	268,113	-	86,128	354,241
Net income (loss) for the year	2,264	81,083	-	2,596	85,943
Other comprehensive income	(36)	(251)	-	(288)	(575)
Total comprehensive income (loss)	2,228	80,832	-	2,308	85,368
Net income (loss) allocated to non-controlling interests	446	10,290	-	730	11,466
Other comprehensive income allocated to non-controlling interests	(7)	(32)	-	(91)	(130)
Cash flows from operating activities	251	15,196	-	5,632	21,079
Cash flows from (used in) investment activities	-	(4,156)	-	(3,439)	(7,595)
Cash flows used in financing activities	-	(22,763)	-	(339)	(23,102)
Net (decrease) increase in cash	251	(11,723)	-	1,854	(9,618)

ABLE

ABLE, a wholly owned subsidiary, was registered with the SEC on December 28, 1994. Its primary purpose is to provide amusement and recreation to the public in such forms as, but not limited to, traditional, electronic and rapid bingo games.

ABLE offers traditional and electronic bingo games on its bingo halls across the country. Classified under non-essential businesses, all ABLE's bingo halls were temporarily closed on March 16, 2020. On June 5, 2020, PAGCOR issued a memorandum allowing the resumption of operations of gaming sites within MGCQ areas at 50% capacity.

Bingo halls located in areas under GCQ areas were allowed to operate at 30% operating capacity. In 2021, with the government easing the quarantine restrictions, ABLE resumed its sites' operations. In January 2022, PAGCOR granted ABLE with an online traditional bingo license for its new application BingoPlus.

ABLE's registered office address is located at 5th Floor Units 536-544 Bldg. D SM Megamall, EDSA Brgy. Wack-wack, Mandaluyong City.

The consolidated financial statements also include the following indirect subsidiaries owned through ABLE as at December 31, 2024 and 2023:

Subsidiaries	Percentage of Ownership 2024	2023	Country of incorporation
Alabang Numbers & Gaming Corporation	100	100	Philippines
Allpoint Leisure Corporation	100	100	Philippines
Alpha One Amusement and Recreation Corp.	100	100	Philippines
Big Time Gaming Corporation	100	100	Philippines
Bingo Extravaganza, Inc.	100	100	Philippines
Bingo Gallery, Inc.	100	100	Philippines
Bingo Heaven Inc.*	100	100	Philippines
Bingo Palace Corporation	100	100	Philippines
Cebu Entertainment Gallery, Inc.	100	100	Philippines
Fiesta Gaming and Entertainment Corporation*	100	100	Philippines
First Leisure & Game Co., Inc.	100	100	Philippines
Galleria Bingo Corporation	100	100	Philippines
Gamexperience Entertainment Corp.	100	100	Philippines
Grand Polaris Gaming Co., Inc.	100	100	Philippines
G-One Gaming & Technology, Inc.	100	100	Philippines
Highland Gaming Corporation	100	100	Philippines
Iloilo Bingo Corporation	100	100	Philippines
Metro Gaming Entertainment Gallery, Inc.	100	100	Philippines
Rizal Gaming Corporation	100	100	Philippines
SG Amusement and Recreation Corp.	100	100	Philippines
South Bingo Corporation	100	100	Philippines
South Entertainment Gallery Incorporated	100	100	Philippines
Topmost Gaming Corp.	100	100	Philippines
Topnotch Bingo Trend, Inc. (Topnotch)	100	100	Philippines
One Bingo Pavilion Inc.	100	100	Philippines
Worldwide Links Leisure and Gaming Corporation	100	100	Philippines
Bingo Dinero Corporation (Bingo Dinero)	100	100	Philippines
Manila Bingo Corporation	100	100	Philippines
Summit Bingo, Inc.**	100	60	Philippines
One Bingo Place, Incorporated***	99	95	Philippines
Bingo Zone, Inc.*	95	95	Philippines
Isarog Gaming Corporation	90	90	Philippines
Negrense Entertainment Gallery, Inc.	55	55	Philippines

**Non-operating subsidiaries.*
*** In 2024, ABLE acquired the remaining 40% minority interest in Summit Bingo, Inc. increasing its ownership interest to 100%. Cash consideration was paid to the non-controlling shareholder.*
****In 2024, ABLE subscribed to the entire increase in One Bingo Place, Incorporated's authorized capital stock, resulting in a dilution of the non-controlling interest (NCI). Consequently, ABLE's ownership interest increased from 95% to 99%.*

The indirect subsidiaries' primary purpose is to provide amusement and recreation to the public in such forms as, but not limited to, traditional, electronic and rapid bingo games.

ABLGI

ABLGI, a wholly owned subsidiary, was registered with the SEC on October 20, 2009. Its primary purpose is to acquire, own, use, construct, develop, maintain, subdivide, sell, dispose of, exchange, lease and hold for investment, or otherwise deal with real estate and personal property of all kinds, including the management and operation of the activities conducted therein pertaining to general amusement and recreation enterprises such as but not limited to resorts, golf courses, clubhouses and sports facilities, hotels and gaming facilities, with all the apparatus, equipment and other appurtenances as may be related thereto or in connection therewith. ABLGI started its operations on January 1, 2013.

ABLGI's registered office address is located at 35th Floor, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

The consolidated financial statements also include the following indirect subsidiaries owned through ABLGI as at December 31, 2024 and 2023:

Subsidiaries	Percentage of Ownership		Country of incorporation
	December 31, 2024	December 31, 2023	
AB Leisure Asia Holdings Inc. (ABLAHI)	100	100	Philippines
AB Leisure Holdings Philippines Corp (ABLHPC)	100	100	Philippines
G-L Real Estate JV Corporation (GL-JV)	100	100	Philippines
G-Boracay Land Holdings Inc. (GBLHI)	100	100	Philippines
G-Boracay Alpha Holdings Inc. (GBAHI)	100	100	Philippines
Gamemaster Integrated Inc. (formerly G-Boracay Beta Holdings Inc. (GBBHI)*	-	100	Philippines
DigiLive Inc. (formerly G-Boracay Gamma Holdings Inc. (GBGHI)	100	100	Philippines
Leisure and Media Plus Corporation (LMPC)	100	-	Philippines
DigiPlus Brazil Holdings Ltda.	100	-	Brazil
DigiPlus Brazil Interactive Ltda.	100	-	Brazil

**Direct subsidiary of DigiPlus Interactive Corp. as at December 31, 2024*

The indirect subsidiaries' primary purpose is the same as ABLGI. These indirect subsidiaries were incorporated in 2017 for a future project. The land for such project was acquired in 2017 at a cost of P4,759,548,749.

On May 29, 2024, ABLGI incorporated LMPC as its wholly owned subsidiary. The primary purpose of the Company is to engage in the production, marketing and sales subscription and/or advertising-supported sports and entertainment content services through the curation and aggregation of local and international programming. The principal office of the corporation is located at 35th Floor, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

On July 3, 2024, ABLGI incorporated DigiPlus Brazil Holding Ltda. as its wholly owned subsidiary. The Company's corporate purpose is holding equity stakes, as member, shareholder or quotaholder, in other companies and ventures in Brazil or abroad. The registered office address of the Company is in Sao Paulo, Brazil.

On July 12, 2024, the BIR has issued the Certificate Authorizing Registration of transfer of 100% shares in Gamemaster Integrated Inc. from GBLHI to DigiPlus Interactive Corp.

On July 24, 2024, DigiPlus Brazil Holding Ltda. incorporated DigiPlus Brazil Interactive Ltda. as its wholly owned subsidiary. The Company's corporate purposes are operation of fixed-odds betting and holding equity stakes, as member, shareholder or quotaholder, in other companies and ventures in Brazil or abroad. The registered office address of the Company is in Sao Paulo, Brazil. The Company has not started its operations.

On August 18, 2024, DigiPlus, through its wholly-owned subsidiary, DigiPlus Brazil Interactive Ltda., filed an application for Licença Para Loterias De Apostas De Quota Fixa, which is a federal license that allows the operations of land-based and online sports betting, electronic games, live game studios, and other fixed-odds betting activities in Brazil.

On November 21, 2024, DigiPlus Brazil Interactive Ltda., has passed the qualification stage for a federal license with Brazil's Ministry of Finance's Secretariat of Awards and Bets (SPA). DigiPlus have 30 days to fulfill post-qualification regulatory requirements, including platform certification and license fee payments.

In January 2025, DigiPlus secured the Definitive Authority from the Brazilian government to operate iGaming products through DigiPlus Brazil Interactive Ltda. The federal license authorizes DigiPlus to operate land-based and online sports betting, electronic games, and other fixed-odds betting activities across Brazil.

LRLDI

On December 10, 2007, the Parent Group incorporated LRLDI as its wholly-owned subsidiary. It is engaged in realty development and lease of properties. LRLDI started its operations in 2010.

LRLDI's registered office address is located at 35th Floor, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

PIKI

PIKI was registered with the SEC on November 9, 2012. Its primary purpose is to engage in the business of gaming, recreation, leisure and lease of property. On July 3, 2013, PIKI obtained a Grant of Authority from PAGCOR for the privilege and authority to bring in pre-registered non-Philippine junket players (with passports bearing Philippine arrival dates no later than five (5) days prior to the initial entry in the Gaming Rooms) to play the designated junket Gaming Rooms at PAGCOR's Casino Filipino - Midas, with a minimum gaming table mix to be determined by PAGCOR. On March 22, 2013, the Parent Group acquired 100% of PIKI's outstanding capital stock. PIKI started its operations on July 26, 2013.

PIKI was licensed by PAGCOR to operate a junket within PAGCOR's Casino Filipino-Midas. Junket operations have been suspended at the start of the ECQ. In November 2021, PIKI ceased its operations.

TGXI

TGXI was registered with the SEC on June 27, 2014 primarily to engage in general amusement, gaming operations and recreation enterprises. PAGCOR granted TGXI the privilege to establish, install, maintain, and operate PeGS. PeGS is a gaming facility that offers virtual casino games. TGXI started commercial operations on July 16, 2014.

TGXI operates PeGS in several locations across the country. Its operations were suspended on March 16, 2020 until June 16, 2020. Relative to PAGCOR's memorandum on June 5, 2020, TGXI was allowed to operate at 50% and 30% capacity in sites under MGCQ and GCQ, respectively. In 2021, with the government easing the quarantine restrictions, ABLE resumed its sites' operations.

TGXI's principal office is at 2/F Starmall Bldg., EDSA cor. Shaw Blvd., Mandaluyong City.

BCGLC

BCGLC was registered with the SEC on February 26, 2009. Its primary purpose is to provide investment, management counsel and to act as agent or representative for business enterprises engaged in gaming, recreation and leisure activities. On October 20, 2009, BCGLC (lessor), as the authorized representative of Munich Management Limited (a foreign corporation duly organized and registered in British Virgin Islands), entered into a contract of lease with PAGCOR (lessee), for the use of slot machines and gaming facilities.

On July 24, 2015, BCGLC incorporated Gold Coast Leisure World Corp. (GCLWC) as its wholly owned subsidiary. Its primary purpose is to purchase, acquire, own, lease (except financial leasing), sell and convey real properties such as lands, buildings, factories, and warehouses and machineries, equipment, and other personal properties as may be necessary or incidental to the conduct of the corporate business, and to pay in cash, share of its capital stock, debentures and other evidences of indebtedness, or other securities as may be deemed expedient, for any business or property acquired by the corporation.

BCGLC's registered office address is at King's Royal Hotel and Leisure Park, Olongapo Gapan Road, Macabacle, Bacolor, Pampanga.

LRDCSI

LRDCSI was registered with SEC on May 20, 2016 and started its operation in October 2017. LRDCSI is a technology Group engaged in aggregating data and telecommunication services. LRDCSI's revenue model involves acquiring services from local and foreign technology and telecommunications companies at wholesale rates, bundling said services and then reselling the services at retail rates. The premium for such activity is warranted given the bespoke and higher level of customer engagement provided by the LRDCSI.

LRDCSI's portfolio includes solutions related to data center co-location, internet, private leased lines, mobile and voice platforms, cybersecurity, content delivery networks, e-commerce, and network and website optimization. LRDCSI aims to provide these services to customers and clients in all industry sectors including land based and online gaming operators. DigiPlus owns 80% of the outstanding capital stock of LRDCSI while an individual stockholder owns 20%.

LRDCSI provides advanced information technology infrastructure services for businesses such as co-location, internet services, connectivity, business continuity and disaster recovery, and managed professional services. Service agreements with the customers are renewable annually. Due to the COVID-19 pandemic, some of the clients of LRDCSI terminated or have not renewed its contract.

LRDCSI's registered office address is located at 26th Floor West Tower, PSE Center, Exchange Road, Ortigas Center, Brgy. San Antonio, Pasig City.

FCLRC

FCLRC was incorporated on April 26, 2000 and is a Cagayan Special Economic Zone and Freeport (CSEZFP) registered enterprise. FCLRC has an existing License Agreement with the Cagayan Economic Zone Authority (CEZA) to develop, operate and conduct internet and gaming enterprises and facilities in the CSEZFP. Pursuant to the License Agreement, CEZA issued the "CEZA Master Licensor Certificate" certifying that FCLRC is duly authorized to regulate and monitor, on behalf of CEZA, all activities pertaining to the licensing and operation of interactive games.

As Master Licensor in CEZA, FCLRC is authorized to collect a sub-license fee of two percent of the gross winnings from the internet casino, in accordance with an agreed formula. Since COVID-19 impacted the operations of the CEZA licensees, FCLRC's sub-license fee also decrease due to discontinuance of the operations of its locators/licensees.

FCLRC's registered office address is located at Guest House, CEZA Complex, Casambalangan, Sta. Ana, Cagayan.

FCCDCI

On March 1, 2007, FCLRC and IP Converge Data Center Corp. (IPCDCC) entered into a Shareholders Agreement (Joint Venture) to engage in the business of information technology such as, but not limited to IP communication, co-location, bandwidth, disaster recovery services, software development, internet merchant payment processing and payment solution to the licensed locators of FCLRC, as well as the CEZA. The Joint Venture shall likewise invest in building, upgrading and maintaining the IP communications infrastructure that connects CEZA to the global internet. This includes fiber optic networks, wireless radio stations, telco-grade internet data center, network operations center, and network hubs/access points. This investment is made by FCLRC in relation to the Master Development Plan for Tourism Area in CSEZFP and the Development of Information Technology (IT) Facilities and Telecommunications (Master Development Plan) (Note 16).

FCCDCI was incorporated and registered with the SEC on November 14, 2007, and started commercial operations on January 1, 2008. FCLRC owns 60% of FCCDCI and the remaining 40% is owned by IPCDCC.

On May 15, 2012, IPCDCC entered into a Deed of Assignment of Subscription Rights with IP Ventures, Inc. (“IPVI” a third party Group) whereby IPCDCC assigned all the rights, interests and participation to IPVI. On January 1, 2017, IPVI entered into a Deed of Absolute Sale of Share of Stock with LRDCSI, whereby IPVI assigned its rights, interest and participation to its 5,000,000 shares of stock or 20% ownership in FCCDCI.

By virtue of the Deed of Absolute Sale of Share of Stock entered into by IPVI and LRDCSI, DigiPlus obtained a 57.81% effective interest and control in FCCDCI through its direct subsidiaries FCLRC and LRDCSI at 60% and 20% equity stake in FCCDCI, respectively. Thus, due to the effect of the 20% additional equity interest, FCCDCI is consolidated into the Group effective January 1, 2017.

FCCDCI provides advanced information technology infrastructure services for businesses such as colocation, internet services, connectivity, business continuity and disaster recovery, and managed professional services. Service agreements with the customers are renewable annually. Due to the COVID-19 pandemic, some of the clients of FCCDCI terminated or have not renewed its contract.

FCCDCI’s registered office address is at Centro Municipality of Sta. Ana, Cagayan Economic Zone, Cagayan Province.

BBL

On March 15, 2010, the Parent Group incorporated BBL as its 60%-owned subsidiary. Its primary purpose is to engage in the business of gaming, recreation, leisure and lease of property. BBL was incorporated under the Companies Ordinance of Hong Kong and started its operations in March 2012. It is currently non-operational and in the process of liquidation.

Transactions eliminated on consolidation

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated. Unrealized gains from transactions with the equity accounted investees are eliminated against the investment to the extent of the Group’s interest in investee. Unrealized losses are eliminated in the same way as unrealized gains, to the extent that there is no evidence of impairment.

28.4 Financial assets

Classification and presentation

The Group classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through OCI or through profit or loss), and;
b) those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income, otherwise it will be recognized at fair value through profit or loss.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The Group shall reclassify financial assets when and only when its business model for managing those assets changes.

The Group has cash, receivables, due from related parties and rent deposits (included in "Other noncurrent assets" account in the Group statement of financial position) classified as financial asset at amortized cost. It also has investment in equity securities classified as financial asset at FVOCI. The Group has no financial asset designated as financial asset at FVPL.

Measurement

At initial recognition, the Group measures a financial asset at amortized cost and FVOCI. In the case of a financial asset at amortized cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets at amortized cost (debt instruments)

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income (expenses), net, using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other income (expenses), net, together with foreign exchange gains and losses. Impairment losses are presented in administrative expenses in the statement of total comprehensive income. The Group's financial assets at amortized cost consist of cash and cash equivalents, trade receivables, due from related parties and refundable deposits (Note 26).

Financial assets designated at FVOCI (equity instruments)

The Group subsequently measures all equity investments at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Dividends are recognized as other income in the Group statement of total comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income (OCI). Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group elected to classify irrevocably its listed equity investment under this category.

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 (i.e., removed from the Group‘s balance sheet) 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; and
- Either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With the exception of purchased or originated credit impaired financial assets, expected credit losses are required to be measured through a loss allowance at an amount equal to:

- 12-month expected credit losses (ECLs) - these are ECLs that result from default events that are possible within 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs - these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

For cash in banks, receivables, due from related parties and rent deposits. the Group applies a general approach in calculating ECLs. 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 on its cash in bank since initial recognition.

The Group considers 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.

(i) Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables arising from contracts with third party customers. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

(ii) General approach

The Group applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due or longer depending on the historical experience with particular customers.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as actual default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Impairment losses and subsequent recoveries on financial assets are presented in administrative expenses within operating profit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in profit or loss. Reversals of previously recorded impairment provision are based on the result of management's update assessment, considering the available facts and changes in circumstances, including but not limited to results of recent discussions and arrangements entered into with customers as to the recoverability of receivables at the end of the reporting period. Subsequent recoveries of amounts previously written-off were credited against operating expense in profit or loss.

28.5 Financial liabilities

Classification and presentation

The Group classifies its financial liabilities in the following categories: (a) financial liabilities at fair value through profit or loss (including financial liabilities held for trading and those that are designated at fair value) and (b) financial liabilities at amortized cost. The classification depends on the purpose for which the financial liabilities were incurred. Management determines the classification of its financial liabilities at initial recognition.

The Group has no financial liabilities at FVPL or derivative liabilities designated as hedging instruments during and at the end of each reporting period.

Financial liabilities at amortized cost

Financial liabilities that are not classified as at fair value through profit or loss fall into this category and are measured at amortized cost. They are included in current liabilities, except for maturities more than twelve months after reporting date which are classified as non-current liabilities.

The Group's financial liabilities include trade and other payables (excluding payables to government agencies for value-added tax, withholding and other taxes), short-term and long-term loans payable, accrued expenses and other payables, due to related parties and lease liability.

Initial recognition and subsequent measurement

The Group recognizes a financial liability in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

The Group's financial liabilities at amortized cost are initially measured at invoice amount, which approximates fair value plus transaction costs. Loans payable are measured net of directly attributable transaction costs.

Subsequently, these are measured at amortized cost using the effective interest method. Interest expense on financial liabilities is recognized within finance cost, at gross amount, in profit or loss.
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in the Group statement of total comprehensive income.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled, or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Group statement of total comprehensive income.

28.6 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting date, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group's FVOCI financial assets with quoted market price are valued using Level 1 of the fair value hierarchy and those with unquoted market price are measured at cost.

For non-financial assets, the Group uses valuation techniques that are appropriate in the circumstances and applies the technique consistently. The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the Group will not fulfill an obligation.

28.7 Offsetting of financial instruments

Financial assets and liabilities are offset, and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparties.

28.8 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from date of acquisition. These are measured in the statement of financial position at fair value and subsequently carried at amortized cost which approximates the face or nominal amount. Cash in bank earns interest at the prevailing bank deposit rate.

28.9 Prepaid expenses and other current assets

Prepayments are recognized in the consolidated statement of financial position in the event that payment has been made in advance of obtaining right of access to goods or receipt of services and measured at nominal amounts. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. These are derecognized in the consolidated statement of financial position upon delivery of goods or when services have been rendered, through amortization over a certain period of time, and use or consumption.

Other current assets consist substantially of input value-added tax (VAT) and creditable withholding taxes which are recognized as assets in the period such input value-added tax and income tax payments become available as tax credits to the Group and carried over to the extent that it is probable that the benefit will flow to the Group.

28.10 Investments and advances

Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Joint arrangements

Under PFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group does not have arrangements classified as joint operations.

Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the consolidated balance sheet.

Management assessed that the Group has significant influence over its associates and joint ventures by virtue of the Group's more than 20% voting power in the investee, representation in the board of directors, and participation in policy-making processes of the associates and joint ventures.

28.11 Property and equipment

Property and equipment is initially measured and recognized at acquisition cost which comprises of purchase price and any directly attributable cost of bringing the asset to working condition and location for intended use.

After initial measurement, property, plant and equipment is stated at historical cost less accumulated depreciation, amortization and impairment, if any.
Construction in progress, which represents properties under construction, is stated at cost and depreciated only when the relevant assets are completed and ready for operational use. Upon completion, these properties are reclassified to their appropriate class of property, plant and equipment.

Leasehold improvements are amortized over the shorter of lease term or estimated useful life of the improvements. Lease term takes into consideration renewal options.

Land is recognized at fair value based on periodic, but at least triennial, valuations by external independent valuers. A revaluation surplus is credited to other comprehensive income in the statement of shareholders' equity.

The fair value of land is calculated using the direct income capitalization approach (Level 3). In applying the direct income capitalization approach, the stabilized net operating income (NOI) of each property is divided by an appropriate capitalization rate. Stabilized NOI is computed at revenue less property operating expenses adjusted for items such as average lease up costs, long-term vacancy rates, non-recoverable capital expenditures, management fees, straight-line rents and other non-recurring items. Discount rates is based on actual location, size and quality of the property and taking into account any available market data at the valuation date.

It is the Group's policy to classify right-of-use assets as part of property and equipment. The Group recognizes right-of-use assets at the commencement date of the lease (i.e.. the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses. and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of-use assets are depreciated on a straight - line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

Depreciation on other assets is computed on the straight-line method to allocate the cost of each asset, less its residual value, over its estimated useful life (in years), determined based on the Group's historical information and experience on the use of such assets, as follows:

Asset	Number of years
Leasehold improvements	5 or term of the lease, whichever is shorter
Aircraft and transportation equipment	5-15
Gaming software and equipment	5
Office furniture, fixtures, and equipment	5
Network equipment	10
Condominium unit	25
Airstrip improvements	10
Right-of-use asset	1-25

The Group estimates the useful life of its airstrip improvement based on the period over which the asset is expected to be available for use.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal at which time the cost and their accumulated depreciation are removed from the disposal accounts.

When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

28.12 Investment properties

Investment properties consist of land, land improvements, building, or part of a building or both held to earn long-term rental yields or for capital appreciation or both, and is not occupied by the Group or held for sale in the ordinary course of business.
The Group adopted the fair value model for accounting for its investment properties. Under this method, investment properties are initially measured at cost, including transaction costs, but are subsequently remeasured at fair value, which reflects market conditions at the reporting date.

The fair value of investment properties is determined by independent real estate valuation experts using cost approach, income and sales comparison approach. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise.

Investment properties are derecognized when either those have been disposed of or when the investment properties are permanently withdrawn from use and no future benefit is expected from their disposal. Any gain and loss on derecognition of investment properties is recognized in profit or loss in the year of derecognition.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from investment properties when, and only when, there is a change in use, evidenced by commencement of the owner occupation or commencement of development with a view to sell.

For a transfer from investment properties to owner-occupied properties, the deemed cost of property for subsequent accounting is its fair value at the date of change in use. If owner-occupied properties become investment properties, the Group accounts for such properties in accordance with the policy stated under property and equipment up to the date of change in use. When investment property that was previously classified as property and equipment is sold, any related amount included in the revaluation is transferred to retained earnings.

For those right-of-use assets that qualify as investment properties, i.e., those land and buildings that are subleased by the Group, these are classified under investment properties in accordance with paragraph 48 of PFRS 16. Consistent with the Group's policy regarding the measurement of investment properties, these assets are subsequently measured at fair value.

28.13 Lease rights

The Group's lease rights pertain to acquired rights and interests in the sublease agreement entered upon by the Group. Lease rights are accounted under other noncurrent assets and stated at cost less accumulated amortization and impairment in value, if any. Lease rights are amortized on a straight-line basis over the lease term.

28.14 Business combination

The Group applies the purchase or acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss in the consolidated statement of total comprehensive income.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in accordance with PAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified at equity is not re-measured, and its subsequent settlement is not accounted for within equity.

28.15 Intangible assets

Goodwill
Goodwill is initially measured as the excess of the aggregate of the consideration transferred (including the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree) over the fair value of the Group's share of the identifiable net assets acquired. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognized directly in profit or loss.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units (CGUs), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

When subsidiaries are sold, the difference between the selling price and the subsidiary's net asset plus goodwill associated with the investment are recognized in consolidated statement of total comprehensive income.

Software and website
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is recognized in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization commences once the intangible assets are available for use and is computed on a straight-line basis over the estimated useful lives of five (5) years or more, depending on the nature and contractual circumstances surrounding the purchase of the intangible assets. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of total comprehensive income in the expense category that is consistent with the function of the intangible assets. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income when the asset is derecognized.

28.16 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life, such as goodwill, are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets, mainly property, and equipment, lease rights, and investment properties, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). Impairment losses, if any, are recognized in profit or loss. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

When impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. Reversals of an impairment loss are credited in profit or loss.

28.17 Trade payables and other current liabilities

Trade payables and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business with suppliers.

Trade payables and other liabilities are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Group is established or when the corresponding assets or expenses are recognized.

Trade payables and other liabilities are recognized initially at invoice amount, which represent fair value, and subsequently measured at amortized cost using effective interest method.

These are derecognized when extinguished or when the obligation is discharged, cancelled or has expired.

28.18 Loans payable

Loans payable are recognized initially at fair value, net of transaction costs incurred. Loans payable are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Loans payable are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Loans payable are derecognized when the obligation is settled, paid or discharged.

28.19 Provisions

Provision are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and derecognized in the consolidated statement of financial position.

28.20 Contingencies

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable.

28.21 Deposit for future stock subscription

Deposits for future stock subscriptions represent cash receipts to be applied as payment for additional subscription of unissued shares or shares from an increase in authorized capital stock, outstanding subscriptions receivables, or additional paid-in capital, and are reported as a separate line item in the consolidated statement of financial position upon compliance with the requirements of the Philippine SEC.

The Group classifies deposits for future stocks subscriptions under equity as a separate account from capital stock if, and only if, all of the following elements are present as of the end of the reporting period:

- the unissued authorized capital stock of the entity is insufficient to cover the amount of shares indicated in the contract;
- there is BOD's approval on the proposed increase in authorized capital stock (for which a deposit was received by the Company);
- there is stockholders' approval of said proposed increase; and

- the application for the approval of said proposed increase has been presented for filing or has been filed with the Philippine SEC.

If any of the foregoing elements are not present, the deposit is recognized as a liability.

28.22 Equity

Capital stock

Common and preferred shares are stated at par value and are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Additional paid-in capital

Any amount received by the Group in excess of par value of the Parent Company's shares is credited to Additional paid0in capital which forms part of the non-distributable reserve of the Group and can be used only for purposes specified under corporate code.

Share issuance cost

Share issuance costs incurred for the listing and offering process of the Group are recognized as deduction to the additional paid in capital in accordance with PIC - Question and Answer (PIC - Q&A) 2011-04.

Treasury shares

When share capital is repurchased, the amount of the consideration paid, which includes directly/ attributable costs, net of any tax effects, is recognized as a deduction from equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus on the transaction is transferred to additional paid-in capital, while the resulting deficit is applied against additional paid-in capital and retained earnings, for any excess of deficit over the additional paid-in capital arising from treasury shares transactions. Preferred shares that are redeemed and not cancelled are presented as treasury shares.

Fair value reserve

Fair value reserve represents cumulative net change in the fair value of FVOCI, net of tax effect, as at reporting date.

Foreign currency translation reserve

The assets and liabilities of the subsidiary with transactions denominated in currencies other than Philippine peso are translated using the applicable closing exchange rates on the reporting date. The income and expenses of the subsidiary with transactions denominated in currencies other than Philippine Peso are translated using the exchange rates at the date of transactions. Foreign currency differences are recognized in other comprehensive income and accumulated in the "Foreign currency translation reserve" account in the consolidated statements of financial position.

Retained earnings

Retained earnings represents the cumulative balance of periodic profit/loss, dividend distributions, prior period adjustments and effect of changes in accounting policy and capital adjustments.

Dividend distribution to the shareholders is recognized as a liability in the consolidated financial statements in the period in which the dividends are approved and declared by the Parent Company's BOD.

Appropriation of retained earnings is recognized based on the provisions of the Corporation Code of the Philippines and by approval of the Parent Company's BOD. The Parent Company's BOD release retained earnings from appropriation when the purpose of such appropriation has been completed.

28.23 Earnings per share (EPS)

Basic EPS is computed by dividing the profit attributable to the owners of the Parent Company by the weighted average number of shares in issue during the year, excluding ordinary shares purchased by the Parent Company held as treasury shares.

The diluted EPS is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares, if any. Net income attributable to common shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential common shares. Where the effect of the warrants is anti-dilutive, basic and diluted earnings per share are stated at the same amount.

28.24 Revenue recognition

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, excluding amounts collected on behalf of third parties. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer except for some entities of the Group which act as agent in certain commission revenue arrangements.

The following specific recognition criteria must also be met before revenue is recognized:

Bingo games

- Online traditional bingo - Revenue from these bingo games is satisfied at a point in time and are recognized upon conclusion of each game cycle. The revenues are net of payouts and platform fees.
- Electronic bingo games- Revenue from these bingo games is satisfied at a point in time and are recognized upon conclusion of each game cycle. The revenues are net of payouts and share of machine vendors.
- Traditional bingo, rapid bingo and pull tabs - Revenue from these bingo games is satisfied at a point in time and are recognized upon sale of bingo cards.

Electronic games

Revenue from these games is satisfied at a point in time and are recognized upon conclusion of each game cycle. The revenues are net of payouts and platform fees.

Rental income and revenue from sub-lease

Rent income from investment properties and revenue from sub-lease is recognized on a straight-line basis over the term of the lease.

Service and hosting fees

Revenue from bandwidth and co-location services are satisfied over time and are recognized as the services are performed. Service fees are satisfied at a point in time and are recognized upon processing of locators' application for a franchise. Hosting fees are satisfied over time and are recognized upon accrual of the gaming levy to locators based on their reported revenue as defined in the license agreement.

Income from junket operations

Income from junket operations is satisfied over time and is recognized when the related services are rendered based on a percentage gross gaming revenue of the junket.

Commission income

Commission income is satisfied over time and is recognized when the related services are rendered based on a percentage of each PeGs' casino winnings.

Interest income

Interest income from cash in banks and receivables, which is presented net of final taxes paid or withheld, is recognized in profit or loss on a time-proportion basis using the effective interest method.

Other income

Other income comprises miscellaneous income from operations and recognized at a point in time.

28.25 Contract liabilities

A contract liability is the obligation to deliver services to a player or customer for which the Group has received consideration (or an amount of consideration is due) from the player or customer. Player deposits before the player plays and bets in the BingoPlus and ArenaPlus applications are recognized as contract liabilities. Likewise, if a customer pays consideration before the Group transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognized as revenue upon conclusion of each game cycle or when the Group performs under the contract.

28.26 Cost and expense recognition

Costs and expenses are recognized when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Costs and expenses are recognized:

(i) on the basis of a direct association between the costs incurred and the earning of specific items of income;
(ii) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or
(iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position.

Payouts represent payments to winners of traditional bingo games. This is recognized as expense upon conclusion of the game.

28.27 Leases

When the Group enters into an arrangement, comprising a transaction or a series of related transactions, that does not take the legal form of a lease but conveys a right to use an asset or is dependent on the use of a specific asset or assets, the Group assesses whether the arrangement is, or contains, a lease. The Group does not have such arrangements during and at the end of each reporting period.

28.27.1 The Group is the lessee

The Group recognizes leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use.

Assets and liabilities arising from a lease are initially measured on a present value basis. The interest expense is recognized in the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Measurement of lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantee
- the exercise price of a purchase option if the lessee is reasonably certain to exercise the option
- payments of penalties for terminating the lease, if the lease term reflects the termination.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Group's leases, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third-party financing, and
- makes adjustments specific to the lease (i.e. term, currency and security).

Measurement of right-of-use assets

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

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.

28.27.2   The Group as the Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating lease is accounted for on a straight-line basis over the lease terms and is included in revenues in the statements of total comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

28.28 Employee benefits

Retirement benefits liability

The Group has a defined benefit retirement plan managed by its subsidiaries, ABLE and FCLRC, which is based on the provisions of Republic Act RA 7641. A defined benefit plan is a pension plan that defined an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability (or asset) recognized in the consolidated statement of financial position is the present value of the defined benefit obligation less fair value of the plan assets at the reporting date. In cases when the amount determined results in an asset, the Group measures the resulting asset at the lower of such amount determined and the present value of any economic benefits available to the Group in the form of refunds or reductions in future contributions to the plan. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity which approximate the terms of the related retirement benefit obligation.

Remeasurement gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity (within reserve for remeasurement on retirement benefit) in other comprehensive income in the period in which they arise.

Past service costs are recognized immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognizes termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognizes costs for a restructuring that is within the scope of PAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

Share-based payments

Share-based compensation benefits are provided to employees via the Group’s employee share option plan, an employee share scheme. Information relating to this scheme is set out in Note 14.

The fair value of options granted under the Group’s employee share option plan is recognized as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of share options granted.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. The entity recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

28.29 Income taxes

The tax expense for the period comprises current and deferred income tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishing provisions where appropriate on the basis of amounts to be paid to tax authorities.

DIT is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related DIT asset is realized, or the DIT liability is settled.

DIT assets are recognized for all deductible temporary differences, carry-forward of unused tax credits from excess minimum corporate income tax (MCIT) and unused tax losses (net operating loss carryover or NOLCO) to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.
The Group re-assesses at each reporting date the need to recognize a previously unrecognized DIT asset, if any.

DIT assets and liabilities are derecognized when the related temporary difference are realized or settled.

28.30 Segment reporting

Reportable segments are presented by aggregating operating segments based on similar products and services. The accounting policies used to recognize and measure the segment’s assets, liabilities and profit or loss is consistent with those of the consolidated financial statements.

The Group has one geographical segment and derives substantially of its revenues from domestic operations.

28.31 Related party transactions and relationships

Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

DigiPlus Interactive Corp. and Subsidiaries

Index to Supplementary Schedules

I	Reconciliation of Retained Earnings Available for Dividend Declaration (Part 1, 4C, Annex 68-C)
II	A map showing the relationships between and among the company and its ultimate parent company, middle parent, subsidiaries or co-subsidiaries, and associates
III	Supplementary schedules
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
C	Amounts Receivable from Related Parties which are eliminated during the Consolidation of Financial Statements
D	Long term Debt
E	Indebtedness to Affiliates and Related Parties (Long-term loans from Related Companies
F	Guarantees of Securities of Other Issuers
G	Capital Stock
H	Financial Soundness Indicators

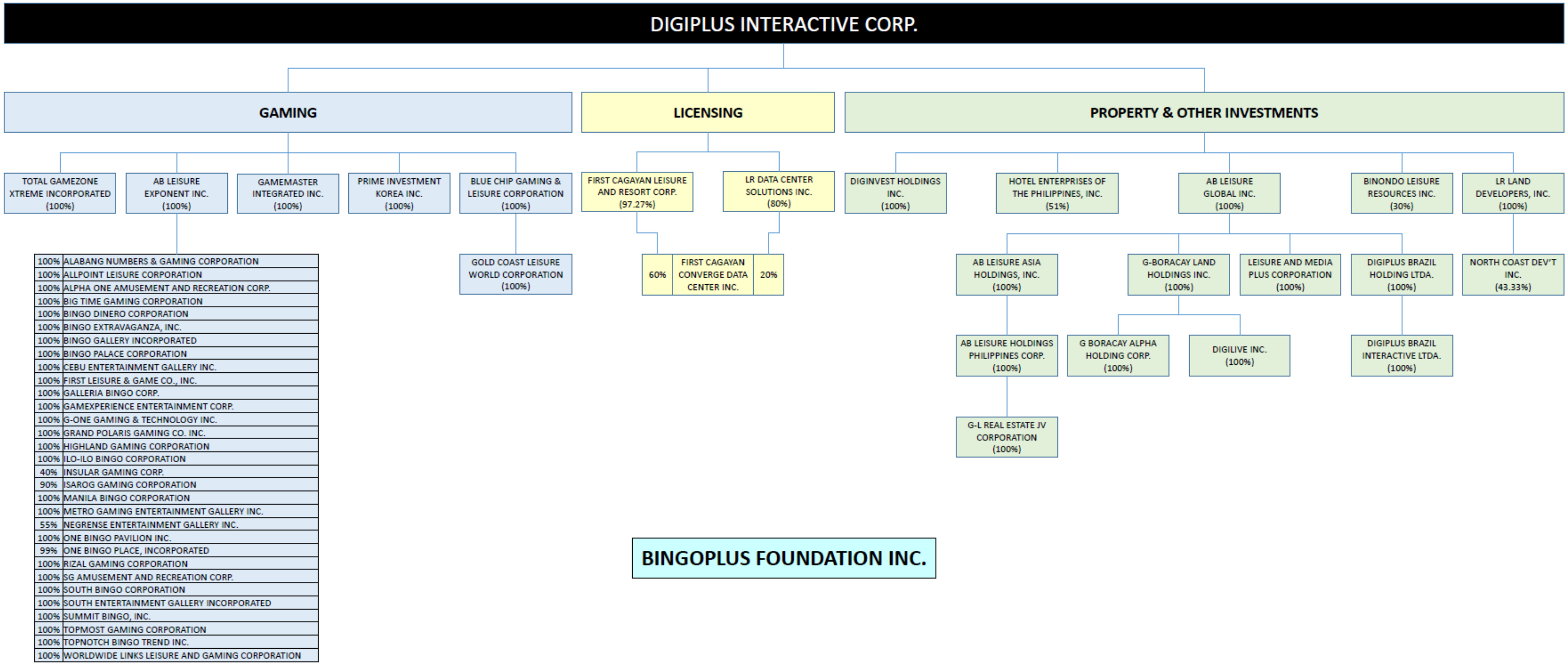
DigiPlus Interactive Corp. and Subsidiaries

Reconciliation of Parent Company's Retained Earnings
Available for Dividend Declaration
As at December 31, 2024
All amounts in thousands of Philippine Peso
(Part 1, 4C, Annex 68-C)

Unappropriated Retained Earnings, beginning of the year		**P6,159,506**
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(793,379)	
Retained earnings appropriated during the reporting period	(7,300,000)	(8,093,379)
Unappropriated Retained Earnings, as adjusted		**(1,933,873)**
Add/Less: Net Income for the current year		11,992,153
Less: Category C.1: Unrealized income recognized in the profit or loss during the year (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	-	
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 Accounting Standards	-	-
Adjusted net income		**11,992,153**
Total Retained Earnings, end of the year available for dividend declaration		**P10,058,280**

DigiPlus Interactive Corp. and Subsidiaries

Map of Conglomerate
As at December 31, 2024



DigiPlus Interactive Corp. and Subsidiaries

Financial Assets
(All amounts in thousands of Philippine Peso)

Financial Assets	Name of Issuing Entity and Association of Each Issue	Amount Shown in the Balance Sheet	Income Received and Accrued
Cash in banks	Union Bank	1,875,905	
	Eastwest	1,755,005	
	AUB	1,387,595	
	Sterling	793,009	
	PBB	619,552	
	PBCOM	393,421	
	BDO	375,971	
	Others	77,093	
		7,277,551	25,822
Cash equivalents	Others	6,286,418	67,856
Cash on hand		413,465	-
Receivables		4,957,322	20,720
Advances		1,219,730	-
Lease receivables		177,069	9,843
Rental deposits		522,376	-
Cash performance bonds		487,915	-
Performance cash deposits		33,200	-
Due from related parties		156,335	-
Financial assets at FVOCI		62,329	-
		21,593,710	124,241

DigiPlus Interactive Corp. and Subsidiaries

Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
(All amounts in thousands of Philippine Peso)

Name and Designation of Debtor	Balance at beginning of period	Additions	Amounts collected	Amounts Written Off	Current	Non-current	Balance at end of period
Stockholders	53,106	-	-	-	53,106	-	53,106

DigiPlus Interactive Corp. and Subsidiaries

Amounts Receivable from Related Parties which are eliminated during the Consolidation of Financial Statements
(All amounts in thousands of Philippine Peso)

Name and Designation of Debtor	Balance at Beginning of Period	Additions/ Adjustments	Amounts Collected	Amounts Written Off	Current	Non-current	Balance at End of Period
Due to DigiPlus:							
ABLE and subsidiaries	8,397,162	2,549,284	-	-	10,946,446	-	10,946,446
AB Leisure Global, Inc.	4,332,109	379,340	-	-	4,711,449	-	4,711,449
Blue Chip Gaming and		204,332	-	-	1,324,784	-	1,324,784
Leisure Corporation	1,120,452						
PIKI	305,321	(305,321)	-	-	-	-	-
FCCDCI	63,509	148,692	-	-	212,202	-	212,202
LR Data Center	-	1,004	-	-	9,347	-	9,347
FCLRC	-	9,397	-	-	9,397	-	9,397
Gamemaster	-	367,803	-	-	367,803	-	367,803
TGXI	8,343	4,405,608	-	-	4,405,608	-	4,405,608
	14,226,896	7,760,139	-	-	21,987,036	-	21,987,036

DigiPlus Interactive Corp. and Subsidiaries

Long Term Debt
(All amounts in thousands of Philippine Peso)

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under caption "Current Portion of Long-term Debt" in related Statement of Financial Position	Amount shown under caption "Long-term Debt" in related Statement of Financial Position
Chip Leader	733,781	733,781	-
	733,781	733,781	-

DigiPlus Interactive Corp. and Subsidiaries

Indebtedness to Related Parties (Long-term loans from Related Companies
(All amounts in thousands of Philippine Peso)

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
Not applicable		

DigiPlus Interactive Corp. and Subsidiaries

Guarantees of Securities of Other Issuers
(All amounts in thousands of Philippine Peso)

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owed by Person for which Statement is Filed	Nature of Guarantee
Not applicable				

DigiPlus Interactive Corp. and Subsidiaries

Capital Stock

Title of Issue	Number of Shares Authorized	Number of Shares issued as Shown under Related Balance Sheet caption	Number of Treasury Shares	Number of Outstanding Shares	Number of Shares reserved for options, warrants, conversion and other rights	Number of Shares held by Related Parties	Number of Shares Held by Directors and Officers	Others
Common	7,000,000,000	4,785,306,666	377,647,488	4,407,659,178	-	21,567,000	12,558,905	4,373,533,273

DigiPlus Interactive Corp. and Subsidiaries

Schedule of Financial Soundness Indicators
(All amounts in thousand Philippine Peso)

Key Performance Indicator	Formula	2024	2023
Current Ratio	Current Assets / Current Liabilities	2.07:1	1.13:1
Acid Test Ratio	Cash and cash equivalents + Receivables, net + Due from related parties / Current Liabilities	1.91:1	0.94:1
Debt to Equity Ratio	Total Liabilities / Stockholders' Equity	0.41:1	0.57:1
Asset to Equity Ratio	Total Assets / Stockholders' Equity	1.41:1	1.57:1
Return on Average Equity	Net Income / Average Stockholders' Equity	50.13%	25.65%
Return on Average Assets	Net Income / Average Total Assets	34.08%	16.16%
Solvency Ratio	Net Income + Depreciation / Average Total Liabilities	1.15:1	0.49:1
Interest Coverage Ratio	Income Before Interest, Tax & Depreciation / Interest Expense	78.68:1	24.22:1
Net Book Value Per Share	Stockholders' Equity / Shares Outstanding	7.05	4.25
Basic Earnings Per Share	Income Attributable to Ordinary Stockholders of the Parent Company / Weighted Average Shares Outstanding	2.854	1.039
Net Profit Margin	Net income / Revenue	16.73%	15.03%

DigiPlus Interactive Corp. and Subsidiaries

External Auditor Fee
(All amounts in thousand Philippine Peso)
For the years ended December 31, 2024 and 2023

Audits of the Consolidated Financial Statements and Separate Financial Statements of the Parent Company

	2024	2023
Total audit fees	2,234	1,850
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	2,234	1,850

Audits of the Financial Statements of the Subsidiaries

	2024	2023
Total audit fees	6,066	5,150
Non-audit services fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total non-audit fees	-	-
Total audit and non-audit fees	6,066	5,150

From: noreply-cifssost@sec.gov.ph
Sent: Saturday, April 5, 2025 12:11 AM
Subject: SEC eFast Initial Acceptance

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Greetings!

SEC Registration No: 0000013174
Company Name: LEISURE & RESORTS WORLD CORP.
Document Code: AFS

This serves as temporary receipt of your submission.
Subject to verification of form and quality of files of the submitted report.
Another email will be sent as proof of review and acceptance.

Thank you.

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Please strictly follow the instruction stated in the form.

Filings not in accordance with the prescribed template for the following reports will be automatically reverted by the system to the filer.

1. General Information Sheet (GIS-Stock)
2. General Information Sheet (GIS-Non-stock)
3. General Information Sheet (GIS- Foreign stock & non-stock)
4. Broker Dealer Financial Statements (BDFS)
5. Financing Company Financial Statements (FCFS)
6. Investment Houses Financial Statements (IHFS)
7. Publicly – Held Company Financial Statement
8. General Form for Financial Statements
9. Financing Companies Interim Financial Statements (FCIF)
10. Lending Companies Interim Financial Statements (LCIF)

Per Section 18 of SEC Memorandum Circular No. 3 series of 2021, the reckoning date of receipt of reports is the date the report was initially submitted to the eFast, if the filed report is compliant with the existing requirements.

A report, which was reverted or rejected, is considered not filed or not received. A notification will be sent to the filer, stating the reason for the reports rejection in the remarks box.

SECURITIES AND EXCHANGE COMMISSION
SEC Headquarters, 7907 Makati Avenue,
Salcedo Village, Barangay Bel-Air, Makati City,
1209, Metro Manila, Philippines

digiplus

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **DigiPlus Interactive Corp.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 financial statements including the schedules attached therein and submits the same to the stockholders or members.

Isla Lipana & Co., the independent auditors appointed by the stockholders for the years ended December 31, 2024 and 2023, respectively, have audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in their reports to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

SUBSCRIBED AND SWORN to before me this APR 04 2025 at TAGUIG CITY. Affiant exhibiting to me his/her [illegible] with No. [illegible] as strong proof of his/her identity.

EUSEBIO H. TANCO
Chairman of the Board

TSUI KIN MING
President

WILFREDO M. PIELAGO
Treasurer and Chief Financial Officer

Signed this April 4, 2025

Doc. No. 404
Page No. 83
Book No. II
Series of 2025

MICHAEL OLIVER B. MAATA
Notary Public for Taguig City
Until December 31, 2025
COMMISSION APPOINTMENT NO. 42 (2024-2025)
PTR No. A 6127855, 02 January 2024/Taguig City
IBP No. 388738, 02 January 2024/Makati City
Roll of Attorney No. 55919
Unit A 19F, Menarco Tower, 32nd Street
Bonifacio Global City, Taguig City
MCLE COMPLIANCE No. VII-0014743; 04/06/22

DIGIPLUS INTERACTIVE CORP
32nd-36th Floor Ecoprime Building, 32nd Street corner 9th Avenue, Bonifacio Global City, Taguig City, 1635 Philippines
(+63) 2 8637 5291-93 (+63) 2 8637 5291-92

Outlook

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C O V E R   S H E E T
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

1	3	1	7	4

C O M P A N Y   N A M E

D I G I P L U S   I N T E R A C T I V E   C O R P .

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

E C O P R I M E   B U I L D I N G ,   3 2 N D   S T R E E T
C O R N E R   N I N T H   A V E N U E ,   B O N I F A C I O
G L O B A L   C I T Y ,   T A G U I G   C I T Y

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S	C R M D	N / A

C O M P A N Y   I N F O R M A T I O N

Company's Email Address	Company's Telephone Number	Mobile Number
inquiry@digiplus.com.ph	+632 8637-5291 to 93	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
1,803	July 26	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Mr. Wilfredo Pielago	wilfredo.pielago@digiplus.com.ph	+632 8637-5291 to 93	N/A

CONTACT PERSON's ADDRESS

Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig 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.*

Independent Auditor's Report

To the Board of Directors and Shareholders of
DigiPlus Interactive Corp.
Ecoprime Building, 32nd Street corner Ninth Avenue
Bonifacio Global City, Taguig City

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying Parent Company financial statements present fairly, in all material respects, the financial position of the DigiPlus Interactive Corp. (the "Company") as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The financial statements of the Company comprise:

- the parent company statements of financial position as at December 31, 2024 and 2023;
- the parent company statements of total comprehensive income for the years ended December 31, 2024 and 2023;
- the parent company statements of changes in equity for the years ended December 31, 2024 and 2023;
- the parent company statements of cash flows for the years ended December 31, 2024 and 2023; and
- the notes to the parent company financial statements, comprising material accounting policy information and other explanatory information.

Basis for our Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines "Code of Ethics", together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
T: +63 (2) 8845 2728, www.pwc.com/ph

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

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

In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 PSA 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Company'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 Company'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 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on the Bureau of Internal Revenue Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 19 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.

Pocholo C. Domondon
Partner
CPA Cert. No. 1
P.T.R. No. , issued on January 3, 2025 at Makati City
T.I.N.
BIR A.N. ; issued on November 9, 2024; effective until November 8, 2027
BOA/PRC Reg. No. , effective until November 14, 2025

Makati City
April 4, 2025

Statement Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
DigiPlus Interactive Corp.
Ecoprime Building, 32nd Street corner Ninth Avenue
Bonifacio Global City, Taguig City

We have audited the financial statements of DigiPlus Interactive Corp. (the “Parent Company”) as at and for the year ended December 31, 2024, on which we have rendered the attached report dated April 4, 2025.

In compliance with SRC Rule 68 and based on the certification received from the Company's corporate secretary and the results of our work done, the Parent Company has 1,677 shareholders owning one hundred (100) or more shares each as at December 31, 2024.

Isla Lipana & Co.

Pocholo C. Domondon
Partner
CPA Cert. No.
P.T.R. No. ; issued on January 3, 2025 at Makati City
T.I.N.
BIR A.N. 0 ; issued on November 9, 2024; effective until November 8, 2027
BOA/PRC Reg. No. , effective until November 14, 2025

Makati City
April 4, 2025

Statement Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
DigiPlus Interactive Corp.
Ecoprime Building, 32nd Street corner Ninth Avenue
Bonifacio Global City, Taguig City

We have audited the separate financial statements of DigiPlus Interactive Corp. (the “Parent Company”) as at and for the year ended December 31, 2024, on which we have rendered the attached report dated April 4, 2025. The supplementary information shown in *the Reconciliation of Parent Company’s Retained Earnings Available for Dividend Declaration*, as additional component required by the Revised Rule 68 of the SRC, is presented for purposes of filing with the Securities and Exchange Commission and is not a required part of the basic separate financial statements. Such supplementary information is the responsibility of management and has been subjected to auditing procedures applied in the audit of the basic separate financial statements. In our opinion, the supplementary information has been prepared in accordance with the Revised Rule 68 of the SRC.

Isla Lipana & Co.

Pocholo C. Domondon
Partner
CPA Cert. No.
P.T.R. No. ; issued on January 3, 2025 at Makati City
T.I.N.
BIR A.N. ssued on November 9, 2024; effective until November 8, 2027
BOA/PRC Reg. No. effective until November 14, 2025

Makati City
April 4, 2025

DigiPlus Interactive Corp.

Parent Company Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in thousand pesos)

	Notes	2024	2023
Assets			
Current assets			
Cash	2	378,330	74,509
Dividends and other receivables, net	3	1,555,645	1,555,645
Due from related parties	14	21,687,092	13,470,945
Prepayments and other current assets	4	80,833	45,360
Total current assets		23,701,900	15,146,459
Non-current assets			
Property and equipment, net	5	116,261	87,634
Investments and advances	6	5,756,785	5,579,287
Financial assets at fair value through other comprehensive income (FVOCI)	6	62,330	67,578
Other non-current assets	7	52,814	51,226
Total non-current assets		5,988,190	5,785,725
Total assets		29,690,090	20,932,184
Liabilities and Equity			
Current liabilities			
Trade payables and other current liabilities	8, 10	81,931	92,141
Lease liability, current portion	12	27,038	16,162
Due to related parties	14	584,001	3,475,782
Income tax payable		-	15
Total current liabilities		692,970	3,584,100
Non-current liabilities			
Retirement benefit obligation	13	22,539	11,602
Lease liability, noncurrent portion	12	64,085	60,526
Total non-current liabilities		86,624	72,128
Total liabilities		779,594	3,656,228
Equity			
Share capital	10	4,785,307	4,785,307
Additional paid-in capital	10	6,221,063	6,221,063
Treasure shares	10	(377,647)	(377,647)
Fair value reserve	6	483,651	488,899
Retirement benefits reserve		(7,852)	(1,173)
Other reserve		447,693	-
Retained earnings			
Unappropriated		10,058,281	6,159,507
Appropriated		7,300,000	-
Total equity		28,910,496	17,275,956
Total liabilities and equity		29,690,090	20,932,184

(The notes on pages 1 to 41 are integral part of these financial statements)

DigiPlus Interactive Corp.

Parent Company Statements of Total Comprehensive Income
For the years ended December 31, 2024 and 2023
(All amounts in thousand pesos)

	Notes	2024	2023
Revenue			
Dividend income	6,14	13,137,000	7,200,000
Costs and expenses	11	(1,099,445)	(378,523)
Income from operations		12,037,555	6,821,477
Other expenses, net			
Share in loss of a joint venture	6	(46,374)	(30,670)
Interest income	2	7,647	273
Interest expense	12	(4,533)	(3,721)
Others, net		(2,142)	564
		(45,402)	(33,554)
Income before income tax		11,992,153	6,787,923
Provision for income tax	15	-	(15)
Income for the year		11,992,153	6,787,908
Other comprehensive loss for the year			
Items that will not be reclassified to profit or loss			
Changes in fair value on financial asset at FVOCI	6	(5,248)	(10,936)
Remeasurement loss on defined benefit obligation	13	(6,679)	(1,173)
		(11,927)	(12,109)
Total comprehensive income for the year		11,980,226	6,775,799

(The notes on pages 1 to 41 are integral part of these financial statements)

DigiPlus Interactive Corp.

Parent Company Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(All amounts in thousand pesos)

	Share Capital (Note 10)							Retained earnings (Deficit)		
	Common Shares	**Preferred Shares**	**Additional paid-in capital (Note10)**	**Treasury shares (Note 10)**	**Fair value reserve (Note 6)**	**Retirement Benefits reserve (Note 13)**	**Other reserve (Note 13)**	**Unappropriated**	**Appropriated**	**Total**
Balances at January 1, 2023	4,094,107	-	5,066,759	(377,647)	499,835	-	-	(628,401)	-	8,654,653
Comprehensive income for the year										
Net Income for the year	-	-	-	-	-	-	-	6,787,908	-	6,787,908
Other comprehensive loss for the year	-	-	-	-	(10,936)	(1,173)	-	-	-	(12,109)
Total comprehensive income for the year	-	-	-	-	(10,936)	(1,173)	-	6,787,908	-	6,775,799
Transaction with owners										
Issuance of treasury shares	691,200	-	1,154,304	-	-	-	-	-	-	1,845,504
Balances at December 31, 2023	4,785,307	-	6,221,063	(377,647)	488,899	(1,173)	-	6,159,507	-	17,275,956
Comprehensive income for the year										
Net Income for the year	-	-	-	-	-	-	-	11,992,153	-	11,992,153
Other comprehensive loss for the year	-	-	-	-	(5,248)	(6,679)	-	-	-	(11,927)
Total comprehensive income for the year	-	-	-	-	(5,248)	(6,679)	-	11,992,153		11,980,226
Transactions with owners										
Cash dividends	-	-	-	-	-	-	-	(793,379)	-	(793,379)
Stock option reserves for the year	-	-	-	-	-	-	447,693	-	-	447,693
Appropriation of retained earnings	-	-	-	-	-	-	-	(7,300,000)	7,300,000	-
Balances at December 31, 2024	4,785,307	-	6,221,063	(377,647)	483,651	(7,852)	447,693	10,058,281	7,300,000	28,910,496

(The notes on pages 1 to 41 are integral part of these financial statements)

DigiPlus Interactive Corp.

Parent Company Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(All amounts in Thousand Pesos)

	Notes	2024	2023
Cash flows from operating activities			
Income before income tax		11,992,153	6,787,923
Adjustment for:			
Reserve for employee stock options	10	447,693	-
Share in net loss of a joint venture	6	46,374	30,670
Depreciation and amortization	5, 11	24,112	16,296
Retirement benefit expense		4,258	2,119
Interest expense	12	4,533	3,721
Interest income	2	(7,647)	(273)
Operating income before changes in assets and liabilities		12,511,476	6,840,456
Decrease in:			
Dividends and other receivables		-	(188)
Prepayments and other current assets		(35,472)	(14,352)
Increase (decrease) in trade payables and other current liabilities		(17,052)	1,549
Net cash generated from operations		12,458,952	6,827,465
Income taxes paid		(15)	-
Interest received		7,647	273
Net cash provided by operating activities		12,466,584	6,827,738
Cash flows from investing activities			
Dividends received	14	13,137,000	7,230,000
Increase in:			
Expenses paid in behalf of related parties		(8,216,147)	(9,240,096)
Capital infusion to investments in subsidiaries		(223,873)	(5,000)
Other noncurrent assets		(1,588)	(1,760)
Additions to property and equipment	5	(17,783)	(4,306)
Net cash provided by (used in) investing activities		4,677,609	(2,021,162)
Cash flows from financing activities			
Decrease in due to related parties		(16,028,781)	(6,564,460)
Proceeds from:			
Short-term loan		5,000	-
Issuance of capital stock	10	-	1,845,504
Payments of:			
Dividends		(786,537)	-
Short-term loan	9	(5,000)	-
Interest	9	(100)	-
Principal portion of lease liability	12	(20,521)	(17,381)
Interest on lease liability	12	(4,433)	(3,721)
Net cash used in financing activities		(16,840,372)	(4,740,058)
Net increase in cash		303,821	66,518
Cash at beginning of year		74,509	7,991
Cash at end of year	2	378,330	74,509

(The notes on pages 1 to 41 are integral part of these financial statements)

DigiPlus Interactive Corp.

Notes to the Parent Company Financial Statements
As at and for the years ended December 31, 2024 and 2023
(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

1. General information

1.1 Business information

DigiPlus Interactive Corp. (the Parent Company or "DigiPlus") was registered with the Philippine Securities and Exchange Commission (SEC) on October 10, 1957.

The Parent Company is a public company under Section 17.2 of the Revised Securities Regulation Code (SRC) and its shares are listed on the Philippine Stock Exchange, Inc. (PSE).

The Parent Company's primary purpose is to purchase, acquire, own, use, improve, construct, develop, maintain, subdivide, sell, dispose of, exchange, lease and hold for investment, or otherwise deal with real estate and personal property of all kinds, including the management and operation of the activities conducted therein pertaining to general amusement and recreation enterprises, such as, but not limited to resorts, golf courses, clubhouses and sport facilities, hotels and gaming facilities, including but not limited to bingo parlors with all the apparatus, equipment and other appurtenances as may be related thereto or in connection therewith.

On February 28, 2023, the SEC approved the change of the corporate name of the Parent Company from "Leisure & Resorts World Corporation" to "DigiPlus Interactive Corp.". In view of the foregoing, in March 2023, the Parent Company changed its Stock Symbol from "LR" to "PLUS".

In addition, the SEC approved the Parent Company's change of business address from Pasig City to Taguig City. The Parent Company's registered office address is Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

1.2 Approval of parent company financial statements

The accompanying Parent Company financial statements as at and for the year ended December 31, 2024, have been approved and authorized for issuance by the Board of Directors (BOD) on April 4, 2025.

2. Cash

Cash as at December 31 consist of:

	2024	2023
Cash in banks	377,980	74,309
Cash fund	350	200
	378,330	74,509

Cash in banks earn interest at the respective bank deposit rates.

Interest income recognized in profit or loss for the year ended December 31, 2024 amounted to P7,647 (2023 – P273).

3. Dividends and other receivables, net

Dividends and other receivables as at December 31 consist of:

	Note	2024	2023
Dividend receivables	14	1,521,250	1,521,250
Advances to:			
Stockholder		31,231	31,231
Third parties		3,009	3,009
Others		14,870	14,870
		1,570,360	1,570,360
Allowance for expected credit loss (ECL) on advances to third parties		(3,009)	(3,009)
Allowance for ECL on other receivables		(11,706)	(11,706)
		(14,715)	(14,715)
		1,555,645	1,555,645

Advances to stockholders are unsecured, noninterest-bearing advances and collectible on demand.

Advances to third parties consist mainly of advance payments for a future project reimbursable from the project partner. These advances are noninterest-bearing, unsecured and collectible on demand.

Other receivables represent cash advances made to third party companies which are engaged in similar gaming and amusement activities as the Parent Company. These advances are noninterest-bearing, unsecured and collectible on demand.

For the years ended December 31, 2024 and 2023, the Parent Company did not recognize an additional provision for impairment of receivables.

The Parent Company's exposure to credit risk relating to receivables is disclosed in Note 17.2.

4. Prepayments and other current assets

Prepayments and other current assets as at December 31 consist of:

	2024	2023
Input value-added tax (VAT)	38,018	18,848
Advances to suppliers	28,711	2,986
Prepaid insurance	4,060	3,470
Advances to officers and employees	3,543	11,748
Prepaid taxes and licenses	1,909	516
Prepaid rent	1,384	5,580
Other prepayments	3,208	2,212
	80,833	45,360

Advances to suppliers are down payments made to vendors that will be applied against future deliveries of goods and performance of services.

Advances to officers and employees are noninterest-bearing, unsecured and subject to liquidation within 12 months from the date granted or collectible in cash upon demand.

5. Property and equipment, net

Details and movements of property and equipment, net as at and for the years ended December 31 are as follows:

	Office furniture, fixtures and equipment	Transportation equipment	Leasehold improvements	Computer software	Right-of-use assets (Note 12)	Total
As at January 1, 2023						
Cost	47,540	11,903	40,275	72,442	-	172,160
Accumulated depreciation and amortization	(47,020)	(6,913)	(40,275)	(72,397)	-	(166,605)
Net carrying values	520	4,990	-	45	-	5,555
Year ended December 31, 2023						
Opening net book values	520	4,990	-	45	-	5,555
Additions	183	2,101	2,022	-	94,069	98,375
Depreciation and amortization	(295)	(1,508)	(337)	(45)	(14,111)	(16,296)
Closing net carrying values	408	5,583	1,685	-	79,958	87,634
As at December 31, 2023						
Cost	47,723	14,004	42,297	72,442	94,069	270,535
Accumulated depreciation and amortization	(47,315)	(8,421)	(40,612)	(72,442)	(14,111)	(182,901)
Net carrying values	408	5,583	1,685	-	79,958	87,634
Year ended December 31, 2024						
Opening net book values	408	5,583	1,685	-	79,958	87,634
Additions	1,899	15,804	80	-	34,956	52,739
Depreciation and amortization	(353)	(2,825)	(415)	-	(20,519)	(24,112)
Closing net carrying values	1,954	18,562	1,350	-	94,395	116,261
As at December 31, 2024						
Cost	49,622	29,808	42,377	72,442	129,025	323,274
Accumulated depreciation and amortization	(47,668)	(11,246)	(41,027)	(72,442)	(34,630)	(207,013)
Net carrying values	1,954	18,562	1,350	-	94,395	116,261

6. Investments and advances, net

Investments and advances, net as at December 31 consist of:

	Ref	2024	2023
Investment in subsidiaries, associates and a joint venture, net	a	5,051,034	4,873,536
Advances, net	b	705,751	705,751
		5,756,785	5,579,287

a. Investments in subsidiaries, associates and a joint venture

Investments in subsidiaries, associates and a joint venture as at December 31, is composed of:

	Percentage of ownership	2024	Percentage of ownership	2023
Investments				
Subsidiaries:				
AB Leisure Global, Inc. (ABLGI)	100%	1,550,000	100%	1,550,000
AB Leisure Exponent, Inc. (ABLE)	100%	750,000	100%	750,000
Total Gamezone Xtreme Incorporated (TGXI)	100%	652,000	100%	652,000
Gamemaster Integrated Inc. (formerly G-Boracay Beta Holdings Inc. (GBBHI)	100%	125,000	-	-
LR Land Developers, Inc. (LRLDI)	100%	225,000	100%	225,000
First Cagayan Leisure & Resort Corporation (FCLRC)	97.27%	256,898	87.27%	164,275
Prime Investment Korea Inc., (PIKI)	100%	1,000	100%	1,000
LR Data Center and Solutions Inc. (LRDCSI)	80%	20,000	80%	20,000
Blue Chip Gaming & Leisure Corporation (BCGLC)	100%	19,628	100%	19,628
Diginvest Holdings Inc. (Diginvest)	100%	6,250	-	-
Bingo Bonanza (HK) Limited (BBL)	60%	35	60%	35
		3,605,811		3,381,938
Associates:				
Binondo Leisure Resources, Inc. (BLRI):				
Common shares	30%	1,200	30%	1,200
Preferred shares		20,000		20,000
		21,200		21,200
Joint venture				
HEPI				
Cost	51%	750,938	51%	750,938
Accumulated share in net income:				
Balance at beginning of year		740,695		771,365
Share in net loss		(46,374)		(30,670)
		1,445,259		1,491,633
Balance at end of year		5,072,269		4,894,771
Allowance for impairment		(21,235)		(21,235)
		5,051,034		4,873,536

<u>Investment in Subsidiaries</u>

ABLGI

ABLGI was registered with the SEC on October 20, 2009. ABLGI was incorporated in the Philippines and its primary purpose is to acquire, own, use, construct, develop, maintain, subdivide, sell, dispose of, exchange, lease and hold for investment, or otherwise deal with real estate and personal property of all kinds, including the management and operation of the activities conducted therein pertaining to general amusement and recreation enterprises such as but not limited to resorts, golf courses, clubhouses and sports facilities, hotels and gaming facilities, with all the apparatus, equipment and other appurtenances as may be related thereto or in connection therewith. ABLGI started its operations on January 1, 2013.

ABLGI's registered office address is located at 35th Floor, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

ABLE

ABLE was registered with the SEC on March 31, 1995. ABLE was incorporated in the Philippines and its primary purpose is to provide amusement and recreation to the public in such forms as, but not limited to, traditional, electronic and rapid bingo games.

ABLE offers traditional and electronic bingo games on its bingo halls across the country. In January 2022, PAGCOR granted ABLE with an online traditional bingo license for its new application BingoPlus.

ABLE's registered office address is located at 5th Floor Units 536-544 Bldg. D SM Megamall, EDSA Brgy. Wack-Wack, Mandaluyong City.

TGXI

TGXI was registered with the SEC on June 27, 2014. TGXI was incorporated in the Philippines, with the primary purpose to engage in general amusement, gaming operations and recreation enterprises. Pursuant to Presidential Decree 1869, as amended, Philippine Amusement and Gaming Corporation (PAGCOR) granted the TGXI the privilege to establish, install, maintain, and operate a PAGCOR eGames Station (PeGS). PeGS is a gaming facility that offers virtual casino games. TGXI started commercial operations on July 16, 2014. TGXI operates PeGS in several locations across the country.

On November 12, 2020, the Parent Company subscribed to additional 320,000 common shares of TGXI for a total consideration of P32,000.

In February 2023, TGXI launched a new brand for its sports betting operations, ArenaPlus.

TGXI's principal office is at 35/F, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

On December 2, 2024, TGXI declared dividends amounting to P13,000,000 (2023 - P7,200,000).

Gamemaster Integrated Inc.

On October 18, 2017, Gamemaster Integrated Inc. (formerly G Boracay Beta Holding Corp.) (the "Company") was registered with Philippine Securities and Exchange Commission (SEC) primarily among others, to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description, including share of stocks, bonds, debentures, notes, evidences of indebtedness.

In September 2023, the Company applied for a change in its corporate name from "G Boracay Beta Holding Corp." to "Gamemaster Integrated Inc." and its primary purpose to engage in, purchase, acquire, establish, own, hold, sell, lease, conduct, operate, mange, and/or furnish general amusement, gaming operations and recreational services to the public such as, but not limited to, bingo games, electronic games, traditional bingo, electronic bingo, sports betting, social games, ballroom dancing, tea and garden parties, movie premiers, stage plays, basketball games, concerts, variety shows and other similar related business activities, land-based gaming, remote gaming, electronic gaming and their facilities and other gaming ventures, including but not limited to integrated resort casinos, bingo parlors, lotto, games of chance, gaming marketing; and to carry on any lawful business activities and to do accomplishment of any of the purposes enumerated or incidental to the powers of the corporation. On September 15, 2023 the SEC approved the Company's application to change its corporate name and primary purpose.

On July 12, 2024, the BIR has issued the Certificate Authorizing Registration of transfer of 100% shares in Gamemaster Integrated Inc. from G-Boracay Land Holdings Inc. (GBLHI) to DigiPlus Interactive Corp.

LRLDI

On December 10, 2007, the Parent Company incorporated LRLDI as its wholly-owned subsidiary. It is engaged in realty development and lease of properties. LRLDI started its operations in 2010.

LRLDI's registered office address is located at 35/F, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

FCLRC

FCLRC was incorporated on April 26, 2000 and is a Cagayan Special Economic Zone and Freeport (CSEZFP) registered enterprise. FCLRC has an existing License Agreement with the Cagayan Economic Zone Authority (CEZA) to develop, operate and conduct internet and gaming enterprises and facilities in the CSEZFP. Pursuant to the License Agreement, FCLRC was issued the “CEZA Master Licensor Certificate” certifying that FCLRC is duly authorized to regulate and monitor, on behalf of CEZA, all activities pertaining to the licensing and operation of interactive games.

As Master Licensor in CEZA, FCLRC is authorized to collect a sub-license fee of two percent of the gross winnings from the internet casino, in accordance with an agreed formula.

In 2024, the Parent Company acquired an additional 10% interest in the share of FCLRC, increasing its ownership interest to 97.27%. Cash consideration of P92,623 was paid to the non-controlling shareholders.

PIKI

PIKI was incorporated in the Philippines and its primary purpose is to engage in the business of gaming, recreation, leisure and lease of property.

PIKI was licensed by PAGCOR to operate a junket within PAGCOR's Casino Filipino-Midas.

In November 2021, PIKI surrendered its license to PAGCOR and remained dormant as of December 31, 2024.

LRDCSI

LRDCSI was incorporated in the Philippines. LRDCSI is a technology company engaged in aggregating data and telecommunication services. LRDCSI's revenue model involves acquiring services from local and foreign technology and telecommunications companies at wholesale rates, bundling said services and then reselling the services at retail rates. The Parent Company owns 80% of the outstanding share capital of LRDCSI. As of December 31, 2024, and 2023, LRDCSI has no operations.

LRDCSI's registered office address is located at 26th Floor West Tower, PSE Center, Exchange Road, Ortigas Center, Brgy. San Antonio, Pasig City.

BCGLC

BCGLC was incorporated in the Philippines and its primary purpose is to provide investment, management counsel and to act as agent or representative for business enterprise engaged in gaming and recreation or leisure business. BCGLC started commercial operations in October 2009. BCGLC operates several PAGCOR VIP clubs.

Operations of the PAGCOR VIP clubs were suspended from March 16, 2020 to June 15, 2020 due to the mandated community quarantine of the Philippine government. Its operations resumed on June 16, 2020.

BCGLC's registered office address is at King's Royal Hotel and Leisure Park, Olongapo Gapan Road, Macabacle, Bacolor, Pampanga.

Diginvest

On September 30, 2024, Diginvest was incorporated as a wholly-owned subsidiary of DigiPlus with the primary purpose to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, mortgage, pledge, exchange, or otherwise dispose of real and personal property of every kind and description including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities of obligations of any other corporation or corporations, association or associations, domestic or foreign, for whatever lawful purpose or purposes the same may have been organized, and to pay therefore in money or by exchanging therefore stocks, bonds, property or other evidence of indebtedness or securities of this or any corporation, stocks, bonds, debentures, contracts or obligations, to receive, collect and dispose of the interest, dividends, and income arising from such property, and to possess and exercise in receipt thereof all the rights, powers and privileges of ownership, including all voting powers or any stock so owned; without acting as a broker/dealer in securities.

The principal office of Digincest is located at 35th Floor, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

BBL

BBL's primary purpose is to engage in the business of gaming, recreation, leisure and lease of property. BBL was incorporated under the Companies Ordinance of Hong Kong. BBL started commercial operations in March 2012. It is currently non-operational and in the process of liquidation. The Parent Company provided in full impairment loss on the investment in BBL amounting to P35.

Investment in Associates

BLRI

BLRI was incorporated in the Philippines and is engaged in the hotel and recreation business. It started commercial operations in August 2003. BLRI is a company engaged in the business of leasing its gaming facilities to PAGCOR and its store and hotel facility to third parties.

The Parent Company recognized its share in net loss of BLRI up to the extent of investment cost. Unrecognized accumulated equity in net loss of BLRI amounted to P12,272 as at December 31, 2024 (2023 – P16,652). Unrecognized share in net income amounted to P4,380 and P4,079 in 2024 and 2023, respectively.

As at December 31, 2024 and 2023, investment in BLRI amounting to P21,200 has been fully impaired.

The summarized financial information of BLRI follows:

	2024	2023
Current assets	3,309	11,616
Noncurrent assets	777	777
Current liabilities	(86,002)	(108,908)
Noncurrent liabilities	(5,658)	(5,658)
Total net liabilities	(87,574)	(102,173)
Investment in preferred shares	20,000	20,000
Equity attributable to common shares	(107,574)	(122,173)
Parent Company's share in net assets	(32,272)	(36,652)
Accumulated recognized share in net losses as at end of year for preferred shares	20,000	20,000
Accumulated unrecognized share in net losses as at end of year	12,272	16,652
Carrying amount of interest in an associate	-	-
Revenues	29,833	28,802
Net income/total comprehensive income	14,599	13,595
Company's unrecognized share of total comprehensive income	4,380	4,079

Investment in a Joint Venture

Investment in Hotel Enterprises of the Philippines, Inc. (HEPI)

HEPI is a 51%-owned joint venture between DigiPlus and Eco Leisure. HEPI is engaged in the hotel and recreation business. The management, supervision and control of the operations, property and affairs of HEPI are vested in its BOD which consists of three (3) directors each from DigiPlus and Eco Leisure, and one (1) independent director nominated by both parties. Any decision is subject for approval of DigiPlus and Eco Leisure, and each party cannot direct decision on their own.

On March 10, 2016, the Amended Articles of Incorporation of HEPI amending Article II Primary Purpose, Article IV extending the term of the corporate existence of HEPI to another fifty (50) years from July 30, 2012.
There are no commitments and contingent liabilities recognized or expected to be recognized as at and for the years ended December 31, 2024 and 2023. HEPI's shares of stock are not quoted in an active market.

HEPI's principal place of business is at 2702 Roxas Boulevard, Pasay City.

In view of the continuing community quarantines and restricted travel in 2021 and 2020, HEPI has been affected by the lower number of guests and reduced room rates which significantly impacted the Parent Company's share in net losses of HEPI. The Parent Company determined this as an indicator of impairment and accordingly performed impairment assessment for its investment in HEPI. Based on the impairment assessment, the recoverable amount of the investment in HEPI exceeded its carrying amount, thus, no impairment loss was recognized.

Set out below is the summarized financial information of HEPI as at December 31, which, at the opinion of the management is material to the Parent Company.

Summarized statements of financial position

	2024	2023
Current assets	921,366	846,742
Includes:		
- Cash	18,778	6,574
Noncurrent assets	4,137,895	4,201,571
Current liabilities	(1,463,681)	(1,307,171)
Includes:		
- Financial liabilities	(1,446,336)	(1,298,305)
Noncurrent liabilities	(761,740)	(816,372)
Net assets	2,833,840	2,924,770

Summarized statements of total comprehensive income

	2024	2023
Revenues	390,334	382,356
Costs and expenses	(420,295)	(408,096)
Depreciation and amortization	(112,863)	(103,413)
Other income, net	4,383	44,461
Income tax benefit	47,512	24,554
Loss for the year	(90,930)	(60,137)
Total comprehensive income for the year	(90,930)	(60,137)

Reconciliation of summarized financial information

	2024	2023
Net assets		
At January 1	2,924,770	2,984,907
Loss for the year	(90,930)	(60,137)
At December 31	2,833,840	2,924,770
At January 1	1,491,633	1,522,303
Share in net loss for the year	(46,374)	(30,670)
Investment in joint venture	1,445,259	1,491,633

There were no dividends received for the years ended December 31, 2024 and 2023.

Advances

Advances as at December 31 consist of:

	2024	2023
Advances to HEPI	703,651	703,651
Advances to third parties	120,276	120,276
Less: Allowance for impairment of advances	(120,276)	(120,276)
		-
Advances for projects	117,100	117,100
Less: Allowance for impairment	(115,000)	(115,000)
	2,100	2,100
	705,751	705,751

Advances to HEPI

These are cash advances provided into HEPI for its working capital requirements.

Advances to third parties

This account mainly pertains to the noninterest-bearing advances are in relation to the joint venture agreement between a third party and the Parent Company. This also includes cash advances to a third party for the purpose of securing leased premises for the operation of a VIP Club by PAGCOR. The advances are unsecured and noninterest-bearing.

Advances for projects

The Parent Company made several cash advances to third party for future projects The advances are unsecured, noninterest-bearing and due upon demand but not expected to be settled within one year.

The advances for projects was provided with an allowance for ECL amounting to P115,000 as at December 31, 2024 and 2023.

Financial assets at FVOCI

In 2014, the Parent Company acquired 1,093,000 shares of DFNN at a cost of P7,437.

On August 13, 2015, the Parent Company's advances to DFNN of P86,000 have been converted into 18,105,263 common shares at DFNN while the accumulated interest earned of P12,691, from date of Conversion Notice to the date of conversion, have been converted into 2,671,783 common shares of DFNN on October 30, 2015. The fair value of 18,105,263 and 2,671,783 common shares as at the date of conversion were P5.15 and P6.04 per share, respectively.

The conversion resulted in 8.76% equity ownership of LRWC over DFNN. As the management does not intend to hold the investment the trading, the total converted amount of P62,330 as at December 31, 2024 (2023 – P67,578) has been classified as financial assets at FVOCI in the statements of financial position.

As at December 31, the carrying value of FVOCI are as follows:

	2024	2023
Balance at beginning of year	67,578	78,514
Unrealized loss during the year	(5,248)	(10,936)
Balance at end of year	62,330	67,578

The market prices of DFNN common shares as at December 31, 2024 is P2.85 (2023 - P3.09).

7. Other non-current assets

Other non-current assets as at December 31 consist of:

	Note	2024	2023
Input VAT		26,836	26,836
Rent deposits	12	14,125	11,274
Premium on group pension plan		6,619	6,619
CWT, net		121	121
Others		5,113	6,376
		52,814	51,226

Others mainly pertain to cash bonds issued by the Parent Company.

8. Trade payables and other current liabilities

Trade payables and other current liabilities as at December 31 are as follows:

	2024	2023
Payable to:		
Suppliers	60,169	73,173
Government agencies	9,908	9,970
Accrued salaries, wages and employee benefits	11,854	8,998
	81,931	92,141

Payable to suppliers pertains to various suppliers such as contracted services, utilities, and other miscellaneous expenses. These are unsecured and to be settled within one year.

Payable to government agencies pertains to payments for final withholding taxes and other regulatory agencies that are expected to be settled within one year.

9. Loans payable

On June 24, 2024, the Parent Company entered into a 179-day short-term loan agreement with Sterling Bank of Asia amounting to P5,000 with annual interest rate of 8.00% maturing on December 20, 2024. In September 2024, the Parent Company fully settled the loan.

Interest expense recognized in the Parent Company statements of total comprehensive income for the year ended December 31, 2024 amounted to P100 (2023 - nil).

10. Equity

The composition of the Company's share capital as at December 31 is as follows:

	2024		2023	
	Amount	Number of shares	Amount	Number of shares
Capital Stock				
Authorized:				
Common shares - P1 par value	7,000,000	7,000,000,000	7,000,000	7,000,000,000
Balance at beginning of year	4,785,307	4,785,306,666	4,094,107	4,094,106,666
Issued during the year	-	-	691,200	691,200,000
Balance at end of year	4,785,307	4,785,306,666	4,785,307	4,785,306,666

<u>Capital stock</u>

Pursuant to the registration statement rendered effective by the SEC on February 6, 1958 and permit to sell issued by the SEC dated February 6, 1958 - 15,000 common shares of the Parent Company were registered and may be offered for sale at an offer price of P1.33 per common share.

On June 18, 2013, the SEC approved the increase in the Parent Company's authorized capital stock from P1,600,000 to P5,000,000 divided into 2,500,000 common shares and 2,500,000 preferred shares with each class having a par value of P1 per share. The preferred shares may be issued in tranches or series and shall be non-voting, non-participating, entitled to preferential and cumulative dividends at the rate not exceeding 12% per annum, and shall have such other rights, preferences, restrictions and qualifications as may be fixed by the BOD at their issuance.

The preferred shares have a coupon rate of 8.5% per annum and are paid semi-annually. These preferred shares are cumulative, non-voting and non-participating. Twenty (20) preferred shares will entitle each investor to one warrant. Each warrant, if exercised at a price of P15 or the average weighted trading price for the three months prior (whichever is lower) will be converted to one common share. This option will be exercisable starting on the fifth year until the eighth year.

On January 11, 2019, the Parent Company's BOD and stockholders approved the issuance of up to 1,300,147 common shares from the unissued capital stock through a private placement at a price based on a premium over the DigiPlus' shares closing price on November 29, 2018.

In March and April 2019, 1,217,647 common shares were subscribed at P3.60 per share by virtue of the subscription agreements entered into by the Parent Company with its investors. Transactions costs related to the share issuance amounting to P16,604 are recognized as deduction to additional paid-in capital.

On January 31, 2020, the Parent Company redeemed all of its 1,650,000 preferred shares at P1.00 per share. The redeemed preferred shares are not cancelled, thus, accounted and presented as treasury shares in the Parent Company statements of changes in equity.

On June 15, 2021 and July 30, 2021, the BOD and stockholders of Parent Company respectively approved the reclassification of DigiPlus' 1.5 billion preferred shares into common shares. On May 20, 2022, the SEC approved the amendment of the Articles of Incorporation reflecting this reclassification. On November 22, 2021 and January 7, 2022, the BOD and stockholders respectively approved the reclassification of the remaining 1.0 billion preferred shares into common shares. On May 26, 2022, the SEC approved the amendment of the Articles of Incorporation reflecting this further reclassification.

On March 7, 2022, the BOD approved and authorized the issuance of 1,272,352,512 common shares at an issue price of P1.65 per share to various subscribers. Pursuant to the Subscription Agreements, the payment of the subscription price to DigiPlus shall be fully paid by the subscribers within 90 days from signing of their respective Subscription Agreements, which will fall on June 9, 2022. On May 10, 2022, the Board approved the extension of the deadline to pay up to August 9, 2022. On August 8, 2022, the Parent Company received the full payment of the subscription amount from all the private placement subscribers. The 1,272,352,512 subscribed shares were issued from the 1,650,000,000 treasury shares. Transaction costs related to share issuances amounting to P12,723 are recognized as deduction to additional paid-in capital.

On September 15, 2022, the BOD of the Parent Company approved the increase of the Company's authorized capital stock from P5 billion to P7 billion. On November 24, 2022, the amendment was approved by the stockholders. On September 12, 2023, the SEC approved the increase of the Company's capital stock and the issuance of 691.2 shares at P2.68 per share to its subscribers. Proceeds from the issuance of capital stock amounted to P1,845,504. Transaction costs related to share issuance amounting to P6,912 are recognized as deduction to additional paid-in capital.

As of December 31, 2024, and 2023, the Parent Company has 1,803 and 1,823 common stockholders, respectively.

Warrants

On June 10, 2013, the BOD of the Parent Company approved the listing of 1,650,000 newly issued preferred shares and 82,500,000 warrants. The said listing was completed in December 2013.

On December 5, 2013, the BOD approved to change the expiry date of the warrants issued by the Parent Company to September 2021.

In September 2021, 26,606,666 warrants were exercised and converted into shares for an exercise price of P1.503 per share, which is the weighted average trading price for three (3) months prior to the exercise date with a 10% discount. Consequently, common shares with par value aggregating to P26,607 were issued for the exercised warrants resulting in additional paid-in capital of P13,383.

The remaining 55,893,334 warrants which were not exercised in September 2021 are deemed expired and are no longer exercisable.

Declaration of cash dividends

On March 19, 2024, Parent Company's BOD approved the declaration of cash dividends to all stockholders amounting to P0.18 per outstanding common share. The cash dividends were paid on April 18, 2024 to stockholders of record as of April 4, 2024.

There were no cash dividends declared by the BOD to common stockholders of the Parent Company in 2023.

For the year ended December 31, 2024, the Parent Company paid dividends amounting to P786,537 (2023 - nil).

As at December 31, 2024, unpaid dividends, included under "Trade and other payables" account in the Parent Company statements of financial position amounted to P6,842 (2023 - nil) (Note 12).

Subsequent event

On March 07, 2025, Parent Company's BOD approved the declaration of cash dividends to all stockholders amounting to P0.86 per outstanding common share. The cash dividends will be payable on April 4, 2025 to stockholders of record as of March 24, 2025.

Appropriation of Retained Earnings

On December 14, 2024, the BOD passed a resolution to appropriate retained earnings amounting to P7,300,000. This allocation is designated to fund the approved capital expenditures, provide financial support for the Brazil project, and facilitate the distribution of cash dividends in 2025.

Treasury Shares

Details of treasury shares are as follows:

	2024		2023	
	Amount	Number of shares	Amount	Number of shares
Capital Stock				
Authorized:				
Common shares - P1 par value	7,000,000	7,000,000,000	7,000,000	7,000,000,000
Balance at beginning of year	377,647	377,646,488	377,647	377,646,488
Issuance of shares	-	-	-	-
Balance at end of year	377,647	377,646,488	377,647	377,646,488

Employee Stock Option Plan

The establishment of the employee share option plan ("the Plan") was approved by the BOD of the Parent Company and the stockholders on January 31, 2023 and March 27, 2023, respectively. The Plan was established to recognize the contributions of key individuals within the Group whose contributions are essential to growing the business and delivering long-term shareholder returns. Under the Plan, the participants are granted options which will vest in accordance with the Parent Company's vesting policy and the fair value of each option is estimated on the grant date using an appropriate valuation model.

On July 4, 2024, the SEC approved the Parent Company's application for exemption from registration of the Plan.

Options are granted under the Plan for no consideration and carry no dividend or voting rights. Each option can be converted to a single share at an exercise price depending on the volume weighted average of share price for the 30-trading days immediately prior to the grant date.

The Plan is administered by the Compensation Committee of the Board, and its sub-committee specially created for purposes of administering the Plan, which is consolidated in accordance with the principles in Note 18.19. When the options are exercised, the trust transfers the appropriate amount of shares to the employee. Any proceeds received, net of directly attributable transactions costs, are credited directly to equity.

Set out below are summaries of options granted under the plan:

	2024	2023
At January 1	78,569,564	-
Granted during the year	75,689,569	78,569,564
At December 31	154,259,133	78,569,564
Vested and exercisable at December 31	25,927,956	-

No options expired during the periods covered by the above tables.

Share options outstanding at the end of the year have the following expiry dates:

Grant date	Expiry date	Share options December 31, 2024	December 31, 2023
Batch 1			
Tranche 1 - April 1, 2023	January 1, 2029	25,927,956	25,927,956
Tranche 2 - April 1, 2023	January 1, 2030	25,927,956	25,927,956
Tranche 3 - April 1, 2023	January 1, 2031	26,713,652	26,713,652
Batch 2			
Tranche 1 - November 12, 2024	January 1, 2030	24,977,557	-
Tranche 2 - November 12, 2024	January 1, 2031	24,977,558	-
Tranche 3 - November 12, 2024	January 1, 2032	25,734,454	-
Total		154,259,133	78,569,564
Weighted average remaining contractual life of options outstanding at end of period		5.51	6.02

The assessed fair value at grant date of options granted during the year ended December 31, 2024 was P12.70 per option (2023 – P1.42 per option). The fair value at grant date is independently determined using a Modified Binomial Tree Model that takes into account the stock price volatility, risk-free rate, dividend yield, employee exercise behavior and forfeiture rates. The fair value is recognized as an expense over the relevant service period, which is the vesting period of the options.

The model inputs for options granted during the year ended December 31, 2024 included:

(a) options are granted for no consideration and vest based on the terms of the plan. Vested options are exercisable for a period of five years after vesting,
(b) grant date: November 12, 2024 (2023 - April 1, 2023),
(c) expiry date: 31 October 2029 (2023 - 31 October 2028),
(d) strike price: P12.94 (2023: P2.68)
(e) share price at grant date: P19.90 (2023 – P2.66),
(f) expected dividend yield: 0.15% (2023 – 0.87%)

The compensation expense recognized during the year ended December 31, 2024 amounted to P447,693 which is presented under cost and operating expenses in the Parent Company statements of total comprehensive income.

As at December 31, 2024, the stock option reserve arising from the Plan amounted to P447,693.

11. Costs and operating expenses

Costs and operating expenses for the years ended December 31 consist of:

	Notes	2024	2023
Salaries, wages and other benefits		766,382	224,223
Donations		69,623	1,000
Professional fees and directors' fees		57,730	48,384
Contracted services		53,285	30,531
Depreciation and amortization	5	24,112	16,296
Transportation and travel		20,258	2,984
Advertising and marketing		8,433	5,930
Subscriptions and membership fees		8,429	4,250
Listing and filing fees		7,606	754
Rent	12	6,421	8,536
Taxes and licenses		5,933	7,000
Representation and entertainment		4,898	3,345
Printing and office supplies		3,376	3,445
Communication and utilities		2,912	5,242
Insurance		1,721	1,777
Repairs and maintenance		979	904
Others		57,347	14,922
		1,099,445	378,523

12. Lease agreements

Parent Company as a lessee

The Parent Company has a lease contract related to its office space at 26th floor of West Tower, the Philippine Stock Exchange Center, Exchange Road, Ortigas Center, Pasig City along with 28 parking lots. The lease is for a period of three (3) years commencing on January 15, 2017 until January 14, 2020. The Parent Company renewed the contract for a period of three (3) years from January 15, 2020 to January 14, 2023 based on mutual agreement by both parties.

Effective January 14, 2021, the Company pre-terminated the rent of two (2) office units, with a total area of 422 square meters.

Effective January 14, 2022, the Company pre-terminated the rent of ten (10) office units, with a total area of 1,439 square meters, 28 parking slots, and two (2) storage units.

On July 31, 2023, the Company terminated the lease contract of the remaining two (2) office units.

In 2023, The Parent Company entered into lease agreements for its new office spaces. The lease is for a period of five (5) years commencing on April 1, 2023 and ending on March 31, 2028. The lease amounts are computed on a fixed rate per square meter subject to 5% escalation to begin on the third year of the term.

The lease agreements are non-cancellable and provide for, among others, rental deposits which are refundable upon termination of the lease. The rental deposits recognized in the statements of financial position of the Parent Company as at December 31, 2024 amounted to P14,125 (2023 - P11,274) (Note 7).

The Parent Company's right-of-use assets are presented under property and equipment (Note 5).

The following are recognized in the Parent Company statement of total comprehensive income for the years ended December 31:

	Notes	2024	2023
Amortization expense of right-of-use assets	5	20,519	14,111
Expenses relating to short-term leases	11	6,421	8,536
Interest expense on lease liability		4,533	3,721
		31,473	26,367

The movements of lease liabilities for the years ended December 31 is as follows:

	2024	2023
Balance at beginning of year	76,688	-
Additions	34,956	94,069
Interest expense	4,533	3,721
Principal payment	(20,521)	(17,381)
Payments of interest	(4,533)	(3,721)
Balance at end of year	91,123	76,688
Current portion of lease liability	27,038	16,162
Lease liability, net of current portion	64,085	60,526

The Parent Company has no lease contracts that contain variable payments.

Maturity analysis of the undiscounted lease payments are as follows:

	2024	2023
Less than 1 year	31,646	20,302
More than 1 year to 2 years	33,228	21,063
More than 2 years to 3 years	34,889	22,116
More than 3 years to 4 years	-	23,222
	99,763	86,703

13. Retirement benefit obligation

The Parent Company participates in a multi-employer defined benefit retirement plan (the “Plan”) administered by ABLE, a subsidiary.

Under the Plan, the mandatory retirement age is sixty-five (65) with at least five (5) years of service, and the retirement benefit equivalent to one half of final salary per year of credited service. The computation of the one-half month’s salary shall be consistent with the definition set forth under the Republic Act 7641 or the Philippine Retirement Law.

The Company’s latest actuarial valuation reports is dated December 31, 2024. The actuarial valuations are obtained on a periodic basis. The retirement benefits are determined using the projected unit credit method.

In January 2023, ABLE transferred a portion of the retirement benefit obligation related to the Parent Company’s employees amounting to P11,602.

The total retirement expense charged to profit or loss for the years ended December 31 are as follows:

	2024	2023
Current service cost	3,539	1,512
Interest cost	719	607
Retirement benefit expense	4,258	2,119

The movements in the present value of defined benefit obligation during the years ended December 31 are as follows:

	2024	2023
Balance at the beginning of the year	11,602	-
Transfer from ABLE	-	8,310
Current service cost	3,539	1,512
Interest cost	719	607
Remeasurement loss	6,679	1,173
At end of the year	22,539	11,602

The principal assumptions used in determining defined benefit obligations for the Company's plans for the years ended December 31 are shown below:

	2024	2023
Discount rate	6.20%	6.20%
Future salary increases	7.00%	5.00%

Discount rate

The discount rate is determined by reference to yields on government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

Future salary increases

Future salary increases and pension increases are based on expected future inflation rates for the specific country.

Mortality rate

Assumptions for mortality rate are based on the 2017 Philippine Intercompany Mortality Table. Assumptions for disability rates are based on the 2013 SSS Total Disability Rates (Baseline Scenario). Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumption shown.

The weighted average duration of the defined benefit obligation for the year ended December 31, 2024 is 5.4 years (2023 - 5.7 years).

The defined benefit obligation is exposed to actuarial risks such as longevity risk and interest rate risk.

Funding

The Parent Company does not have a formal retirement plan. Benefit claims under the retirement obligation are paid directly by ABLE when they become due.

Asset-liability matching

The Parent Company has no plan assets to match against liabilities under the retirement obligation.

14. Related party disclosures

Other than those disclosed in Notes 3 and 8, the Parent Company's significant transactions and balances with related parties are as follows:

	Terms and conditions	Transactions 2024	Transactions 2023	Balances Due from (due to) 2024	Balances Due from (due to) 2023
a) Advances					
Subsidiaries	These pertain to expenses of the subsidiaries that are paid in its behalf by the Parent Company. Such expenses are accordingly reimbursed at cost to its related party.	8,210,068	9,240,096	21,505,162	13,295,094
Entities under common control		6,079	-	6,120	41
	Amounts are payable in cash on a gross basis. These are due and demandable; noninterest-bearing; and unsecured.				
		8,216,147	9,240,096	21,511,282	13,295,135
b) Management income Subsidiaries	The Parent Company executed a management agreement with its subsidiaries, where the former provides certain management and administrative services for the latter. The agreement was terminated in 2020 and the balances remains outstanding as at December 31, 2023 and 2022.	-	-	175,810	175,810
		8,216,147	9,240,096	21,687,092	13,470,945
c) Advances from subsidiaries	In the ordinary course of business, certain expenses of the Parent Company are paid on its behalf by its subsidiaries. Such expenses are accordingly reimbursed at cost to its subsidiaries. Amounts are payable in cash on a gross basis. These are due and demandable; noninterest bearing; unsecured.	2,891,781	(636,204)	(584,001)	(3,475,782)
Dividends	On December 2, 2024, TGXI declared cash dividends amounting to P13,000,000 to its stockholders of records as of December 31, 2024. The dividend collected was used as settlement to TGXI for the Parent Company's advances.	13,000,000	-	1,521,250	1,521,250
	On December 2, 2024, Gamemaster declared cash dividends amounting to P137,000 to its stockholders of records as of December 31, 2024. The dividend collected was used as settlement to Gamemaster for the Parent Company's advances.	137,000	-		
	On December 4, 2023, TGXI declared cash dividends amounting to P7,200,000 to its stockholders of records as of December 31, 2023. The dividend collected was used as settlement to TGXI for the Parent Company's advances.		7,200,000		

There are no collaterals held or guarantees issued with respect to related party transactions and balances.

The details of key management compensation are as follows:

	2024	2023
Salaries and employee benefits	53,639	27,810
Directors' fees	16,100	7,656
	69,739	35,466

15. Income tax

The reconciliation of income tax expense is as follows:

	2024	2023
Income before income tax	11,992,153	6,787,922
Income tax using statutory tax rate 25%	2,998,038	1,696,981
Additions to (reductions in) income taxes resulting from tax effects of:		
Non-taxable income	(3,284,250)	(1,800,000)
Change in unrecognized deferred tax assets	274,828	89,303
Share in loss of a joint venture	11,594	7,667
Nondeductible expenses	1,702	6,132
Interest income subjected to final tax	(1,912)	(68)
	-	15

As at December 31, the Parent Company's unrecognized deferred tax assets pertain to the following items:

	2024	2023
NOLCO	432,290	270,450
Retirement obligation	5,635	2,900
Share based compensation expense	111,923	-
Right-of-use asset	(23,599)	(19,990)
Lease liability	22,781	19,172
Allowance for ECL	3,679	3,679
MCIT	15	15
Others	(1,671)	-
	551,053	276,226

Deferred tax assets were not recognized since management believes it is not probable that future taxable profit will be available against which the Parent Company can utilize the benefits therefrom.
The Parent Company has incurred NOLCO which can be claimed as deduction from future taxable income. Details of which are shown below:

Year incurred	Expiry date	Amount	2024	2023
2024	2027	647,360	647,360	-
2023	2026	379,407	379,407	379,407
2022	2025	255,323	255,323	255,323
2021	2026	213,927	213,927	213,927
2020	2025	233,144	233,144	233,144
			1,729,161	1,081,801

The carryforward benefit of the excess of MCIT over regular corporate income tax in 2024 of P15 can be credited against income tax until December 31, 2025.

16. Critical accounting estimates and assumptions

Use of estimates and judgment

The preparation of the parent company financial statements in accordance with PFRS, requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the amounts reported in the parent company financial statements. However, uncertainty about these judgments, estimates and assumptions could result in an outcome that could require a material adjustment to the carrying amount of the affected asset or liability in the future. Actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions are recognized in the period in which the estimates anti judgments are revised and in any future periods affected.

Information about critical judgments and estimates in applying accounting policies that have the most significant effects on the amounts recognized in the parent company financial statements is as follows:

16.1 Judgments

In the process of applying the Parent Company's accounting policies, management has made the following judgments apart from those including estimations and assumptions, which has the most significant effect on the amounts recognized in the parent company financial statements.

Determination and classification of a Joint Arrangement

The Parent Company determines a joint arrangement in accordance with its control over the entity or joint operations rather than its legal form. The Parent Company's investment in a joint venture is structured in a separate incorporated entity. The joint venture agreement requires unanimous consent from all parties to the agreement for the relevant activities identified. The Parent Company and the parties to the agreement only have rights to the net assets of the joint venture through the terms of the contractual arrangements.

The Parent Company has determined its involvement in the joint arrangement and determined that its investment is classified as a joint venture. Although the Parent Company has 51% ownership in HEPI, the shareholders' agreement provides for equal representation in the BOD and joint control over the joint venture.

Recoverability of investment in subsidiaries, associates and joint venture

The Company's investments in subsidiaries and associate are carried at cost. The carrying value is reviewed and assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management further believes that the carrying amount of its remaining investment in subsidiaries and associate, net of allowance for impairment, is recoverable.

The Parent Company assess recoverability of investments in subsidiaries, associates and joint venture whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

The factors that the Parent Company consider important, which could trigger an impairment review include the following:

- A downgrade of subsidiary or joint venture's credit rating or a decline in the fair value of the associate or joint venture in consideration of other available information
- significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the subsidiary or joint venture operates.

The COVID-19 pandemic significantly affected the Parent Company's subsidiaries and joint venture's operations. In 2022 and 2021, with the ease of quarantine restrictions, the subsidiaries and joint venture shown recovery in terms of earning net income or reduced net losses. In 2024, the subsidiaries and joint venture continued to show positive results of operations or reduced net losses.

Based on the assessment, the Parent Company assessed that the investment in subsidiaries and joint venture as at and for the years ended December 31, 2024 and 2023 is not impaired.

The carrying value of the Parent Company's investment in subsidiaries and joint venture amounted to P5,051,034 as at December 31, 2024 (2023 - P4,873,536) (Note 6).

16.2 Estimates

The key assumptions concerning the future and other key sources of estimation at the end of reporting period that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

Estimating allowance for expected credit losses

Provision for impairment of receivables is maintained at a level considered adequate to provide for uncollectible receivables. Provision for impairment is calculated using ECLs. ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Parent Company used relevant historical information and loss experience to determine the probability of default of the receivables and incorporated forward-looking information, which involved significant estimates and judgements.

The Parent Company also evaluates specific account of debtors who are unable to meet their financial obligations. In these cases, management uses judgment and assessment based on the best available facts, including but not limited to, the debtor's payment history and the result of the Parent Company's follow-up action to recover overdue debts.

Any change in the Parent Company's assessment of the collectability of receivables could impact the recorded carrying amount of receivables and related provision for impairment.

As at December 31, 2024, the aggregate carrying amounts of dividends and other receivables and due from related parties amounted to P23,242,737 (2023 – P15,026,590). As at December 31, 2024 and 2023, the allowance for ECL amounted to P14,715 (Note 3).

Estimating realizability of deferred tax assets

The Parent Company reviews the carrying amount of deferred tax assets at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The Parent Company also reviews the expected timing and tax rates upon reversal of the temporary differences and adjusts the impact of deferred tax accordingly. The Parent Company's assessment on the recognition of deferred tax assets is based on the forecasted taxable income of the subsequent reporting periods. This forecast is based on the Parent Company's past results and future expectations on revenues and expenses. The Parent Company's unrecognized deferred tax assets amounted to P551,053 in 2024 (2023 – P276,226) (Note 22).

17. Financial risk and capital management objectives and policies

17.1 Financial risk management objectives and policies

The Parent Company has exposure to the following risks from its use of financial instruments:

- *Credit risk*
- *Liquidity risk*
- *Market risk*

This note presents information about the Parent Company's exposure to each of the above risks, the Parent Company's objectives, policies and processes for measuring and managing risks, and the Parent Company's management of capital.

The main purpose of the Parent Company's dealings in financial instruments is to fund its operations and capital expenditures. The Parent Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

The Board of Directors of the Parent Company holds overall responsibility for the company’s risk management policy. To ensure robust oversight, the Board has established the Board Risk Oversight Committee (BROC) which is responsible for supervising and continuously evaluating the effectiveness and adequacy of the company’s Enterprise Risk Management (ERM) framework.

To support this function, the Management Risk Oversight Committee (MROC) is tasked with identifying, assessing, mitigating, and monitoring risks that may impact the Group's strategic, financial, operational, and compliance objectives. The MROC regularly reports its risk assessments and mitigation efforts to the BROC, ensuring alignment, transparency, and an integrated approach to risk governance across the organization.

The Parent Company’s risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities. All risks faced by the Group are incorporated in the annual operating budget. Mitigating strategies and procedures are also devised to address the risks that inevitably occur so as not to affect the Parent Company’s operations and forecasted results.

The Parent Company, through its training and management standards and procedures, aims to develop disciplined and constructive control environment in which all employees understand their roles and obligations.

The BOD constituted the Parent Company’s Audit Committee to assist the BOD in fulfilling its oversight responsibility of the Parent Company’s corporate governance process relating to the: a) quality and integrity of the Parent Company’s financial statements and financial reporting process and the Group’s systems of internal accounting and financial controls; b) performance of the internal auditors; c) annual independent audit of the Parent Company’s financial statements, the engagement of the independent auditors and the evaluation of the independent auditors’ qualifications, independence and performance; d) compliance by the Group with legal and regulatory requirements, including the Group’s disclosure control and procedures; and e) fulfillment of the other responsibilities set out by the BOD. The Audit Committee shall also review the reports required to be included in the Group’s annual report. The results of procedures performed by Internal Audit are reported to the Audit Committee. On the other hand, the Audit Committee reports all the issues identified over the financial reporting of the Group to the BOD on a regular basis

17.2 Credit risk

Credit risk represents the risk of loss the Parent Company would incur if customers and counterparties fail to perform their contractual obligations. The Parent Company manages its credit risk mainly through the application of transaction limits and close risk monitoring. It is the Parent Company’s policy to enter into transactions with a wide diversity of creditworthy counterparties to mitigate any significant concentration of credit risk. Further, the Parent Company has regular internal control reviews to monitor the granting of credit and management of credit exposures.

Financial information on the Parent Company’s maximum exposure to credit risk as at December 31, without considering the effects of collaterals and other risk mitigation techniques, is presented below:

	Notes	2024	2023
Cash in banks	2	377,980	74,309
Dividends and other receivables, gross	3	1,570,360	1,570,360
Due from related parties	14	21,687,092	13,470,945
Rent deposits*	7	14,125	11,274
Advances to HEPI	6	703,651	703,651
		24,353,208	15,830,539

**Included as part of “Other noncurrent assets” in the parent company statements of financial position.*

Cash in banks

The management evaluates the financial condition of the banking industry and bank deposits investments are maintained with reputable banks only.

Dividends and other receivables and due from related parties

Dividends and other receivables and due from related parties arising from management fees, interest receivable and advances are collectible on demand and therefore, expected credit losses are based on the assumption that repayment of balances outstanding are demanded at the reporting date.

The Parent Company limits its exposure to credit risk by only financing the operations of related parties that have viable operations and likewise engaged in gaming amusement activities.

Rental deposits

The management prefers well known business establishments in the selection of location of its office spaces to ensure recovery of the rental and other deposits upon termination of the lease agreements.

Aging analysis

Set out below is the aging of financial assets as at December 31:

	2024					
	Days past due					
	Current	30 days	60 days	More than 90 days	ECL	Total
Cash in banks	377,980	-	-	-	-	377,980
Receivables, net	-	-	-	1,570,360	(14,715)	1,555,645
Due from related parties	21,687,092	-	-	-	-	21,687,092
Rent deposits*	14,125	-	-	-	-	14,125
Advances to HEPI	703,651	-	-	-	-	703,651
	22,782,848	-	-	1,570,360	(14,715)	24,338,493

	2023					
	Days past due					
	Current	30 days	60 days	More than 90 days	ECL	Total
Cash in banks	74,309	-	-	-	-	74,309
Receivables, net	-	-	-	1,570,360	(14,715)	1,555,645
Due from related parties	13,470,945	-	-	-	-	13,470,945
Rent deposits*	11,274	-	-	-	-	11,274
Advances	703,651	-	-	-	-	703,651
	14,260,179	-	-	1,570,360	(14,715)	15,815,824

**Included as part of "Other noncurrent assets" in the parent company statements of financial position.*

	2024				
	General approach				
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Cash in banks	377,980	-	-	-	377,980
Receivables	1,555,645	-	-	-	1,555,645
Due from related parties	21,687,092	-	-	-	21,687,092
Rent deposits	14,125	-	-	-	14,125
Advances	703,651	-	-	-	703,651
	24,338,493	-	-	-	24,338,493

	2023				
	General approach				
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
Cash in banks	74,309	-	-	-	74,309
Receivables	1,555,645	-	-	-	1,555,645
Due from related parties	13,470,945	-	-	-	13,470,945
Rent deposits	11,274	-	-	-	11,274
Advances	703,651	-	-	-	703,651
	15,815,824	-	-	-	15,815,824

17.3 Liquidity risk

Liquidity risk pertains to the risk that the Parent Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Parent Company manages liquidity risk by forecasting projected cash flows and maintaining a balance between continuity of funding and flexibility. Treasury controls and procedures are in place to ensure that sufficient cash is maintained to cover daily operational and working capital requirements. Management closely monitors the Parent Company's future and contingent obligations and sets up required cash reserves as necessary in accordance with internal requirements.

The following are the contractual maturities of financial assets and financial liabilities, including estimated interest payments and excluding the impact of netting agreements of the Parent Company:

	2024			
	3 to 12 months	More than 1 year to 5 years	More than 5 years	Total
Financial assets:				
Cash in banks	377,980	-	-	377,980
Receivables, net	1,555,645	-	-	1,555,645
Due from related parties	21,687,092	-	-	21,687,092
Rent deposits	-	14,125	-	14,125
Advances	-	703,651	-	703,651
	23,620,717	717,776	-	24,338,493
Financial liabilities:				
Trade payables and other current liabilities*	72,023	-	-	72,023
Due to related parties	584,001	-	-	584,001
Lease liabilities, including future interest	31,646	68,117	-	99,763
	687,670	68,117	-	755,787
Net financial assets	22,933,047	649,659	-	23,582,706

	2023			
	3 to 12 months	More than 1 year to 5 years	More than 5 years	Total
Financial assets:				
Cash in banks	74,309	-	-	74,309
Receivables	1,555,645	-	-	1,555,645
Due form related parties	13,470,945	-	-	13,470,945
Rent deposits	-	11,274	-	11,274
Advances	-	703,651	-	703,651
	15,100,899	714,925	-	15,815,824
Financial liabilities:				
Trade payables and other current liabilities*	82,171	-	-	82,171
Due to related parties	3,475,782	-	-	3,475,782
	20,302	66,401	-	86,703
Net financial assets	3,578,255	66,401	-	3,644,656
	11,522,644	648,524	-	12,171,168

Trade and other payables exclude payable to government agencies as at December 31, 2024 amounting to P9,908 (2023 – P9,970).

17.4 Market risk

Market risk is the risk that changes in market prices that will affect the Parent Company's income or the value of its holdings of financial instruments. The objective of market risk is to manage and control market risk exposures within acceptable parameters. while optimizing the returns.

Equity price risk

Equity price risk is such risk where the fair values of investments in quoted equity securities could decrease as a result of changes in the levels of equity indices and the value of individual stocks. The management strictly monitors the movement of the share prices pertaining to its investments. The Parent Company is exposed to equity securities price risk because of investments held by the Parent Company, which are classified in the parent company statement of financial position as financial asset at FVOCI as at December 31, 2023 (Note 6).

Fair values

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

Cash/receivables/due from related parties/ advances/ rent deposits/dividend and other payables/short-term loans payable/due to related parties

The carrying amount cash approximates its fair value since it cart be readily withdrawn and used for operations. The carrying amounts of receivables, due from related parties, dividend and other payables, short-term loans payable and due to related parties approximate their fair values due to liquidity, short maturity and nature of these financial instruments. The carrying amount of rent deposit approximates its fair value as the effect of discounting using the prevailing market rate is not significant.

17.5 Capital management

The Parent Company's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flows to selective investments. The Parent Company sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The BOD monitors the return on capital, which the Parent Company defines as net operating income divided by total shareholders' equity. The BOD also monitors the level of dividends to shareholders.

The BOD has overall responsibility for monitoring of capital in proportion to risk. The BOD seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Parent Company defines capital as equity, which includes share capital, additional paid-in capital, retained earnings (deficit) and fair value reserve equity amounting to P28,848,302 (2023 - P17,654,776). There were no changes in the Parent Company's approach to capital management as at December 31, 2024 and 2023.

The Parent Company is not subject to externally imposed capital requirements.

18. Summary of material accounting policies

18.1 Basis of preparation

The Parent Company's financial statements have been prepared on a historical cost convention basis, except for certain financial assets carried at FVOCI.

The Parent Company financial statements are presented in Philippine Peso, the Parent Company's functional and presentation currency. All values are rounded to the nearest thousands (000), except when otherwise indicated.

Statement of compliance

The financial statements of the Parent Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards,
- PAS Standards, and
- Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), Philippine Interpretations Committee (PIC), and Standing Interpretations Committee (SIC) as approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and the Board of Accountancy, and adopted by the Securities and Exchange Commission (SEC).

The preparation of financial statements in conformity with PFRS Auditing Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 16.

The Parent Company also prepares and issues consolidated financial statements in compliance with PFRSs. These are filed with and may be obtained from the Philippine SEC and PSE.

18.2 Changes of accounting policies and disclosures

New standards, amendments and interpretations adopted by the Parent Company

A number of new standards, amendments, and interpretations to existing standards are effective for annual periods after January 1, 2024, and have not been early adopted nor applied by the Parent Company in preparing these financial statements. None of these standards are expected to have significant effect in the financial statements of the Parent Company.

- Amendments to PAS 1, Classification of Liabilities as Current or Non-current

  The amendments clarify:

  - The only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
  - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments had no impact on the Parent Company's financial statements because the Parent Company's accounting policies are aligned with the amendments to PAS 1.

- Amendments to PAS 16, Lease Liability in a Sale and Leaseback

  The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in such a way that it does not recognize any gain or loss that relates to the right of use it retains.

  The amendments had no impact on the Parent Company's financial statements because the Parent Company does not have any sale and leaseback transactions.

- Amendments to PAS 7 and PFRS 7, Disclosures: Supplier Finance Arrangements

  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

  The amendments had no impact on the Parent Company's financial statements because the Parent Company does not have any supplier finance arrangements.

18.3 Financial assets

Classification and presentation

The Parent Company classifies its financial assets in the following measurement categories:

a) those to be measured subsequently at fair value (either through OCI or through profit or loss), and;
b) those to be measured at amortized cost.

The classification depends on the Parent Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Parent Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income, otherwise it will be recognized at fair value through profit or loss.

The Parent Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The Parent Company shall reclassify financial assets when and only when its business model for managing those assets changes.

The Parent Company has cash, receivables, due from related parties and rent deposits (included in "Other noncurrent assets" account in the statement of financial position) classified as financial asset at amortized cost. It also has investment in equity securities classified as financial asset at FVOCI. The Parent Company has no financial asset designated as financial asset at FVPL.

Recognition

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trade) are recognized on the trade date,
i.e., the date that the Parent Company commits to purchase or sell the asset.

Measurement

At initial recognition, the Parent Company measures a financial asset at amortized cost, FVOCI and fair value through profit or loss (FVPL). In the case of a financial asset at amortized cost are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets at amortized cost (debt instruments)

Subsequent measurement of debt instruments depends on the Parent Company's business model for managing the asset and the cash flow characteristics of the asset.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income (expenses), net, using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other income (expenses), net, together with foreign exchange gains and losses. Impairment losses are presented in administrative expenses in the statement of total comprehensive income. The Parent Company's financial assets at amortized cost consist of cash and cash equivalents, trade receivables and due from related parties (Note 16).

Financial assets designated at FVOCI (equity instruments)

The Parent Company subsequently measures all equity investments at fair value. Where management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Parent Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Dividends are recognized as other income in the statement of total comprehensive income when the right of payment has been established, except when the benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income (OCI). Equity instruments designated at FVOCI are not subject to impairment assessment.

The Parent Company elected to classify irrevocably its listed equity investment under this category.

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 (i.e., removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired; or
- The Parent Company 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; and
- Either (a) the Parent Company has transferred substantially all the risks and rewards of the asset, or (b) the Parent Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Parent Company assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With the exception of purchased or originated credit impaired financial assets, expected credit losses are required to be measured through a loss allowance at an amount equal to:

- 12-month expected credit losses (ECLs) - these are ECLs that result from default events that are possible within 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs - these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

For cash in banks, receivables, due from related parties and rent deposits. the Parent Company applies a general approach in calculating ECLs. The Parent Company 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 on its cash in bank since initial recognition.

The Parent Company considers a financial asset to be in default when internal or external information indicates that it is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Parent Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(i) Simplified approach

The Parent Company applies the simplified approach to provide for ECLs for all trade receivables arising from contracts with third party customers. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

(ii) General approach

The Parent Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the parent company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

The Parent Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations in full, without recourse by the parent company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due or longer depending on the historical experience with particular customers.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Parent Company is exposed to credit risk.

Credit-impaired financial assets

At each reporting date, the parent company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the counterparty;
- a breach of contract such as actual default; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Impairment losses and subsequent recoveries on financial assets are presented in administrative expenses within operating profit.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in profit or loss. Reversals of previously recorded impairment provision are based on the result of management's update assessment, considering the available facts and changes in circumstances, including but not limited to results of recent discussions and arrangements entered into with customers as to the recoverability of receivables at the end of the reporting period. Subsequent recoveries of amounts previously written-off were credited against operating expense in profit or loss.

18.4 Financial liabilities

Classification and presentation

The Parent Company classifies its financial liabilities in the following categories: (a) financial liabilities at fair value through profit or loss (including financial liabilities held for trading and those that are designated at fair value); and (b) financial liabilities at amortized cost. The classification depends on the purpose for which the financial liabilities were incurred. Management determines the classification of its financial liabilities at initial recognition.

The Parent Company has no financial liabilities at FVPL or derivative liabilities designated as hedging instruments during and at the end of each reporting period.

Financial liabilities at amortized cost

Financial liabilities that are not classified as at fair value through profit or loss fall into this category and are measured at amortized cost. They are included in current liabilities, except for maturities more than twelve months after reporting date which are classified as non-current liabilities.

The Parent Company's financial liabilities include trade and other payables (excluding payables to government agencies for value-added tax, withholding and other taxes), short-term and long-term loans payable, trade payables and other current liabilities and due to related parties.

Initial recognition and subsequent measurement

The Parent Company recognizes a financial liability in the statement of financial position when it becomes a party to the contractual provisions of the instrument.

The Parent Company financial liabilities at amortized cost are initially measured at invoice amount, which approximates fair value plus transaction costs. Loans payable measured net of directly attributable transaction costs.

Subsequently, these are measured at amortized cost using the effective interest method. Interest expense on financial liabilities is recognized within finance cost, at gross amount, in profit or loss.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as interest expense in the Parent Company's statement of total comprehensive income.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the parent company's statement of total comprehensive income.

18.5 Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Parent Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting date, with the resulting value discounted back to present value.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Parent Company's FVOCI financial assets with quoted market price are valued using Level 1 of the fair value hierarchy and those with unquoted market price are measured at cost.

For non-financial assets, the parent company uses valuation techniques that are appropriate in the circumstances and applies the technique consistently. The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the parent company will not fulfill an obligation.

18.6 Offsetting of financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the parent company or the counterparties.

18.7 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from date of acquisition. These are measured in the statement of financial position at fair value and subsequently carried at amortized cost which approximates the face or nominal amount. Cash in bank earns interest at the prevailing bank deposit rate.

18.8 Prepayments and other current assets

Prepayments are recognized in the statement of financial position in the event that payment has been made in advance of obtaining right of access to goods or receipt of services and measured at nominal amounts. They are included in current assets, except for maturities greater than twelve months after the reporting date, which are classified as non-current assets. These are derecognized in the statement of financial position upon delivery of goods or when services have been rendered, through amortization over a certain period of time, and use or consumption.

Other current assets consist substantially of input value-added tax (VAT) and creditable withholding taxes which are recognized as assets in the period such input value-added tax and income tax payments become available as tax credits to the Parent Company and carried over to the extent that it is probable that the benefit will flow to the Parent Company.

18.9 Investments and advances

Subsidiary

The Parent Company controls an investee if and only if the Parent Company has:

- Power over an investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Subsidiaries are fully consolidated from the date on which control is transferred to the Parent Company. They are deconsolidated from the date that control ceases.

Accounting policies and reporting period of its subsidiaries are consistent with the policies adopted by and the reporting period of the Parent Company.

Investment in a subsidiary is accounted for using the cost method in the financial statements. Under this method, investments are initially measured at cost which is the fair value of the consideration paid by the parent company (as investor) and includes transactions costs directly attributable to the acquisition. Subsequently, investment in a subsidiary is measured at cost and are not subsequently remeasured, less any impairment.

Income from an investment (i.e., dividend declared by subsidiaries) is recognized in the profit or loss only to the extent that the parent company (as investor) receives distribution from accumulated profits of the investee arising after the acquisition date. Distributions received in excess of such accumulated profits are regarded as a recovery of investment and are recognized as a reduction of the cost of the investment.

The Parent Company determines at each reporting date, and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, whether there is objective evidence that the investment in subsidiary is impaired. If this is the case, the Parent Company calculates the amount of impairment as the difference between the recoverable amount of a subsidiary and its carrying value and allowance is set up for any substantial or permanent decline in the carrying value of an investment in a subsidiary.

The investment in a subsidiary is derecognized upon disposal, loss of control, or when no future economic benefits are expected to arise from the investment. Gain or loss arising on the disposal is determined as the difference between the sales proceeds and the carrying amount of the investment in subsidiary and is recognized in the profit and loss statement.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired in the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of a subsidiary

When the Parent Company ceases to have control, any retained interest in the subsidiary is re-measured to its fair value at the date when control is lost, with the change in carrying amount generally recognized in profit or loss. The fair value is the initial carrying amount for purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that subsidiary are accounted for as if the Parent Company had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the Parent Company surrenders control to a related party within the group it ultimately belongs, the difference between the consideration received and the fair value of the subsidiary at divestment date, is recognized as other charges to equity.
Investments in subsidiaries as at December 31, 2024 and 2023 are listed as follows:

	Percentage of ownership		Country of incorporation
Subsidiaries	2024	2023	
AB Leisure Exponent, Inc. (ABLE) and subsidiaries	100	100	Philippines
AB Leisure Global, Inc. (ABLGI)	100	100	Philippines
LR Land Developers, Inc. (LRLDI)	100	100	Philippines
Prime Investment Korea, Inc. (PIKI)	100	100	Philippines
Total Gamezone Xtreme Incorporated (TGXI)	100	100	Philippines
Gamemaster Integrated Inc. (formerly G-Boracay Beta Holdings Inc. (GBBHI)**	100	-	Philippines
Diginvest Holdings Inc. (Diginvest)	100	-	Philippines
Blue Chip Gaming and Leisure Corporation (BCGLC)	100	100	Philippines
LR Data Center and Solutions Inc. (LRDCSI)	80	80	Philippines
First Cagayan Leisure and Resort Corporation (FCLRC)	97.27	87.27	Philippines
Bingo Bonanza (HK) Limited (BBL)*	60	60	Hong Kong

**Deregistered*
*** Indirect subsidiary of ABLGI as at December 31, 2023.*

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

In 2024, the Parent Company acquired additional 10% minority interest in FCLRC, increasing its ownership interest to 97.27% in 2024 from 87.27% in 2023.

On July 12, 2024, the BIR has issued the Certificate Authorizing Registration of transfer of 100% shares in Gamemaster Integrated Inc. from GBLHI to DigiPlus Interactive Corp.

Joint arrangements

Under PFRS 11, Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Parent Company does not have arrangements classified as joint operations.

Interests in joint ventures are accounted for using the equity method, after initially being recognized at cost in the balance sheet.

18.10 Property and equipment

Property and equipment is initially measured and recognized at acquisition cost which comprises of purchase price and any directly attributable cost of bringing the asset to working condition and location for intended use.

After initial measurement, property and equipment is stated at historical cost less accumulated depreciation, amortization and impairment, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Parent Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Construction in progress, which represents properties under construction, is stated at cost and depreciated only when the relevant assets are completed and ready for operational use. Upon completion, these properties are reclassified to their appropriate class of property, plant and equipment.

Leasehold improvements are amortized over the shorter of lease term or estimated useful life of the improvements. Lease term takes into consideration renewal options.

Land is recognized at fair value based on periodic, but at least triennial, valuations by external independent valuers. A revaluation surplus is credited to other comprehensive income in the statement of shareholders' equity. Land is not depreciated.

It is the Parent Company's policy to classify right-of-use assets as part of property and equipment. The Parent Company recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses. and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Unless the Parent Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right of-use assets are depreciated on a straight - line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

Depreciation on other assets is computed on the straight-line method to allocate the cost of each asset, less its residual value, over its estimated useful life (in years), determined based on the Parent Company's historical information and experience on the use of such assets, as follows:

Asset	Number of years
Leasehold improvements	5 or term of the lease, whichever is shorter
Aircraft and transportation equipment	5-15
Gaming equipment	5
Office furniture, fixtures, and equipment	5
Network equipment	10
Condominium unit	25
Right-of-use asset	1-25

The Parent Company estimates the useful life of its airstrip improvement based on the period over which the asset is expected to be available for use.

The asset's residual values and useful lives are reviewed, and adjusted as appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal at which time the cost and their accumulated depreciation are removed from the disposal accounts.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the assets and are credited or charged to profit or loss.

18.11 Impairment of non-financial assets

Non-financial assets that have an indefinite useful life, such as goodwill, are not subject to amortization and are tested annually for impairment. Other non-financial assets, mainly property, and equipment, lease rights, and investment properties, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units or CGUs). Impairment losses, if any, are recognized in profit or loss. When impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but the increased carrying amount should not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. Reversals of an impairment loss are credited in profit or loss.

18.12 Trade payables and other current liabilities

Trade payables and other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business with suppliers.

Trade payables and other liabilities are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Parent Company is established or when the corresponding assets or expenses are recognized. These are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables and other liabilities are recognized initially at invoice amount, which represent fair value, and subsequently measured at amortized cost using effective interest method.

These are derecognized when extinguished or when the obligation is discharged, cancelled or has expired.

18.13 Loans payable

Loans payable are recognized initially at fair value, net of transaction costs incurred. Loans payable are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

Loans payable are classified as current liabilities unless the Parent Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Loans payable are derecognized when the obligation is settled, paid or discharged.

18.14 Deposit for future stock subscription

Deposits for future stock subscriptions represent cash receipts to be applied as payment for additional subscription of unissued shares or shares from an increase in authorized capital stock, outstanding subscriptions receivables, or additional paid-in capital, and are reported as a separate line item in the statement of financial position upon compliance with the requirements of the Philippine SEC.

The Parent Company classifies deposits for future stocks subscriptions under equity as a separate account from capital stock if, and only if, all of the following elements are present as of the end of the reporting period:

- the unissued authorized capital stock of the entity is insufficient to cover the number of shares indicated in the contract;
- there is BOD's approval on the proposed increase in authorized capital stock (for which a deposit was received by the Company);
- there is stockholders' approval of said proposed increase; and
- the application for the approval of said proposed increase has been presented for filing or has been filed with the Philippine SEC.

If any of the foregoing elements are not present, the deposit is recognized as a liability.

18.15 Equity

Capital stock

Common and preferred shares are stated at par value and are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Additional paid-in capital

Any amount received in excess of par value shares is credited to additional paid in capital which forms part of the non-distributable reserve of the Parent Company and can be used only for purposes specified under the Corporate Code.

Share issuance cost

Share issuance costs incurred for the listing and offering process of the Parent Company are recognized as deduction to the additional paid in capital in accordance with PIC - Question and Answer (PIC - Q&A) 2011-04.

Treasury shares

When share capital is repurchased, the amount of the consideration paid, which includes directly/ attributable costs, net of any tax effects, is recognized as a deduction from equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus on the transaction is transferred to additional paid-in capital, while the resulting deficit is applied against additional paid-in capital and retained earnings, for any excess of deficit over the additional paid-in capital arising from treasury shares transactions. Preferred shares that are redeemed and not cancelled are presented as treasury shares.

Fair value reserve

Fair value reserve represents cumulative net change in the fair value of FVOCI, net of tax effect, as at reporting date.

Retained earnings

Retained earnings represents the cumulative balance of periodic profit/loss, dividend distributions, prior period adjustments and effect of changes in accounting policy and capital adjustments.

Dividend distribution to the shareholders is recognized as a liability in the financial statements in the period in which the dividends are approved and declared by the Parent Company's BOD.

18.16 Earnings per share (EPS)

Basic EPS is computed by dividing the profit attributable to the owners of the Parent Company by the weighted average number of shares in issue during the year, excluding ordinary shares purchased by the Parent Company held as treasury shares.

The diluted EPS is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary shares, if any. Net income attributable to common shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential common shares. Where the effect of the warrants is anti-dilutive, basic and diluted earnings per share are stated at the same amount.

18.17 Cost and expense recognition

Costs and expenses are recognized when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Costs and expenses are recognized:

(i) on the basis of a direct association between the costs incurred and the earning of specific items of income;
(ii) on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or
(iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position.

18.18 Leases

When the Parent Company enters into an arrangement, comprising a transaction or a series of related transactions, that does not take the legal form of a lease but conveys a right to use an asset or is dependent on the use of a specific asset or assets, the Parent Company assesses whether the arrangement is, or contains, a lease. The Parent Company does not have such arrangements during and at the end of each reporting period.

The Parent Company is the lessee

The Parent Company recognizes leases as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use.

Assets and liabilities arising from a lease are initially measured on a present value basis. The interest expense is recognized in the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Measurement of lease liabilities

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantee
- the exercise price of a purchase option if the lessee is reasonably certain to exercise the option
- payments of penalties for terminating the lease, if the lease term reflects the termination.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the Parent Company’s leases, the lessee’s incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Parent Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received,
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held for entities which do not have recent third-party financing, and
- makes adjustments specific to the lease (i.e. term, currency and security).

Lease payments are allocated between principal and interest expense. The interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Measurement of right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is revised only if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Short-term leases and leases of low-value assets

The Parent Company 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.

18.19 Employee benefits

Retirement benefits liability

The Parent Company has a defined benefit retirement plan managed by its subsidiaries, ABLE and FCLRC, which is based on the provisions of Republic Act RA 7641. A defined benefit plan is a pension plan that defined an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability (or asset) recognized in the statement of financial position is the present value of the defined benefit obligation less fair value of the plan assets at the reporting date. In cases when the amount determined results in an asset, the Parent Company measures the resulting asset at the lower of such amount determined and the present value of any economic benefits available to the Parent Company in the form of refunds or reductions in future contributions to the plan. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity which approximate the terms of the related retirement benefit obligation.

Remeasurement gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity (within reserve for remeasurement on retirement benefit) in other comprehensive income in the period in which they arise.

Past service costs are recognized immediately in profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Termination benefits

Termination benefits are payable when employment is terminated by the Parent Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Parent Company recognizes termination benefits at the earlier of the following dates: (a) when the Parent Company can no longer withdraw the offer of those benefits; and (b) when the Parent Company recognizes costs for a restructuring that is within the scope of PAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after the end of the reporting period are discounted to their present value.

Share-based payments

Share-based compensation benefits are provided to employees via the Group's employee share option plan, an employee share scheme. Information relating to this scheme is set out in Note 10.

The fair value of options granted under the Group's employee share option plan is recognized as an employee benefits expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of share options granted.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. The entity recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

18.20 Income taxes

The tax expense for the period comprises current and deferred income tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishing provisions where appropriate on the basis of amounts to be paid to tax authorities.

DIT is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related DIT asset is realized, or the DIT liability is settled.

DIT assets are recognized for all deductible temporary differences, carry-forward of unused tax credits from excess minimum corporate income tax (MCIT) and unused tax losses (net operating loss carryover or NOLCO) to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. DIT assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses

The Parent Company re-assesses at each reporting date the need to recognize a previously unrecognized DIT asset, if any.

DIT assets and liabilities are derecognized when the related temporary difference is realized or settled.

18.21 Related party transactions and relationships

Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

19. Supplementary information required by the Bureau of Internal Revenue (BIR)

The Parent Company reported and/or paid the following types of taxes for the year ended December 31, 2024:

(a) Value-added tax (VAT)

The Parent Company does not have transactions subject to output VAT for the year ended December 31, 2024.

Amount of input VAT recognized for the year ended December 31, 2024 are as follows:

	Amount
Input VAT	
Beginning of the year	45,685
Domestic purchase of services	19,169
	64,854

(b) Importations

The Parent Company does not have importations and customs tariff and fees paid for the year ended December 31, 2024.

(c) Excise taxes

The Parent Company does not have transactions subject to excise taxes for the year ended December 31, 2024.

(d) Documentary stamp tax

For the year ended December 31, 2024, the Parent Company paid DST on stock subscription amounting to P277.

(e) Withholding taxes

Amount of withholding taxes paid and accrued for the year ended December 31, 2024 are as follows:

	Paid	Accrued	Total
Withholding tax on compensation	94,311	3,477	97,788
Expanded withholding tax	4,559	6,166	10,725
Final withholding taxes	45,032	1,375	46,407
	143,902	11,018	154,920

(f) Other taxes

Other taxes paid during the year recognized under “taxes and licenses” in profit or loss for the year ended December 31, 2024 follows:

	Amount
License and permit fees	5,125
Documentary stamp tax	551
Others	258
	5,934

(g) Tax assessments

The Parent Company has not received any Final Assessment Notice (FAN) for the year ended December 31, 2024.

(h) Tax cases

The Parent Company has no outstanding tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside of the BIR as at December 31, 2024.

DigiPlus Interactive Corp.

Reconciliation of Parent Company's Retained Earnings
Available for Dividend Declaration
As at December 31, 2024
All Amounts in Philippine Peso
(Part 1, 4C, Annex 68-C)

Unappropriated Retained Earnings, beginning of the year		6,159,506
Less:		
Category A: Items that are directly credited to unappropriated retained earnings		-
Category B. Items that are directly debited to Unappropriated retained earnings		-
Dividend declared during the year	(793,379)	
Retained earnings appropriated during the year	(7,300,000)	(8,093,379)
Unappropriated retained earnings, as adjusted		(1,933,873)
Add/Less: Net Income for the current year		11,992,153
Less:		
Category C.1: Unrealized income recognized in the profit or loss during the year (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	-	
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	-	-
Total Retained Earnings, end of the year available for dividend declaration		**10,058,280**

From: noreply-cifssost@sec.gov.ph
Sent: Saturday, April 5, 2025 12:25 AM
Subject: SEC eFast Initial Acceptance

Warning: This email is from an external sender, be cautious! Do not open attachments or click on links if you do not recognize the sender!

Greetings!

SEC Registration No: 0000013174
Company Name: LEISURE & RESORTS WORLD CORP.
Document Code: AFS

This serves as temporary receipt of your submission.
Subject to verification of form and quality of files of the submitted report.
Another email will be sent as proof of review and acceptance.

Thank you.

REMINDER:
TO ALL FILERS OF REPORTS IN THE e-FAST

Please strictly follow the instruction stated in the form.

Filings not in accordance with the prescribed template for the following reports will be automatically reverted by the system to the filer.

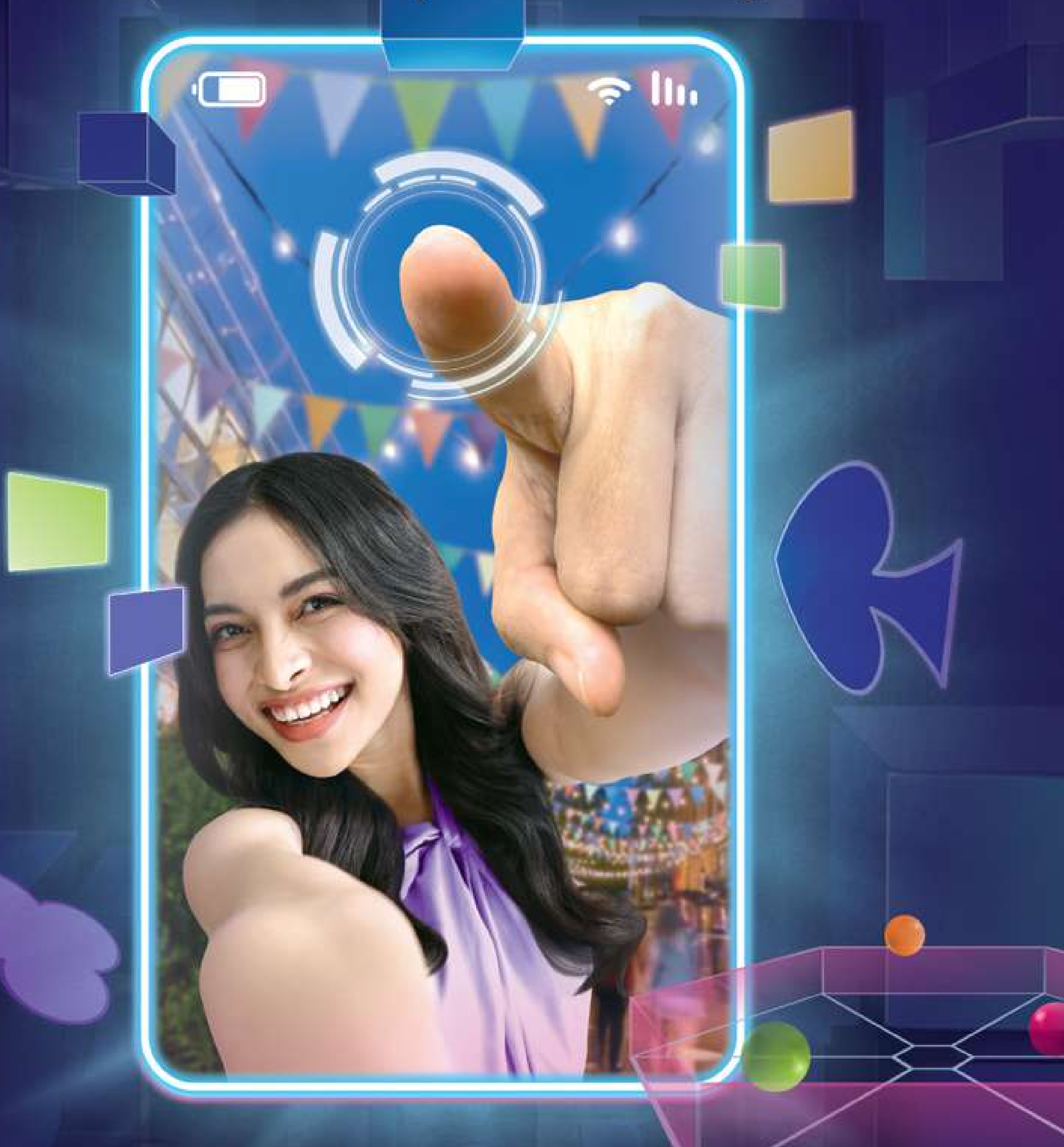
1. General Information Sheet (GIS-Stock)
2. General Information Sheet (GIS-Non-stock)
3. General Information Sheet (GIS- Foreign stock & non-stock)
4. Broker Dealer Financial Statements (BDFS)
5. Financing Company Financial Statements (FCFS)
6. Investment Houses Financial Statements (IHFS)
7. Publicly – Held Company Financial Statement
8. General Form for Financial Statements
9. Financing Companies Interim Financial Statements (FCIF)
10. Lending Companies Interim Financial Statements (LCIF)

Per Section 18 of SEC Memorandum Circular No. 3 series of 2021, the reckoning date of receipt of reports is the date the report was initially submitted to the eFast, if the filed report is compliant with the existing requirements.

A report, which was reverted or rejected, is considered not filed or not received. A notification will be sent to the filer, stating the reason for the reports rejection in the remarks box.

SECURITIES AND EXCHANGE COMMISSION
SEC Headquarters, 7907 Makati Avenue,
Salcedo Village, Barangay Bel-Air, Makati City,
1209, Metro Manila, Philippines

Reimagining fun, the Filipino way



digiplus

2024 INTEGRATED REPORT

About the cover

The DigiPlus 2024 Integrated Report "Reimagining fun, the Filipino way" is an homage to the timeless magic of Filipino carnival classics – reimagined through the lens of modern entertainment. It honors the games that have shaped generations and brought communities together, now elevated to create deeper, more immersive experiences that resonate with today's Filipinos.

By seamlessly blending cutting-edge technologies with time-honored traditions, DigiPlus breathes new life into the experiences that define local traditions. More than just gaming, DigiPlus serves as a bridge between the past and the future, proving that while technology evolves, the heart of Filipino culture remains timeless in ways that feel both familiar and new.

Table of contents

01

About the report

About the report

Reporting scope

This integrated report provides detailed information on the financial, environmental, social, and governance (ESG) performance of DigiPlus Interactive Corp. and its subsidiaries from January 2024 to December 2024.

Reporting standards and framework

The 2024 DigiPlus Integrated Report is aligned with the International Integrated Reporting Council (IIRC) framework which aims to provide information on the value creation process of DigiPlus. The Integrated Reporting framework guides the content structure of this report. DigiPlus also references the Sustainable Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) to disclose sustainability information and metrics that align with its material themes.

Note on forward-looking statements

These statements reflect management's beliefs and current information. Actual results may differ from these statements. Factors like economic recovery, spending levels, and consumer confidence can impact results. DigiPlus advises caution when relying on these statements. The company may update statements but does not commit to frequent updates.

Report feedback

DigiPlus encourages its stakeholders to share their feedback on this report through investorrelations@digiplus.com.ph.

02

Message from the Chairman

digiplus

Message from the Chairman

Fellow shareholders,

In 2024, DigiPlus evolved beyond being just a gaming company. We have turned innovation into impact, disruption into dominance, and entertainment into an experience like no other.

What began as a single-category gaming platform has now evolved into a dynamic, multifaceted ecosystem that offers a broad spectrum of entertainment experiences. More than gaming, DigiPlus is driving economic growth, fostering innovation, and redefining the digital entertainment experience for millions of Filipinos.

Our growth trajectory has been unprecedented in 2024: with an almost threefold revenue increase, a market capitalization that has more than tripled, and a growing community of over 40 million registered users. But beyond the numbers, what truly defines DigiPlus is our ability to create lasting impact—not only for our investors and stakeholders but also for the Filipino people who trust us to deliver safe, engaging, and rewarding entertainment experiences.

A thriving industry strengthened by regulation

The Philippine iGaming industry is entering a golden era, driven by digital adoption, evolving player behaviors, and a well-regulated environment that fosters responsible gaming.

A key development in 2024 was the harmonization of tax rates for electronic gaming under PAGCOR, providing much-needed structure and stability to the industry. This regulatory milestone has reinforced the sustainability of responsible operators like DigiPlus, paving the way for continued innovation, investment, and expansion.

At the core of this transformation is the Filipino player—digitally savvy, mobile-first, and eager for richer, more immersive entertainment experiences. AI-powered gaming, real-time social play, and seamless digital payments are no longer just emerging trends—they are now industry standards.

Record-breaking financial performance

2024 was a landmark year for DigiPlus, marked by unparalleled revenue growth and strengthened financial fundamentals. Revenue soared to ₱75.2 billion, almost tripling from ₱27.3 billion in 2023 and up ninefold from ₱8.9 billion in 2022. EBITDA reached ₱13.9 billion, demonstrating a robust 192% year-over-year increase from ₱4.8 billion in 2023. Net income surged to ₱12.6 billion, compared to ₱4.1 billion in 2023 and just ₱687 million in 2022.

Our net cash position of ₱13.9 billion, up 327% from the previous year, underscores our financial strength and operational efficiency. With a current debt-to-equity ratio of just 0.4, we are well-positioned to sustain our aggressive growth trajectory while maintaining fiscal prudence.

DigiPlus delivered substantial returns to shareholders, with a dividend payout of ₱0.86 per share. Investor confidence soared as our share price climbed to ₱27.15 per share, up from ₱8 in 2023 and ₱2.41 in 2022, bringing our market capitalization to ₱119.67 billion. These numbers reflect more than just growth—they demonstrate the strength of our strategy, the resilience of our business model, and the trust of our stakeholders.

Revenue
₱75.2B
+176%
Year-on-year

EBITDA
₱13.9B
+192%
Year-on-year

Net Income
₱12.6B
+207%
Year-on-year

BingoPlus: The super app for digital entertainment

Our flagship BingoPlus platform continues to strengthen its leadership. It has become the ultimate digital entertainment super app – a one-stop destination for bingo, reels, sports betting, and live-streamed games. With a library of over 1,000 games, BingoPlus continues to be the platform of choice for millions of Filipino players.

This year, it earned industry-wide recognition as the "Reliable Gaming Brand" at the Manila Bulletin Newsmakers Awards – a testament to the trust we have built with our players. The platform also made history with record-breaking jackpots, including a ₱312.5 million grand prize winner, and a remarkable streak where new millionaires were made daily through Lucky Spin.

One of the platform's most impactful innovations is its digital revival of Filipino carnival games. By transforming these beloved fiesta staples into interactive, tech-powered experiences, BingoPlus has delivered a unique fusion of culture and technology. Real-time engagement, multiplayer mechanics, and intuitive gameplay have made this offering a game-changer in Filipino digital entertainment—proving that tradition, when modernized thoughtfully, can create immersive and culturally resonant entertainment.

ArenaPlus: Strengthening sports entertainment

Beyond gaming, DigiPlus continues to reshape the sports entertainment landscape through ArenaPlus, which has become the official sports entertainment gateway of the Philippine Basketball Association (PBA). In recognition of its market presence and innovation, ArenaPlus was named "Best Sportsbook Operator for 2024" at the SIGMA Awards. The platform has also played a key role in supporting Philippine sports, including the Olympic campaign of double gold medalist Carlos Yulo.

With the continued rise of sports gaming and interactive entertainment, ArenaPlus is well-positioned to enhance the way Filipino fans engage with their favorite teams and athletes.

GameZone: The ultimate competitive card gaming platform

GameZone is where strategy meets adrenaline. As DigiPlus' premier destination for high-stakes card games, GameZone is setting a new standard in digital competition through a platform that puts the player at the center of every experience. Featuring real-time streaming, tournament-grade infrastructure, and an exclusive Player vs. Player (PVP) mode for Tongits, GameZone offers unmatched excitement for both seasoned players and a new generation of competitive gamers.

In 2024, GameZone made history with the Tongits Champions Cup – the first-ever offline Tongits grand tournament in the Philippines that bridged digital play with on-ground fanfare and cultural relevance. Its immersive, tech-driven interface and dynamic community features allow players to go head-to-head in ways that are fast, fair, and fiercely engaging. With a strong foundation and forward momentum, GameZone is not just a gaming platform, but becoming a Filipino favorite in card gaming.

Expanding beyond borders: Brazil as the next frontier

While the Philippines remains our core market, DigiPlus is exploring new frontiers, with Brazil emerging as a strategic next step. As one of the fastest-growing regulated iGaming markets, Brazil presents an opportunity to bring our expertise in localized gaming innovation and responsible entertainment to a global audience. With a population of over 200 million and a rapidly growing digital economy, we see that our calculated entry into this market will unlock new growth avenues, allowing us to replicate our success on a global scale.

In parallel, we are establishing DigiPlus Global Pte. Ltd. in Singapore, a regional hub dedicated to attracting top-tier professionals, forging strategic alliances, and enhancing our international presence.

Sustainability and corporate responsibility

Beyond business growth, we want to ensure that our success goes hand in hand with global best practices and sustainability. In partnership with a leading climate consultant, we conducted a comprehensive climate risk assessment, marking our first step toward understanding and mitigating our environmental impact. This initiative allows us to evaluate potential risks related to climate change and integrate sustainability into our long-term business strategy.

We allocated ₱100 million to the BingoPlus Foundation, directly benefiting nearly 120,000 individuals in areas such as accessible healthcare, education, disaster resilience, and digital responsibility. In response to Typhoon Kristine, the Foundation provided ₱37 million in aid, helping affected families rebuild their lives. Another highlight is our pioneering efforts in responsible gaming, which have sparked a national conversation, reinforcing our commitment to player protection and ethical gaming practices.

DigiPlus also remains a key contributor to the Philippine economy, paying ₱33.7 billion in taxes and regulatory fees while generating over 3,000 jobs nationwide. As we continue to grow, we recognize our responsibility to operate in a way that is not only financially sustainable but also socially and environmentally conscious.

Charting new horizons in digital entertainment

As we move forward, our focus remains clear: to continuously innovate, expand our reach, and deliver unparalleled entertainment experiences. With a solid financial foundation, an expanding digital ecosystem, and a clear strategic direction, DigiPlus is poised for growth in the years ahead.

To our investors, stakeholders, employees, and loyal users – thank you for your trust and support. DigiPlus will continue to actively shape digital gaming in the Philippines, and we are just getting started.

> "In 2024, DigiPlus evolved beyond being just a gaming company. We have turned innovation into impact, disruption into dominance, and entertainment into an experience like no other."

Eusebio H. Tanco
Chairman

03

Our business and value creation

Company overview

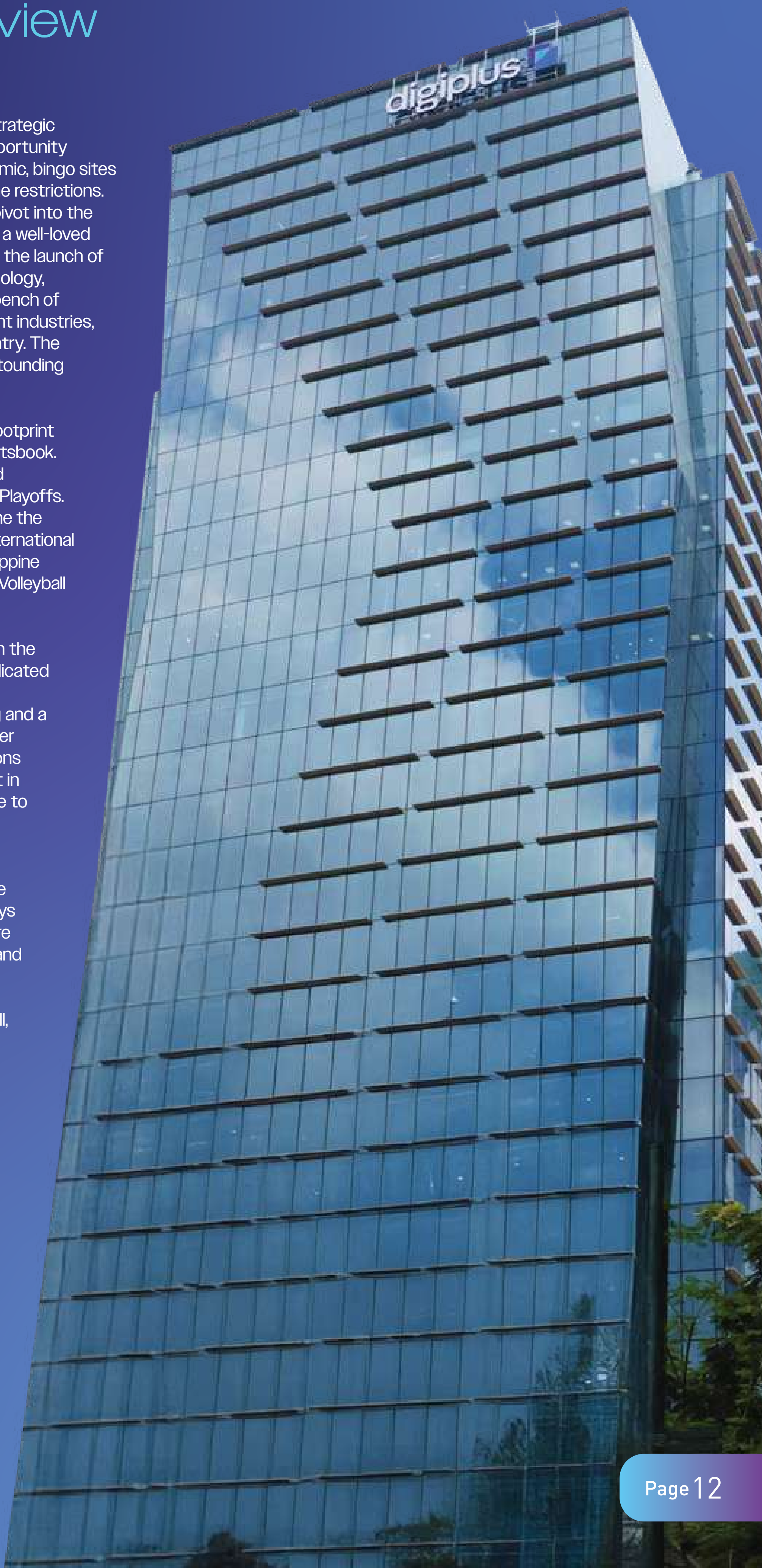
At the start of 2022, DigiPlus embarked on a strategic transformation to capture the tremendous opportunity around digital entertainment. During the pandemic, bingo sites were temporarily closed down due to quarantine restrictions. This presented an opportunity for DigiPlus to pivot into the digital entertainment market by bringing bingo, a well-loved social game among Filipinos, live online through the launch of the BingoPlus platform. Its cutting-edge technology, including live streaming capabilities, and deep bench of experts from the technology and entertainment industries, revolutionized digital entertainment in the country. The robust performance of BingoPlus drove the astounding turnaround of DigiPlus in 2022.

In February 2023, DigiPlus expanded its digital footprint with the introduction of ArenaPlus, a digital sportsbook. ArenaPlus offers live streaming of both local and international sporting events, including the NBA Playoffs. Duly licensed by PAGCOR, ArenaPlus has become the official sportsbook partner for both local and international sporting franchises like the FIBA World Cup, Philippine Basketball Association (PBA) and the Philippine Volleyball League (PVL).

DigiPlus further revolutionized the industry with the release of GameZone in August 2023. This dedicated card game platform offers cutting-edge, player-focused features such as live streaming and a Player vs. Player (PVP) game mode. In December 2024 it successfully held the 'Tongits Champions Cup', the first offline Tongits grand tournament in the Philippines, bringing the iGaming experience to new levels of excitement and competition.

Continuing its trajectory of innovation and diversification, DigiPlus unveiled its carnival game offerings in December 2023, a platform that pays homage to traditional Filipino fiestas. This feature highlights beloved local games like Color Game and Pa Pula, Pa Puti, resonating with a wide array of demographics and lifestyle preferences. A standout addition to this lineup is Pinoy Drop Ball, launched in September 2024. As the first-ever live-streamed drop ball game in the Philippines, Pinoy Drop Ball offers players an immersive experience reminiscent of local town fiestas, combined with the convenience of digital access.

With a robust ecosystem encompassing over 40 million registered users across various platforms, DigiPlus has seamlessly integrated into the fabric of Filipino lifestyle.
By harnessing cutting-edge technologies and a deep bench of experts from the technology, research and development, and gaming operations spaces, DigiPlus is well-positioned to solidify its position as the premier diversified leisure and entertainment hub, delivering enjoyable and rewarding experiences to Filipinos nationwide.



Operational highlights

Over 40 million registered users across its digital entertainment platforms

Over 1,000 games on offer

Robust offline presence with over 130 physical sites across the Philippines

Biggest jackpot awarded for Bingo Mega ₱154 million and Lucky Spin ₱312.5 million

BingoPlus

Pioneering live-streaming digital bingo platform, now offering over 1,000 games, including bingo, e-casino games, and perya classics

ArenaPlus

The Philippines' premier online sportsbook, giving sports enthusiasts an unmatched, real-time fan experience

GameZone

The ultimate competitive card gaming platform that offers cutting-edge live streaming and Player vs. Player experiences

Financial highlights

Revenue	EBITDA	Net Income	Market Cap
₱75.2B	₱13.9B	₱12.6B	₱119.7B
+176% Year-On-Year	+192% Year-On-Year	+207% Year-On-Year	As of 2024 Market Close

Sustainability and ESG highlights

Environmental responsibility

Electricity consumption =

18,268,651.41 kWh

GHG emissions

SCOPE	1	442.94 mTCO2e
	2	12,833.60 mTCO2e
	3	2,971,833.40 mTCO2e

Community impact

Over 115,000 Filipinos served through various BingoPlus Foundation programs

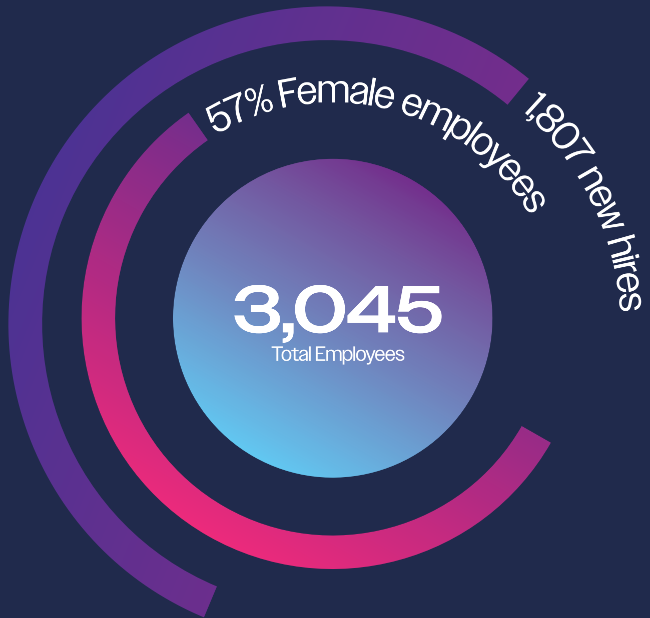
60
scholars across 20 universities funded under FutureSmart Program

Over **30K**
patients assisted through KalusuganPlus Program

Over **₱47M**
committed in relief efforts under KabuhayanPlus Program

18M Filipinos reached through Responsible Gaming campaigns

Employees and workplace



Employee turnover
764

Employee training hours
18,207

Responsible Gaming

- Integration of industry-leading responsible gaming features into DigiPlus platforms
- Launch of “Pusta de Peligro” responsible gaming campaign
- “Tamang Laro, Tamang Panalo” webinar series on excessive gaming behaviors and financial literacy

Data privacy and information security

- **0** losses of customer data
- Adoption of ISO/IEC 27001:2022 Information Security Management System (ISMS)
- Migration to Amazon Web Services (AWS)

Product portfolio

BingoPlus

The pioneer in digital bingo entertainment

BingoPlus has redefined digital entertainment in the Philippines. Launched in January 2022, it introduced the first-ever interactive, live-streaming digital bingo platform, seamlessly integrating advanced technology infrastructure with a network of over 130 physical bingo sites nationwide. Since 2022, it has expanded to offer over 1,000 games, including bingo, e-casino games, and perya classics. The BingoPlus app delivers world-class digital entertainment backed by aggressive marketing, player acquisition, and retention strategies. Its state-of-the-art livestreaming studio ensures an immersive and engaging experience, setting new industry standards.

2024 highlights

- Launched self-developed games Color Game Plus, Pa Pula, Pa Puti, and Pinoy Drop Ball
- Launched exclusive games such as Super Ace Jackpot and live casino partnership with EZEE
- Innovative features released such as Lucky Spin, Reels, and Responsible Gaming
- Awarded largest jackpot for Bingo Mega and Lucky Spin
- Awarded "Reliable Gaming Brand" at the Manila Bulletin Newsmakers Awards

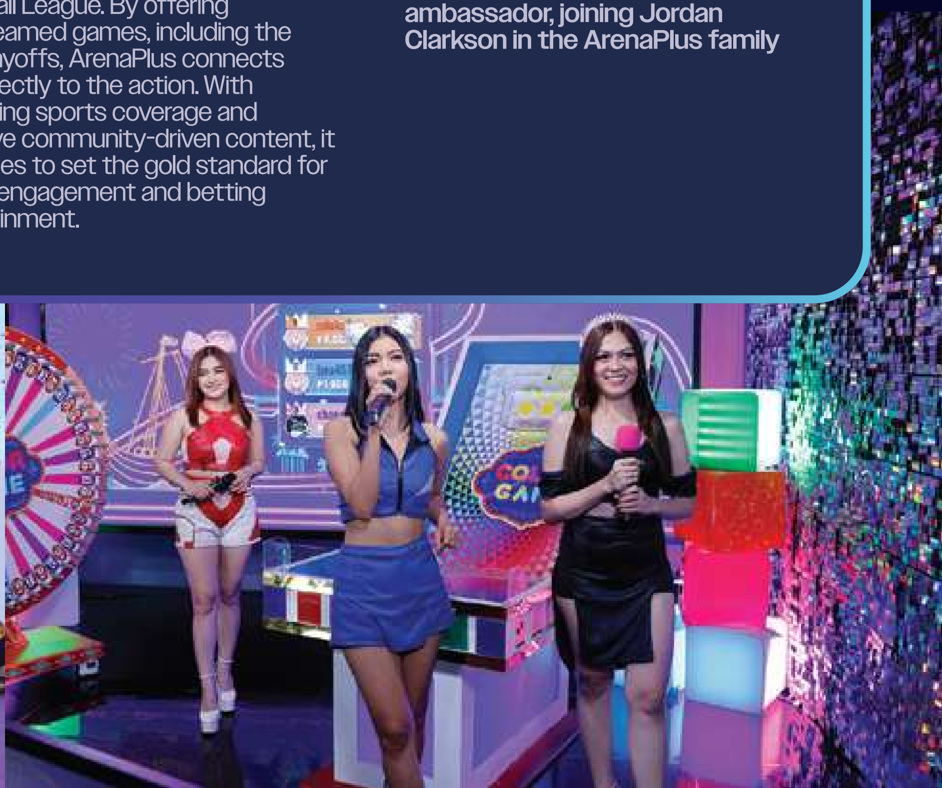
ArenaPlus

The ultimate sports betting experience

ArenaPlus is the Philippines' premier online sportsbook, giving sports enthusiasts an unmatched, real-time gaming experience. Launched in February 2023, it has become the go-to sportsbook partner for major leagues and global sporting events, including the FIBA World Cup, Philippine Basketball Association, and Philippine Volleyball League. By offering live-streamed games, including the NBA playoffs, ArenaPlus connects fans directly to the action. With expanding sports coverage and exclusive community-driven content, it continues to set the gold standard for sports engagement and betting entertainment.

2024 highlights

- Awarded "Best Sportsbook Operator for 2024" at the SIGMA Asia Awards
- Welcomed Paris Olympics double Gold medalist Carlos Yulo as brand ambassador
- Welcomed international star Austin Reeves as brand ambassador, joining Jordan Clarkson in the ArenaPlus family



GameZone

The ultimate competitive card gaming platform

GameZone is revolutionizing digital gaming with a cutting-edge, player-focused platform that offers thrilling, high-quality betting experiences. With its live streaming capability and exclusive Player vs. Player (PVP) mode for Tongits, alongside a diverse range of classic card and betting games, GameZone delivers an unparalleled level of engagement and competition. Designed for the next generation of gamers, it continuously pushes the boundaries of iGaming innovation.

2024 highlights

- **Introduced immersive gaming features such as live-streaming and tournament mode**
- **Successfully held the "Tongits Champions Cup" the first-ever offline Tongits grand tournament in the Philippines**

Revolutionizing digital entertainment with Filipino tradition

Since its launch in 2023, DigiPlus' carnival game offerings have been redefining how Filipinos experience traditional perya (carnival) games in the digital space. As a pioneer in merging heritage with technology, DigiPlus has created an immersive, high-energy gaming experience that resonates deeply with Filipino players. While the competition focuses on standard digital gaming, these offerings set DigiPlus apart by tapping into nostalgia, excitement, and cultural familiarity – giving DigiPlus a true competitive edge in the industry.

At the heart of the success of DigiPlus' carnival games are Color Game, Pa Pula, Pa Puti, and Drop Ball — three beloved games that have long been staples of Filipino fiestas. Color Game brings the thrill of anticipation as players place their bets on vibrant hues, just as they would at a local perya. Pa Pula, Pa Puti evokes the same excitement that generations of Filipinos have enjoyed. Meanwhile, Drop Ball, with its unpredictable yet exhilarating nature, keeps players engaged, making every game session an electrifying experience. These games are not just about fun; they're about preserving a cherished part of culture while making it more accessible to today's digital audience.

Drop Ball: A new fan favorite

Launched in September 2024, Drop Ball has quickly risen as a fan favorite, capturing the hearts of players with its simple yet thrilling mechanics. Just like in the traditional perya game, players watch with anticipation as the ball bounces through a maze of pegs, finally landing in a slot that determines their winnings. The mix of chance, excitement, and fast-paced gameplay has made it one of the most played and talked-about games in the BingoPlus suite.

What sets Drop Ball apart is its ability to blend the classic perya feel with cutting-edge digital enhancements. DigiPlus has optimized the game for seamless online play, ensuring a smooth experience with real-time physics, dynamic animations, and engaging audio effects that heighten the thrill of every drop. Its rapid rise in popularity signals a growing demand for games that balance simplicity, excitement, and cultural familiarity—exactly what these offerings deliver.

DigiPlus' R&D team continuously refines these games, integrating smart technology with fair play mechanisms to provide an unmatched level of engagement and trust. This commitment to both tradition and innovation is what makes these perya games a game-changer in the online entertainment space.

The overwhelming reception of these perya games prove that Filipinos crave experiences that blend modern digital entertainment with the familiarity of their cultural roots. As DigiPlus continues to expand its gaming ecosystem, the carnival game offerings stand as a testament to how the company is leading the industry—not just by offering games, but by creating experiences that feel deeply, authentically Filipino.

Financial highlights

Revenue ₱75.2 billion
+176% YEAR-ON-YEAR

EBITDA ₱13.9 billion
+192% YEAR-ON-YEAR

Net income ₱12.6 billion
+207% YEAR-ON-YEAR

In 2024, DigiPlus posted a net income of ₱12.6 billion, soaring 207 percent year-over-year, driven by the sustained momentum of its retail gaming segment, the successful launch of new self-developed live streamed games, and the continued expansion of its game portfolio.

Total revenues surged 176 percent to ₱75.2 billion, while EBITDA climbed 192 percent to ₱13.9 billion, reflecting the company's ability to scale efficiently and optimize its expanding user base. By the end of 2024, DigiPlus recorded over 40 million registered users across its digital platforms, reinforcing its leadership in the Philippine digital gaming space.

One of the biggest growth drivers was DigiPlus' introduction of uniquely Filipino, culturally resonant, and technology-driven games. The launch of Pinoy Drop Ball – a homegrown creation designed to capture the excitement of traditional perya games – marked another industry first. Launched in September 2024, Pinoy Drop Ball is the first-ever live-streamed drop ball game in the Philippines, blending tradition with digital innovation. DigiPlus invested heavily in research and development to ensure the game truly embodies the authenticity and joy of local town fiestas, while modernizing the experience for mobile gaming.

The launch of Pinoy Drop Ball, alongside Pa Pula, Pa Puti and Color Game Plus, and other proprietary live streamed, interactive game formats fueled significant revenue growth. Meanwhile, Super Ace Jackpot, introduced in August 2024, became a key driver of engagement, solidifying DigiPlus' leadership in digital gaming. Additionally, the harmonization of regulatory fees further enhanced profitability, creating a more stable environment for long-term growth.

Awards and recognitions

In 2024, DigiPlus continued to set industry standards, earning prestigious awards for excellence in digital innovation and social responsibility – both locally and globally.

- FTSE Total-Cap Index
- FTSE All-Cap Index

- MSCI Small Cap Index

- PSE MidCap Index

Fortune Southeast Asia 500

- 2025 Philippines Growth Champions (Top 3)

- Corporate Excellence Award
- Fast Enterprise Award

- Reliable Gaming Brand - BingoPlus

- **Gold Anvil:** Transformative corporate rebranding campaign
- **Silver Anvil:** 2023 Integrated Report
- **Silver Anvil:** BingoPlus Foundation's 'FutureSmart' program

- **Gold for Asia's Best Integrated Report:** First-time Category

- **Philippines Technology Excellence Award for Startup** - Media and Entertainment
- Philippines Innovator of the Year

- **Silver:** Best Brand Evolution (Corporate)
- **Silver:** Best Use of Visual Property
- **Bronze:** Best Use of Typography
- **Bronze:** Best Brand Development Project to Reflect a Change of Mission, Values, or Positioning

- **Best Sportsbook Operator** - ArenaPlus

- Excellence in Technological Advancement and Integration
- Excellence in Corporate Social Responsibility and Sustainable Practices
- Best in Corporate Governance and Ethical Practices

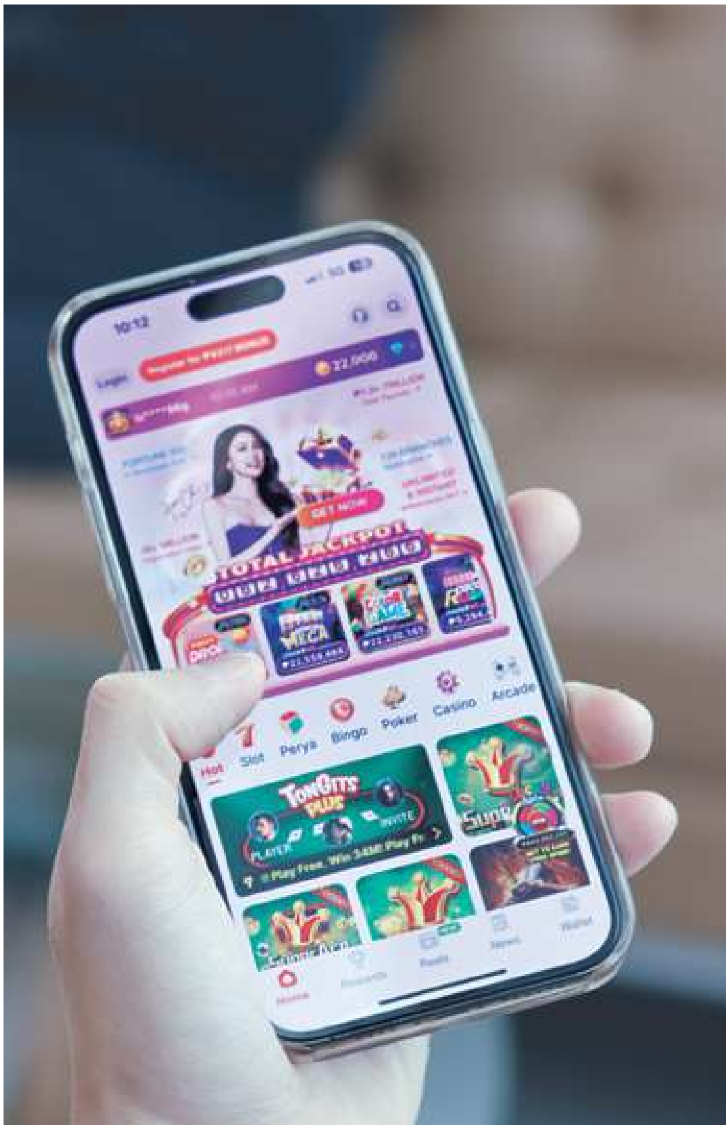
- Best Social Responsibility Campaign Award
- Excellence in ESG
- Championship in Corporate Governance Awardee

External environment

The Philippine gaming industry has experienced remarkable growth in recent years, with forecasts suggesting this upward trend will continue. In 2024 the Philippine Amusement and Gaming Corporation (PAGCOR) reported that the industry's Gross Gaming Revenue (GGR) reached ₱410 billion in 2024. The electronic games (e-games) segment was the second largest contributor to GGR with ₱155 billion accounting for 38 percent, nearly triple the numbers posted in 2023 at ₱58 billion. In 2025, PAGCOR projects industry GGR to range from ₱450 billion to ₱480 billion. This will be led by the growth of the e-games segment which is projected to increase its share to 45 percent. PAGCOR expects the performance of e-games will equal that of physical casinos in the next two or three years.

The growth momentum of iGaming is driven by digital adoption, evolving player behaviors, and a well-regulated environment that fosters responsible gaming. The easy accessibility of digital platforms enables players to enjoy their favorite games anytime and anywhere, while low minimum bets have made it possible for all types of players to participate. In addition, PAGCOR continues to bolster the sector through favorable policies, including harmonizing regulatory fees by 2025. This move is part of broader efforts to eliminate illegal iGaming and ensure the industry's long-term sustainability.

DigiPlus with its strong user base of over 40 million registered users across various digital entertainment platforms, is strategically poised to remain a leader in iGaming. By harnessing advanced technologies and tapping into a skilled team of experts in technology, research and development, and gaming operations, DigiPlus is well-equipped to continue driving innovation and maintaining its competitive edge in the industry.



DigiPlus strategy

Launch more exclusive and self-developed games to expand user base and improve profit margins

DigiPlus will continue to execute its brand value proposition of delivering locally inspired and unique gameplay experiences. By creating and offering exclusive, self-developed games, DigiPlus seeks to broaden its user base and distinguish itself in a competitive market. These games will not only resonate with current players but also draw in new users, unlocking opportunities for enhanced engagement and driving sustainable revenue growth.

Continue to diversify product portfolio to cater to different user demographics

DigiPlus is committed to expanding its product portfolio to better meet the diverse needs of its customers. By offering a wide variety of entertainment products tailored to different tastes, interests, and age groups, DigiPlus aims to attract and retain a broader user base. This approach ensures the company stays adaptable and responsive to the evolving preferences of its customers, fostering long-term growth and enhancing customer loyalty.

Leverage digital intelligence to provide tailored and seamless experience to users

DigiPlus will leverage AI and big data to enhance customer experiences, offering personalized gameplay and reinforce responsible gaming. The company will optimize for a mobile-first, seamless customer experience across all platforms and utilize insights from big data to refine marketing, retention, and product development strategies.

Opportunistically diversify in offshore markets where laws on iGaming are in place from which we can derive new sources of growth

DigiPlus will strategically expand into offshore markets with established iGaming regulations, seizing opportunities to unlock new growth potential. By entering regions with clear regulatory frameworks, the company can capitalize on emerging markets while minimizing regulatory risks. This approach will enable DigiPlus to diversify its revenue streams, enhance its global footprint, and drive sustainable growth in new markets.

Brazil as the next frontier

DigiPlus continues to redefine the digital entertainment landscape with a bold and calculated expansion into Brazil – one of the world's most dynamic and rapidly evolving markets. With a thriving digital ecosystem, a rapidly expanding consumer base, and a progressive regulatory framework, Brazil stands as the ideal next step in DigiPlus' global trajectory.

A powerhouse of opportunities

Home to over 200 million people, Brazil is the largest economy in South America and one of the most promising digital entertainment markets in the world. The country's increasing smartphone penetration and deepening engagement with online platforms highlight a growing demand for cutting-edge digital experiences.

The regulatory advancements in Brazil have further strengthened its appeal. In 2024, the country implemented a transparent and structured legal framework for the gaming industry, paving the way for a secure and sustainable digital ecosystem. By entering a fully regulated market, DigiPlus ensures that its operations align with compliance standards that foster consumer trust and long-term industry stability.

A strategic investment in the future

DigiPlus' entry into Brazil is backed by an initial capital commitment of ₱660 million, reinforcing its confidence in the market's immense potential. Brazil's well-established appetite for digital gaming further amplifies the significance of this expansion. With a culture that embraces entertainment, competition, and innovation, Brazilian players are poised to welcome a platform that prioritizes security, responsible gaming, and an unparalleled digital experience.


E PROGRESSO

DigiPlus value creation model

Inputs

Financial

Strong balance sheet enables investment in product development, technology innovation, and business expansion

Manufactured

Technology infrastructure complemented by strong distribution of physical sites

Intellectual

World-class technology infrastructure and a deep bench of talents in technology, entertainment, and operations

Human

Dedicated workforce that enables the operation and development of world-class digital entertainment platforms

Social & relationship

Building relationships with key stakeholders to deliver unforgettable experiences and positive impact

Natural

Integrate sustainability practices in operations and mitigate energy-related impacts and risks

Business model

Digital entertainment

DigiPlus embraces the boundless potential of digital entertainment and is committed to constant innovation to ensure its offerings evolve to deliver even more fun and excitement to customers.

Product development & technology

Leveraging the latest technology and a deep bench of experts from technology, research & development, and entertainment enables DigiPlus to create a diverse portfolio of products and unlock new business opportunities.

Tailored and seamless customer experience

DigiPlus invests in creating a unique and tailored customer experiences across its digital ecosystem in order to optimize user engagement and increase user retention. AI and big data capabilities also allow DigiPlus to deliver new and evolving products that cater to a variety of demographics and lifestyle preferences.

Output and outcome

Financial
- ₱75.2 billion in revenues (176 percent growth, year-on-year)
- ₱13.6 billion EBITDA (192 percent growth, year-on-year)
- ₱12.6 billion in net income (207 percent growth, year-on-year)
- Cash dividend of ₱0.86 per outstanding common share
- ₱119.67 billion Market Cap (ao 2024 market close)

Manufactured
- Seamless customer experience in online and offline entertainment platforms
- Over 130 physical sites nationwide
- Technology infrastructure composed of cloud based data servers

Intellectual
- Diverse digital entertainment portfolio catering to a variety of customer demographics and lifestyle preferences
- World-class live streaming and game development capability
- Integrated responsible gaming features
- Over 1,000 games offered across all entertainment platforms
- Over 40 million registered users across its digital ecosystem
- Best Brand Evolution - Corporate (Silver): Transform Asia Awards
- Best Sportsbook Operator – ArenaPlus: SIGMA Asia Awards
- Excellence in Technological Advancement and Integration: World Business Outlook Awards
- Asia Pacific Enterprise Award: Corporate Excellence Award and Fast Enterprise Award

Human
- Total workforce of over 3,000 employees across online and offline operations
- Over 1,800 new employees hired in 2024
- 57% female workforce
- Over 18,000 employee training hours

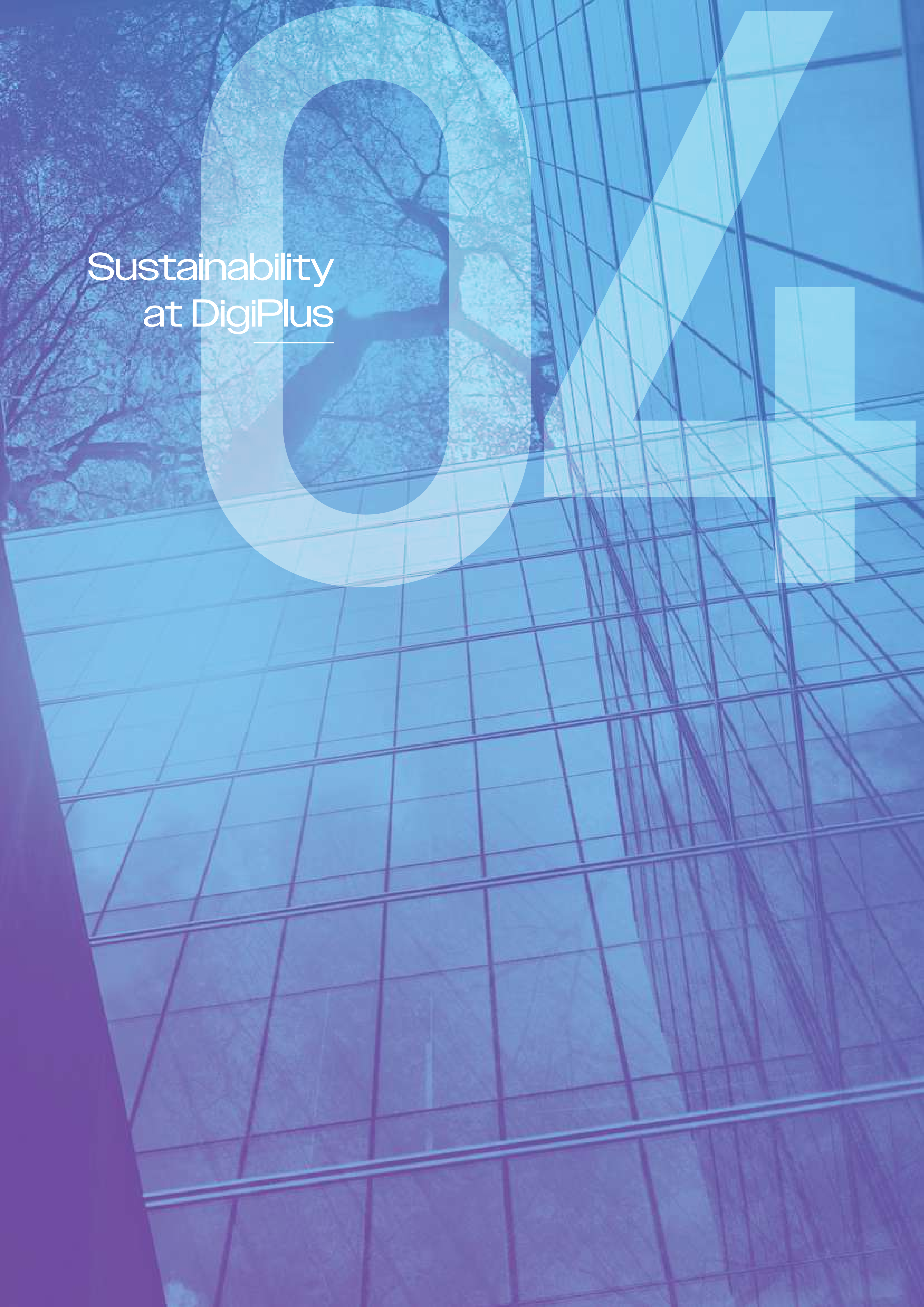
Social & relationship
- ₱33.7 billion paid in taxes
- Over 115,000 Filipinos served through various BingoPlus Foundation Programs
    - 60 scholars across 20 universities funded under FutureSmart Program
    - Over 30,000 patients assisted through KalusuganPlus Program
    - Over ₱47 million committed in relief efforts under KabuhayanPlus Program
- 18 million Filipinos reached through Responsible Gaming campaigns
- Silver Anvil Award: BingoPlus Foundation's FutureSmart Program
- Silver Anvil Award 2023 Integrated Report: Ushering a New Era of Digital Entertainment
- Manila Bulletin Newsmakers of the Year: Reliable gaming brand - BingoPlus

Natural
- ~18.3 million kWh of electricity consumed
- Scope 1 emissions = 442.94 mTCO2e
- Scope 2 emissions = 12,833.60 mTCO2e
- Scope 3 emissions = 2,971,833.40 mTCO2e

digiplus

Stakeholder engagement

Stakeholder	Key concerns	Method of engagement	Capital
Shareholders and investors	• Financial and operational performance • Corporate strategy • Regulatory environment • Competitive environment • ESG performance	• One-on-one and group in-person meetings • Emails • Video conference calls • Investor conferences and non-deal roadshows • Quarterly earnings releases • Site and studio tours • Company website	Financial Social and Relationship
Employees	• Job security • Professional growth & development • Compensation & benefits • Overall well-being	• Employee training & development programs • Direct employee engagement channels • Employee recognition programs • Company-wide events and celebrations	Human
Customers	• Delivery of world-class entertainment products • Data protection and privacy • Customer service and experience • Responsible Gaming	• Digital entertainment platforms • Over 130 physical sites • Dedicated customer experience teams • Company website and social media platforms	Intellectual Manufactured Social and Relationship
Local community	• Local economic development • Management of environmental and social impacts	• Employment opportunities • Dialogue and meetings • Partnership in national and local programs and initiatives • Implementation of Corporate Social Responsibility (CSR) through BingoPlus Foundation	Social and Relationship
Regulators	• Compliance with regulatory requirements • Payment of taxes and other remittances • Support for government programs	• Dialogue and meetings • Participation in government consultations • Partnership in national and local government initiatives • Company disclosures	Intellectual Manufactured Social and Relationship
Media	• Timely and accurate news on the company • Transparency	• News seeding • Press conferences • Media engagements and partnerships • Company website and social media platforms	Financial Social and Relationship
Business partners and service providers	• Financial and operational performance • Long-term and mutually beneficial partnership • Efficient procurement and payment systems	• Direct contact and small group meetings • Accreditation Program	Financial Social and Relationship



04

Sustainability at DigiPlus

Sustainability framework

Materiality process

As DigiPlus undertook its digital transformation, it was necessary to further understand what sustainability means for the Company. To accomplish this, DigiPlus employed a three-step process to define its sustainability thrust and create a framework that visualizes its ESG focus. The process involved the following:

Industry benchmarking

The benchmarking exercise involved evaluating DigiPlus' progress with that of comparable listed companies. Benchmarking criteria were based on the following key areas: economic impact and business, governance structure, users or customers, employees' welfare, and the environment.

Outcome

The benchmarking exercise revealed that while DigiPlus is still at the start of its sustainability journey, it is on track to go beyond compliance through efforts such as firming up its material topics and aligning with global sustainability reporting frameworks such as the Global Reporting Index (GRI), Sustainability Accounting Standard (SASB), and the Integrated Reporting (IR) Framework.

Stakeholder engagement

Participants who were interviewed for stakeholder engagement included internal and external stakeholders. The list of interview questions used in the stakeholder engagement sessions was based on a review of the Company's assets, sustainability reports, and the results of its industrybenchmarking exercise, presenting an initial list of material topics.

Outcome

DigiPlus determined its key issues through stakeholder engagement and identified its material environmental, social, and governance themes. The engagement allowed the Company to review its risk approach, regulatory compliance, opportunities for innovation, employee management, and community relationships.

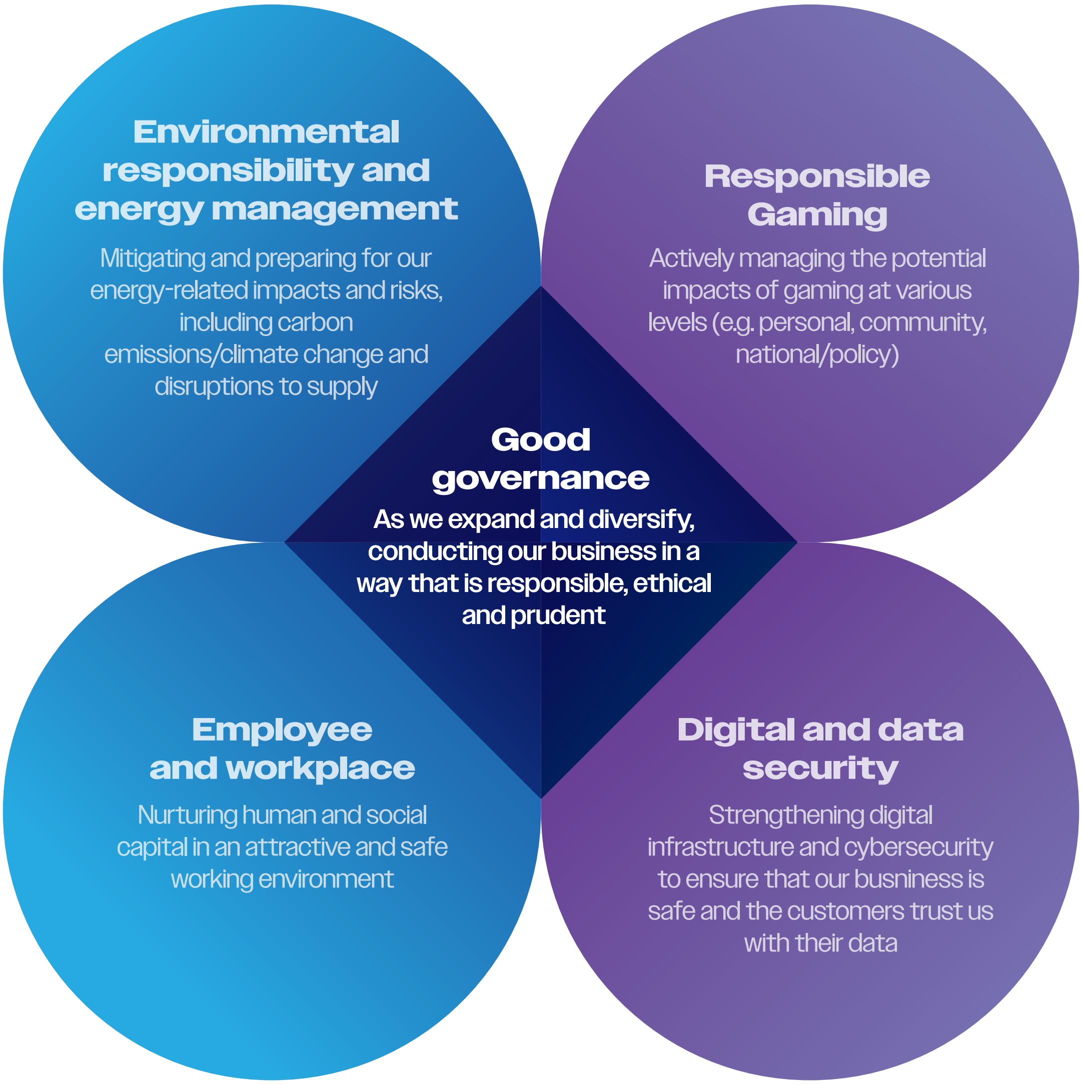
Materiality review

DigiPlus referenced the GRI Standards to prepare its list of material topics. The Company also considered the results of its stakeholder engagement sessions. DigiPlus then conducted several workshops with its senior management to narrow down the list of material topics.

Outcome

After considering all the gathered inputs, the following were identified as priority sustainability themes: Environmental Responsibility, Employees and Workplace, Responsible Gaming, Digital and Data Security, and Good Governance.

The DigiPlus Sustainability Framework reflects current trends, best practices, the organization's capabilities, and the aspirations of its leadership. It is comprised of five pillars:



Good governance and leadership practices that encourage transparency, accountability, and responsibility are the foundation of DigiPlus' business and sustainability performance. It provides much-needed guidance and anchors the Company to its commitments in the areas of environmental responsibility, workplace management, responsible gaming, and digital safety.

Key material issues

The list of key ESG issues for DigiPlus was mapped and evaluated in three subsequent workshops with the senior management team. During these workshops, participants discussed the issues in terms of their relevance, urgency, and importance to the business and stakeholders. In 2023, 17 material topics were identified. These issues were then grouped according to the appropriate sustainability pillar.

Environmental responsibility and energy management

- Energy use
- Climate change
- Environmental compliance

Responsible Gaming

- Customer protection
- Community impact

Good governance

- Ethics and integrity
- Anti-corruption
- Risk management
- Economic performance and impact

Employees and workplace

- Talent acquisition
- Employee retention
- Training and development
- Employee engagement
- Diversity, equity, and inclusion

Digital and data security

- Digital rights
- Data privacy
- Information security

Environmental performance

DigiPlus is dedicated to safeguarding the environment and adopting sustainable practices in its operations. In 2024, the company took fundamental steps to understand its climate risk exposure and impact on climate change. With the assistance of a climate consultant, DigiPlus was able to complete a physical risk assessment and GHG inventory aligned with the requirements of the International Financial Reporting Standards (IFRS) and Securities and Exchange Commission (SEC). DigiPlus also upheld its strong track record in environmental compliance with no violation of environmental regulations recorded in 2024.

Electricity consumption

Electricity consumption in 2024 increased by 49% to reach 18,268,651.41 kWh. This is primarily due to enhanced data collection efforts in the year. Six additional sites, previously unable to report their numbers, are now included in the electricity consumption data. Most of DigiPlus' electricity usage stems from the operation of over 130 offline sites nationwide. The primary source of electricity for DigiPlus is the national grid, supplied by distribution units such as Meralco, and local electric cooperatives.

Electricity consumption

2023	12,252,404.96 kWh
2024	18,268,651.41 kWh

Climate change

Sustainability governance

The Board of Directors, through the Corporate Governance Committee, oversees the development and implementation of corporate governance principles and policies, including those related to Environmental, Social, and Governance (ESG) matters and sustainability. At the management level, DigiPlus has a dedicated Sustainability Team that reports to the Head of Investor Relations, Corporate Communications, and Sustainability (IRCCS). Guided by the company's strategic direction, the Sustainability Team drives sustainability initiatives, fosters collaboration with business units, and monitors and reports on sustainability performance to key stakeholders and the Board of Directors.

Risk management

Environmental and social risks, including those related to climate change, are integrated into the DigiPlus Enterprise Risk Management (ERM) system. This process is managed by the Chief Risk Officer (CRO), who reports directly to the Board Risk Oversight Committee (BROC). DigiPlus regularly conducts a risk identification and assessment process of factors that could potentially affect the implementation of its business goals. Based on this, a risk management strategy is developed to mitigate or avoid these identified risks. Following the completion of its inaugural climate risk assessment, DigiPlus is committed to further strengthening the incorporation of climate-related risks into the broader ERM framework.

Climate-related risks

Climate risks present major challenges to economies, communities, and businesses, disrupting operations, depleting resources, and threatening long-term resilience. These risks are generally classified into physical and transition risks. Physical risks stem from climate-related hazards that directly affect infrastructure, operations, and supply chains.

In 2024, DigiPlus engaged a climate consultant to conduct a physical climate risk assessment to identify the potential exposure of its assets and begin development of appropriate risk mitigation strategies to improve overall resiliency and business continuity. This process began with a comprehensive data collection and identification of common physical climate hazards in the locations where the company operates. A conservative climate model was then developed using a high-emission scenario (SSP5-8.5) and long-term time horizon to determine the vulnerability of each asset.

Four key physical risks were identified and assessed across over 130 assets located throughout the Philippines:

Physical climate risk exposure

Physical risk	Modeled parameters	Risk assessment	Potential impact
Flooding	100, 200, and 500 m buffer Inundation Levels Annual Total Rainfall (mm/year) Max 1-day Rainfall (mm/year)	High risk for 84% of DigiPlus assets	Damage to company owned assets and infrastructure Business interruptions and operational challenges Higher insurance premiums Increased costs associated with asset repair or replacements Decreased revenue attributed to disruptions in the operations of studios and offline sites
Tropical cyclone	Total Count Strikes (Direct Strike, Indirect Strike, 200 km buffer) Average Windspeed of Direct Strikes (km/hr) Maximum Windspeed of Direct Strikes (km/hr)	Medium risk for 78% of DigiPlus assets	Damage to company owned assets and infrastructure Business interruptions and operational challenges Increased costs associated with asset repair or replacements Decreased revenue attributed to disruptions in the operations of studios and offline sites
Extreme heat	Daily Max Heat Index calculated from max near surface (one meter above the ground) air temperature and relative humidity	Medium risk for 75% of DigiPlus assets	Increase in cooling demands for offices and offline sites leading to higher electricity consumption Lower productivity due to the extreme heat
Sea level rise	Elevation Annual SLR Rate (mm/year)	Not at risk for 39% of DigiPlus assets	Damage to company owned assets and infrastructure Closure of unviable offline sites

DigiPlus may explore the development of more robust Climate Adaptation Plans to enhance resilience against climate risks. These plans may include tailored emergency response strategies for high-priority sites, addressing specific physical risks identified. In the case of flooding and tropical cyclones, DigiPlus equips offline sites with backup power to mitigate potential power disruptions. Additionally, DigiPlus ensures the continued reliability of cooling and ventilation systems through regular maintenance, guaranteeing their optimal performance during operations.

Going forward, DigiPlus will continue to evaluate its climate risk exposure by aiming to complete a transition risk assessment within the next two years. By conducting both physical and transition risk assessments, the company will gain a comprehensive understanding of its overall risk profile, enabling the development of effective climate mitigation strategies.

Climate metrics

The calculation of greenhouse gas (GHG) emissions is a crucial first step for DigiPlus to understand and manage climate risk exposure. The GHG accounting process consisted of five key steps. A materiality process was conducted to ensure that the emission categories that are covered in the accounting process reflect DigiPlus' business and operations. Upon identifying the material emissions, emission factors based on the emission type were consolidated for analysis. Data collection templates were prepared to ensure data uniformity and to decrease the risk of errors.

GHG Scope	2023	2024
Scope 1	No data	442.94 mTCO2e
Scope 2	8,746.13 mTCO2e	12,833.60 mTCO2e
Scope 3	No data	2,971,883.40 mTCO2e

Scope 1 emissions were primarily attributed to the company's fleet of owned vehicles and backup generator sets used at offline sites, totaling 442.94 mTCO2e in 2024.

Scope 2 emissions amounted to 12,833.60 mTCO2e, directly corresponding to the company's electricity consumption for offices and offline operations. Emission factors from the Philippine Department of Energy (DOE) were applied to convert these figures into CO2 equivalent.

Scope 3 emissions reached 2,971,833.40 mTCO2e in 2024. The key material categories identified were Purchased Goods and Services (Category 1), Capital Goods (Category 2), and Employee Commute (Category 7). Most Scope 3 emissions—approximately 73%—are attributed to the use of third-party cloud services, data centers, and data analytics and security software. The remainder of DigiPlus' Scope 3 emissions are linked to activities related to expanding its live streaming capabilities and the development of new games.

Social performance

Customers

Data privacy

DigiPlus is committed to protecting the privacy of its customers by embedding data protection measures into every aspect of its digital entertainment platforms. Central to this approach are two key principles: Privacy by Design, which means privacy controls are built into systems and processes from the start, and Privacy by Default, which ensures that the highest privacy settings are automatically applied without users needing to adjust them. Data privacy policies apply to all data processing activities across DigiPlus and its subsidiaries, covering both online and offline operations. By integrating privacy safeguards at every stage, DigiPlus aims to build customer trust and comply with the Philippine Data Privacy Act of 2012 (DPA) and the guidelines set by the National Privacy Commission (NPC).

The DigiPlus Data Privacy Manual offers a comprehensive framework for managing personal and sensitive information. As a company entrusted with the collection, use, disclosure, disposal, and storage of personal data, this manual ensures that data is processed for specific, legitimate purposes and shared only with authorized parties. It also establishes a clear protocol for reporting data breaches. In compliance with the Data Privacy Act (DPA), DigiPlus is committed to notifying the National Privacy Commission and affected individuals within 72 hours of any personal data breach.

Privacy impact assessment

DigiPlus has formulated an internal policy for conducting Privacy Impact Assessments (PIAs). The primary goal of a PIA is to identify, assess, and mitigate potential privacy risks associated with the company's data processing activities, while fostering a culture of transparency and accountability. This policy serves as a comprehensive guide for employees and stakeholders, outlining the procedures and best practices for conducting PIAs. These procedures include:

- Preliminary assessment where the current state of data handling is evaluated.
- Data inventory and flow mapping to identify how data moves through the system and where it resides.
- Risk identification and assessment to pinpoint potential vulnerabilities.
- Risk management and monitoring to address and mitigate the identified vulnerability.
- Finally, a periodic review and update process is established to keep the system aligned with evolving risks and best practices.

Data privacy metrics	2024
Total number of identified leaks, thefts, or losses of customer data	0
Total amount of monetary losses incurred during FY 2024 due to legal proceedings associated with incidents relating to customer privacy	0
Number of complaints concerning breaches of data privacy from regulatory bodies	0

Information security

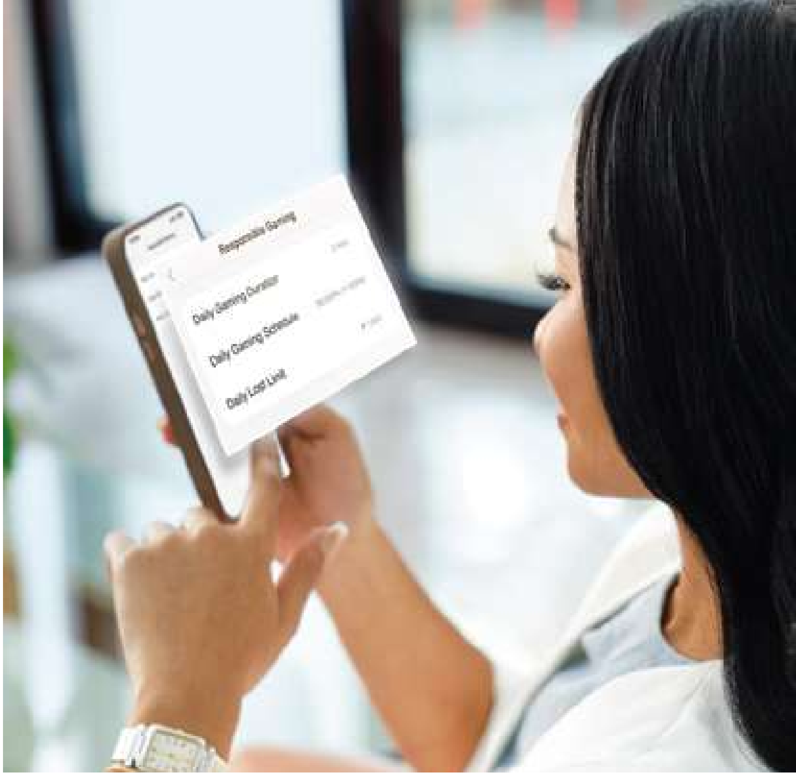
DigiPlus is steadfast in its commitment to safeguarding its information and related assets. To ensure robust security, the company has adopted the globally recognized ISO/IEC 27001:2022 Information Security Management System (ISMS) as the foundation of its security framework. By implementing ISO/IEC 27001:2022 and publishing its Information Security Policy, DigiPlus is dedicated to continuously monitoring, assessing, and refining its security controls, reinforcing the overall security posture of the company.

The Information Security Policy highlights DigiPlus' unwavering commitment to maintaining the confidentiality, integrity, and availability of its information and assets while aligning with the company's growth objectives. In addition, the Information Security Department (ISD) plays a crucial role in the implementation, maintenance, and ongoing improvement of the ISMS. Looking ahead, the ISD aims to achieve ISO/IEC 27001:2022 certification by the end of 2025.

DigiPlus also prioritizes the development of a security-conscious culture among its employees and stakeholders. The company offers comprehensive training programs and invests in cutting-edge security technologies to stay ahead of emerging threats. Through its steadfast commitment to information security, bolstered by the ISO/IEC 27001:2022 framework, DigiPlus strengthens its defense mechanisms, enhances stakeholder trust, and supports sustained business growth.

Migration to Amazon Web Services (AWS)

DigiPlus remained steadfast in its commitment to protecting customer information while enhancing platform performance and reliability by completing its migration to Amazon Web Services (AWS), one of the world's most secure and reliable cloud providers, in 2024. By leveraging a cloud-based infrastructure, DigiPlus is able to offer its users more robust data protection, faster performance, and minimal downtime. This also enhances business continuity as DigiPlus is utilizing multiple data centers provided by AWS. The migration in 2024 builds on DigiPlus' broader investments in innovation and technology as it continues to deliver seamless, secure, and enjoyable entertainment experiences for its customers.



Responsible Gaming

Responsible gaming refers to engaging in gambling activities in a way that minimizes potential negative effects on individuals and society. DigiPlus is dedicated to making responsible gaming a fundamental aspect of its operations. The Company rigorously complies with the regulations set by PAGCOR for gaming companies in the Philippines, including enhanced e-KYC and Anti-Money Laundering procedures. Moreover, DigiPlus has incorporated responsible gaming features into its digital platforms to actively promote safe gaming practices. This ensures that customers can fully enjoy the entertainment value of both its online and on-site offerings while maintaining control over their gaming experience.

Player restrictions

DigiPlus has implemented strict procedures at both its gaming sites and digital platforms to ensure that only eligible individuals are permitted to participate in gaming activities. In alignment with PAGCOR regulations, DigiPlus imposes restrictions on the following groups: government officials involved in government operations, members of the Armed Forces of the Philippines (Army, Navy, Air Force, and Philippine National Police), individuals under 21 or enrolled in any school or university in the Philippines, and individuals listed in the National Database of Restricted Persons.

electronic Know Your Customer (eKYC)

In 2024, DigiPlus introduced enhanced electronic Know Your Customer (e-KYC) procedures, incorporating facial recognition technology to verify that the government-issued ID provided matches the account holder's identity. These enhanced security measures significantly bolster DigiPlus' efforts to prevent fraud, authenticate player identities, and ensure age compliance. Additionally, the increased automation of the verification process has streamlined the onboarding experience and enhanced overall customer satisfaction.

Player exclusion

DigiPlus provides customers and their families with the option to join the Player Exclusion Program if they feel they may be developing a problem. Participants in this program are restricted from accessing gaming venues and websites, with all personal data regarding excluded individuals treated with the utmost confidentiality. To verify a potential customer's eligibility, DigiPlus cross-references data with PAGCOR's National Database of Restricted Persons, ensuring the secure handling of the listed individuals' identities. Customers may apply for self-exclusion voluntarily, or their immediate family members may request their inclusion in the program. Furthermore, DigiPlus reserves the right to ban individuals from its gaming premises for serious offenses such as cheating, theft, counterfeiting, tampering with gaming equipment, forgery, money laundering, fraud, or using electronic devices to manipulate game outcomes.

Employee training on responsible gaming

Employees in DigiPlus' gaming operations are required to have a Gaming Employment License (GEL). They must also undergo training in responsible gaming in accordance with the regulations of PAGCOR. Employees also attend internal refresher courses to ensure they are knowledgeable and up to date on upholding responsible gaming practices. Topics covered in the responsible gaming training sessions:

- Defining responsible gaming
- Spotting a problem gambler
- Handling problem gamblers or relatives
- Helplines and other support mechanisms in place

Pioneering responsible gaming for a safer digital experience

In the domain of digital entertainment, where the thrill of the game meets the pulse of technology, DigiPlus puts laser focus on responsible gaming.

At the core of DigiPlus' responsible gaming initiatives lie three fundamental principles: education, prevention, and intervention – brought to life through compelling narratives, innovative in-app tools, and expert-led discussions – ensuring that players are equipped with the knowledge and resources to make informed gaming decisions.

Innovative in-app responsible gaming tools

Recognizing the importance of proactive measures, DigiPlus has integrated industry-leading responsible gaming features directly into its platforms. These tools allow players to set personal gaming limits, including restrictions on daily playtime, customized gaming schedules, and loss caps. For instance, players can confine their gaming to specific hours—such as evenings or weekends—to maintain a healthy balance between entertainment and daily responsibilities. They can also cap losses. By providing these self-regulation features, DigiPlus aligns with global best practices and ensures that responsible gaming remains an active choice for every player.

Pusta de Peligro

The Pusta de Peligro campaign leverages the power of storytelling to deliver a profound message about responsible gaming. At the heart of the campaign are three resonant short films, each serving as a mirror, encouraging viewers to reflect on their own gaming habits and recognize the fine line between entertainment and risk. The campaign's core message, "Pag Pusta de Peligro na, pause na muna, dahil ang gaming dapat fun-fun lang!", has resonated deeply with audiences, reaching millions and sparking a nationwide conversation on the importance of mindful gaming.

Tamang Laro, Tamang Panalo

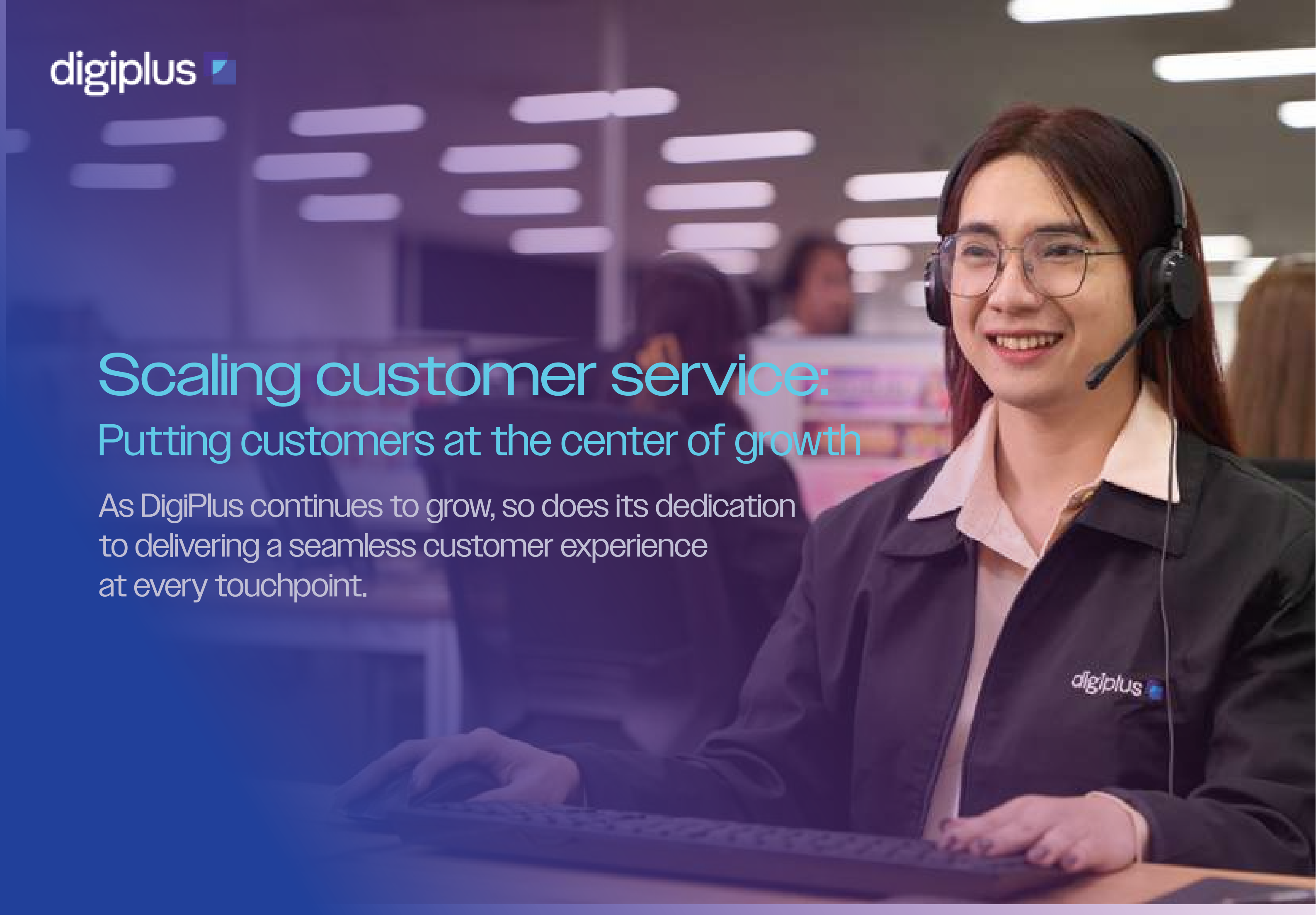
Beyond storytelling, DigiPlus emphasizes empowerment through knowledge. The "Tamang Laro, Tamang Panalo" webinar series stands as a testament to this commitment. In these sessions, licensed psychologist Teresita Cambe-Castillo delves into the psychology of gaming, offering insights on recognizing and addressing excessive gaming behaviors. Complementing this, financial expert Armand Bengco provides practical advice on managing finances, helping players build entertainment funds without jeopardizing their financial well-being. These webinars have become a sanctuary for many, offering guidance and fostering a community centered on balanced and responsible gaming.

Collaborative efforts with PAGCOR

Further reinforcing its commitment to responsible gaming, DigiPlus forged a strategic partnership with the Philippine Amusement and Gaming Corporation (PAGCOR). This alliance amplifies the reach and impact of a responsible gaming advocacy, combining resources and expertise to foster a culture of safe and enjoyable gaming. Together, they rolled out nationwide campaigns, both digital and on-ground, to educate players about the importance of moderation and the benefits of playing with trusted operators. This collaboration underscores a shared vision of a safer, more transparent gaming industry – one where player protection is a top priority.

Setting the standard for responsible digital entertainment

By investing heavily in education, awareness, and technology-driven solutions, DigiPlus ensures that the evolution of digital entertainment is guided by a strong foundation of player protection and responsible play. As gaming continues to advance, DigiPlus remains unwavering in its mission to lead the industry toward a future where gaming is not only thrilling but also safe, sustainable, and socially responsible.



Scaling customer service:

Putting customers at the center of growth

As DigiPlus continues to grow, so does its dedication to delivering a seamless customer experience at every touchpoint.

DigiPlus made significant investments in customer service, growing the team to over 300 members by the end of 2024.

This expansion underscores the company's dedication to meeting the evolving needs of players, ensuring that every customer receives the attention and assistance he or she deserves.

With a structured approach to primary and premier support, DigiPlus has built a service ecosystem that not only resolves concerns, but also enhances the overall customer experience. By investing in cutting-edge technology, continuous training, and digital solutions, DigiPlus is proactively shaping a customer-first culture that drives trust, satisfaction, and brand loyalty.


ViewSonic

Employees

Employees are integral to DigiPlus' value creation. The company's digital entertainment platforms are designed and managed by a team of highly skilled and committed professionals, all driven by a shared passion for delivering exceptional products that amplify the enjoyment for users.

Employee demographics	2023	2024
Total number Of employees	2,045	3,045
Breakdown by gender		
No. of female employees	1,240	1,738
No. of male employees	805	1,307
Breakdown by age group		
Under 30 years old	629	1,169
30-50 years old	1,352	1,790
Over 50 years old	64	86
Breakdown by position		
Senior management	41	42
Middle management	400	564
Rank and file	1,604	2,439

Talent attraction and retention

To attract top talent, DigiPlus strengthened its employer branding through targeted digital campaigns and participation in industry events, while also showcasing its workplace culture through employee value proposition initiatives. The company streamlined its recruitment processes to improve the candidate experience. In 2024, DigiPlus formed strategic partnerships with universities such as iAcademy, STI College, University of Santo Tomas (UST), and University of Makati to build a strong talent pipeline. Additionally, the company leveraged AI-driven tools to enhance talent sourcing. Moving forward, DigiPlus plans to conduct talent mapping exercises to better identify the skills and competencies needed for key positions, further improving its recruitment efficiency.

To retain top talent and minimize turnover, DigiPlus offered competitive compensation and benefits, including performance-based bonuses, and career development opportunities through internal mobility. In 2024, the company also focused on regular employee feedback and well-being initiatives, with an emphasis on work-life balance and mental health support. Leadership development programs were also implemented to promote career growth. Looking ahead, DigiPlus plans to conduct a comprehensive compensation and benefits benchmarking exercise to ensure it remains competitive in attracting and retaining top talent.

	2023	2024
New hires	835	1,807
Turnover	549	764

Training and development

DigiPlus is committed to cultivating a culture of continuous learning and professional growth by offering employees access to relevant training, resources, and opportunities that enhance their skills and expertise. By investing in employee development, DigiPlus not only strengthens overall business performance but also drives higher employee engagement and retention. This investment ensures the company remains competitive and agile in an ever-changing industry landscape.

In 2024, DigiPlus' employees underwent 18,207 hours of training, averaging 6 hours per employee. The company offers a range of training courses that cater to various job roles, focusing on essential skill development. Core training covers foundational competencies such as communication, teamwork, and problem-solving for all employees. Mandated training ensures compliance with legal and industry requirements. Leadership training is designed for managers, focusing on strategic thinking, decision-making, and team management. These courses aim to enhance employee capabilities, ensure compliance, and develop leadership skills.

Employee training hours	2024
Total employee training hours	18,207
Breakdown by gender	
Total hours for female employees	10,956
Total hours for male employees	7,251
Breakdown by position	
Total hours for senior management	476
Total hours for middle management	4,619
Total hours for rank & file	13,112

DigiPlus also provides advanced skills training and specialized knowledge to help employees excel in their specific roles. Functional training is tailored to jobs or departments, enhancing skills needed for job-specific tasks, such as behavioral interviewing for recruiters. Technical/certification training covers specialized skills in areas like software usage, machinery operation, and technical troubleshooting, equipping employees with the expertise required for roles in technical fields or industries.

LeaderShift and EmpowerU talk series

In 2024, DigiPlus launched two impactful talk series designed to inspire and engage both senior leaders and the entire workforce. LeaderShift focuses on equipping senior leaders with insights and best practices from industry experts across the Philippines. Topics explored include navigating global diversity, the role of values in driving business success, and embracing change for transformative growth. Meanwhile, EmpowerU is aimed at motivating employees at all levels to excel and develop in their roles. Esteemed speakers were invited to share their expertise on topics such as self-leadership, effective teamwork, and personal branding, empowering employees to reach their full potential.

LeaderShift digiplus spotlight

EmpowerU digiplus spotlight

Performance management

DigiPlus implements the G.O.A.L. Program (Guide, Optimize, Attain, Leap) designed to support employees through quarterly and annual performance evaluations. These evaluations foster continuous collaboration with people managers, enabling employees to plan, assess, and enhance their performance while ensuring alignment with the company's strategic goals. The Program is composed of 4 key steps:

G

Guide
(Setting performance standards):
Clear, well-defined goals are communicated to people managers, who then establish specific performance targets for their teams.

O

Optimize
(Performance evaluation):
Performance metrics are developed and applied to assess how well employees meet the established standards.

A

Attain
(Continuous improvement/feedback):
Ongoing feedback is provided, with employees working closely with managers to meet goals and improve performance.

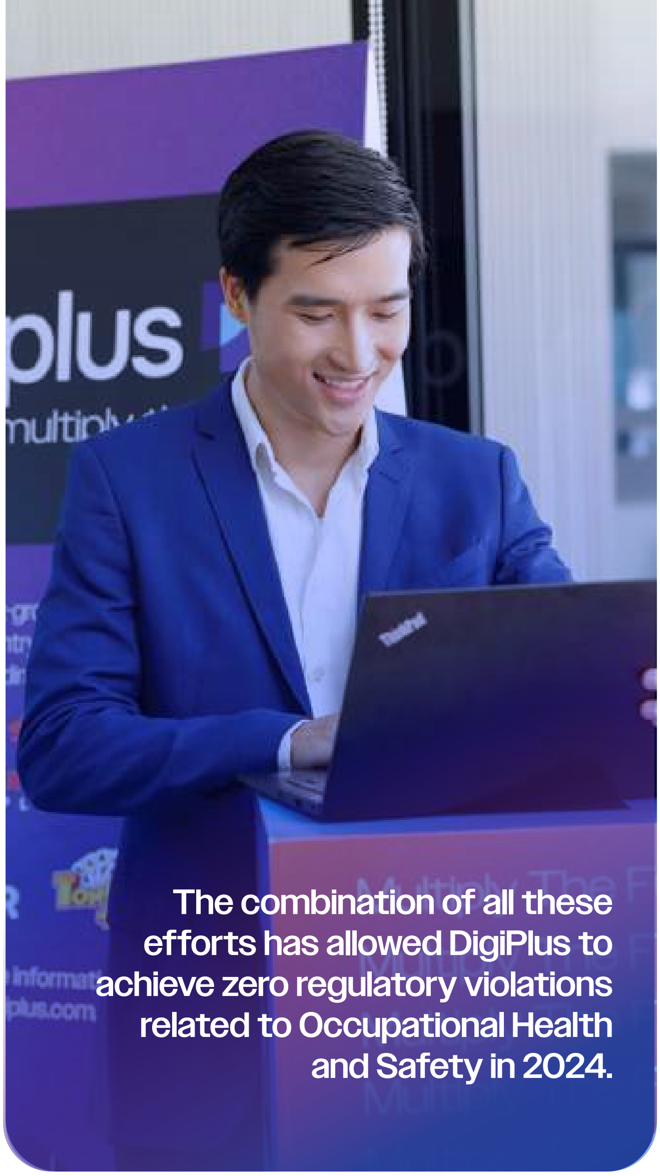
L

Leap
(Recognition and action plans):
Employees are promptly recognized for successful performance, and when performance falls short, appropriate interventions are implemented to drive improvement.

This structured approach ensures mutual understanding, continuous growth, and alignment with company objectives.

Employee health and safety

DigiPlus continues to make significant strides in enhancing its occupational safety and health (OSH) practices. In 2024, the company focused on strengthening safety policies, emergency preparedness, and training programs, creating a safer and more risk-aware environment in its offices and physical sites. A dedicated OSH Committee plays a pivotal role in ensuring the effective implementation of safety practices aligned with DOLE Department Order 198-18. This committee provides oversight and direction, resulting in improved hazard mitigation protocols and a stronger safety culture throughout the organization. In addition, DigiPlus has improved its compliance efforts through the launch of the DOLE Compliance Portal which streamlined mandatory report submissions and ensured 100% regulatory compliance. The company also enhanced its OSH training efforts, achieving a 90% compliance rate for Safety Officers and First Aiders.



OSH policies implemented

Incident and Accident Policy

Establishes clear, standardized procedures for reporting and investigating workplace incidents. It mandates that all accidents be reported within 24 hours to ensure timely documentation and resolution. The policy also establishes an accident review process to conduct thorough investigations and implement corrective actions.

First Aid Policy

Ensures that every site has designated First Aiders trained in basic life support, CPR, and emergency medical response. It also standardizes first aid stations equipped with essential medical supplies at all operational locations. Procedures for logging first aid incidents are in place to track medical interventions for compliance.

HIRAC (Hazard Identification, Risk Assessment, and Control)

HIRAC focuses on proactively identifying and mitigating potential hazards before they become safety issues. The policy mandates quarterly hazard assessments conducted by certified Safety Officers across all sites. It also promotes employee participation in risk identification, including an anonymous reporting system for potential hazards.

Non-IT Business Continuity Planning (BCP) and Safety Integration

This policy integrates occupational safety into business continuity planning, ensuring that safety remains a priority during emergencies. It includes the development of emergency response protocols aligned with OSH guidelines, and strengthens site-specific emergency preparedness plans, such as evacuation and lockdown procedures.

Employee engagement and well-being

In 2024, DigiPlus took significant steps to enhance employee engagement through various channels and activities. The launch of 'DigiLife - Your Voice' provided a secure platform for employees to share anonymous feedback, ensuring their voices were heard. To strengthen team camaraderie, departments were encouraged to organize regular team-building events, with expenses covered by the company. DigiPlus' HR team also organized internal events to celebrate milestones and employee anniversaries, while observing international and local holidays through themed activities. Diversity and inclusion were highlighted through the celebration of cultural and community days.

The Wellness Wednesday program was introduced to help employees prioritize their health and well-being, offering a range of fitness, mindfulness, and preventive health activities. Additionally, 2024 saw significant improvements in employee access to health resources and medical benefits, including comprehensive health screenings and annual physical exams (APE).

TURNING ADVOCACY INTO ACTION

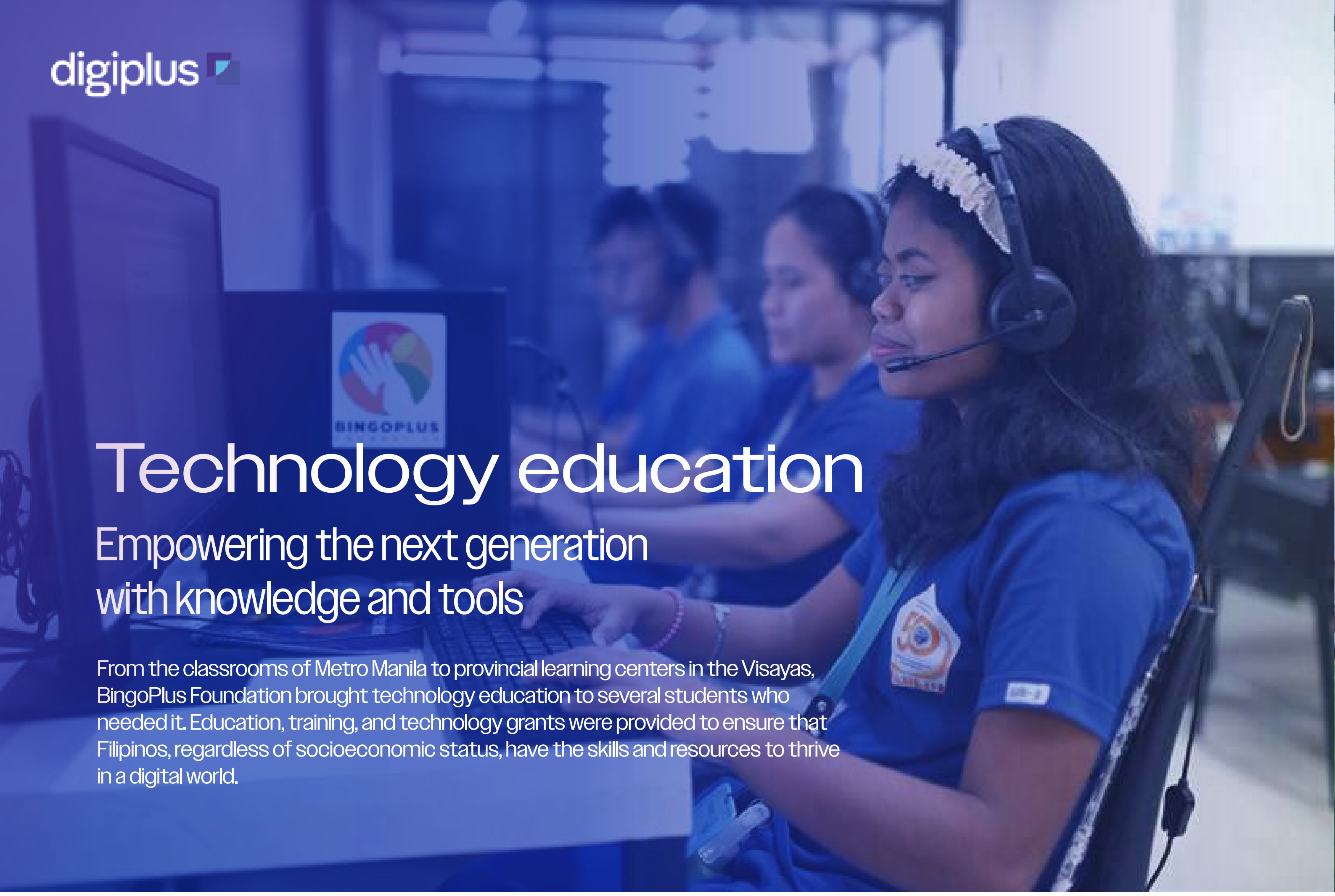
BingoPlus Foundation's transformative impact across the nation

In 2024, BingoPlus Foundation set out with a clear mission: to multiply the good by uplifting Filipino communities, wherever they may be. With a ₱100 million commitment and a series of initiatives spanning Technology Education, Accessible Healthcare, Community Resilience, and Responsible Digitalization, the Foundation went beyond bustling urban centers – extending its impact to remote indigenous communities, disaster-stricken provinces, and underserved villages across the archipelago.

It's not just about numbers. This was about a child in a mountain village in Mindanao owning a laptop for the very first time, a family in Visayas gaining access to clean drinking water, a solo parent in Metro Manila finding new livelihood opportunities, and millions of Filipinos learning how to engage with the digital world responsibly.

Through strategic programs and sustainable partnerships, BingoPlus Foundation turned advocacy into action, ensuring that no Filipino is left behind in the journey toward progress.


BINGOPLUS
WAVES FOR WATER



Technology education

Empowering the next generation with knowledge and tools

From the classrooms of Metro Manila to provincial learning centers in the Visayas, BingoPlus Foundation brought technology education to several students who needed it. Education, training, and technology grants were provided to ensure that Filipinos, regardless of socioeconomic status, have the skills and resources to thrive in a digital world.

Key initiatives

- Education grants: IT scholarships were awarded to 60 students from 20 universities nationwide, many of whom were from remote provinces.
- Leadership Development: PLUS Factor Program kicked off a four-year training program for young professionals with topics spanning leadership, communication, mindset, productivity, and service.
- Equipment grants: Tablet and laptop donations were distributed to public school students and community centers, bridging the technology gap in education.
- Coding for kids and teachers: Over 4,873 high school students and 213 teachers were trained in coding and programminvg, ensuring that even those in rural barangays had access to future-ready skills.
- Inclusive learning spaces: The PLUS Center trained 204 persons with disabilities (PWDs) in digital skills, opening doors for employment in tech-driven industries.

Accessible healthcare

Bringing medical care closer to communities that need it most

The KalusuganPLUS Program made healthcare more accessible by providing free medical services, building health facilities, and distributing life-saving equipment.

Key initiatives

- Medical missions that save lives: Over 4,619 patients benefited from vaccination, optical, and general medical missions.
- Community health centers: The PLUS Center medical wards treated 100 patients per day, ensuring continuous access to healthcare.
- Wellness kits and home-based equipment: Thousands of families received medical kits and home-use machines, empowering them to manage their health more effectively
- Expanding infrastructure: Through sanitation facility construction and clean water facility projects, the Foundation improved health conditions for 18,521 residents in underserved communities.
- Therapy and rehabilitation: Moving forward, the PLUS Center therapy hub will provide long-term care and rehabilitation services for patients in need.

Community resilience

Helping Filipinos prepare, recover, and thrive

From the landslide-affected communities of Batangas to those affected by volcanic eruption in Negros, BingoPlus Foundation stood as a pillar of support and resilience. The KabuhayanPLUS Program provided disaster relief, financial aid, and livelihood support to ensure that families and communities continue to rebuild and become more resilient in the face of adversity.

Key initiatives

- Rapid disaster response: Over ₱47 million committed towards relief goods and financial aid for victims of natural disasters such as Typhoon Kristine, Typhoon Carina, and the Kanlaon volcanic eruption (over 82,000 individuals aided).
- Public transport support: Equipment grants were provided to support transport services for affected communities, allowing easier access to aid and rehabilitation centers.
- Make A Wish Program: BingoPlus Foundation's annual Christmas program expanded to 37 cities in 2024 reaching over 20 provinces and supporting 2,232 Filipinos.
- Sustainable livelihood programs:
    - Solar lights were distributed to off-grid communities, improving safety and productivity.
    - The PLUS Center Dressmaking Initiative trained and equipped solo parents with sewing skills, providing them with an alternative livelihood.

Responsible digitalization

Educating millions on smart, and responsible digital habits

In a world increasingly shaped by technology, BingoPlus Foundation is helping foster a digitally responsible nation – from students in rural schools, to young professionals navigating the online economy. The GameSmart Program empowered 18 million Filipinos with financial literacy, digital responsibility, and gaming awareness initiatives.

Key initiatives

- Raising awareness through mass media:
    - The "Pause na Muna" campaign reached 15 million viewers, promoting responsible gaming habits.
    - The "Pusta de Peligro" video series has reached 3 million Filipinos, encouraging smart financial decisions.
- Community Education: 300 participants attended workshops on financial wellness and digital responsibility.
- Preventing digital risks: A nationwide campaign promoted online safety, fraud prevention, and financial awareness, ensuring that more Filipinos engage with digital platforms responsibly.
- Proactive intervention: Conducting financial coaching sessions for jackpot winners.

The future of BingoPlus Foundation: A roadmap for greater impact

2024

While 2024 has been a year of growth and transformation, BingoPlus Foundation is building not just for today, but for the future. In the next three years, the Foundation is set to expand its initiatives, deepen its impact, and strengthen its nationwide reach.

2027

By 2027, BingoPlus Foundation envisions more scholars benefiting from IT and digital education programs, expanded academic linkages with top institutions, a stronger disaster relief network through a dedicated distribution partner, and intensified nationwide programs on responsible gaming.

BingoPlus Foundation remains committed to transforming *multiplying the good* – one community at a time.


BINGOPLUS
FOUNDATION
multiply the good
ACADEMY

Board of Directors

Eusebio H. Tanco

Chairman

Expertise:

Strategic Leadership, Strategy, Business Management, Industry Expertise

Date of Election and Length of Service:

July 29, 2011
13 years 7 months

Mr. Eusebio H. Tanco is a Philippine businessperson who has been at the helm of various companies. Mr. Tanco holds the position of Chairman for STI Education Systems Holdings Inc., Mactan Electric Company, iACADEMY, Venture Securities Inc., Philippines First Insurance Co. Inc., Manila Bay Thread Corporation, Grow Vite Inc., and Eximious Holdings Inc.

He is Chairman and President of Prime Power Holdings Corporation and Prudent Resources Inc. He is CEO and Director of Classic Finance Inc. He is President of Asian Terminals Inc., Bloom with Looms Logistics Inc., Total Consolidated Asset Management Inc., International Hardwood & Veneer Co. of the Philippines,a Cement Center Inc., First Optima Realty Corporation, Mar-bay Homes Inc, Amina Inc., Biolim Holdings and Management Corporation, Tantivy Holdings Inc. and Eujo Phils. Inc. Mr. Tanco is associated with the Philippines-Thailand Business Council and Philippines-UAE Business Council both as Chairman. He is a Board of Trustee at Philippines, Inc. and a Member of Philippine Chamber of Commerce & Industry. Mr. Tanco is a Director of Maestro Holdings, Inc., PhilhealthCare Inc., Philippine Life Financial Assurance, Philplans First, Inc., STI West Negros University, STI Education Services Group, Inc., PSBA, and PRC. In the past Eusebio H. Tanco occupied the position of Director at Bank of Commerce (Philippines) and the Philippine Stock Exchange, Inc.

The Palawan State University conferred Mr. Tanco a degree in Doctor of Humanities, honoris causa in 2007. He obtained a degree of Master of Science in Economics from London School of Economics & Political Science in 1973 and a degree of Bachelor of Science in Economics from the Ateneo de Manila University in 1970.

Tsui "Andy" Kin Ming

President

Expertise:
Finance, Accounting,
Industry Expertise

Date of Election and Length of Service:
October 4, 2021
3 years and 2 months

Andy Tsui was the former Chief Financial Officer (CFO) of Meg*Star International in Macau, former CFO of Jimei Group Limited listed in the Hong Kong Stock Exchange (HKSE), and former Chief Accounting Officer of Entertainment Gaming Asia, Inc. in Hong Kong. He was responsible for the overall finance management of these companies, which included Cage Operations, Accounting and Credit Departments, among others. He was likewise responsible for the full scope of finance operations, including preparation of monthly financial reports, cash flow management, annual budget, cost reduction strategies, accounting policies and controls, and evaluated new investment opportunities. Mr. Tsui led transactions in compliance with the listing rules of the HKSE, including fund-raising activities, such as, issuance of convertible bonds. His vast experience in finance as well as in the gaming industry makes him the best candidate to run DigiPlus Interactive Corporation.

Mr. Tsui graduated with a Bachelor of Business Administration degree in Public Accounting and later earned his Master of Business Administration in Finance and Investment from Baruch College, City University of New York.

Rafael Jasper S. Vicencio

Director

Expertise:
Business Management
Industry Expertise

Date of Election and Length of Service:
February 22, 2022
2 years and 10 months

For 25 years, Mr. Rafael Jasper S. Vicencio has gained extensive experience in the fast-moving consumer goods, renewable energy, and gaming and hospitality industries. He has also gathered extensive experience in supply chain management, operations research, corporate planning, and investment analysis and management.

Previously, he was the Strategic Planning Manager of DigiPlus Interactive Corp. from 2011 to 2016. In 2017, he was also the AVP and General Manager of First Cagayan Leisure and Resort Corp., which is a subsidiary of DigiPlus Interactive Corp. From 2017 to 2019, Mr. Vicencio was the Treasurer, Vice President of Corporate Planning, and Analytics Head of DigiPlus Interactive Corporation.

Currently, he holds the position of President at AB Leisure Exponent, Inc. (ABLE) and Total Gamezone Xtreme, Incorporated (TGXI), a fully-owned subsidiary of DigiPlus Interactive Corp.

Mr. Vicencio graduated from De La Salle University in 1996 with a Bachelor of Science in Industrial Engineering, minor in Chemical Engineering. In 2012, he earned a diploma in Corporate Finance from the Ateneo Graduate School of Business.

Willy N. Ocier
Director

Expertise:
Business Management
Industry Expertise

Date of Election and Length of Service:
July 31, 1999
25 years and 5 months

Willy N. Ocier, Filipino, is the Chairman of the Pacific Online Systems Corporation and has been a Director of DigiPlus Interactive Corp. since July 29, 1999. Currently he is Chairman of Belle Corporation and serves as the Vice Chairman of Highlands Prime, Inc. and Tagaytay Highlands International Golf Club, Inc. He is also the Chairman of the Board and Director of Premium Leisure Corp. as well as with APC Group, Inc., and Premium Leisure and Amusement, Inc. Mr. Ocier serves as the Chairman of Tagaytay Midlands Golf Club, Inc., The Country Club at Tagaytay Highlands, Inc. and The Spa and Lodge Inc., Abacore Capital Holdings, Inc. as well as Total Gaming Technologies, Inc. He likewise holds directorship positions with Vantage Equities Inc., and Toyota Batangas City Incorporated. He is the Chairman of Philippine Global Communications, Inc. He previously held the position of President and Chief Operating Officer of Eastern Securities Development Corporation.

Mr. Ocier graduated from Ateneo de Manila University with a Bachelor of Arts degree in Economics. In recognition of Mr. Ocier's corporate leadership and role in providing employment opportunities to Filipinos, the University of Batangas conferred him a degree in Doctor of Humanities, honoris causa.

Renato G. Nuñez
Director

Expertise:
Business Management
Industry Expertise

Date of Election and Length of Service:
June 11, 2019
5 years and 6 months

Renato G. Nuñez, Filipino, is a familiar name in DigiPlus Interactive Corp. who has held key positions from 2001 to 2016. In 2015, Mr. Nuñez took over as the President of CATS Motors, dealer of Mercedes-Benz and American auto brands such as Chrysler, Dodge, Jeep and Ram. Under his watch, CATS was able to focus on the retail aspect of the business including after-sales service which made Mercedes-Benz the leading luxury car brand in 2016, 2017 and 2018 in the Philippines. He was also a Director of Coventry Motors Corporation (CMC) and its sole retail arm, All British Cars which were the official distributor of Jaguar and Land Rover vehicles from 2017-2023. He has since retired from the automotive industry after he sold his holding to Inchcape Philippines. Mr. Nuñez has long been a seasoned entrepreneur in the gaming industry holding positions as President and Chairman of Arwen Gaming Consultancy, Inc., Leisure Advantage Inc., Techglobal Data Center, Inc., and Techzone Philippines, Inc., among others.

Currently, he is Vice-Chairman and Lead Independent Director of Philippine Realty & Holdings Corporation and the Chairman and President of its affiliate PRHC Property Management Inc.

Mr. Nuñez graduated from the De La Salle University in 1991 with a degree in BS Industrial Management Engineering Minor in Mechanical Engineering. We are elated to welcome him back and have him be among the driving forces of DigiPlus Interactive Corp. once again.

Atty. Jose Raulito E. Paras
Director

Expertise:
Commercial Law

Date of Election and Length of Service:
October 26, 2022
2 years and 2 months

Atty. Jose Raulito E. Paras was elected as Director of DigiPlus Interactive Corp. on 26 October 2022. He is the founding partner of the Pademal & Paras Law Offices. He is a member, and occasionally sits on the board of the Philippine Bar Association. He also currently serves as director in several listed and unlisted private corporations. Additionally, he acts as commercial arbitrator in a number of arbitration proceedings.

Atty. Paras has extensive experience in the practice of law. He handles various civil and criminal cases and remains an active litigator both in trial and appellate stages. In the past, he was a law faculty member teaching industrial relations law. He was an Examiner in the 2024 Bar Examinations.

Atty. Paras obtained his Bachelor of Arts in 1993 from the University of the Philippines and, later on, his Bachelor of Laws in 1997 from the San Beda University College of Law. He was valedictorian of his graduating law class and thereafter placed 5th in the Bar Examinations. In 2003, he finished his Master of Laws from the University of Sydney, Australia.

Ramon Pancratio D. Dizon
Lead Independent Director

Expertise:
Accounting
Audit

Date of Election and Length of Service:
October 26, 2022
2 years and 2 months

Mr. Ramon Pancratio D. Dizon was elected as Independent Director of DigiPlus Interactive Corp. on 26 October 2022. He also serves as Independent Director of PAL Holdings, Inc., MacroAsia Corporation, Filinvest REIT Corp., MegaLink, Inc., Philippine School of Business Administration, Philippine Dealing System Holdings Corp., Philippine Dealing & Exchange Corp., Philippine Depository & Trust Corp., and PCD Nominee Corporation, and Senior Consultant of Monde Nissin Corporation. He was a former senior partner of SGV & Co. and has more than 40 years of professional experience in advisory and assurance services. He was a member of the Management, Leadership, Appointment and Executive Committees of SGV & Co. He held leadership positions in SGV/EY, as Head of Transaction Advisory Services; Risk Advisory Services; Market Group and Head of Training & Methodology. He led the Firm's programs and various initiatives related to service quality and productivity/efficiency. He also spearheaded SGV's first ISO 9001 Certification for the Audit Division. He worked in the Chicago office of an international accounting firm and with its Center for Professional Education.

Mr. Dizon holds a Bachelor's degree in Commerce major in Accounting (Cum Laude) from Polytechnic University of the Philippines (1980). He holds a Master in Business Management from Asian Institute of Management (Manila, 1988). He also completed the Advanced Management Program of Harvard Business School (Boston, 2011), Strategic

Business Leadership Programme of INSEAD (Singapore, 2008), and Journey to the Boardroom Program of Harvard Business Publishing Corporate Learning (2019). He is an Asean CPA, Member of the Philippine Institute of Certified Public Accountants (since 1981) and Member of the Management Association of the Philippines, and the Harvard Business School Club of the Philippines.

Atty. Timoteo B. Aquino

Independent Director

Expertise:
Commercial Law
Civil Law

Date of Election and Length of Service:
July 29, 2022
2 years and 5 months

Atty. Timoteo B. Aquino was elected as Director of DigiPlus Interactive Corp. on 29 July 2022. He is also a Partner of Tagle-Chua Cruz & Aquino Law Firm since 1994. His legal practice encompasses major fields of law, particularly commercial and civil law. His expertise includes the Revised Corporation Code, Foreign Investment Act, Insurance, Financial Rehabilitation and Insolvency Act (FRIA), Torts and Damages, as well Obligations and Contracts.

He also authored various books and reviewers published by Rex Bookstore. He is also a Pre-Bar Review and MCLE Lecturer, a professor of Commercial and Civil Law at San Beda University College of Law, San Beda College Alabang School of Law, Lyceum of the Philippines University College of Law and other well-known institutions.

Atty. Aquino placed 8th in the Bar Examinations.

Arthur R. Tan

Independent Director

Expertise:
Strategic Leadership
Global Business Management
Technology

Date of Election and Length of Service:
November 5, 2024
1 month

Arthur "Art" R. Tan is DigiPlus' Independent Director. He previously served as an Advisor to the Chairman and CEO of AC Industrial Technology Holdings, Inc. He was also the former Vice Chairman and CEO of Integrated Micro-Electronics Inc. (IMI) until April 2024. He led the company from a predominantly Philippine-based company to a global organization. Expanding IMI's capabilities and global footprint was primal in his objectives for growth. Within a decade and a half, he led the expansion by means of acquisition in the US (Saturn Electronics), China (Speedy Tech) and Europe (EPIQ). By 2017, the company's revenue breached the US$1 billion mark with a CAGR of 18% from 2002. At one point, the total number of employees for IMI alone reached about 15,000 covering 21 factories in 10 countries.

Mr. Tan was also appointed to become the CEO of AC Industrials, where other acquisitions and ventures that were related to technology, manufacturing and automotive were housed: AC Motors, KAMMI, C-CON, Merlin Solar, STI UK Ltd and Via Optronics.

He is also an Independent Board Member of Lyceum of the Philippines University, FEU Institute of Technology and SSI Group.

Prior to joining Ayala Corporation/Integrated Micro-Electronics, Inc. in 2001, Mr. Tan was the Northeast Area Sales Manager and Acting Design Center Manager of American Microsystems Inc. (Massachusetts, USA) and Managing Director for its Asia Pacific Region/Japan Headquarters.

Mr. Tan graduated with B.S. in Electronics Communications Engineering degree from Mapua Institute of Technology and attended post graduate programs at the University of Idaho, Singapore Institute of Management, IMD and Harvard Business School.

Senior Management

Tsui "Andy" Kin Ming
President, DigiPlus Interactive Corp.

Rafael Jasper S. Vicencio
President, AB Leisure Exponent, Inc.

Wilfredo M. Pielago

Chief Finance Officer

Mr. Wilfredo M. Pielago held various responsibilities as VP of Finance, AVP for Investment Portfolio, CFO, Financial Controller, Finance Executive, Finance and Administration Manager, and Auditor in the industries of real estate, investment institutions, business space solutions, golf club resort, conglomerate group, and assurance services. Mr. Pielago is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Chartered Financial Analyst (CFA), and a Certified Financial Consultant.

Mr. Pielago's wealth of experience in merger and acquisition, project investment, fundraising, and financial evaluation is a testament to his many years of expertise in financial analysis, forecasting, and financial reporting. Mr. Pielago provides strong leadership, financial expertise, and strategic initiatives in the Company's Finance Department.

Atty. Kristine Margaret Delos Reyes

Compliance Officer and Head of Legal Department

Atty. Kristine Margaret R. De Los Reyes is the Compliance Officer and Head of Legal Department of DigiPlus Interactive Corp. Atty. De Los Reyes started her professional career as an Associate Lawyer from one of the biggest and most distinguished law firms in the Philippines, the Angara Abello Concepcion Regala & Cruz Law Offices (ACCRA) from 2007 to 2010.

Prior to joining DigiPlus Interactive Corp., she was the Chief Legal Officer and Senior Vice President for Legal and Compliance of Fortunegate Holdings Philippines, Inc.; Millennium Pan-Asia Hotel and Resort Inc.; Stotsenberg Leisure Park & Hotel Corporation. Atty. De Los Reyes performed regulatory compliance in relation to the requirements of PAGCOR and other government agencies. She also used to be the Senior Vice President for Legal and Corporate Affairs of the Human Resources and Administration of Elxcite Gaming and Entertainment, Inc. and Starcap Management, Inc., and as well as the Assistant Vice President and Director for Legal Special Projects and Contracts of Resorts World Manila.

An optimistic, tenacious, and meticulous corporate lawyer, Atty. De Los Reyes' appointment as the Compliance Officer and Head of Legal Department is intended to furnish DigiPlus Interactive Corp. with the expertise and experience required to ensure that we continue to meet all relevant regulatory compliance standards.

Atty. De Los Reyes was a consistent Dean's Lister from the De La Salle University, Manila, graduating with a Bachelor of Science in Commercev major in Legal Management. She holds a Juris Doctor degree from the Ateneo De Manila University School of Law.

Celeste Jovenir

Vice President, Investor Relations, Corporate Communications, and Sustainability

Ms. Celeste Jovenir has 20 years of experience across investor relations, corporate communications, and ESG in leading institutions in the Philippines.

For 10 years, she headed investor relations at Ayala Corporation, one of the largest business groups in the Philippines, with key interests in real estate, banking, telco, and power. Before joining Ayala, Ms. Jovenir led corporate communications at the Philippine Stock Exchange and at Roxas Holdings, a publicly listed sugar and ethanol producer and a first mover in agribusiness in the Philippines. She obtained her Bachelor's Degree in Journalism from the University of Santo Tomas.

Atty. Rosalyn D. Batay

Head, Internal Audit

Atty. Rosalyn D. Batay is the Head of Internal Audit. Atty. Batay has an extensive experience as a Certified Public Accountant and as a lawyer. She became the Chief Operating Officer for JK Capital Finance for 3 years, Head of Finance for ISO Certified Manufacturing and Trading Companies for 9 years, and has a 10 year internal audit experience as Management and Audit Officer for Philippine Deposit Insurance Corporation and 3 year external audit stint with KPMG International.

As member of the Integrated Bar of the Philippines and member of the Philippine Institute of Certified Public Accountants, she brings her skills in the field of audit, accounting, finance, banking, tax and law to DigiPlus Interactive Corp. and offers her knowledge and expertise in risk-based auditing, compliance, financial analysis and control, operational and financial risk management to advance the Company's potential and expand its growth.

Elias John Kukas

Vice President, Investments

Mr. Elias John Kukas is a Certified Public Accountant and an experienced investment banker. He has over 13 years of combined experience in tax audit, management consulting, and investment banking. He was a Senior Deal Officer at First Metro Investment Corporation (Metrobank Group) who worked on several corporate borrowing deals (bonds, notes and project finance) with a total transaction value of more than ₱100 Billion.

Mr. Kukas also worked on several M&A deals in the real estate, healthcare, and banking industries. He has served more than 30 clients including top Philippine conglomerates such as Ayala, Aboitiz, and Filinvest groups to name a few. He graduated Cum Laude in B.S. in Business Administration and Accountancy at the University of the Philippines-Diliman and was a consistent Dean's Lister at the Asian Institute of Management, taking up his Executive MBA degree. He is also a Level 2 CFA Exam passer.

Atty. Carol V. Padilla

Corporate Secretary

Atty. Carol V. Padilla serves as the Company's Corporate Secretary. Previously, Atty. Padilla was the Assistant Director for Legal and Corporate Affairs of Millennium Pan-Asia Hotel and Resort Inc. She handled compliance with regulatory requirements of PAGCOR and SEC, supervised managing and protecting the intellectual properties of the Company such as trademark applications, copyright, and patents, among others, and performed corporate housekeeping services. Prior to that, she was also Director for Contracts and Special Projects in Resorts World Manila. Atty. Padilla brings a wealth of experience and skills to help DigiPlus achieve new heights. Atty. Padilla attended college in the Ateneo de Manila University and was a consistent dean's lister. She graduated with a degree in Bachelor of Arts, major in Psychology, and later earned her Juris Doctor degree from the Ateneo de Manila University School of Law. She was admitted to the New York Bar in 2012, and is currently licensed to practice law in the State of New York, U.S.A.

Carlos Pio Feliciano

Customer Service Director

Carlos Pio Feliciano is a distinguished leader and customer advocate with nearly 25 years of extensive experience in customer care, customer experience, department and site management, operations, and service delivery across various industries. His career spans from the BPO sector to the manufacturing industry, eCommerce, technology and even to the hospitality business; with notable tenures at renowned industry leading companies such as Schneider Electric, Lazada, FIS Global, and industry pioneering companies like PeopleSupport, Sutherland, and StarTek. Renowned for his dynamic and accomplished approach, Pio has consistently driven transformation, change, and business scaling, specializing in optimizing organizational structures for heightened efficiency, efficacy, and profitability. His strategic vision, commitment to operational excellence, and unwavering passion for customer satisfaction have enabled him to lead global service delivery centers, pilot multi-cultural and innovative initiatives, enhance financial performance, and cultivate a robust customer service culture.

His expertise in operational, financial, and people management, coupled with his ability to implement impactful change and developmental initiatives, has consistently resulted in enhanced profitability and sustained business growth while fostering a culture of excellence and unique end-to-end customer journeys.

Dennis Ryan Yaw

Head Offline Operations

Dennis is a seasoned executive with extensive experience in corporate finance, business development, and operations management across various industries, including renewable energy, retail, logistics, and financial services. With a strong foundation in investment banking and strategic planning, he has successfully led large-scale business units, driving growth and operational efficiency. His ability to evaluate, negotiate, and execute strategic projects has been demonstrated in leadership roles at SM Investments Corp., SM Retail Inc., 2Go Group Inc., and other major organizations.

Most recently, Dennis served as Vice President for Business Development at SM Investments Corp., where he spearheaded the renewable energy initiatives of the group, focusing on solar energy deployment. Prior to this, he held key leadership roles in SM Retail and 2Go Group, managing nationwide retail operations, digital transformation initiatives, and business expansion strategies. His earlier experience includes finance and investment roles at Citadel Holdings, the Asian Development Bank, and Digital Paradise Inc., where he played a pivotal role in scaling businesses through strategic finance and operational improvements. A graduate of Ateneo de Manila University with a degree in Management Engineering, Dennis brings a unique blend of analytical, financial, and operational expertise, making him a valuable asset in high-growth and transformative business environments.

Angela Camins-Wieneke

Executive Director, BingoPlus Foundation

Angela has 16 years of experience in driving business growth across the real estate and service industries while championing corporate social responsibility (CSR) to create meaningful impact in communities. With a strong background in business development and people management, she has successfully scaled national operations and led cross-functional teams in both corporate and nonprofit sectors.

She spent a decade at SM Supermalls—one of Southeast Asia's largest property developers—where she held key leadership roles, including Group Marketing Manager for SM Cares, Regional Human Resources Manager for SM Life, and Regional Operations Manager for SM Foodcourt. Her experience extends to the global hospitality sector, serving as Operating Partner and International Training Manager for P.F. Chang's China Bistro, as well as Marketing Manager for the Marajo Group. She holds a Bachelor's degree in Business Administration, majoring in Advertising and Public Relations Management, from Preston University and Southville Foreign University.

Angela's leadership in CSR has led to the development of award-winning programs focused on diversity and inclusion, environmental sustainability, youth empowerment, disaster response, education, healthcare, and livelihood—reinforcing her commitment to social good while driving business excellence.

Rick Li

Chief Digital Officer

Rick brings over 15 years of unparalleled expertise in fintech, digital payments, and technical leadership to the forefront of the gaming industry. As a visionary leader, Rick's track record is underscored by his pivotal role as the Head of Solutions for South & Southeast Asia at Ant Group, where he orchestrated technical solutions across all product lines for Ant International.

Rick's leadership encompassed strategic planning, technical innovation, and driving operational excellence. He was instrumental in spearheading initiatives that transformed the landscape of digitalization across the regions.

As Chief Digital Officer, Rick is uniquely poised to guide DigiPlus towards digital innovation and success in the ever-evolving digital financial ecosystem. His profound insights and proven acumen make him an indispensable asset in navigating the complexities of today's gaming landscape.

Rick graduated with a bachelor's degree in Computer Science and a master's degree in Software Engineering from the National University of Singapore.

Cholo Tagaysay

Chief Marketing Officer, ArenaPlus

Cholo brings over 20 years of C-Suite experience, having served as CEO, COO, CMO, Managing Director, Board Director, President, and Founder across leading digital companies.

He served two tenures at the Globe Group (2000-2004, 2020-2023), contributing to its digital transformation. In his most recent role, he was the CEO of KonsultaMD, which was recognized as "Globe's Next Unicorn" during his term.

Cholo played a key role in three successful startup exits, including the Philippines' first tech IPO in 2014, where he served as CMO of the publicly listed company until 2019.

His expertise spans multiple industries—including Games, HealthTech, Telco, and Advertising—as well as multiple markets, including Bangladesh, Indonesia, Malaysia, and the Philippines.

He graduated from the Ateneo de Manila University in 1995 with a Bachelor of Arts degree in Management Economics.

Board composition

The Board of Directors (Board) serves as the highest authority in governing and managing DigiPlus Interactive Corp. (Company). Comprising of nine (9) members elected by shareholders at the Annual Stockholders' Meeting (ASM), the Board holds full authority to oversee the Company's affairs. Members serve for one year until the next ASM. More than 77% of the Board is composed of non-executive directors (7 out of 9). The Board of Directors of the Company is mostly composed of non-executive directors (NEDs) who possess the qualifications necessary to effectively participate in and secure objective, independent judgment on corporate affairs. They are also capable of providing proper checks and balances.

Among the nine (9) board members, three (3) are independent directors. All independent directors are independent of the Company, its Management, and major/substantial stockholders, hold no interests or relationships with the Company that would interfere in their exercise of independent judgment in carrying out their responsibilities as directors. In addition, 5 of the 7 Board Committees of the Company are chaired by an independent director.

Responsibilities of the Board

The Board is responsible for overseeing the development, approval, and monitoring of business objectives and strategies to ensure the achievement of the Company's long-term sustainability and enhance shareholder value.

To uphold strong governance, the Board is required to establish a Board Charter that clearly defines its roles, responsibilities, and accountabilities in fulfilling its fiduciary duties. Additionally, the Board is responsible for implementing a robust succession planning program and creating a formal, transparent policy for board nominations and elections. It must also ensure that a comprehensive enterprise risk management (ERM) framework is in place to effectively identify, monitor, assess, and manage significant business risks.
In terms of performance management, the Board must implement a performance management framework and approve the process for selecting and evaluating the performance of Management. The Board also plays a crucial role in maintaining high ethical standards in governance, ensuring the presence of an adequate internal control system, and establishing mechanisms to monitor and manage potential conflicts of interest among Management, board members, and shareholders. Additionally, the Board is responsible for developing a Company-wide policy and system to govern related party transactions and other exceptional or infrequent transactions.

Finally, the Board ensures that the compensation of key executives and board members aligns with the Company's long-term interests.

Nomination and election of Directors

The Corporate Secretary presents director nominations to the Nomination Committee, including detailed profiles of each nominee highlighting their qualifications, expertise, professional background, and relevant experience. Before the Annual Stockholders' Meeting (ASM), the Committee evaluates nominees based on criteria such as integrity, reputation, ability to foster Board collaboration, and alignment with good corporate governance principles. Board diversity is also considered and does not only cover gender diversity but also diversity in terms of age, ethnicity, culture, skills, competence, and knowledge.

Board committees

Audit Committee	Ramon Pancratio D. Dizon	Chairman
	Atty. Timoteo B. Aquino	Member
	Atty. Jose Raulito E. Paras	Member

The Audit Committee oversees the financial reporting process, system of internal control, audit process, and compliance monitoring. The members of this committee should preferably have a background in accounting and finance. All must have a good understanding of the Company's financial management systems and environment.

In compliance with its oversight function in the Company's financial reporting, the Audit Committee met quarterly in CY 2024 to preliminary discuss, review, and evaluate the quarterly financial statements before its scheduled presentation to the Company's Board of Directors. The timely review of the Audit Committee led to the timely filing of the Company's financial statements to the Securities and Exchange Commission and The Philippine Stock Exchange, Inc.

Likewise, the Audit Committee regularly met with the Company's Internal Audit Department without the presence of senior management in accordance with its function to oversee the performance, processes, and activities of the Company's auditors to secure, safeguard, and protect the Corporation's resources.

Finally, the Audit Committee met with the Company's external auditor, Isla Lipana & Co., prior to commencing its audit to determine the nature, scope, and expense of the audit for the fiscal year 2025. Prior to the external auditor's continuing engagement, the Audit Committee evaluated its past year's performance to ensure that it passed the required performance rating.

Corporate governance Committee	Atty. Timoteo B. Aquino	Chairman
	Ramon Pancratio D. Dizon	Member
	Arthur R. Tan	Member

The Corporate Governance (CG) Committee has the responsibilities of advising the Board with regards to Board composition, procedures, and committees; developing and recommending a set of corporate governance guidelines to the Chief Executive Officer and the Board; and monitoring these corporate governance guidelines.

On 10 April 2024, the CG Committee met to approve the Company's Sustainability Report in time for the Board approval and submission with the Securities and Exchange Commission (SEC). The CG also discussed the latest sustainability efforts driven by the Company.

As part of its mandate, the CG Committee met to get a status on the Company's corporate governance effort in compliance with the SEC's guidelines. It also approved the Company's Annual Corporate Governance Report for CY 2023.

Board risk oversight Committee	Arthur R. Tan	Chairman
	Renato G. Nuñez	Member
	Ramon Pancratio D. Dizon	Member

The Board Risk Oversight Committee is in charge of assisting the Board of Directors in managing and overseeing matters related to financial risk and all other risk exposures of the Company. It is also tasked with assessing, monitoring, and controlling these risks. One of its duties includes developing, overseeing the implementation of, and evaluating a formal risk enterprise management plan.

The BROC regularly met with the Company's Chief Risk Officer in 2024 for updates and results of assessment on the Company's existing and perceived credit risks, market risks, issues on liquidity, operational, reputational, legal, and other risks.

Related party transaction Committee		
	Atty. Timoteo B. Aquino	Chairman
	Ramon Pancratio D. Dizon	Member
	Willy N. Ocier	Member

The Related Party Transactions Committee is responsible for reviewing all materials related to our transactions. They also oversee and implement a system that identifies, monitors, measures, controls, and reports related party transactions.

Additionally, the system must include a periodic review of policies and procedures covering related party transactions.

Executive Committee		
	Eusebio H. Tanco	Chairman
	Tsui Kin Ming	Member
	Rafael Jasper S. Vicencio	Member

The Executive Committee is tasked with assisting the Board in performing its duty of setting guidelines and policies regarding the Company's daily operations. It also assists the Board in developing a clear, focused strategy for non-financial information. This strategy should take into account economic, environmental, social, and governance issues and adopt best global practices and standards.

Compensation Committee		
	Atty. Timoteo B. Aquino	Chairman
	Tsui Kin Ming	Member
	Atty. Jose Raulito Paras	Member

The Compensation Committee provides guidelines on the compensation and remuneration of the Board, key officers, senior management. Complying with its mandate, on 6 June 2024, the Committee noted that the directors had an increased responsibility and tasks, including but not limited to rigorous regulatory compliance, strategic oversight, and comprehensive risk management. Hence, the Committee deemed it necessary to increase the per diem for Board and Committee Meetings of directors.

Nomination Committee		
	Eusebio H. Tanco	Chairman
	Rafael Jasper S. Vicencio	Member
	Atty. Timoteo B. Aquino	Member

The Nomination Committee identifies and recommends to the Board the best candidates for directorship in each subsequent annual shareholder meeting. It is also charged with ensuring a smooth process for nominating and electing members of the Board that is in line with existing laws and Company policies.

The Nomination Committee met on 30 May 2024 to identify, evaluate, and recommend appropriate candidates who will serve as the Company's Board of Directors for the ensuing year 2024-2025 in time for its scheduled Annual Stockholders' Meeting scheduled on 26 July 2024.

Likewise, the Committee met on 4 November 2024 to recommend an appropriate candidate to be elected as the Company's new director due to the resignation of one of the members of the Board.

Board meetings and attendance

In 2024, the Board of Directors had a total of eleven (11) Board meetings. Attendance of each director in Board meetings held in 2024 is enumerated below:

Attendance of Board of Directors

Directors	Meetings present	Meetings held	Attendance rate
Eusebio H. Tanco	11	11	100%
Tsui Kin Ming	11	11	100%
Rafael Jasper S. Vicencio	11	11	100%
Jose Raulito E. Paras	11	11	100%
Willy N. Ocier	11	11	100%
Renato G. Nuñez	11	11	100%
Mardomeo N. Raymundo, Jr.*	9	9	100%
Ramon Pancratio D. Dizon	11	11	100%
Timoteo B. Aquino	11	11	100%
Arthur R. Tan**	1	2	50%

**Mr. Raymundo resigned from the Board of Directors on 5 November 2024.*
***Mr. Tan was elected to the Board of Directors on 5 November 2024.*

The average rate of attendance of the Board of Directors was ninety-five percent (95%) in 2024, which is more than compliant with the SEC's minimum attendance requirement of fifty percent (50%). The average attendance rate of the Independent Directors was eighty-three percent (83%) for the same year.

Audit Committee

Directors	Meetings present	Meetings held	Attendance rate
Ramon Pancratio D. Dizon	6	6	100%
Jose Raulito E. Paras	6	6	100%
Timoteo B. Aquino	6	6	100%

Board Risk Oversight Committee

Directors	Meetings Present	Meetings held	Attendance rate
Timoteo B. Aquino	5	5	100%
Ramon Pancratio D. Dizon	5	5	100%
Renato G. Nuñez	5	5	100%

Nomination Committee

Directors	Meetings present	Meetings held	Attendance rate
Eusebio H. Tanco	2	2	100%
Rafael Jasper S. Vicencio	2	2	100%
Timoteo B. Aquino	2	2	100%

Compensation Committee

Directors	Meetings present	Meetings held	Attendance rate
Tsui Kin Ming	3	3	100%
Ramon Pancratio D. Dizon	3	3	100%
Jose Raulito E. Paras	3	3	100%

Corporate Governance Committee

Directors	Meetings present	Meetings held	Attendance rate
Timoteo B. Aquino	4	4	100%
Ramon Pancratio D. Dizon	4	4	100%
Eusebio H. Tanco	4	4	100%

All directors are required to attend all Board meetings, both regular and special, unless they have a valid reason for their absence. If a director misses more than 50% of these meetings without a justified cause, it will be considered grounds for disqualification from future elections.

Board performance

The Board of Directors places significant importance on continuous improvement and effective governance. To achieve this, an annual self-assessment exercise is conducted to evaluate both individual and collective performance. This process is structured around a self-assessment questionnaire, which serves as a tool for reflection and analysis. Directors are assessed on key aspects such as the quality of the structure and processes of the Board, the conditions that allow them to fulfill their roles, and the ability of the Board and its members to guide the company.

Assessing the performance of the Board is overseen by the Corporate Governance Committee and serves multiple purposes: it highlights specific strengths that can be leveraged, identifies areas needing improvement, and fosters accountability among directors. Additionally, it creates an opportunity for the Board to reflect on the performance of top management and align strategic priorities for the company in the coming year. Ultimately, this annual process ensures that the Board remains focused on its governance responsibilities and is well positioned to guide the organization toward its goals. Every three years, an external facilitator will be sourced to strengthen this process and increase objectivity.

Board training

SEC Memorandum Circular No. 20, Series of 2013, requires all directors and key officers of publicly listed companies to attend a program on corporate governance at least once a year. All of the Company's directors and key officers attended and completed the corporate governance training seminar on 5 December 2024.

The attendance of DigiPlus' Board members at corporate governance (CG) training programs and seminars is disclosed through the posting of Certificates of Attendance on the Company website, PSE Edge Portal, and included in its Integrated Annual Corporate Governance Report (I-ACGR). These programs ensure compliance with the SEC requirement for annual CG training for directors and key officers of publicly listed companies.

Enterprise Risk Management

The Board of Directors of DigiPlus holds overall responsibility for the company's risk management policy. To ensure robust oversight, the Board has established the Board Risk Oversight Committee (BROC), which is responsible for supervising and continuously evaluating the effectiveness and adequacy of the company's Enterprise Risk Management (ERM) framework.

To support this function, the Management Risk Oversight Committee (MROC) is tasked with identifying, assessing, mitigating, and monitoring risks that may impact DigiPlus' strategic, financial, operational, and compliance objectives. The MROC regularly reports its risk assessments and mitigation efforts to the BROC, ensuring alignment, transparency, and an integrated approach to risk governance across the organization.

To operationalize the ERM framework, the Board has appointed a Chief Risk Officer (CRO) responsible for implementing, maintaining, and continuously improving the company's risk management systems. The CRO works in close coordination with business unit heads, who manage operational risks within their respective functions, ensuring that internal controls and risk mitigation strategies are effectively implemented.

DigiPlus remains committed to regularly updating its risk management framework and methodologies to stay ahead of emerging risks. The company ensures rigorous testing, validation, and enhancement of risk controls, aligning with global standards and best practices.

Risk Management framework

DigiPlus' Enterprise Risk Management (ERM) strategy is built upon two internationally recognized management frameworks (Right):

By integrating these frameworks, DigiPlus has adopted a holistic and structured approach to risk management. This ensures that risks are proactively managed, decision-making processes are enhanced, and long-term business sustainability is protected.

01

COSO Enterprise Risk Management (ERM) Framework (2017) – Provides a structured approach for identifying, assessing, and managing risks within the organization's internal environment.

02

ISO 31000 – Offers a broader, enterprise-wide risk management perspective, addressing internal and external risk factors while emphasizing the critical role of corporate culture in effective risk governance.

Risk Management process

DigiPlus follows a structured five-step risk management process to ensure that risks are identified, assessed, mitigated, and monitored effectively:

1. Risk identification

Identifying potential risks that may impact business objectives, including internal and external risk factors.

2. Risk assessment

Evaluating the likelihood and potential impact of identified risks.

3. Risk management Strategy development

Establishing mitigation strategies, including control mechanisms, risk transfer (e.g., insurance), and contingency planning.

4. Risk management Strategy implementation

Applying risk mitigation measures, continuously monitoring risks, and allocating appropriate resources for control execution.

5. Monitoring and review

Regularly reviewing risk exposure and control effectiveness, making necessary adjustments based on risk landscape changes and operational needs.

Risk exposure categories

DigiPlus has identified key risk exposure categories, based on previous ERM implementations and industry best practices. These categories serve as a foundation for risk identification, assessment, monitoring, and mitigation.

Risk exposure	Risk assessment (monitoring and measurement process)	Risk management and control (structures, procedures, and actions taken)
Safety and security risk	All Safety Officers, First Aiders, and key personnel across DigiPlus branches contribute to maintaining a safe and secure environment by actively participating in risk identification, safety audits, and emergency preparedness initiatives. Regular safety assessments and compliance checks are conducted across all locations to ensure adherence to security protocols and risk management policies. The DigiPlus Safety and Security Team conducts an annual audit, validated by Internal Audit, to monitor the protection of physical assets and the effectiveness of security measures.	Facility maintenance, security protocols, and emergency response procedures are enforced across all branches to minimize physical security risks. D-REACT (Safety Committee), Safety Officers, and First Aiders undergo regular training and security audits to strengthen preparedness and response capabilities. Security measures are continuously reviewed, updated, and tested to adapt to evolving risks, ensuring a safe and secure environment for employees, customers, and assets.
Property damage and business disruption risk	Annual Business Impact Analysis (BIA) and Business Continuity Plan (BCP) reviews are conducted to assess potential disruptions. Risk scenarios, impact severity, and recovery times are analyzed to identify vulnerabilities and strengthen business continuity planning. Regular testing of backup systems and infrastructure resilience assessments are conducted to minimize operational disruptions.	DigiPlus continuously enhances its Business Continuity Management (BCM) by implementing data backup strategies, risk transfer (insurance), and infrastructure resilience measures. Reports are submitted to the Board Risk Oversight Committee (BROC) to ensure BCP strategies remain effective and up to date. Crisis response procedures, alternative work arrangements, and emergency action plans are in place to mitigate property damage and business interruptions.
Information security and technology risks	Vulnerability assessments, penetration testing, and incident monitoring are conducted to ensure robust cybersecurity defenses.	The Information Security Department enforces compliance with the Information Security Policy and handles incidents related to system security breaches. Cybersecurity awareness training is conducted for all business units.

Risk exposure	Risk assessment (monitoring and measurement process)	Risk management and control (structures, procedures, and actions taken)
Environmental and social risk	Regular monitoring and reporting on sustainability initiatives and compliance with environmental and social regulations are conducted.	DigiPlus is committed to environmental sustainability and corporate social responsibility (CSR). The company has taken initial steps to determine its exposure to climate risk aligning with global standards. DigiPlus also implements programs that address various social issues through the BingoPlus Foundation.
Operational and process risk	Regular business process reviews are conducted across all branches to identify inefficiencies, vulnerabilities, and areas for improvement. These reviews assess workflow effectiveness, procedural gaps, and potential operational risks, ensuring that processes remain optimized, secure, and aligned with business objectives. Findings from these assessments guide corrective actions and enhancements, strengthening risk controls and overall process efficiency.	The MROC, business unit heads, and process owners implement risk control tools, automation, and standardized procedures to improve operational efficiency and resilience. Business processes are continuously monitored and refined to adapt to evolving risks and regulatory requirements. Internal audits and compliance checks ensure that controls remain effective, supporting the company's commitment to efficiency and governance.
Financial risk	Financial performance is monitored through interest and foreign exchange rate assessments, along with financial ratio analysis.	DigiPlus ensures compliance with financial regulations and continuously strengthens its financial risk management processes.
Regulatory and compliance risk	Regular compliance audits and monitoring are conducted to ensure adherence to laws, regulations, and internal policies across all branches. This process involves reviewing regulatory requirements, assessing compliance gaps, and verifying the implementation of corrective actions. Findings are reported to relevant oversight committees, ensuring that DigiPlus remains aligned with legal standards and industry best practices, while proactively addressing compliance risks.	Employees across all branches undergo regular training and awareness programs on the Code of Ethics, Data Privacy Act of 2012 (DPA), Anti-Money Laundering Act of 2001 (AMLA), Department of Labor and Employment (DOLE) regulations, and Occupational Safety and Health Standards (OSHS). These sessions ensure that employees understand their roles and responsibilities in maintaining regulatory compliance and workplace safety. Compliance is continuously monitored through assessments, refresher courses, and internal audits, reinforcing a culture of accountability, legal adherence, and occupational health and safety compliance.

Business ethics

DigiPlus is committed to upholding the rights of all stakeholders, including minority shareholders, and has established a comprehensive Code of Conduct and policies addressing key areas such as related party transactions (RPTs), anti-corruption, whistleblowing, anti-money laundering, data privacy, and employee health, safety, and welfare. The company also has formal policies in place to prevent unethical, corrupt, and prohibited practices, applicable to employees, management, and board members. These policies provide clear guidance on work performance, interactions with employees, customers, and suppliers. These measures ensure a balance between business operations and good governance.

Manual on corporate governance

DigiPlus complies with the with the Code of Corporate Governance and its manual on corporate governance serves as a comprehensive guide in achieving its business goals, creating long-term value, and fulfilling its economic, ethical, legal, and social responsibilities. It defines corporate governance as a system of oversight and control that utilizes regulations, performance standards, and ethical principles to foster accountability throughout the organization, with a particular focus on the Board and senior management.

Code of conduct

The Code of Conduct (COC) of DigiPlus Interactive Corp. applies to all employees, including those in subsidiaries and affiliates, regardless of rank or tenure. It provides guiding principles of proper conduct for all employees, addressing their responsibilities in all aspects of their work, including interactions with stakeholders. Through the Human Resources Department (HRD) it ensures due process before any disciplinary action (written reprimand, suspension, or termination) is taken.

Anti-money laundering and terrorist financing prevention program policy

This program ensures DigiPlus' strict adherence to the Anti-Money Laundering Act of 2001, reinforcing the company's commitment to preventing its operations, employees, and players from being exploited for money laundering, terrorism financing, or other criminal activities. The program features a comprehensive set of policies, procedures, and controls aimed at combating money laundering (AML) and counter-terrorism financing (CTF). It includes guidelines for establishing dedicated AML and CTF offices and committees, alongside detailed protocols for monitoring, due diligence, reporting, record-keeping, employee training, risk management, and the implementation of targeted financial sanctions.

Policy on soliciting and accepting gifts, gratuities, tips, favors, or entertainment

To prevent conflicts of interest, employees are prohibited from accepting gifts, entertainment, or travel of significant value from the Company's suppliers, customers, or their immediate family members and representatives. DigiPlus' Policy on Soliciting and Accepting Gifts, Gratuities, Tips, Favors, or Entertainment establishes clear guidelines on this matter. The policy outlines when such offers may violate laws, regulations, company policies, contracts, agreements, or established ethical standards, ensuring adherence to good moral practices and company values.

Policy on related party transactions

This policy requires that all Related Party Transactions (RPTs) conducted by DigiPlus be executed at arm's length, ensuring fair and equitable terms. Its primary goal is to prevent conflicts of interest and avoid abusive or unfair transactions between related parties. The policy mandates that every RPT undergoes a thorough review, approval, and disclosure process, in full compliance with applicable laws, regulations, and guidelines, including those set by the Securities and Exchange Commission. The Board of Directors is responsible for overseeing RPTs to ensure they are carried out in a fair, prudent, effective, and transparent manner. By adhering to this policy, DigiPlus upholds its commitment to ethical business practices, accountability, and the protection of stakeholder interests.

Information security policy

DigiPlus' Information Security Policy focuses on safeguarding the confidentiality, integrity, and availability of its information assets and technology infrastructure. The policy aims to mitigate potential risks by proactively enhancing information security and fostering a strong data security culture within the organization. It ensures compliance with data protection regulations, addresses audit and security assessment findings, and adopts the latest standards and best practices in information security. The policy is aligned with leading frameworks and standards, including ISO 27001, the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF), and the 18 Critical Security Controls.

Data privacy manual

DigiPlus' Digital Privacy Manual is designed to safeguard the privacy of the data the Company collects, uses, discloses, stores, and disposes of, while reinforcing compliance with the Data Privacy Act of 2012. The manual outlines the Company's data protection and security measures, providing clear guidance for all employees on how to handle sensitive information. Additionally, it establishes general standards for upholding the rights of DigiPlus' data subjects, ensuring that privacy and data security are consistently prioritized across the organization.

Dividend Policy

The Dividend Policy calls for the payment of regular cash dividends in an amount of 20% to 30% of the audited consolidated core net income for the year, subject to Board approval, considering factors like shareholder interests, debt covenants, working capital needs, expansion plans, capital expenditures, and debt servicing.

Whistleblowing policy

The Whistleblowing Policy enables employees to report misconduct, illegal activities, or failures to act within the Company through channels outside of normal management procedures. As a key component of the Company's internal control framework, whistleblowing plays a crucial role in investigations and fact-finding. This policy fosters a healthy corporate culture by encouraging transparency, accountability, and integrity, ensuring that employees are protected in raising concerns without fear of retaliation.

Anti-sexual harassment policy

This policy was established to prevent sexual harassment and address related cases effectively. It outlines a clear procedure for resolving, settling, and handling sexual harassment complaints. The Company maintains a zero-tolerance stance towards sexual harassment, and any employee or officer found guilty of such misconduct will face disciplinary action. This policy ensures a safe and respectful workplace for all.

Gaming Employment License (GEL) policy

Ensures compliance with PAGCOR regulations and industry standards by requiring employees in gaming-related roles to obtain and maintain a GEL. This policy promotes professionalism, integrity, and risk mitigation while fostering a culture of accountability among employees. The Company supports employees in the licensing process through background checks and optional salary deductions for fees. Overall, the policy helps the Company operate legally, uphold industry standards, and maintain a trustworthy reputation.

Occupational safety and health policy

The OSH Policy establishes a framework for risk identification, evaluation, and mitigation, promoting a proactive and continuously improving safety approach. It applies to all operations, activities, and individuals within DigiPlus, covering both on-site and iGaming and leisure services, ensuring a safe and healthy workplace for all.

Procurement Policies and Procedures

The Procurement Unit manages the acquisition of goods and services for the company and implements the supplier accreditation process. This ensures that new and existing suppliers/contractors are able to meet specific criteria, standards and organization requirements in order to be registered, eligible and approved to conduct business and provide services. Furthermore, the Procurement Unit is responsible for sourcing, negotiating, and maintaining supplier relationships, ensuring regulatory compliance, and optimizing operational efficiency.

05 Annex

Sustainability reporting index

DigiPlus Interactive Corp. has reported the information cited in this report in accordance with the following internationally recognized sustainability reporting frameworks and standards: Global Reporting Initiative (GRI) and industry-specific standards of the Sustainable Accounting Standards Board (SASB) for Casinos & Gaming and Internet Media & Services.

Disclosure	GRI	SASB	Page
General Disclosures	The organization and its reporting practices GRI 2-1 Organizational details GRI 2-2 Entities included in the organization's sustainability reporting GRI 2-3 Reporting period, frequency, and contact point Activities and workers GRI 2-6 Activities, value chain, and other business relationships GRI 2-7 Employees		11-29
Material topics	Disclosures on material topics GRI 3-1 Process to determine material topics GRI 3-2 List of material topics GRI 3-3 Management of material topics		31-33
Good governance	Governance GRI 2-9 Governance structure and composition GRI 2-10 Nomination and selection of the highest governance body GRI 2-11 Chair of the highest governance body GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-13 Delegation of responsibility for managing impacts GRI 2-14 Role of the highest governance body in sustainability reporting GRI 2-15 Conflicts of interest GRI 2-16 Communication of critical concerns GRI 2-17 Collective knowledge of the highest governance body GRI 2-18 Evaluation of the performance of the highest governance body GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration Strategy, policies, and practices GRI 2-22 Statement on sustainable development strategy GRI 2-23 Policy commitments GRI 2-24 Embedding policy commitments GRI 2-25 Processes to remediate negative impacts GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 2-27 Compliance with laws and regulations Anti-corruption GRI 205-1 Operations assessed for risks related to corruption GRI 205-2 Communication and training about anti-corruption policies and procedures Economic Performance and Impact GRI 201-1 Direct economic value generated and distributed	Internal Controls on Money Laundering SV-CA-510a.1	63-90

Disclosure	GRI	SASB	Page
Environmental responsibility	Energy Use GRI 302-1 Energy consumption within the organization Emissions GRI 305-2 Energy indirect (Scope 2) GHG emissions	Energy Management SV-CA-130a.1 Environmental Footprint of Hardware Infrastructure TC-IM-130a.1	35-38
Employees and workplace	Employment GRI 401-1 New employee hires and employee turnover GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees Training and Education GRI 404-2 Programs for upgrading employee skills and transition assistance programs GRI 404-3 Percentage of employees receiving regular performance and career development reviews Diversity, Equality, and Inclusion GRI 405-1 Diversity of governance bodies and employees	Employee Recruitment, Inclusion, & Performance TC-IM-330a.3	47-54
Digital and data security	Customer Privacy GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy, Advertising Standards, & Freedom of Expression TC-IM-220a.1 TC-IM-220a.3 Data Security TC-IM-230a.1 TC-IM-230a.2	39-40
Responsible Gaming	Customer Health & Safety GRI 416-1 Assessment of the health and safety impacts of product and service categories Local Communities GRI 413-1 Operations with local community engagement, impact assessments, and development programs	Responsible Gaming SV-CA-260a.1 SV-CA-260a.2	41-45, 55-62

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