

COVER SHEET

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SEC Registration Number

[illegible]

(Company's Full Name)

[illegible]

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

Mr. Wilfredo Pielago

(Contract Person)

8 634-5099

(Company Telephone Number)

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Month Day
(Fiscal Year)

	1	7	-	Q
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(Form Type)

0	7
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2	6
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Month Day
(Annual Meeting)

Not Applicable

(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

Not Applicable

Amended Articles Number/section

1,803

Total No. of Stockholders

Page 10 of 10

Domestic

11/11/2019

Foreign

To be accomplished by SEC Personnel concerned

[illegible]

File Number

LCU

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Document ID

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION
CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **March 31, 2025**
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 there under or Sections 11 of the RSA and RSA Rule 11(a)-1 there under, 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 ☐

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Please see attached interim condensed consolidated financial statements.

Item 2. 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), (3) 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 - 97.27% 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) Diginvest Holdings Inc. (Diginvest - 100% owned); (13) DigiPlus Brazil Holding LTDA. (100% owned); and (14) DigiPlus Brazil Interactive LTDA (100% owned).

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 and Other Investments

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, ABLI 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.

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 Diginvest is located at 35th Floor, Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

RESULTS OF OPERATIONS

CONSOLIDATED REVENUE AND OPERATING INCOME

Breakdown of consolidated revenues and costs and expenses are as follows:

<i>Amounts in Thousands</i>	For three months ended March 31		Inc/(Dec)	% Change
	2025	2024		
REVENUE				
Retail games	₱22,753,214	₱13,375,909	₱9,377,305	70%
Rental income - casino	139,630	133,003	6,627	5%
Service and hosting fees	87,017	96,176	(9,159)	-10%
Commission income	60,539	7,586	52,953	698%
Revenue from leases	22,420	20,287	2,133	11%
	23,062,820	13,632,961	9,429,859	69%
COSTS AND EXPENSES				
Franchise fees and taxes	(8,771,839)	(6,878,540)	1,893,299	28%
Advertising and promotion	(4,830,895)	(2,289,886)	2,541,009	111%
Outside services	(2,717,951)	(1,509,417)	1,208,534	80%
Salaries and other employee benefits	(1,187,617)	(384,514)	803,103	209%
Subscription and association fees	(557,220)	(75,203)	482,017	641%
Depreciation and amortization	(326,817)	(80,550)	246,267	306%
Communications and utilities	(94,126)	(85,326)	8,800	10%
Taxes and licenses	(47,344)	(28,187)	19,157	68%
Others	(266,383)	(275,695)	(9,312)	-3%
	(18,800,192)	(11,607,318)	7,192,874	62%
Operating Income	₱4,262,628	₱2,025,643	₱2,236,985	110%

Consolidated Revenue

For the three months ended March 31, 2025, consolidated revenue increased by 69% or ₱9,429.9 million from ₱13,633.0 million in 2024 to ₱23,062.8 million. The increase was mainly due to increase in revenue from electronic games from retail, casino rental income, and commission income.

Retail

ABLE and its subsidiaries, TGXI and Gamemaster recognized revenue amounting to ₱22,753.2 million in the first three months of 2025, an increase of 70% or ₱9,377.3 million. This was mainly due to the increase in retail business operations and new licenses and games obtained from PAGCOR.

As of March 31, 2025, there were 136 sites in operation with full capacity.

Casino

BCGLC and GCLWC revenue increased by 5% or ₱6.6 million from ₱133.0 million in the first three months of 2024 to ₱139.6 million in the first three months of 2025. The increase was mainly due to new gaming machine lease agreement in 2025.

Network and Licenses

There was a decrease in network and licenses revenue from ₱96.2 million in the first three months of 2024 to ₱87.0 million in the first three months of 2025. The decrease amounted to ₱9.2 million or 10%. The decline was attributable to license expiration of an existing licensee.

Consolidated Costs and Expenses

Total costs and expenses increased by 62% or ₱7,192.9 million in the first three months of 2025 as compared to 2024. This was mainly due to increase in franchise fees, advertising and promotions, outside services, salaries and other employee benefits, subscription fees, and depreciation and amortization.

CONSOLIDATED EBITDA AND NET INCOME

Details of EBITDA and net income are as follows:

<i>Amounts in thousands</i>	For three months ended		Inc/(Dec)	% Change
	2025	2024		
Revenues	₱23,062,820	₱13,632,961	₱9,429,859	69%
Costs and expenses (excluding depreciation and amortization)	(18,473,375)	(11,526,768)	(6,946,607)	60%
EBITDA*	4,589,445	2,106,193	2,483,252	118%
Depreciation and amortization	(326,817)	(80,550)	246,267	306%
Finance expense and bank charges	(37,404)	(21,177)	16,227	77%
Equity in net loss of joint venture	(17,240)	(16,623)	617	4%
Foreign exchange loss	(68,462)	(4,412)	64,050	1452%
Finance income	66,254	16,023	50,231	313%
Provision for tax	(1,709)	(1,235)	474	38%
Other expenses - net	(554)	361	(915)	-253%
Net income after tax	4,203,513	1,998,580	2,204,933	110%
Minority interest	(1,514)	(3,122)	(1,608)	-52%
Net income attributable to Parent Company	₱4,201,999	₱1,995,458	₱2,206,541	111%

*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 ₱1,998.6 million in the first three months of 2024 to ₱4,203.5 million in the first three months of 2025 or 110% increase. EBITDA also improved from ₱2,106.2 million in the first three months of 2024 to ₱ 4,589.4 million in the same period of 2025. This was mainly due to significant increase in revenue from retail segment, net of costs and expenses related to franchise fees, advertising and promotions, outside services, salaries and other employee benefits and subscription fees.

Financial Position

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

As at March 31, 2025, our total assets stood at ₱47.8 billion, an increase of ₱3.7 billion or 8% as compared to total assets as of December 31, 2024 amounting to ₱44.1 billion. The increase was attributable to increase in cash, prepayments and other current and noncurrent assets. 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 ₱4,182.0 million or 30% mainly due to the positive results of operations.

Receivables and lease receivables decreased by ₱902.1 million or 18% mainly due to decrease in our receivables from payment channel gateways.

Property and equipment increased by 1% or ₱40.0 million, mainly due to renovations of land-based sites and acquisition of office and IT equipment, net of straight-line depreciation and amortization during the period. Investment in associates and joint venture decreased mainly due to share in net loss of HEPI.

Intangible assets decreased by ₱53.8 million mainly due to straight-line amortization during the period.

Other noncurrent assets increased by ₱166.1 million or 10%, mainly due to deferred costs related to software and game development. Other noncurrent assets also include advances to suppliers, rental deposits and other assets.

The total liabilities as of March 31, 2025 amounted to ₱15,717.9 million with an increase of ₱2,852.8 million or 22% from the total liabilities as of December 31, 2024 amounting to ₱12,865.1 million.

Trade payables and other current liabilities decreased by ₱968.6 million or 11% mainly due to settlement of various outstanding payables during the period.

Dividends payable increased by ₱3.8 billion due to dividend declaration on March 7, 2025. This was subsequently paid on April 4, 2025.

Capital stock and additional paid-in capital increased by ₱280.0 million or 3% attributable to issuance of common shares from the exercise of stock options.

Other reserve increased by ₱64.4 million or 7% due to reserve for employee stock options amounting ₱189.7 million, net of exercise amounting to ₱125.3 million.

Cash Flows

Cash balance as of March 31, 2025 and December 31, 2024 amounted to ₱18.2 billion and ₱14.0 billion, respectively. The increase was mainly due to cash flows provided by operating activities and financing activities amounting to ₱4.5 billion and ₱122.8 million, respectively, net of cash used in investing activities amounting to ₱479.2 million.

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.

PART II – OTHER INFORMATION

There is no significant information that needs to be reported under this section not previously reported in a report on SEC Form 17-C.

SIGNATURES

Pursuant to the requirements of the Revised Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DIGIPLUS INTERACTIVE CORP.

By:



TSUI KIN MING
President

May 7, 2025



WILFREDO M. PIELAGO
Chief Financial Officer / Treasurer

May 7, 2025

DigiPlus Interactive Corp. and Subsidiaries

Unaudited Interim Condensed Consolidated Statements of Financial Position

As at March 31, 2025

With Comparative Audited Figures as at December 31, 2024

(All amounts in thousands Philippine Peso)

	Notes	2025 (Unaudited)	2024 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents		18,159,434	13,977,434
Receivables, net		3,683,071	4,589,278
Current portion of lease receivables		74,179	69,557
Due from related parties		158,871	156,335
Prepaid expenses and other current assets		1,696,608	1,488,321
Total current assets		23,772,163	20,280,925
Non-current assets			
Receivables, net of current portion		372,885	368,044
Lease receivables, net of current portion		102,196	107,512
Investments and advances, net		2,647,763	2,664,988
Financial assets at fair value through other comprehensive income (FVOCI)		55,768	62,329
Property and equipment, net	3	5,330,643	5,290,596
Investment properties	4	11,217,011	11,217,011
Intangible assets		2,452,565	2,506,331
Other noncurrent assets		1,813,262	1,647,151
Total noncurrent assets		23,992,093	23,863,962
Total assets		47,764,256	44,144,887
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables and other current liabilities		7,630,315	8,598,955
Dividends payable	6	3,819,172	6,842
Current portion of:			
Long-term loans payable	5	733,781	733,781
Lease liabilities		461,811	476,217
Income tax payable		1,436	1,436
Total current liabilities		12,646,515	9,817,231
Non-current liabilities			
Lease liabilities, net of current portion		1,317,967	1,294,632
Retirement benefits liability		127,685	127,685
Customer deposits, net of current portion		82,408	82,296
Deferred tax liabilities		1,543,297	1,543,297
Total noncurrent liabilities		3,071,357	3,047,910
Total liabilities		15,717,872	12,865,141
Equity			
Capital stock		4,810,592	4,785,307
Additional paid-in capital		6,500,032	6,245,301
Treasury shares		(431,598)	(431,598)
Retirement benefits reserve		(31,242)	(31,242)
Fair value reserve		477,090	483,651
Foreign currency translation reserve		(10,319)	(47,935)
Other reserve		961,314	896,928
Retained earnings			
Unappropriated		12,278,920	11,889,253
Appropriated		7,300,000	7,300,000
Equity attributable to equity holders of the Parent Company		31,854,789	31,089,665
Non-controlling interests		191,595	190,081
Total equity	6	32,046,384	31,279,746
Total liabilities and equity		47,764,256	44,144,887

(The notes are integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Unaudited Interim Condensed Consolidated Statements of Total Comprehensive Income

For the three months ended March 31, 2025 and 2024

(All amounts in thousands Philippine Peso, except Earnings per Share Figures)

	Notes	Three months ended March 31	
		2025	2024
Revenues			
Retail games	7	22,753,214	13,375,909
Rental income - casino		139,630	133,003
Service and hosting fees		87,017	96,176
Commission income		60,539	7,586
Revenue from leases		22,420	20,287
		23,062,820	13,632,961
Cost and operating expenses	9	(18,800,192)	(11,607,318)
Operating income		4,262,628	2,025,643
Other expenses and losses, net			
Finance expense and other bank charges	5	(37,404)	(21,177)
Finance income		66,254	16,023
Foreign exchange loss, net		(68,462)	(4,412)
Equity in net loss of joint venture		(17,240)	(16,623)
Other expenses, net		(554)	361
		(57,406)	(25,828)
Income before income tax		4,205,222	1,999,815
Provision for income tax		(1,709)	(1,235)
Net income for the period		4,203,513	1,998,580
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Revaluation loss – FVOCI		(6,561)	(5,248)
Total comprehensive income for the period		4,196,952	1,993,332
Net income for the period attributable to:			
Equity holders of the Parent Company		4,201,999	1,995,458
Non-controlling interests		1,514	3,122
		4,203,513	1,998,580
Total comprehensive income attributable to:			
Equity holders of the Parent Company		4,195,438	1,990,210
Non-controlling interests		1,514	3,122
		4,196,952	1,993,332
Earnings per share	6		
Basic		0.9526	0.4527
Diluted		0.9150	0.4527

(The notes are integral part of these financial statements)

(All amounts in thousands Philippine Peso)

(The notes are integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Unaudited Interim Condensed Consolidated Statements of Cash Flows

For the three months ended March 31, 2025 and 2024

(All amounts in thousands Philippine Peso)

	Notes	2025*	2024*
Cash flows from operating activities			
Income before income tax		4,205,222	1,999,815
Adjustments for:			
Depreciation and amortization		326,817	80,550
Finance expense		37,404	14,146
Equity in net loss of joint venture and associates		17,240	16,623
Reserve for employee stock option	6	189,699	-
Interest income		(66,254)	(16,023)
Operating income before working capital changes		4,710,128	2,095,111
Decrease (Increase) in:			
Receivables		899,524	(1,805,449)
Prepaid expenses and other current assets		(208,287)	(106,158)
Increase (Decrease) in:			
Trade payables and other current liabilities		(927,574)	107,191
Customer deposits		112	65
Net cash generated from operations		4,473,903	290,760
Income tax paid		(1,709)	(1,235)
Interest received		66,254	16,023
Net cash provided by operating activities		4,538,448	305,548
Cash flows from investing activities			
Additions to:			
Property and equipment		(313,098)	(165,195)
Investment and advances		(15)	(338,412)
Increase in other noncurrent assets		(166,111)	(125,528)
Net cash used in investing activities		(479,224)	(629,135)
Cash flows from financing activities			
Proceeds from issuance of common shares		154,703	-
Payments for:			
Loans payable	4	-	(250)
Dividends		-	(15,313)
Interest		(31,927)	(26,915)
Net cash provided by (used in) financing activities		122,776	(42,478)
Net increase (decrease) in cash and cash equivalents		4,182,000	(366,065)
Cash and cash equivalents at beginning of period		13,977,434	4,264,238
Cash and cash equivalents at end of period		18,159,434	3,898,173

*Unaudited

(The notes are integral part of these financial statements)

DigiPlus Interactive Corp. and Subsidiaries

Notes to Unaudited Interim Condensed Consolidated Financial Statements

As at March 31, 2025 and December 31, 2024

And for the three months ended March 31, 2025 and 2024

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

Note 1 - Corporate 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 interim condensed 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.

The Group’s registered office address is Ecoprime Building, 32nd Street corner Ninth Avenue, Bonifacio Global City, Taguig City.

Note 2 - Summary of material accounting policies

2.1 Basis of preparation and presentation

The interim condensed consolidated financial statements have been prepared on a historical cost convention basis, except for:

- Certain financial assets carried at FVOCI;
- Investment properties carried at fair value

The interim condensed 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. The interim condensed consolidated financial statements have been prepared based on the accounting policies disclosed in the most recent audited annual consolidated financial statements.

Statement of compliance

The interim condensed consolidated financial statements for the three months ended March 31, 2025 have been prepared in accordance with PAS 34, Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at December 31, 2024.

2.2 Changes of accounting policies and disclosures

New standards, amendments and interpretations adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual audited consolidated financial statements for the year ended December 31, 2024 except for the new PFRS, amended PFRS, improvements to PFRS and interpretations which were adopted beginning January 1, 2025. Unless otherwise indicated, the Group does not expect the future adoption of the said pronouncements to have a significant impact on its interim condensed consolidated financial statements.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates, Lack of Exchangeability*

Deferred effectivity

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

2.3 Basis of consolidation

Subsidiaries

The interim condensed consolidated financial statements include the financial statements of the Group as at March 31, 2025 with comparative audited figures as at December 31, 2024 and unaudited consolidated statements of total comprehensive income for the periods ended March 31, 2025 and 2024.

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 interim condensed consolidated financial statements include the financial statements of the Group and the following subsidiaries as at March 31, 2025 and December 31, 2024:

Subsidiaries	Percentage of ownership		Country of incorporation
	March 31, 2025	December 31, 2024	
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	100	Philippines
Diginvest Holdings Inc. (Diginvest)	100	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	97.27	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

**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.

Subsequent event

On April 30, 2025, Diginvest incorporated DigiPlus Global Pte. Ltd. as its wholly owned subsidiary. The Company is formally registered under Singapore's business activity classification for head and regional offices, acting as the Group's centralized administrative and management office. DigiPlus Global's registered office address is located at 36 Robinson Road, #20-01, City House, Singapore 068877.

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.

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. 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 interim condensed consolidated financial statements also include the following indirect subsidiaries owned through ABLE as at March 31, 2025 and December 31, 2024:

Subsidiaries	Percentage of Ownership		Country of incorporation
	March 31, 2025	December 31, 2024	
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	100	Philippines
One Bingo Place, Incorporated***	99	99	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 interim condensed consolidated financial statements also include the following indirect subsidiaries owned through ABLGI as at March 31, 2025 and December 31, 2024:

Subsidiaries	Percentage of Ownership		Country of incorporation
	March 31, 2025	December 31, 2024	
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
DigiLive Inc. (formerly G-Boracay Gamma Holdings Inc. (GBGHI)	100	100	Philippines
Leisure and Media Plus Corporation (LMPC)	100	100	Philippines
DigiPlus Brazil Holdings Ltda.	100	100	Brazil
DigiPlus Brazil Interactive Ltda.	100	100	Brazil

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).

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.

Note 3 - Property and equipment, net

During the three months ended March 31, 2025, the Group acquired assets totaling P313,098. This includes renovation of land-based sites and purchase of office and IT equipment.

Note 4 - Investment properties

Investment properties as at March 31, 2025 and December 31, 2024 consist of:

	2025	2024
Land	10,985,054	10,985,054
Land improvements	11,480	11,480
Building	220,477	220,477
	11,217,011	11,217,011

The Group's investment properties are stated at fair value, which has been determined based on valuations performed by an accredited independent appraiser. The Group's latest appraisal reports are dated December 31, 2024.

Note 5 - Loans payableLong-term loans

Long term loans as at March 31, 2025 and December 31, 2024, are as follows:

		2025		2024	
	Ref	Current portion	Non-current portion	Current portion	Non-current portion
Chip Leader / Prominence	b	733,781	-	733,781	-

- a. On October 3, 2023, ABLE entered into a short-term loan agreement with Union Bank (UB) amounting to P1,000 with annual interest rate of 7.5% maturing on September 27, 2024. In 2024, the Company fully settled the loan. During the first quarter of 2024, the Company partially settled the loan amounting to P250.

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 2024, the Company fully settled the loan.

- b. 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\$10,000,000 or P480,230 shall be payable in March 2023. The loan is secured by land owned by LRLDI located in Cagayan with fair value as at March 31, 2025 and December 31, 2024 amounting to P1,914,285.

In 2021, CLHC provided the Company 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\$6,320,000 (or P355,980) with annual interest rate of 3% 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 Company.

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.

In 2024, CLHC assigns and transfers to PGAF absolutely all the rights, title, benefits and interests to and in, and all the benefits of, the respective loan.

The loan is and shall remain secured by any mortgage, charge, debenture or other security of any kind over the whole or any part of the assets of the Company or its subsidiaries and is not and shall not be capable of becoming subject to any right of set off or counterclaim and should any security be created for the loan, such security shall be forthwith pledged or sub pledged to the PGAF to secure the loan and

deposited with the PGAF.

- 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 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 2024, the Company fully settled the loan.
- e. 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 9 consecutive quarterly installments on its respective repayment dates beginning at the end of the 4th 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 audited consolidated financial statements of the Group.

The loan is secured by land owned by G-L Real Estate JV Corporation located in Boracay with fair value amounting to P8,835,614 as at March 31, 2025 and December 31, 2024. 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 will mature in April 2026. The loan was fully paid in 2024.

Interest expense related to the loans for the three months ended March 31, 2025 and 2024 amounted to P5,370 and P14,146, respectively.

Note 6 - Equity

Equity as at March 31, 2025 and December 31, 2024 is as follows:

	March 31, 2025		December 31, 2024	
	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 period	4,785,307	4,785,306,666	4,785,307	4,785,306,666
Issuance of common shares	25,285	25,285,500	-	-
Balance at end of period	4,810,592	4,810,592,166	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.

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.

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 June 21, 2024, PSE approved the listing of the 1.65 billion shares.

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. On October 10, 2024, PSE approved the listing of the 691.2 million shares.

In March 2025, 16,811,900 and 8,473,600 shares were issued at an exercise price of P2.68 and P12.94 per share, respectively, 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.

Thereafter, on April 22, 2025, a total of 16,434,100 PLUS shares were issued in favor of the ESOP grantees who exercised and fully paid for their options. This is currently pending listing with the PSE subject to the submission of the post-approval requirements insofar as these exercised shares are concerned. The 16,434,100 PLUS common shares have been issued and recorded in the books of the Company as of April 22, 2025.

As of March 31, 2025 and December 31, 2024, the Parent Company has 1,803 common stockholders.

Declaration of Cash Dividends

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.

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.

As at March 31, 2025 and December 31, 2024, unpaid dividends, included under “Dividends payable” account in the interim condensed consolidated statements of financial position, amounted to P3,819,172 and P6,842, respectively.

Treasury Shares

Details of treasury shares as at March 31, 2025 and December 31, 2024 are as follows:

<i>Number of shares</i>	<i>Parent Company Treasury Shares</i>		<i>Parent Company Shares held by ABLE</i>	
	2025	2024	2025	2024
Balance at beginning of period	377,647,488	377,647,488	21,567,000	21,567,000
Issuance of shares	-	-	-	-
Balance at end of period	377,647,488	377,647,488	21,567,000	21,567,000

<i>Amount</i>	2025	2024	2025	2024
Balance at beginning of period	377,647	377,647	53,951	53,951
Issuance of shares	-	-	-	-
Balance at end of period	377,647	377,647	53,951	53,951

Earnings per Share

Basic/diluted earnings per share for the three months ended March 31 is computed as follows:

	2025	2024
Net income attributable to equity holders of the Parent Company (a)	4,201,999	1,995,458
Number of shares		
Weighted average number of shares outstanding for the purpose of basic earnings per share (b)	4,411,031	4,407,659
Effect of diluted share options	181,236	-
Weighted average number of shares outstanding for the purpose of diluted earnings per share (c)	4,592,267	4,407,659
Basic earnings per share (a/b)	0.9526	0.4527
Diluted earnings per share (a/c)	0.9150	0.4527

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. 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:

	March 31, 2025	December 31, 2024
At beginning of period	259,714,133	127,324,564
Granted during the period	-	134,399,569
Exercised during the period	(25,285,500)	-
Forfeited during the period	-	(2,010,000)
At end of period	234,428,633	259,714,133
Vested and exercisable at end of period	59,273,412	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 March 31, 2025	Share options December 31, 2024
<i>Batch 1</i>			
Tranche 1 - April 1, 2023	January 1, 2029	28,190,056	45,001,956
Tranche 2 - April 1, 2023	January 1, 2030	39,556,956	39,556,956
Tranche 3 - April 1, 2023	January 1, 2031	40,755,652	40,755,652
<i>Batch 2</i>			
Tranche 1 - November 12, 2024	January 1, 2030	35,878,257	44,351,857
Tranche 2 - November 12, 2024	January 1, 2031	44,351,858	44,351,858
Tranche 3 - November 12, 2024	January 1, 2032	45,695,854	45,695,854
Total		234,428,633	259,714,133
Weighted average remaining contractual life of options outstanding at end of period		5.26	5.51

The model inputs for options granted included the following:

	Batch 1	Batch 2
Grant date	April 1, 2023	November 12, 2024
Expiry date	January 1, 2029 to 2031	January 1, 2030 to 2032
Strike price	P2.68	P12.94
Fair value at grant date	P1.42	P12.70
Share price at grant date	P2.66	P19.90
Expected dividend yield	0.87%	0.15%

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 compensation expense recognized during the period ended March 31, 2025 and 2024 amounted to P189,699 and nil, respectively, which is presented under cost and operating expenses in the unaudited interim condensed consolidated statements of total comprehensive income. As at March 31, 2025 and December 31, 2024, the stock option reserve arising from the Plan amounted to P842,657 and P778,271, respectively.

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.

Note 7 - Gaming licenses to operate

Revenue from retail games for the three months ended March 31 are as follows:

	2025	2024
Bingo games	1,799,089	2,006,064
Electronic games	20,954,125	11,369,845
	22,753,214	13,375,909

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. From April 2024 to December 2024, PAGCOR share is calculated at 25% of GGR. Starting January 1, 2025, PAGCOR share is calculated at 30% 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. From April 2024 to December 2024, PAGCOR share is calculated at 25% of GGR. Starting January 1, 2025, PAGCOR share is calculated at 30% of GGR.

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. From April 2024 to December 2024, PAGCOR share is calculated at 35% of GGR. Starting January 1, 2025, PAGCOR share is calculated at 30% of GGR.

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. From April 2024 to December 2024, PAGCOR share is calculated at 25% of GGR. Starting January 1, 2025, PAGCOR share is calculated at 30% of GGR.

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.

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.

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. From April 2024 to December 2024, PAGCOR share is calculated at 20%-35% of GGR. Starting January 1, 2025, PAGCOR share is calculated at 15%-30% of GGR.

Note 8 - 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; 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.

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 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.

Note 9 - Costs and operating expenses

Cost and operating expenses for the three months ended March 31 consist of:

	2025	2024
Franchise fees and taxes	8,771,839	6,878,540
Advertising and promotion	4,830,895	2,289,886
Outside services	2,717,951	1,509,417
Salaries and other benefits	1,187,617	384,514
Subscription and association fees	557,220	75,203
Depreciation and amortization	326,817	80,550
Communications and utilities	94,126	85,326
Taxes and licenses	47,344	28,187
Others	266,383	275,695
	18,800,192	11,607,318

Note 10 - Related party disclosures

The Company, in the normal course of business, has transactions with related parties which consist mainly of noninterest-bearing cash advances which are due and demandable anytime and are to be settled in cash.

Composition of amounts due from related parties follows:

	March 31, 2025	December 31, 2024
Cyberpoint Holdings and Management Corporation (CHMC)	156,823	156,823
Others	2,048	(488)
	158,871	156,335

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

Note 11 - 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:

Retail

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.

Casino

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 as at and for the three months ended March 31, 2025 is as follows:

	Retail Group	Casino Group	Network and License Group	Property and Other Investments	Corporate	Eliminations	Consolidated
Revenue	22,813,753	139,630	96,495	12,942	-	-	23,062,820
Cost and operating expenses	(17,902,810)	(100,421)	(71,704)	(21,628)	(376,812)	-	(18,473,375)
EBITDA	4,910,943	39,209	24,791	(8,686)	(376,812)	-	4,589,445
Depreciation and amortization	(234,015)	(49,671)	(27,833)	(13,898)	(1,400)	-	(326,817)
Finance expense	(31,906)	(7)	(58)	(5,376)	(57)	-	(37,404)
Equity in net losses of a joint venture	-	-	-	-	(17,240)	-	(17,240)
Finance income	53,690	30	30	10,106	2,398	-	66,254
Foreign exchange gain (loss), net	(68,659)	-	25	419	(247)	-	(68,462)
Other (expenses) income, net	(456)	84	(25)	(157)	-	-	(554)
Income tax	-	(883)	-	(826)	-	-	(1,709)
Profit (loss) for the period	4,629,597	(11,238)	(3,070)	(18,418)	(393,358)	-	4,203,513
Other information as at March 31, 2025							
Total assets	12,198,376	323,277	2,608,932	7,625,356	28,955,863	(3,947,548)	47,764,256
Total liabilities	8,367,560	850,987	1,309,237	2,973,740	255,586	1,960,762	15,717,872
Capital expenditures	256,406	3,034	38,474	14,625	559	-	313,098

Analysis of financial information by business segment as at December 31, 2024 and for the three months ended March 31, 2024 is as follows:

	Retail Group	Casino Group	Network and License Group	Property and Other Investments	Corporate	Eliminations	Consolidated
Revenue	13,257,341	132,963	105,957	136,700	-	-	13,632,961
Cost and operating expenses	(11,143,934)	(92,249)	(91,621)	(68,889)	(130,074)	-	(11,526,768)
EBITDA	2,113,407	40,714	14,336	67,811	(130,074)	-	2,106,193
Depreciation and amortization	(24,429)	(49,232)	(5,645)	(596)	(648)	-	(80,550)
Finance expense	(29,150)	-	-	15,004	-	-	(14,146)
Equity in net losses of a joint venture	-	-	-	-	(16,623)	-	(16,623)
Finance income	10,810	30	8	5,165	10	-	16,023
Foreign exchange gain (loss), net	(5,767)	2,051	(36)	(660)	-	-	(4,412)
Other expenses, net	(10,695)	3,570	(62)	940	(423)	-	(6,670)
Income tax	-	-	(1,235)	-	-	-	(1,235)
Profit (loss) for the period	2,054,176	(2,867)	7,366	87,664	(147,759)	-	1,998,580
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

There were no intersegment sales recognized among reportable segments for the three months ended March 31, 2025 and 2024. 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 PFRSs and may not be comparable to similarly titled measures presented by other entities.

Note 12 - 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 management as well as outside 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.

Note 13 - Financial risk and capital management objectives and policies

13.1 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 BOD of the Group has overall responsibility for the establishment and oversight of the Group's risk management framework. The BOD has established the Executive Committee, which is responsible for developing and monitoring the Group's risk management policies. The Executive Committee identifies all issues affecting the operations of the Group and reports regularly to the BOD on its activities. The BOD has a Risk Oversight Committee which is responsible for overseeing and managing the risks that the Group may encounter. The BOD develops proper strategies and measures to avoid or at least minimize such risk incorporating the Group's established risk management policies.

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; e) evaluation of management's process to assess and manage the Group's enterprise risk issues; and f) 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.

13.2 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 March 31, 2025 and December 31, 2024, without considering the effects of collaterals and other risk mitigation techniques, is presented below:

	March 31, 2025	December 31, 2024
Cash and cash equivalents	18,056,968	13,849,012
Receivables, current portion, net	3,682,377	4,589,278
Receivables, non-current portion, net	372,885	368,044
Advances	1,297,410	1,219,730
Lease receivables	177,069	177,069
Rental deposits	525,884	522,376
Cash performance bonds	498,015	487,915
Performance cash deposits	33,200	33,200
Due from related parties	158,871	156,335
	24,802,679	21,402,959
FVOCI	55,768	62,329
	24,858,447	21,465,288

Cash and cash equivalents exclude cash on hand and pay out fund amounting to P102,466 and P128,422 as at March 31, 2025 and December 31, 2024, respectively.

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 non-interest-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.

As at March 31, 2025 and December 31, 2024, provision for ECL on receivables and advances amounted to P942,505.

As at reporting date, there were no significant concentrations of credit risk.

Based on historical default rates, the Group believes that no impairment allowance is necessary in respect of receivables not past due or past due by up to 60 days.

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.

Financial assets at FVOCI

The Group's exposure to credit risk is negligible as this pertains to the Group's investment in DFNN's shares that are listed on the PSE.

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 March 31, 2025 and December 31, 2024:

March 31, 2025						
	Current	30 days	60 days	90 days and above	ECL	Total
Cash and cash equivalents	18,056,968	-	-	-	-	18,056,968
Receivables, current portion, net	4,441,331	-	-	-	(758,954)	3,682,377
Receivables, non-current portion, net	372,885	-	-	-	-	372,885
Advances	1,480,961	-	-	-	(183,551)	1,297,410
Lease receivables	177,069	-	-	-	-	177,069
Rental deposits	525,884	-	-	-	-	525,884
Cash performance bonds	498,015	-	-	-	-	498,015
Performance cash deposits	33,200	-	-	-	-	33,200
Due from related parties	158,871	-	-	-	-	158,871
Financial assets at FVOCI	55,768	-	-	-	-	55,768
	25,800,952	-	-	-	(942,505)	24,858,447

December 31, 2024						
	Current	30 days	60 days	90 days and above	ECL	Total
Cash and cash equivalents	13,849,012	-	-	-	-	13,849,012
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
	22,407,793	-	-	-	(942,505)	21,465,288

Credit risk under general and simplified approach

March 31, 2025					
	General Approach			Simplified approach	Total
	Stage 1	Stage 2	Stage 3		
Cash and cash equivalents	18,056,968	-	-	-	18,056,968
Receivables, current portion, net	-	-	-	3,682,377	3,682,377
Receivables, non-current portion, net	-	-	-	372,885	372,885
Advances	1,297,410	-	-	-	1,297,410
Lease receivables	-	-	-	177,069	177,069
Rental deposits	525,884	-	-	-	525,884
Cash performance bonds	498,015	-	-	-	498,015
Performance cash deposits	33,200	-	-	-	33,200
Due from related parties	158,871	-	-	-	158,871
Financial assets at FVOCI	55,768	-	-	-	55,768
	20,626,116	-	-	4,232,331	24,858,447
December 31, 2024					
	General Approach			Simplified approach	Total
	Stage 1	Stage 2	Stage 3		
Cash and cash equivalents	13,849,012	-	-	-	13,849,012
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
	16,330,897	-	-	5,134,391	21,465,288

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 March 31, 2025 and December 31, 2024:

	March 31, 2025					
	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	3,631,264	13,539	104,452	483,076	758,954	4,991,285
Expected credit loss	-	-	-	-	(758,954)	(758,954)
	3,631,264	13,539	104,452	483,076	-	4,232,331
	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

13.3 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 March 31, 2025 and December 31, 2024, there are no commitments under the line of credit. As at March 31, 2025 and December 31, 2024, there were no amounts drawn against the line of credit. All facilities under the omnibus line bear interest at floating rates consisting of a margin over current Philippine treasury rates.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements of the Group:

March 31, 2025					
	Carrying amount	Contractual cash flow	6 months or less	6-12 months	More than 1 year
Trade and other payables	3,213,303	3,213,303	3,213,303	-	-
Long-term loans payable	733,781	733,781	733,781	-	-
Lease liabilities, including future interest payable	1,779,778	1,984,961	281,966	281,966	1,421,029
Deposits	85,863	85,863	-	3,485	82,378
	5,812,755	6,017,908	4,229,050	285,451	1,503,407

December 31, 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	-	-
Long-term loans payable	733,781	733,781	733,781	-	-
Lease liabilities, including future interest payable	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

Trade and other payables exclude payable to government agencies and contract liabilities as at March 31, 2025 amounting to P3,707,171 and P709,841, respectively, and as at December 31, 2024 amounting to P2,661,658 and P796,342, respectively.

The Group expects to meet its operating assets and liabilities, capital expenditure and investment requirements for the next 12 months primarily from its operations and through drawdowns from its loan facility.

13.4 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 than 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.

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 PDST-R2 plus a certain mark-up. The Group has not entered into interest rate swaps and options in 2025 and 2024.

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.

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 March 31, 2025 and December 31, 2024. The fair value is under Level 1 of the fair value hierarchy.

As of March 31, 2025 and December 31, 2024, there were no transfers between levels of the fair value hierarchy.

13.5 Capital management

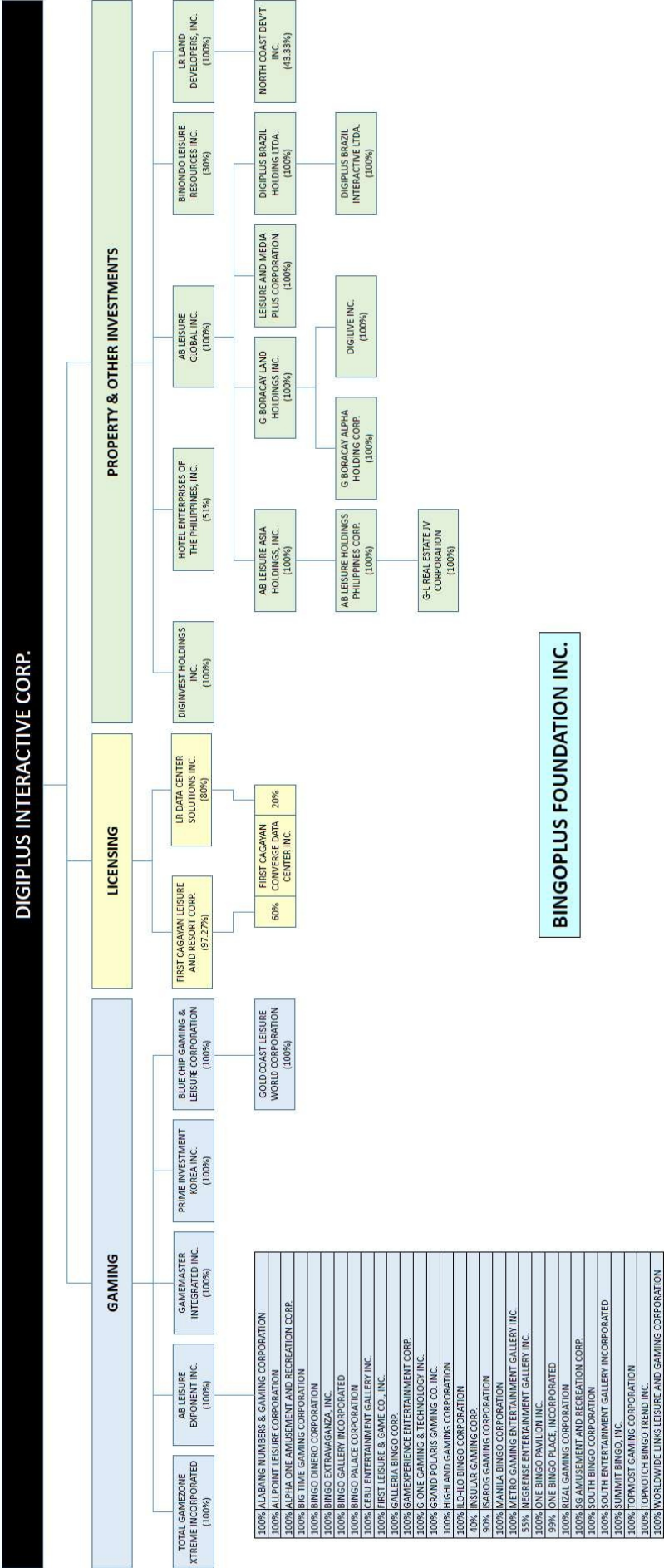
The Group's objectives when managing capital are to increase the value of shareholders' investment and maintain high growth by applying free cash flows to selective investments. The Group sets strategies with the objective of establishing a versatile and resourceful financial management and capital structure.

The BOD monitors the return on capital, which the Group defines as income before income tax divided by total average shareholders' equity.

The 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 March 31, 2025 and December 31, 2024.

DigiPlus Interactive Corp. and Subsidiaries

Map of Conglomerate
As of March 31, 2025



DigiPlus Interactive Corp. and Subsidiaries

Schedule of Financial Soundness Indicators
(As at March 31, 2025 and December 31, 2024 and
for the three months ended March 31, 2025 and 2024)

(All amounts in Philippine Peso)

Key Performance Indicator	Formula	2025	2024
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.88	2.07
Acid Test Ratio	$\frac{\text{Cash and cash equivalents} + \text{Receivables, net} + \text{Due from related parties}}{\text{Current Liabilities}}$	1.75	1.91
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Stockholders' Equity}}$	0.49	0.41
Asset to Equity Ratio	$\frac{\text{Total Assets}}{\text{Stockholders' Equity}}$	1.49	1.41
Return on Average Equity	$\frac{\text{Net Income}}{\text{Average Stockholders' Equity}}$	13.28%	10.24%
Return on Average Assets	$\frac{\text{Net Income}}{\text{Average Total Assets}}$	9.15%	6.50%
Solvency Ratio	$\frac{\text{Net Income} + \text{Depreciation}}{\text{Average Total Liabilities}}$	0.32	0.19
Interest Coverage Ratio	$\frac{\text{Income Before Interest, Tax} \text{ \& Depreciation}}{\text{Interest Expense}}$	157.58	148.89
Net Book Value Per Share	$\frac{\text{Stockholders' Equity}}{\text{Shares Outstanding}}$	7.19	4.52
Basic Earnings Per Share	$\frac{\text{Income Attributable to Ordinary Stockholders of the Parent Company}}{\text{Weighted Average Shares Outstanding}}$	0.9526	0.4527
Net Profit Margin	$\frac{\text{Net income}}{\text{Revenue}}$	18.23%	14.66%